Rai

Report and Financial Statements as at 31 December 2021

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Corporate Officers

Board of Directors

	Until 15 July 2021	*Starting from 16 July 2021*
Chairman	Marcello Foa	Marinella Soldi *
Chief Executive Officer	Fabrizio Salini	Carlo Fuortes
Directors	Rita Borioni Beatrice Coletti Igor De Biasio Riccardo Laganà Giampaolo Rossi	Simona Agnes Francesca Bria Igor De Biasio Alessandro di Majo Riccardo Laganà
Secretary	Anna Rita Fortuna	

Board of Statutory Auditors

Chairman	Carmine di Nuzzo
Standing auditors	Giovanni Ciuffarella Maria Teresa Mazzitelli
Alternative auditors	Pietro Contaldi Antonella Damiotti

Independent Auditor

PricewaterhouseCoopers

* She has been appointed as President of the Board of Directors as of 21 July 2021.

Organisational Structure

(short form)

Introduction from the Chairman of the Board of Directors

Dear Shareholders,

the 2021 financial year of the Rai Group shows an overall positive performance, both in financial and editorial terms.

The income statement ended with a break even and a negative net financial position, without considering the IFRS 16 impact, slightly lower than €500 million, down from the previous year.

The operations have been characterised by an increase in resources totalling €179 million thanks to the reform of withholding taxes on license fees, and the gradual recovery of the advertising market following the 2020 pandemic, which made it possible to absorb the significant effect related to Major Sporting Events, which resulted in an incremental cost of €133 million.

The above-mentioned increase in resources, with a view to fostering generational turnover and the introduction of new skills, also made it possible to finance an extraordinary redundancy incentive plan amounting to €25 million.

In 2021, the Rai Group confirmed its leading position in the television market with 36.0% over the whole day and 37.4% over prime time, with Rai 1 retaining its leadership in both 24-hour (17.1%, +0.7) and prime time (19.7%, +1.0) and the most-watched programmes all broadcast by Rai. The specialised offer is among the top positions, registering 6.7 per cent share over the whole day.

With regard to the overall digital offer, the results are clearly up on 2020 with a year-on-year increase of +29% on time spent and +23% on views. Rai performs very well in terms of time spent on the RaiPlay platform, being the publisher with the highest growth percentages within the online video segment (as mentioned, +29%) and ranks third in terms of social interactions of TV programming.

With regard to radio, the Rai Group's market share in 2021 is 11.3%.

Rai is the concessionaire of an essential public service, a company of national interest, and therefore, as reaffirmed also recently by the institutions and provided for in the new Consolidated Law on Audiovisual Media Services, it plays a crucial role within the country. A role that goes beyond the mere communications system given the impact that Rai has, through its extensive output on the various platforms, on the lives of citizens, in a way inspiring their thinking and acting.

Moreover, everyone has grown up with Rai and feels it as a familiar, “unavoidable” presence. One feels it as their own, appreciates it, as various ratings metrics and approval surveys testify year after year. At the same time, however, within a hyper-competitive market, especially in the younger age groups, one is attracted by new types of offerings, capable of proposing different kinds of content, which are felt to be closer to one's own sensibility and lifestyle and consumption, and one moves, in pursuit of them, to the platforms where the specific products find their best expression, collocation and usability.

In line with the evolving trends of the market, La Rai is therefore committed to revitalising this link and making it “unavoidable” also for the digital generations, born in a context open to competition, through a process of adaptation to the new social, cultural and economic context that refounds, in some ways, the principles that qualify the uniqueness and substantiate the influence of the public service.

Indeed, 2021, beyond the many and important publishing results, beyond the technological innovations, which are described in detail in the Report on Operations, has meant, for the Board of Directors' activities, precisely this: the desire to start rethinking the link with the universality of the Italian population, identifying the most appropriate offer and platform for each group, in line with a model that places each type of user at the centre, and that subordinates decisions and business processes to their needs.

Nothing, therefore, comparable to sterile nostalgia imprisoning faded visions, but rather a believed immersion in the future, to be embraced with determination and enthusiasm and with the strength of history and the brand that encapsulates it.

This path, which we could define as “ideational” in nature, was flanked and supported by a series of initiatives of an “industrial” nature, which find their synthesis in the decision, now close to its operational launch, of a new organisational model. In fact, the Board resolved to abandon the historical “channel-centric” model and to proceed with the implementation of a multi-platform model, which means first and foremost orientation towards content designed and developed natively for multi-platform use, declined in different languages and formats, so as to dynamically follow the individual citizen, starting with the youngest, in their personal daily media diet.

This refounding path will soon be formalised in two documents, which are closely intertwined, and which will have to be aligned with the National Recovery and Resilience Plan, which could be defined as the Country's Industrial Plan: Rai Group's multi-year Industrial Plan, which is in an advanced stage of preparation, and the National Service Contract for the five-year period 2023 - 2027.

The Industrial Plan, the guidelines for which were recently approved and which is modular in nature, will set the course for ensuring the Group's financial sustainability along with its environmental, social, and governance sustainability, with the aim of addressing four strategic priorities by activating a series of key enabling initiatives to reach a universal audience by overseeing the various modes of use; to accompany the country's cultural and digital evolution through a relevant and distinctive offer; to become, also in the digital world, the reference point for news with a credible and pluralist offer; to support the audiovisual sector to guarantee a quality offer.

Environmental, social and governance sustainability holds a fundamental value in the new vision that Rai intends to propose for the future of public service, and the Board of Directors strongly feels the role that our daily offer, which is almost universal, could play in connecting these issues to the mentality and sensitivity of the entire population, both with specific scientific insights and, with even greater impact, by incorporating the messages within the audiovisual production of fiction and cinema. With this in mind, and in line with industry best practice, Rai has recently decided to set up a special “Rai for Sustainability - ESG” department.

The Service Contract - whose drafting and approval process is complex and articulated, and provides for, even in the initial phase, the involvement of the Council of Ministers - will define the commitments, where possible punctual and measurable, that Rai will be called upon to fulfil and will have to ensure a close dynamic relationship, kept intact throughout the Contract's term, between the services requested and the resources allocated. The contractual reciprocity is indeed essential to enable the Concessionaire to effectively pursue the operational objectives entrusted to it within the mission defined in the Convention.

In other words, the issue of resources becomes inescapable, and these will have to be adequate to allow Rai to play a fundamental role in defining Italy's identity image and collective consciousness, in this period of profound transformation and historical discontinuity, providing Italians with the tools to debate, understand and share the central issues in the country's social, economic and cultural evolution.

The legislator's choice has always been that of a dual financing, a mixed system in which public resources, to a predominant extent, and resources drawn from the market coexist. The latter, since the crisis of 2008, have progressively shrunk and, more recently, in their traditional component, are suffering a slowdown induced by the progressive slide of linear platforms in favour of digital, both on the small and big screen. In addition, the recently enacted regulations on crowding limits, effective from 1 January 2022, further penalise the public concessionaire, and an additional tightening is set for Rai starting from next year.

The financing of the public service will therefore be increasingly dependent on licence fee resources. It is therefore imperative that they be preserved in their current integrity, regardless of the method of collection, which benefited in 2021 from the provisions introduced by Law No. 178 of 30 December 2020.

Moreover, net of the internal efficiencies deriving from Rai's autonomous entrepreneurial choices aligned with the Industrial Plan, the licence fee resources will have to be adjusted in relation to the decisions that will be taken, in the Service Contract, in terms of entrusted activities, taking into account, in any case, the unavoidable modernisation requirements that the transition to a digital media company imposes in terms of technologies and digital skills.

Ultimately, it is crucial that licence fee resources are: structurally capable of guaranteeing the Group's economic-financial sustainability; stable, through definition on a multi-year basis, since the objectives of a public service should tend to be preserved from contingencies; reciprocal with respect to the Service Contract; and instrumental to digital transformation and renewal.

Rai of the traditional channels had, also thanks to a series of exceptional authors, a plurality of unparalleled ambassadors, with whom the public identified and who, decades later, they still feel as their own, making them true icons.

A similar capacity for identification, with a certainly faster turnover, will have to be sought in digital channels, benefiting from the reservoir of widespread creativity of the many digital native talents that Rai, by making itself available as an incubator, will be able to develop by accompanying them in a growth that maintains their creative drive and craftsmanship approach within an industrial dimension. In fact, we are aware that in order to speak to all audiences, it is necessary that the testimonials are themselves part of that individual audience segment we want to reach, in order to be effectively central to the media experience of Italians all and every

Italian.

These first months of 2022 have plunged Europe back into the darkness of war. The implications of this on a global scale in geopolitical and economic terms are not yet decipherable. We are, in any case, on a ridge that will profoundly shake the equilibrium that, with very little foresight, we wanted to delude ourselves were immutable, at least within our continental quarter.

At Rai, the sense of bewilderment that each one of us felt with the first images of the invasion by the Russian Federation was immediately translated into the organisation of the widest possible news coverage to report on the events with the open and enquiring gaze that is indispensable when such events, which will be history, occur in real time before our eyes, and with the commitment to preserve, even in such dark hours, the principles of independence, responsibility and balance, which can never be undermined.

Rai expresses its solidarity and closeness to the Ukrainian people wounded by the aggression they have suffered, and conveys these same sentiments to its Ukrainian public service sister company UA:PBC, with which it shares a participation in the EBU - European Broadcasting Union.

Marinella Soldi

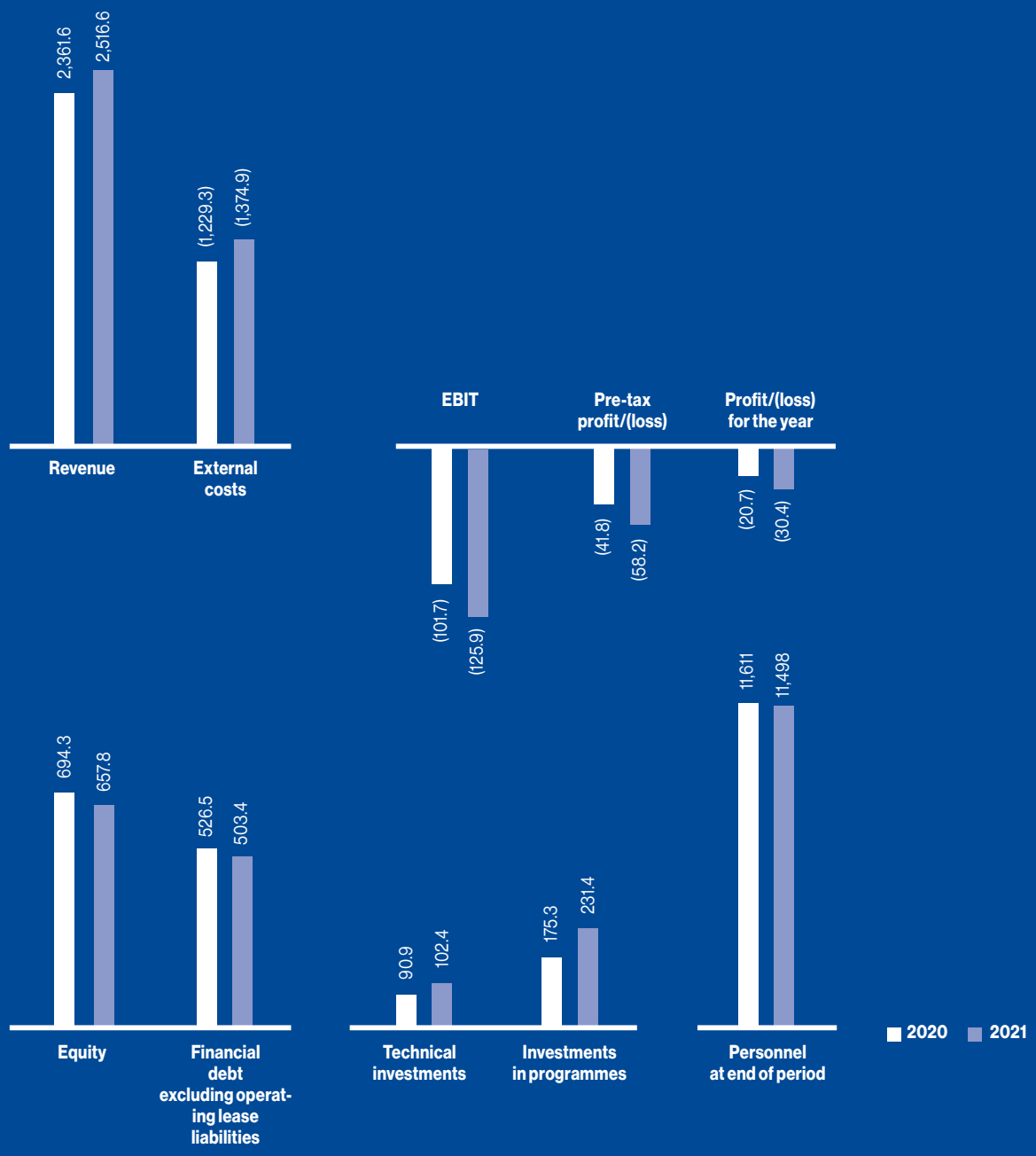
Financial Highlights

Rai SpA

(€/million)	Financial Year 2021	Financial Year 2020	Change
Revenue	**2,516.6**	**2,361.6**	**155.0**
External costs	(1,374.9)	(1,229.3)	(145.6)
HR expenses	(937.4)	(917.2)	(20.2)
Total operating costs	**(2,312.3)**	**(2,146.5)**	**(165.8)**
EBITDA	**204.3**	**215.1**	**(10.8)**
EBIT	**(125.9)**	**(101.7)**	**(24.2)**
Pre-tax profit/(loss)	**(58.2)**	**(41.8)**	**(16.4)**
Profit/(loss) for the year	**(30.4)**	**(20.7)**	**(9.7)**
Investments in programmes	231.4	175.3	56.1
Technical investments	102.4	90.9	11.5
Investments in lease rights of use	6.3	17.7	(11.4)
Total investments	**340.1**	**283.9**	**56.2**

(€/million)	31 December 2021	31 December 2020	Change
Equity	**657.8**	**694.3**	**(36.5)**
Net financial debt excluding operating lease liabilities	503.4	526.5	(23.1)

(units)	31 December 2021	31 December 2020	Change
Permanent personnel at the end of the period	11,386	11,450	(64)
Temporary personnel at the end of the period	112	161	(49)
Personnel at the end of the period (Permanent and temporary)	**11,498**	**11,611**	**(113)**

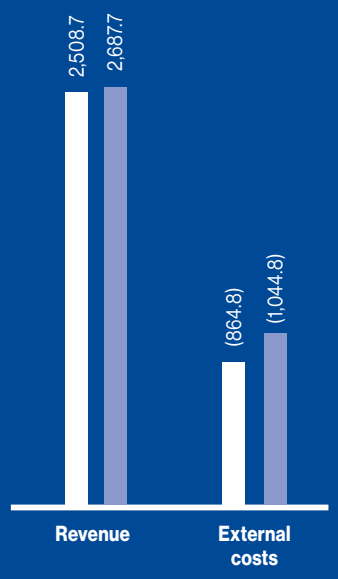

2,361.6
2,516.6
(1,229.3)
(1,374.9)
Revenue
External costs
EBIT
Pre-tax profit/(loss)
Profit/(loss) for the year
(101.7)
(125.9)
(41.8)
(58.2)
(20.7)
(30.4)
694.3
657.8
526.5
503.4
90.9
102.4
175.3
231.4
11,611
11,498
Equity
Financial debt excluding operating lease liabilities
Technical investments
Investments in programmes
Personnel at end of period
2020
2021

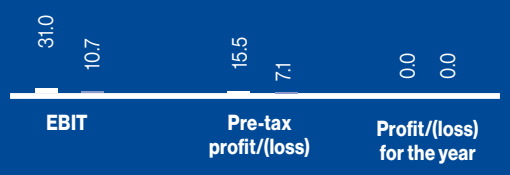
Rai Group

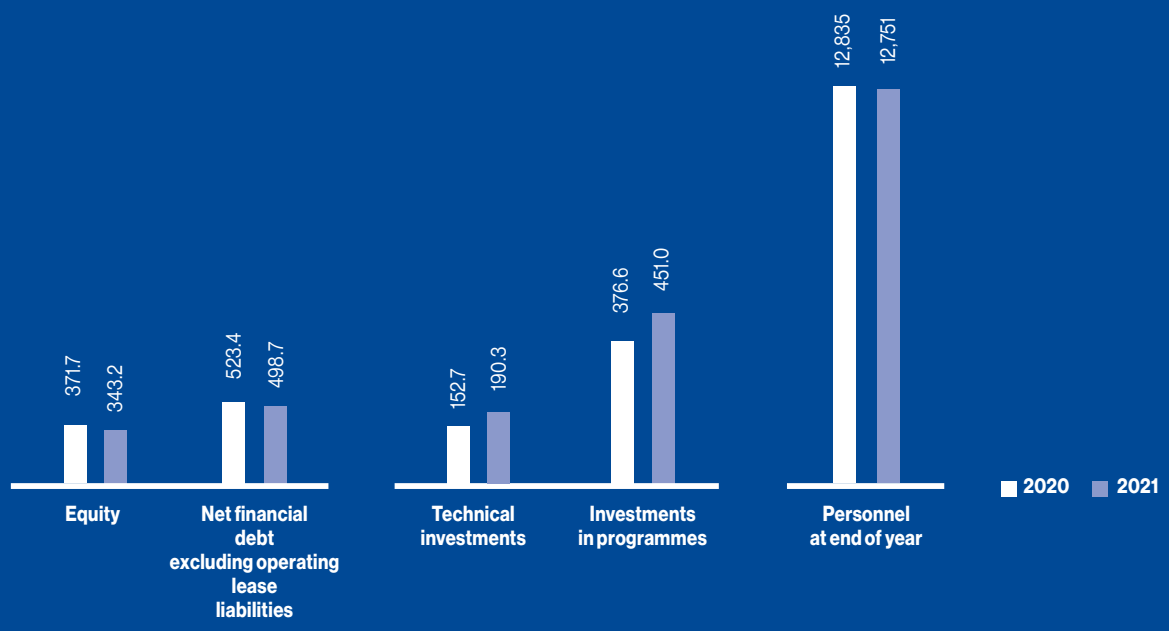
(€/million)	Financial Year 2021	Financial Year 2020	Change
Revenue	**2,687.7**	**2,508.7**	**179.0**
External costs	(1,044.8)	(864.8)	(180.0)
HR expenses	(1,038.6)	(1,014.2)	(24.4)
Total operating costs	**(2,083.4)**	**(1,879.0)**	**(204.4)**
EBITDA	**604.3**	**629.7**	**(25.4)**
EBIT	**10.7**	**31.0**	**(20.3)**
Pre-tax profit/(loss)	**7.1**	**15.5**	**(8.4)**
Result for the year	**0.0**	**0.0**	**0.0**
Investments in programmes	451.0	376.6	74.4
Technical investments	190.3	152.7	37.6
Investments in rights of use for leasing	16.6	36.8	(20.2)
Total investments	**657.9**	**566.1**	**91.8**

(€/million)	31 December 2021	31 December 2020	Change
Equity	**343.2**	**371.7**	**(28.5)**
Net financial debt excluding operating lease liabilities	498.7	523.4	(24.7)

(units)	31 December 2021	31 December 2020	Change
Permanent personnel at the end of the period	12,584	12,649	(65)
Temporary personnel at the end of the period	167	186	(19)
Personnel at the end of the period (Permanent and temporary)	**12,751**	**12,835**	**(84)**


2,508.7
2,687.7
(864.8)
(1,044.8)
Revenue
External costs


31.0
10.7
15.5
7.1
0.0
0.0
EBIT
Pre-tax profit/(loss)
Profit/(loss) for the year


371.7
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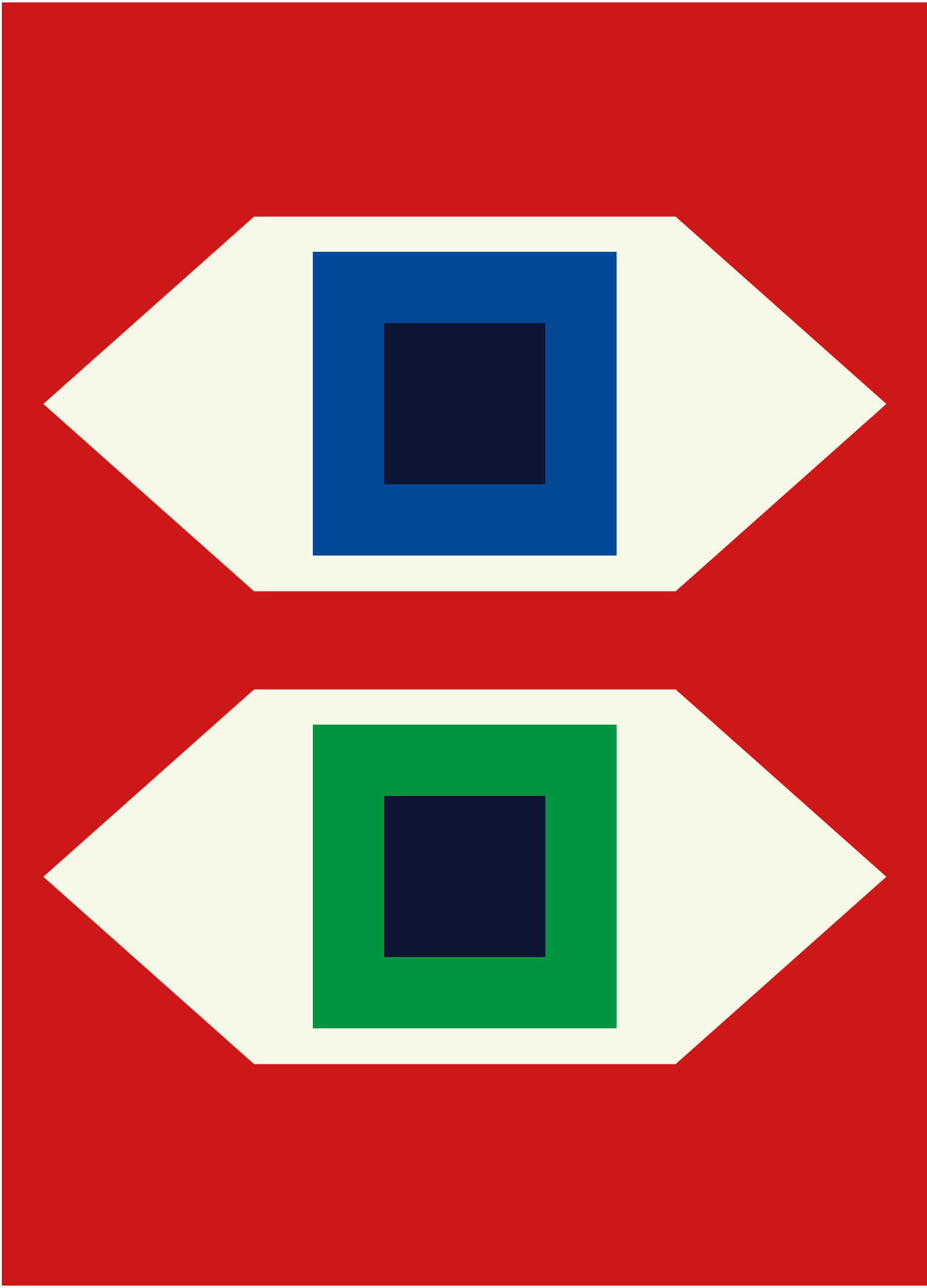
Equity
Net financial debt excluding operating lease liabilities
Technical investments
Investments in programmes
Personnel at end of year
2020
2021



Report on Operations

Mission

By Decree of the Italian Prime Minister, published in the Official Gazette No. 118 of 23 May 2017, Rai was established as the exclusive concession holder of the Public Radio, Television and Multimedia Service for a period of 10 years, starting from 30 April 2017, and the outline agreement attached to the concession was approved.

The subject of the concession is the radio, television and multimedia Public Broadcasting Service to be considered as a general interest service, consisting in production and broadcasting activity on all distribution platforms for direct audiovisual and multimedia contents, including through the use of new technologies, ensuring complete and impartial information, as well as to encourage education, civil growth, progress and social cohesion, promote the Italian language, culture and creativity, safeguard the national identity and ensure socially useful services.

The Service Agreement for the five-year period 2018-2022, published in the Official Gazette of 7 March 2018, was therefore signed.

Market scenario

In 2021, as the pandemic lasted, the dynamics already highlighted during 2020 continued. At a global level, signs of economic recovery were dampened by the spread of the new Covid-19 variants, which together with uncertainty, geopolitical tensions and the consequent impact on energy resource prices progressively weakened the socio-economic momentum that had been set in motion by the vaccination campaigns, with growth estimates being revised downwards for the 2022 financial year.
From an industry perspective, the growth of video streaming services continued in 2021, both in terms of subscribers and supply, through the resumption of expansion and diversification strategies.

Netflix, for instance, offered the largest volume of originals titles (143) released to date on its platform in the fourth quarter of 2021 (Ampere Analysis). The OTT's decision to increase investment in new content is a response to the double challenge posed by the pandemic: on the one hand, the increase in consumer demand for new products, and on the other, the launch of new on-demand streaming platforms. Thanks to its production activity Netflix is establishing itself, again according to the cited source, as the most important commissioner of new European scripted content, subverting the previous production dynamics of the audiovisual market where, leading the European content creation and theatrical production industry, were the major public service broadcasters (already in 2020, Netflix had overtaken both the BBC and Germany's ZDF in terms of production volumes of originals). In addition, the multimedia streaming giant materialised its interest in the gaming sector by launching, in November, globally, Netflix Games (active in Italy as early as September 2021 for Android users), a new service available within the platform that allows subscribers to have free access to a selection of video games on their mobile device; confirming its diversification strategy, the OTT also acquired, in September 2021, the game production studio Night School Studio, creator of the popular Oxenfree.

Amazon, in turn, focused its interest on licensing and purchasing the film production company Metro Goldwyn Mayer (MGM), a *deal* concluded in May 2021 for $8.45 billion. The agreement gave the e-commerce giant an additional library of over 4,000 films and more than 15,000 series and programmes. The studio's film library was the driving motivation for the acquisition. In addition, consistent with its strategy, Amazon has also consolidated its interests in sports entertainment: from 2022 to 2032, Prime Video will broadcast NFL *Thursday Night Football* games on its platform. This is the first time that the American League has sold the domestic rights package exclusively to a streaming platform, while in the 2021/22 season it will distribute 16 of the 137 Wednesday *Champions League* matches in Italy, again exclusively. The e-commerce giant then went on to diversify its target markets by, for instance, starting to invest in the production of TV sets with integrated Alexa and Fire TV services, also in order to simplify the user experience when enjoying content.

Also in the list of international M&A transactions, we note the

Main television operators active in Italy - 2021

Free-to-air TV

Digital terrestrial

Rai
Mediaset Group
Discovery Italia Group
Sky Italia Group
Cairo Communication
AL.MA Media *
Viacom Italia
GEDI Gruppo Editoriale
Sciscione Group

Satellite

Rai
Mediaset Group
Discovery Italia Group
Sky Italia Group
Cairo Communication
Viacom Italia

Pay Tv

Satellite and Digital Terrestrial

Sky Italia

publishers active on the platform, i.e. who broadcast their channels also on Sky:

Mediaset Group
Discovery Italia
Fox Italia Group
Turner Broadcasting System
Viacom Italia
De Agostini SpA
GEDI Gruppo Editoriale
A&E Network
DAZN Group

* The publishing group declared bankruptcy on 12 February 2021.

merger (finalised in early 2022) of Warner Media, a subsidiary of AT&T, with the Discovery Group, a deal that triggered the creation of a new player in the entertainment sector, and the deal (August 2021) between ViacomCBS - which will be called Paramount Global from February 2022 - and Comcast for the launch of a new video-on-demand platform, SkyShowtime, during 2022. The subscription service, which will offer original and premium content from Sky Studios, NBCUniversal, Universal Pictures, Showtime, Paramount Pictures and Nickelodeon, will be distributed in more than twenty European countries where the two operators' main services, primarily Peacock and Paramount+, are not available.

Traditional media companies, in an attempt to counter the advancement of the OTTs whose video streaming services increasingly affect consumers' media diets by reducing their linear share, are implementing a series of articulated and diversified strategies whose outcome is still uncertain. For instance, the British broadcasters BBC, ITV Plc, Channel 4 and Channel 5 declared last October that they wanted to create a new common streaming platform. Comcast, for its part, decided to distribute on its Sky platforms the VoD Peacock service (Universal, Dreamworks, NBC, Illumination), already available in the US, also in the UK and Ireland (activated in November 2021); in Germany, Austria and Switzerland (currently being defined); and from 15 February 2022 also in Italy. In our country, Fininvest, after the closure of the multi-year dispute with Vivendi, continued its international expansion strategy through the creation of the holding company MFE - Media For Europe, which holds, in addition to 100% of Mediaset, 55.7% of Mediaset España and 24.6% of the German ProSieben.Sat.1 (source: MfE website - 10 March 2022).

In 2021, in terms of macro-dynamics, with reference to the media environment, the convergence between media in the dispute of audience consumption time is strengthened. Media and their offerings appear to be increasingly hybridised with large areas of overlap, and consumers are confirmed as the protagonists of their own consumption choices, deciding how and when to use them. The boundary between traditional television and video on demand is becoming increasingly blurred, especially for fiction, entertainment and sports; the forced closure of cinemas has prompted publishers to distribute titles designed for theatrical release on SubscriptionVoD/TransactionalVoD/BroadcasterVoD/PremiumVoD platforms, initiating a process of rethinking consolidated distribution windows, effectively blurring the distinction between cinema and the VoD world; radio and digital meet in digital audio, where podcast productions are exploding and the diffusion of smart speakers, which now reach 24% of Italian households, is growing (Doxa for PoliMi, *Osservatorio Digital Content* 2021); visual radio, which is a consolidated reality on the digital terrestrial, is advancing in the world of internet and video streaming apps (for example, Rai Radio 2 enters the Auditel Online top 30 of the most watched linear channels).
More specifically, with respect to the Italian landscape, the following dynamics are to be noted in 2021, analysed mean by mean.
Despite several attempts to reopen cinemas, the pandemic crisis undermined the theatrical market. The cinema, which had closed 2019 with increasing profits and admissions compared to previous years (€635 million in profits and €98 million in admissions), in the two-year period Covid, between restrictions and distancing measures, managed to collect only €182 million in 2020 and €169 million in 2021, i.e. around 28 million and 25 million respectively in terms of admissions.

Radio, on whose performance the pandemic has had a direct impact especially for the obvious reasons of mobility, has nevertheless managed to maintain a centrality in the public's experience thanks to its intrinsic ability to innovate and hybridise with new forms of digital audio listening: from apps, to podcasts, to smart speakers and visual radio. In this dynamic context is the launch of the RaiPlay Sound platform, an evolution of RaiPlay Radio, which integrates the public service publisher's radio offer with original content such as audiobooks and navigable podcasts, organised by genre, topic, content and favourite programmes.
Moreover, in 2021, the expansion of the digital world continued, as Censis also certifies in its *55th Report on the social situation of the Country* in which it gives an account of the further consolidation of the Internet in the daily lives of individuals: 58.6% of Italians used digital technologies *to provide for their needs, 55.3% to maintain social relations and 55.2% to be able to work or to pursue their studies*. In the same direction are also the findings of the study conducted, again by Censis, starting from the data collected by Auditel for the Basic Research*(4th Auditel-Censis Report*), which confirms that the digital life is no longer a way of living and thinking circumscribed to millennials and Generation Z, but is now a structural phenomenon, involving all Italians, destined to remain and increase the quality of life and well-being of all. In fact, the pandemic crisis has forced millions of Italians to change their consumption habits and reshape their lifestyles according to a daily life increasingly mediated by digital interaction with a clear protagonism of the multiscreen. However, the study points out that there is still a large part of society that remains excluded from the new digital reality because it does not have the necessary means: in 2021, there will be approximately 8.4 million households (mainly elderly-only households and households in inadequate socio-economic conditions that combine reduced economic availability with a lack of digital skills) that do not own a PC or tablet.

The expansive dynamic of the digital sector is also confirmed by the studies of the*Digital Content Observatory*, which, as part of the *Digital Innovation Observatory* project *of the School of Management* of the Politecnico di Milano, analyses consumer spending volumes; with regard to the areas of media interest (gaming, audio, video, news&ebooks); a growth of close to 70% has been recorded over the last two years, rising from €1,754 million to €2,944 million. Although gaming will continue to be the number one spending item in 2021, accounting for just under 60% of the entire sector (€1,725 million), the digital audio segment (+69%, €241 million) and video entertainment (+125%, €807 million), with a share of 27.5%, will continue to be the second largest spending item in the digital content market. With regard to this last item, the growth of video-on-demand services continued in terms of the number of users (free and pay) of the

offer, as well as the share of expenditure intercepted by them, rising from 95% in 2020 to 96% today.

Television, in the face of the advance of digital, still manages to retain a significant centrality. After the *boom* recorded in 2020, the TV audience is dropping again, settling at values basically consistent with the trend of the pre-Covid years. Similar considerations apply to the reach of the medium reaching 74.5% of the 4+ population in 2021. However, these average parameters do not take into account age differences: in fact, while around 90% of people aged 65 and over turn on the TV on a daily basis, among 15-35 year olds, who are increasingly attracted by alternative offers and modes to those of traditional linear channels, i.e. video streaming on demand, only 53% do so (Auditel). This mode of video content consumption will continue to grow in 2021, and according to consumer statements, the non-linear share now reaches 48% of consumption behaviour (Ergo Research). Specifically, with respect to SVoD services, the number of subscriptions will increase again in 2021 to more than 15 million (+23%) in Italy, which, in terms of penetration, represents about 40% of households (Ampere Analysis).

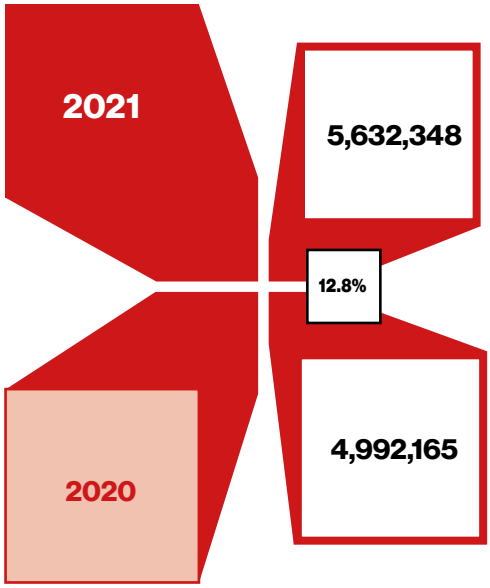
The main BVoD services (RaiPlay, Mediaset Infinity, La7 and Discovery+) continue to intercept more than 26 million unique users on the average day, registering, in comparison with 2020, a slight adjustment (however less than 3%) linked to the *boost* related to the impact of the first lockdowns and the related need for information. In this context, the performance of RaiPlay, the only one of the main BVoD services able to show growth also in 2021, rising from 7.9 million unique users in 2020 to the current 8.9 million (Audiweb), is noteworthy. A further effect of the advance of digital consumption on the traditional TV market is certainly that of the decline in the number of households subscribing to Sky pay-TV, which, partly due to the loss of sports rights related to the broadcast of Serie A football matches, will be around 3.5 million in 2021 (RdB Auditel).
Again with regard to satellite use, it should be noted instead that the free TivùSat platform recorded an increase both in the number of active smart cards, which rose from 3.9 million in 2020 to 4.4 million in 2021, and in the number of active users, which reached 2.8 million in December 2021 (2.6 million in 2020).
With respect to the advertising market as a whole, including the Nielsen estimate of the OTT component, after the significant drop recorded during 2020 (-€1 billion vs. 2019), volumes returned to growth (+13.5%), settling at around €8.9 billion, a level higher than in 2019. An advertising market increasingly driven by TV (+14.4%) and digital (+15.1%), but also more concentrated on the same two segments, which together account for just under 85% of resources. In the TV segment, net of minor adjustments, the traditional publishers retain their respective market shares (Mediaset 55.0%, Rai 20.5%, Sky 12.7%, Discovery 7.1%, Cairo 4.7%); in the digital segment, the concentration to the advantage of the large international OTTs is growing steadily, estimated to be around 80% in 2021*(Osservatori Digital Innovation - Osservatorio Internet Media* - Politecnico di Milano).

Considering the television market alone, in terms of advertising sales compared to the individual publishers, Rai showed a growth of 18.5%, Discovery 15.9% and Mediaset 14.6%, thus above the market average (+14.4%); Sky 8.7% and La7 7.9% (Source: Nielsen).

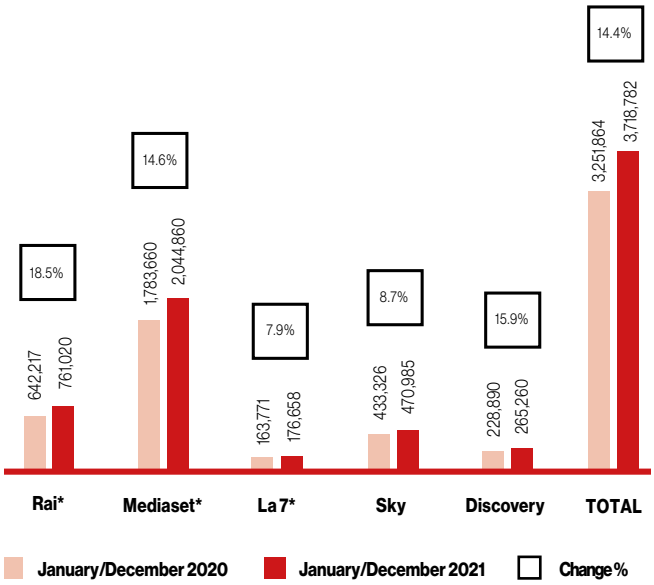
During 2021, the Italian media competition landscape witnessed the following changes:

- in January, Discovery reorganised its streaming offer with the launch of the Discovery+ platform (AVoD/SVoD), which replaces the Dplay service; it also signed an agreement with Vodafone for the distribution of its contents on the Vodafone TV platform in 12 countries (including Italy) and also concluded a partnership with Tim for the distribution of its offer on Timvision (Italy);
- in February, Rai re-launches the Rai Scuola portal with a new graphic design and content; Disney makes the contents of Star, an entertainment brand for an adult target audience, available on its Disney+ platform; DAZN and Tim sign a distribution agreement that, extending the existing partnership, makes the streaming service's contents available on Timvision for the next three years;
- in March, Sky's SVoD service, Now TV, implemented a rebranding plan and became Now;
- in April, two new Media Sport Group sports channels were made available on the free satellite platform TivùSat: MS Channel and MS MotorTV; SKY and Disney conclude an agreement for the distribution of the SVoD Disney+ service on Sky; Mediaset integrates the free offer of Mediaset Play and the pay offer of Infinity into a single platform, the new service is first named Mediaset Play Infinity and then Mediaset Infinity (May);
- in May, the Italian Tennis Federation launched the Super Tennix platform dedicated to Tennis, Padel and Beach Tennis, available on smart TVs, smartphones, tablets, Amazon fire sticks and the web;
- in June, Sky Italia renewed the graphic design of the Sky TG24 channel from a multi-platform perspective; Discovery+ was made available in Italy on Amazon Prime Video Channels at an additional cost to the Amazon Prime subscription; Mediaset and Tim signed a multi-year agreement for the non-exclusive distribution of the Mediaset Infinity app on the Timvision platform;
- since July, Sky has been broadcasting four new channels: Sky Serie, Sky Investigation, Sky Documentaries and Sky Nature; on Mediaset Infinity there are six international thematic channels specialising in TV series, sports, cinema, documentaries and offerings for children: Starzplay, Moonbug Kids, Crime+Investigation Play, History Play, Blaze Play! and Midnight Factory;
- since August, the entire Serie A championship has been streamed on the DAZN platform (and only three matches per week are also broadcast on Sky);
- in October, Eleven Italia launched its new streaming service on elevensports.com, the group's global platform; MolaTV, an Indonesian media player, arrived on the Italian market; ViacomCBS also launched Pluto TV in Italy, an AVoD streaming service for the enjoyment of video content in linear mode; the Facebook group announced its rebrand in Meta for the summer of 2022;
- in December, Rai launches the RaiPlay Sound platform, the

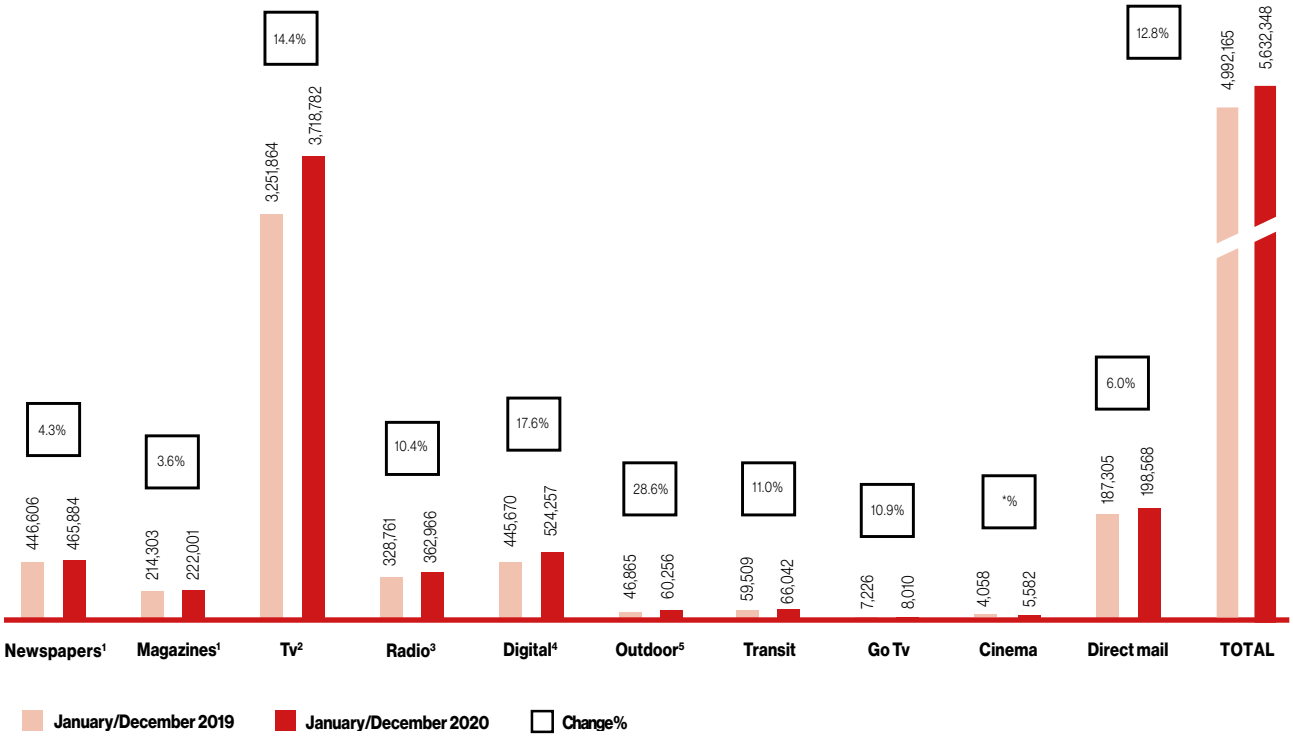
Total advertising
(source: Nielsen - thousands of euros)



Estimate of the advertising market – TV
(net turnover, source Nielsen, €/000)



Changes in advertising revenue by medium
(values net of internet desk [search and social] source Nielsen, thousands of euros)



The reference universe is that of the means recognised by Nielsen with the exception of Newspapers where FCP – Assoquotidiani data is used only for the following types: Local,
Itemised and Service, and Radio where the FCP – Assoradio data are used only for Off-Schedule type (including a.c.).
1 The calculations were carried out with the contribution of FCP - Assoquotidiani and FCP - Assoperiodici.
For the data on Local Commercial, Itemised and Service Newspapers the source is FCP-Assoquotidiani.
2 This figure includes generalist, digital and satellite broadcasters.
3 The calculations were carried out with the contribution of FCP - Assoradio.
4 The calculations were carried out with the contribution of FCP - Assointernet.
5 The calculations were carried out with the contribution of Audioutdoor.
* Non-homogeneous reference universe - no turnovers from March 2020 to August 2021.

TV channels in Italy
(source: Confindustria Radio Televisioni)

412
TV channels receivable on the main platforms

412
of which

354
TV Channels products by company based in Italy

354
of which

Technology platforms

147 DTT

51 DTT/DTH

258 DTH

354
of which

TV publishing groups in Italy

80

354
of which

Definition type

235 standard

117 HD/ Super HD

2 UHD-4K

23 DTT

of which 50 free

112 DTH

354
of which

Pay TV vs Free-to-air TV

143 pay

135 DTH

DAZN **1** DTT

17 DTT

Sky **10** DTT/DTH

211 free

TivùSat **113**

of which 129 on DTT

evolution of RaiPlay Radio, which integrates the publisher's radio offer with original content such as audiobooks and navigable podcasts, organised by genres, topics and content; Rai News becomes the digital aggregator of all Rai information, with a major restyling of the portal; Sky announces that, as of 1 April 2022, its own pay-per-view offer will no longer be available on the DTT.

In addition, during 2021, technical activities continued for digital terrestrial broadcasting in connection with the switch-off (release) of the 700M Hz band in favour of 5G mobile services, which will gradually lead to the adoption of a new generation standard (DVB-T2) together with more efficient transmission encodings (MPEG-4 and HEVC) in order to recover lost transmission capacity. In this context it is necessary to point out the revision, also due to the emergency caused by Covid-19, of the overall roadmap, which has seen, among other things, the extension of the deadlines (MPEG-4 encoding adoption, scheduled for 1 September 2021 and postponed to 31 December 2022; DVB-T2 standard adoption, scheduled for the end of June 2022 and postponed to a date to be defined in 2023) the adoption, in October 2020, of the MPEG-4 encoding for nine Rai channels (Rai 4, Rai 5, Rai Movie, Rai Premium, Rai Gulp, Rai Yoyo, Rai Storia, Rai Sport, Rai Scuola) and six Mediaset channels (TGCOM24, Boing Plus, Italia 2 and three radio-television channels, R101, R105 and Virgin) with the consequent unavailability of these channels for households without compatible TV sets. According to Auditel estimates (October 2021), these households are about 8% of the total (just under 2 million out of about 24 million households).

As at 31 December 2021, there was a total of 354 TV channels under TV publishers based in Italy – net of any duplications – available on DTT, DTH or both platforms; of these 354, 96 were only available on the digital terrestrial platform, 207 only on satellite (free and pay) and 51 available on both platforms In terms of the business model, a total of 211 free channels are available, 113 of which can be seen on the TivùSat platform; there are 143 pay TV channels, 142 of which are offered by Sky, to which the DAZN channel is added. The high-definition offering (HD, Super HD, UHD-4K) increased to 119 channels net of overlaps on the various platforms. Gross of duplications, there are 102 HD channels on satellite and 23 on the digital terrestrial platform (source Confindustria RadioTv).

The Rai Group

Audience measurement systems

With reference to audience measurement systems in which Rai is mainly engaged (TV, radio, digital), it is worth mentioning the recent measure of the competent Authority (AGCOM), which, with Resolution 194/21/ CONS of 10/6/2021, has provided "*guidelines for survey companies in order to lay the foundations for an efficient rationalization of the auditsystem*".

The most relevant aspects discussed are, in particular, the following:

- *governance of entities that carry out surveys,* in the hope that these entities adopt the model known as the *Joint Industry Committee* (JIC), i.e., the one in which all the components of the reference industry are represented in the shareholding structure (publishers, advertising investors, agencies and media centres also through the respective trade associations);
- *full traceability and replicability of measurement processes*, in order to simplify control procedures (audit);
- *ownership of the intellectual property of the strategic assets* underlying the surveys (software, databases, panels, technologies, algorithms) by the entities conducting the survey;
- *wish for a progressive process of coordination and convergence of current measurement systems*, in order to achieve unique metrics, the integration of measurement technologies and methodologies and the sharing of measurement assets, in a system logic and in a market perspective;
- *principles of fairness, equal treatment and non-discrimination towards all those involved*, which surveys and methodologies must observe;
- *wish for the adoption of shared systems for the management of first-party data* (of users), with a view to convergence, and in the light of the cookieless scenario;
- *guarantee, at all stages of the survey, of the protection of users' privacy*.

In this context, it seems appropriate to provide a brief outline to contextualise the aforementioned *cookieless scenario*, determined by the decision of the main web operators to progressively adopt in their browsers (e.g. Apple Safari, Google Chrome, Microsoft Edge, Mozilla Firefox) systems that impose limitations and/or blocks on cookies, in particular on so-called "third-party" cookies, with the declared aim of protecting users' privacy. Considering that such cookies are often also used to perform audience measurement by third parties and to enable the personalisation of advertisements, a negative impact is expected in the short term especially on content providers, who will have to identify - in order to preserve the value of the information collected on their digital properties - alternative solutions precisely to support audience measurement and advertising delivery activities.

In line with both the guidelines and measures of Regulators, the Rai Group has continued to promote transparent measurement

systems, inspired by international best practices and shared, as much as possible, among all operators in the sector. With particular reference to the governance of entities that carry out surveys, the aforementioned model, known as the Joint Industry Committee (JIC), is the one currently adopted by Auditel, to measure television ratings, and by Audiweb, for digital audiences. On the other hand, for radio, the company in charge of monitoring listening (TER – Tavolo Editori Radio) is set up as a Media Owned Committee, which brings together only the editorial part (national publishers and associations representing local broadcasting). Rai plays a particularly active role with these bodies and their technology partners, also to ensure verification and compliance with all issues related to both the processing of personal data of users collected on the property of publishers and the assignment of processing roles for the purposes of GDPR legislation.
Below follows an overview of the main events that characterised the first half of 2021 for each of the three surveys (TV, Digital, and Radio).

With regard to the survey of TV audiences by Auditel, the evolutionary path is continuing, which by the first half of 2022 should allow, according to the Company's plans, for the calculation of the so-called "Total Audience". The goal is to add the audience of a programme, a specific content, and a commercial viewed on TV while watching the same programme, the same specific content, and the same specific commercial on each individual digital device. More specifically, during 2021, it has been implemented the fundamental component of the Total Audience processing process, namely the system of analytical models that allows the so-called individualisation and profiling of digital audiences. This system of models, the fine-tuning of which began in the latter part of 2021, will make it possible to process the audience data of digital content related to individuals (and not to devices, as is already the case today) so that they can be added to those of traditional TV. The Covid emergency and related restrictions caused, as in 2020, reduced interaction with households at their home (interview for Basic Research, installations and maintenance of meters). In this context, the operational plan set out in 2020 by Auditel aimed at preserving the quality standards of detection in conjunction with the reduced interaction caused by the health emergency continues to be active. Below are the main initiatives and measures implemented in 2021.

The activities of the Auditel Basic Research (shared with Audiweb) continued using all the precautions useful to increase the safety margin for personnel involved in the process, while guaranteeing the quality of the results.
With respect to the survey of digital audiences carried out by Audiweb, the methodological evolutions defined during 2020 came into force in January 2021. In particular, as part of the census survey, new user tracking mechanisms have been introduced that will make it possible to avoid the use of "third-party cookies". In the course of 2021, in order to restore as much information power as possible with the methodology that characterised the previous edition of the research, further methodological investigations have been concluded, which, followed by checks on the aspects concerning the processing of users' personal data, will enable the aforementioned objective to be achieved. In the course of 2021, the impact on the the Covid-19 emergency on the Audiweb survey is to be considered absolutely negligible, given the high degree of automation achieved.

A further element to be noted, of a systemic nature, concerns the reform of the two companies that deal with the collection of measurement data from the daily and periodic press (Audipress Srl) and internet audience data in Italy (Audiweb Srl), respectively. This project, launched in 2020, was interrupted in May 2021 by decision of the shareholders of the two survey companies (Fedoweb – Federation of web operators, Fieg – Italian Federation of Newspaper Publishers, UNA – United Communication Companies, and UPA – Associated advertising users). Rai, a Fedoweb associate, hopes for a resumption of the merger project or, at any rate, the definition of a new survey system that can lead to a joint measurement result of publishing brands, in line with recent technological developments, ultimately also allowing synergies and optimizations in the performance of research activities and operating costs. This is a hope that also stems from the full acceptance of the provisions of the above-mentioned AGCOM resolution. For this reason, in the second part of 2021, a round table was set up between the eight founding members of the three audi - UPA, UNA, Fieg, Fedoweb, Rai, Mediaset, La7, Confindustria Radio Televisioni - with the aim of outlining a shared evolutionary path for the measurement systems adopted by Auditel, Audiweb and Audipress.

Finally, with regard to the measurement of radio audiences, also in 2021, the company TER (Tavolo Editori Radio) continued to promote discussion on the need to further develop the current survey methodology based on CATI telephone interviews, which has shown several critical aspects. The aim, strongly supported by Rai as well, continues to be that of developing a path - structured and shared by publishers - that can lead in a short time to a survey using automatic instruments (meters). Finally, such a development could also favour the involvement in TER's governance of the associations representing the advertising market (investors, agencies and media centres), ultimately implementing the governance guidelines expressed by the competent Authority. In this regard, it is worth pointing out the resumption of the dialogue between TER and UPA. In the course of 2021, with a view to obtaining increasingly timely and accurate information on the use of radio, Rai concluded its experimental project to measure the audiences of Rai Radio's offering based on a meter methodology. This initiative, which was improved by the experience gained during the pilot phase, provided useful editorial information and further proof of the validity of this survey system, so that it can be shared as part of the discussion on the evolutions to be made to the TER survey. TER's research too was affected by the Covid-19 emergence in 2021, but, being based on telephone interviews, to a much lesser extent than experienced by the other survey companies.

Map of the Rai offer
(as of 31/12/ 2021)

Television
(Digital terrestrial and satellite)

Generalist
Rai 1, Rai 2, Rai 3, Rai 1 HD*, Rai 2 HD*, Rai 3 HD*

Semi-generalist and specialised channels
Rai4, Rai5, Rai Premium, Rai Movie, Rai Gulp, Rai YoYo,
Rai News 24, Rai Storia, Rai Sport, Rai Sport+ HD, Rai Scuola,
Rai4 HD* Rai5 HD**, Rai Movie HD**, Rai Gulp HD**,
Rai Yoyo HD**, Rai News 24 HD**, Rai Storia HD**,
Rai Scuola HD**, Rai Premium HD*, Rai Sport+ HD*, Rai 4K**

Net of TGR, which continues to be broadcast in SD

TV channels available on RaiPlay

Rai 1, Rai 2, Rai 3;

Rai4, Rai5, Rai Premium, Rai Movie, Rai Gulp, Rai YoYo, Rai News 24, Rai Storia, Rai Sport, Rai Sport+ HD, Rai Scuola

Radio

Generalist Channels
Rai Radio 1, Rai Radio 2 and Rai Radio 3

Special interest channels
Rai Isoradio, Rai Gr Parlamento

Specialised digital stations
Rai Radio1 Sport, Rai Radio2 Indie, Rai Radio3 Classica,
Rai Radio Live, Rai Radio Tutta Italiana, Rai Radio Techetè
Rai Radio Kids

Radio Channels available on RaiPlay Sound
(until 9 December RaiPlay Radio)

Rai Radio1, Rai Radio2, Rai Radio3,

Rai Isoradio, Rai Gr Parlamento

Rai Radio1 Sport, Rai Radio2 Indie, Rai Radio3 Classica,
Rai Radio Tutta Italiana, Rai Radio Techetè, Rai
Radio Live, Rai Radio Kids

* Available on DTT and TivùSat.
** Visible only on TivùSat.

Information

Tg1, Tg2, Tg3, Tgr, Rai Sport, Rai Parlamento (Rai Gr Parlamento), Rai Mobilità, Rai News (Teletext), Rai Giornale Radio

International Offer

Rai Italia, Rai World Premium, Rai News 24

The Rai offer is also enriched by the repetition of some national channel broadcasts in different ways, depending on the region of the world

Web

Rai.it, RaiPlay.it, RaiNews.it, RaiPlayRadio.it, RaiCultura.it

App

RaiPlay, RaiPlay Sound, Rai News, Rai Yoyo

Cinema

Rai Cinema, 01 Distribution

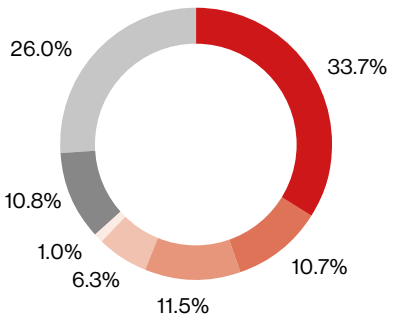
Home video

01 Distribution, Rai Com

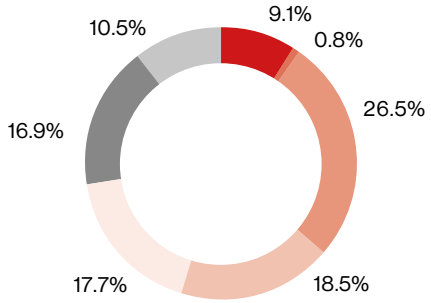
Publishing

Rai Libri

Programming by genre on generalist networks
(Source Rai)



Programming by genre on specialised networks
(Source Rai)



- General and in-depth information
- Information programmes
- Cultural and entertainment programmes
- Sports information and programmes
- Programmes for minors
- European and Italian works
- Other genres

Generalist Networks: Rai 1, Rai 2, Rai 3.
Specialised networks: Rai 4, Rai 5, Rai Gulp, Rai Movie, Rai News 24, Rai Premium, Rai Scuola, Rai Sport, Rai Storia, Rai Yoyo.

Digital terrestrial and satellite television

Rai, among the operators active on the market, offers the widest range on the DTT platform, with fourteen nationwide channels:

- 3 generalist networks: Rai 1, Rai 2, Rai 3;
- 11 semi-generalist or specialised networks: Rai 4, Rai 5, Rai Movie, Rai Premium, Rai News 24, Rai Storia, Rai Scuola, Rai Sport, Rai Sport +HD, Rai Gulp and Rai Yoyo, plus the channel Rai4K.

The entire Rai television offer is also available free of charge via the TivùSat satellite platform. On this system, in addition to, and in support of, the linear television offer, Rai proposes interactive applications and on-demand video services via the Internet that can also be used on connected or connectible TVs (smart TVs or through certain types of interactive decoders).
As already mentioned, the year 2021 saw the start of the restructuring process (refarming) of radio and television frequencies for terrestrial broadcasting (DTT), which entailed, as mentioned above, changes in signal characteristics (change of coding from MPEG-2 to MPEG-4). Terrestrial broadcasting included, until October 2021, the use of 5 multiplexes with 6 HD channels: Rai 1, Rai 2, Rai 3, Rai 4, Rai Sport+, Rai Premium and 13 SD channels: Rai 1, Rai 2, Rai 3, Rai 4, Rai 5, RaiNews24, Rai Sport, Rai Storia, Rai Scuola, Rai Yoyo, Rai Gulp, Rai Premium and Rai Movie. In October 2021, the number of multiplexes with 4 HD channels was increased to 3: Rai 1, Rai 2, Rai 3, Rai Sport+ and 16 SD channels (the 13 mentioned above plus 3 regional ones). Satellite broadcasting (DVB-S), during 2021, was characterised by: broadcasting of the national programming of all Rai channels in HD; broadcasting of the Rai4K channel in UHD; simulcasting in SD of Rai 1, Rai 2 and Rai 3 channels; broadcasting of regional/local programming in SD (no. 23 regional TgRs); discontinuation of broadcasting of any other national channel in SD.

With the end of the isolation and the gradual return to normality, there was, as mentioned, a clear decrease in the television audience in 2021 compared to the previous year, one million for the whole day and almost two million in prime time (-1.8 million).
From an editorial point of view, in the first part of the year the Covid emergency was not yet over and continued to affect TV production with the stringent constraints within the TV studios; in the second half of the year these constraints were eased allowing for a gradual return to normality, even on TV, with the presence of the studio audience and the almost total absence of masks on video. After the emblematic airing, from a completely empty Teatro Ariston, of the *Sanremo Festival*, the shows of the autumn-winter '21 season have, in fact, resumed, although not entirely, the normal pre-pandemic rules.

Information. As in 2020, albeit to a lesser extent, the broad focus on current events continued. Within this context, Rai has reaffirmed its centrality, remaining the authoritative and up-to-date hub on all aspects of interest: the ratings obtained by the news programmes remain at a very high level (Tg1 at 13.30 sees its share increase by 0.5 pp compared to 2020). The other editions of the Rai news programmes show only slight decreases for obvious reasons related to the lower information pressure. In addition to news programmes, Rai information has also been very successful in offering current affairs and investigative programmes, such as *Tg 1-Il Governo Draghi and Report*.

Drama and Films. 2021 saw the confirmation of the success of Rai-produced fiction, which dominates the genre top 20 with titles such as *Il commissario Montalbano* and *Le indagini di Lolita Lobosco*. These are complemented by large international cooperations, such as *Leonardo* (a joint venture between Rai, France Télévisions and ZDF). Rai fiction also continues to give space to gender themes, with products such as the aforementioned *Lobosco* and *Mina Settembre*, and to disabilities, with titles such as *Blanca*, a series dedicated to the world of the visually impaired. The range of films is also significant, including the hits *Bohemian Rhapsody*, dedicated to Freddy Mercury, *La Befana vien di notte*, addressing a family audience, and Marco Bellocchio's *Il Traditore*.

Entertainment. The genre - strongly impacted by the obligatory absence of a live audience, a central driver that helps the audience from home identify with studio audience, has managed to maintain significant audience shares, above all the already mentioned *71st Sanremo Festival* and *L'anno che verrà*.

Sport. The return of major live sporting competitions has catalysed the attention of viewers favouring the success of events such as the *Euro 2020 European Football Championship* and the *Tokyo Olympics* originally scheduled for summer 2020. European Championship ratings exceeded 18 million viewers with the Italy-England final broadcast on 11 July. The brilliant sporting season continued with the numerous victories achieved by Italian athletes at the Olympics, events that Rai presided over with 334 hours of live commentary, Olympic news broadcasts and columns. Despite an unfavourable time zone, the ratings were also excellent. For example, the double victory of the Azzurri in the high jump and 100 metres with Gianmarco Tamberi and Marcell Jacobs, respectively, within minutes of each other, broadcast on 1 August, exceeded 5.5 million viewers and the *Olympic Closing Ceremony* recorded a 25% share with over 3 million listeners.

Culture. Throughout 2021, Rai ensured significant coverage of the world of culture, the environment and the territory. Particularly noteworthy are the performances of Alberto Angela's programmes such as *Stanotte a Napoli*, *Meraviglie - la penisola dei tesori and Ulisse*. For the offer of cultured music, which remains central to the Rai programme schedule, mention should be made of the *Concerto di Capodanno* from La Fenice in Venice by Daniel Harding, broadcast on RAI1, and the concert conducted by Riccardo Muti from Vienna, broadcast on RAI2. In addition, with a view to promoting and enhancing the country's territory and artistic heritage, titles such as Augias' *Città Segrete*, the weekly columns *Linea Verde*, Linea *Blu*, *Linea Bianca*, but also *Geo* and *Kilimangiaro*should be mentioned.

Religious events. Rai continues to be a point of reference for programming related to worship and prayer. In the crisis situation left by the pandemic, in fact, religious broadcasts have met a renewed need for community, also receiving good ratings in terms of audience. In particular, it is worth mentioning the *Rito della Via Crucis* broadcast by Rai 1, which was watched by almost 5 million people.

Generalist networks. After the renewal of the offering of the Rai 1 day time schedule in autumn 2020, the Rai flagship channel has begun to consolidate its ratings. In detail, the best results in the 12:00 - 15:00 slot were recorded by Antonella Clerici's cooking show *È sempre mezzogiorno*, by the programme *Oggi è un altro giorno* hosted by Serena Bortone, and, above all, by the excellent performance of the series *Il Paradiso delle signore*, which came close to a 21% share (20.9% on 18 May). On Rai's second network, in 2021 the collaboration with Rai Radio 2 (*Radio2 Social Club* and *I Lunatici*) continued and the second part of the weekday morning was renewed with a new version of *I Fatti Vostri*, which met with public approval and increased the performance of the programme and the channel. Lastly, Rai 3, with a face-renewal operation (*Agorà* - Costamagna, *Mi manda Raitre* - Galeazzo and Ruffo, *Elisir* - Rinaldi), gained significant growth over the whole day (+0.3 pp share). Even more pronounced is the channel's growth in the second evening (22:30-02:00), which totals a +0.6 pp share compared to 2020.

Semi-generalist or specialised networks. In 2021, Rai Sport stood out in terms of performance, driven by the *European Football Championship* and the *Olympics*, but also Rai Premium. The latter, in particular, among the Rai specialisations, holds the leadership throughout the day (1.4% share with 139,000 listeners) and in the prime time it gains 0.15 pp and 15,000 viewers, getting closer to Rai 4, which holds the leadership in the evening time slot (1.4% share with 338,000 listeners). The public has rewarded Rai Premium's decision to renew its schedule, which has included formats and genres that mark a break from the past: prime time dedicated to entertainment, films with a female vocation and weekend drama marathons.

Radio

The Radio, as anticipated, has experienced a difficult two-year period, marked by numerous periods of restrictions on mobility which have contributed to the reduction in the number of listeners on an average day; however, thanks to its traditional and proven vitality and innovativeness, the medium was able to renew itself and not reduce its market share, which remained unchanged at 4%, achieving, in terms of advertising revenue, a growth of +10.4% with an overall volume of advertising sales in the region of €360 million. For example, the continued implementation of the Radioplayer Italia app, which supports, in addition to the 12 Rai Radio channels, about 240 national and local broadcasters, and in 2021 concluded significant agreements with several *automotive* groups for access to in-vehicle infotainment terminals, a highly strategic market segment destined for great development in the coming years.
As far as Rai is concerned, the production processes of the Rai Radio 2 video channel on RaiPlay (visual radio) and the new RaiPlay Sound platform published, as mentioned, in December with a rich catalogue of on-demand content and a wide selection of original podcasts, including some self-produced series, were implemented in 2021.
Rai Radio operates in a complex and dynamic market landscape and is at the forefront of the technological evolution of production systems and multi-platform distribution (linear and non-linear); its primary objective is to comply with the commitments set out in Licence and the Service Agreement. Besides it nature as a service, for which mention should also be made, by way of example, of the numerous social communication or awareness-raising activities, or the more than 700 hours of audio-description produced and broadcast during the year, a significant portion of its programming - with local broadcasting - confirms Rai Radio's inclination towards proximity and community realities, with information and programmes in agreement with Special Statute Regions, Autonomous Provinces and for the protection of linguistic minorities (Valle d'Aosta, Trentino-Alto Adige, Trento Province, Bolzano Autonomous Province, Friuli-Venezia Giulia, Sardinia, Sicily).

The most viewed programmes (top 3)

(Source Auditel. For the programmes with various episodes, the audience of the most viewed episode is shown)

Film

Title	Channel	Date	Audience	Share
Bohemian Rhapsody	Rai 1	24/11/2021	5,133,000	24.3%
La Befana vien di notte	Rai 1	05/01/2021	4,981,000	19.6%
Il traditore di M. Bellocchio	Rai 1	24/05/2021	4,674,000	22.1%

Drama

Title	Channel	Date	Audience	Share
Il commissario Montalbano	Rai 1	08/03/2021	9,521,000	39.5%
Le indagini di Lolita Lobosco	Rai 1	21/02/2021	7,897,000	32.7%
Leonardo	Rai 1	23/03/2021	7,561,000	27.3%

Entertainment

Title	Channel	Date	Audience	Share
71st Sanremo Music Festival	Rai 1	06/03/2021	10,012,000	54.3%
C'è posta per te	Canale 5	13/03/2021	6,563,000	30.8%
L'anno che verrà	Rai 1	31/12/2021	5,770,000	32.6%

Sports special features

Title	Channel	Date	Audience	Share
Sogno azzurro	Rai 1	15/07/2021	4,302,000	21.8%
TgSport Olimpico	Rai 2	01/08/2021	4,194,000	30.2%
Notti europee	Rai 1	11/07/2021	3,234,000	46.7%

Sport

Title	Channel	Date	Audience	Share
European Championship (Italy-England)	Rai 1	11/07/2021	18,174,000	73.2%
World Championship Qualification (Northern Ireland-Italy)	Rai 1	15/11/2021	10,776,000	39.8%
UEFA Nations League (Italy-Spain)	Rai 1	06/10/2021	9,075,000	36.7%

Religious programmes

Title	Channel	Date	Audience	Share
Via Crucis	Rai 1	02/04/2021	4,964,000	18.6%
Benedizione Urbi et Orbi	Rai 1	04/04/2021	3,563,000	28.5%
Angelus	Rai 1	01/01/2021	3,391,000	23.1%

Information programmes

Title	Channel	Date	Audience	Share
Chi l'ha visto?	Rai 3	31/03/2021	3,568,000	15.2%
Con il cuore nel nome di Francesco	Rai 1	08/06/2021	2,547,000	13.0%
Telethon	Rai 1	19/12/2021	2,028,000	13.2%

Animation and cartoons

Title	Channel	Date	Audience	Share
The Croods	Italia 1	27/03/2021	1,759,000	6.7%
The Aristocats	Rai 2	31/12/2021	1,628,000	7.9%
Minions	Italia 1	20/02/2021	1,558,000	6.1%

Science and environment

Title	Channel	Date	Audience	Share
Linea verde	Rai 1	21/03/2021	4,200,000	22.5%
Linea verde life	Rai 1	06/03/2021	2,867,000	18.4%
Melaverde	Canale 5	21/03/2021	2,543,000	15.8%

Culture

Title	Channel	Date	Audience	Share
Stanotte a Napoli	Rai 1	25/12/2021	4,408,000	23.5%
Concerto di Capodanno from Wien	Rai 2	01/01/2021	4,365,000	24.1%
Concerto di Capodanno from Venice	Rai 1	01/01/2021	3,554,000	18.3%

Investigation

Title	Channel	Date	Audience	Share
Report	Rai 3	12/04/2021	3,108,000	12.1%
Otto e Mezzo	La7	12/02/2021	2,937,000	10.8%
Storie in movimento	Rai 3	16/12/2021	2,432,000	12.5%

Current events

Title	Channel	Date	Audience	Share
President's Message	Unified networks	31/12/2021	13,549,000	65.5%
Speciale tg5	Canale 5	10/01/2021	5,409,000	19.0%
Tg1 - il Governo Draghi	Rai 1	12/02/2021	4,185,000	18.7%

In detail, the Rai Radio offering is organised into 12 stations, broadcast on eight technological platforms, diversified based on editorial mission and reference target, all active online and on social media:

- three generalist radio stations: Rai Radio 1, Rai Radio 2 and Rai Radio 3;
- two special-interest stations: Isoradio (traffic and weather) and GR Parlamento (institutional);
- seven specialised digital stations: Rai Radio 1 Sport, Rai Radio 2 Indie, Rai Radio 3 Classica, Rai Radio Tutta Italiana, Rai Radio Live, Rai Radio Kids, Rai Radio Techetè.

The specialised stations join the generalist and special-interest stations for the very purpose of making up a complete offer aimed at capturing vertical audiences.

Rai Radio 1 is Rai Radio's news station. In 2021, as in 2020, the health emergency dominated a large part of the programming, flanking the story of what was happening in Italy and around the world: from current politics *(Radio anch'io*, *Zapping* and *Tra poco in edicola*) and economics *(Sportello Italia* and *Gr1 Economia*), to news, labour, respect for human rights as well as the fighting crime and violence against women*(Moka*, *VivaVoce*, *Il Mix delle cinque*, *Italia sotto inchiesta*, *Numeri Primi*, *Mangiafuoco*). Ample space was given to the territory and to local realities (*Che Giorno è*). Then, of course, there was intelligent satire (*Forrest* and *Un giorno dapecora*), the environment (*Green zone* and *L'aria che respiri*) and social issues (*Che giorno è* and *Formato famiglia*)
Rai Radio 1's programme schedule also includes a wide range of sections covering a wide range of themes: from sport to health, from technology to innovation, from foreign affairs to cars, through education, the environment, culture, shows and society. As every year, space was given to all the institutional anniversaries, such as *Il Giorno della memoria*, the *Festa della Repubblcia* and *the International Day for the Elimination of Violence against Women*.
The music offering also contributed to harmonising programming, with entertainment and dedicated moments (*Radio 1 music club*, *Stereonotte*, *Il jazzista imperfetto*, *Disco sveglia* and *Sette su Sette*).
In 2021, a main focus was given to sport with the resumption of live events*(European Football Championships*,*European Under-21 Championships*, *Tokyo Olympics*), which supplemented an already very broad offer: football (Serie A, Serie B, *Champions League* and *Europa League*), Formula 1, MotoGP and cycling *(Giro d'Italia* and *Tour de France*), skiing, basketball and volleyball. In addition, sport is reported through highly successful programmes such as *Tutto il calcio minuto per minuto*, *Zona Cesarini*, *Extratime*, *Sabato and Domenica Sport*. Rai Radio's sports offer is complemented by that available on the digital channel Rai Radio 1 Sport, broadcast daily from 07:15 to 19:00.
Rai Radio 2 is the channel with a strong focus on entertainment. The escapism and smart entertainment mission was pursued through historical brands such as *Caterpillar*, *Il Ruggito del Coniglio*, *Radio 2 Social Club*, *Non è un Paese per Giovani*, *Black Out*, *Lillo e Greg 610*,*I Lunatici*, *Grazie dei Fiori*, and *Campioni del Mondo*to discuss the latest news in sports. The exclusive appointments continued live from the Studios in Via Asiago on air and streaming on RaiPlay, with *Radio 2 Day* and with *Back2Back Speciale Let's Play!*. (Michele Bravi, La Rappresentante di Lista, Noemi, Francesca Michielin, Alessandra Amoroso, Colapesce e Dimartino, Franco 126, Gazzè, Motta and Extraliscio). In addition, Rai Radio 2 broadcast live coverage of the*Eurovision Song Contest* and a great deal of production effort went into the *71st Sanremo Festival*. In compliance with all regulations, *on-the-road* events returned live from squares and theatres across the country and, in keeping with its service vocation, Rai Radio 2's commitment to sustainability and energy saving continued *(Mi illumino di meno* and *Salto di specie*).
Furthermore, within the framework of the visual radio project with RaiPlay and in the rationale of editorial synergies, targeted collaborations with television have been activated: with Rai 1 *Il Volo - Tribute to Morricone*, *Arena Suzuki '60-'70-'80*; with Rai 2 *Castrocaro Festival*, *Speciale Premio Tenco*, *Radio2 Social Club*, *I Lunatici*; with Rai3 *Il Concerto del Primo Maggio* and, with Rai 4, the semi-finals of the *Eurovision Song Contest*.

Rai Radio 3, a broadcaster with a strong dissemination and cultural vocation, has devoted attention to the major issues of the cultural and civic debate, while also consolidating the breadth and quality of its own musical offering. In-depth scientific coverage*(Radio 3 Mondo*, *Radio 3 Scienza*) was complemented by daily debates on democracy, rights, politics, economics and culture*(Tutta la città parla*). Many insights were devoted to the school world (*(Il pomeriggio di Fahrenheit*). Current events and anniversaries were an opportunity to develop a dialogue on social and cultural issues, e.g. *International Women's Day* and *International Day for the Elimination of Violence against Women*, but also *World Day for Cultural Diversity* and the *Holocaust Memorial Day*.
Throughout 2021, Rai Radio 3 has been consolidatin the breadth and quality of its musical offering with the broadcast of recordings and live performances of the Orc*hestra Sinfonica Nazionale* Rai and of major Italian and international festivals, such as the *Euroradio* concerts, the *Concerti del Quirinale* (20th edition), as well as events that have alternated classical and baroque music with contemporary music, jazz and performances by singer-songwriters.

In addition to concerts, Rai Radio 3 continued to offer a constant proposal of in-depth reports not only of a musical nature but also of an institutional nature; furthermore, in the Dante Year, Rai Radio 3 promoted various initiatives to celebrate the Supreme Poet.

The Isoradio channel, which was heavily penalised by the two-year Covid period, continued to provide its service 24 hours a day; whereas Gr Parlamento, the institutional channel of Rai Radio, covered the parliamentary activities of the Senate of the Republic and the Chamber of Deputies, reporting about Italian society through institutional dynamics.

Digital

In 2021, Rai continued the process, already started in 2020, of consolidating the editorial and production lines of its digital offer, primarily enriching the proposal of RaiPlay platform. Specifically, the offer of scripted original products increased

both through purchases, such as *Beforeigners*, *Foodie Love*, Into *The Dark 2-Nel buio*, and production with content such as *Nudes* or with the programming of previews of important titles produced for the linear offer, such as: *Rocco Schiavone*, *Un passo dal cielo*, *Chiamami ancora amore*, *Il Cacciatore*, *Mare fuori 2*, *Un Professore*, *Blanca*. The cinema offer – a key asset of the RaiPlay platform – was also enriched by offering the public a catalogue of over 1,400 titles on demand, including the 100/150 titles available weekly in catch-up mode based on the broadcast on TV channels. In addition, exclusive appointments have been added such as *Sabato Cinema* (original premieres and international blockbusters exclusively selected by Rai Cinema) and *Film della mia vita* (a section introducing and presenting the most important films in the history of cinema); to these have been added other titles of the calibre of: *L'ora più bella*, *Il giorno e la notte*, *Thunder road*, *Emma Peeters*, *Intolerance*, *Parigi a piedi nudi*, *Cenerentola a Mumbai* e many more.

Ample space was dedicated to the sports offer with all matches of the 2020-2021 Coppa Italia, highlights of the entire 2020-2021 and 2021-2022 *Serie A* Football Championship, and the biggest events of 2021, among others: *Giro d'Italia*, *Europei under21*, *Euro 2020*, *Paralympic Games in Tokyo*, *European Volley* (men and women), *Short Course Swimming European Championship*, *Tennis Nitto Atp finals*. In cooperation with the Ministry of Education, the *Learning* section of the portal was further enhanced with content designed to support teachers and students of all levels. Finally, added value of the RaiPlay offer is the further enrichment of the section dedicated to the country's multimedia memory developed thanks to synergies with Teche Rai.
In addition to RaiPlay, the Rai Digital offering is organised as follows.

- Rai.it, the portal, divided into five areas (News, Sport, TV, Radio and Corporate), aggregates and makes easily accessible the Group's vast digital offering and also provides services such as the programming guide of Rai channels and access to the Company's corporate information;
- RaiPlayRadio.it, replaced in December by the new RaiPlay Sound platform offer, as previously mentioned and better specified, is the multimedia portal dedicated to the radio offering (also available in app version) which, together with the live broadcasts of the 10 radio channels, 5 on air and 5 digital - offers 2 exclusive digital channels: Rai Radio 1 Sport and Rai Radio 2 Indie with selections and specific programmes, as well as a rich proposal of live streaming, on demand and podcast content;
- Rainews.it/TGR web, the portal on which you can access all Rai information, also available in app version;
- RaiPlay YoYo - the app entirely dedicated to children and without commercials, provides a rich on-demand special interest schedule structured for two different targets, defined by age group. It is updated weekly;
- Rai Cultura, the portal that aims to make Rai's cultural offer accessible and usable online with dedicated services, fed by the original content produced by Rai Cultura's web editorial staff, by the thematic and generalist television programming, as well as by the great heritage of the Teche Rai archive.

In addition, Rai's distribution strategy also confirmed its presence on the YouTube and MSN platforms: these channels, which recorded significant peaks in penetration among young people, were further leveraged during the year and made it possible to expand the way audiences were engaged, facilitating contact with an increasingly large audience of users.

Also in 2021, the rationalisation of web and social structures was concluded, which made it possible to improve branding and traffic building strategies in the digital world in general and on social platforms in particular. This effort led to the definition of a harmonised and customised business strategy based on editorial specifications, differentiated by target and platform. In this logic, with the launch of the new RaiPlay Sound and Rainews.it platform, new social accounts were inaugurated with a dedicated strategy aimed at enhancing the specific editorial offer while developing a unique visual identity, easily recognisable and associated with the Rai brand.
Finally, the Digital Rai activity continued, during the year, also through technical fine-tuning and editorial rationalisation operations, among which the most important were: implementations on the RaiPlay portal (download feature for offline viewing of content on the mobile app, new player for live on-demand use on smart TVs, design of new formats for editorial launches and special labels); the development and definition of embedding agreements; the preparation for the launch of RaiPlay Sound; the redefinition and restyling of the Rai.it portal offer with the start of the design of the development of the Rai Corporate offering; the launch of the Rai Tv+ app, which provides access to functions such as the restart of live broadcasts, live Radio channels, all editions of national and regional news, and various entry points to RaiPlay.

International offer

Rai Com S.p.A. is tasked with the marketing of Rai's channels abroad. The subsidiary handles the European distribution of broadcasting rights for television and radio channels (Rai 1, Rai 2, Rai 3, Rai Storia, Rai Scuola, Rai News 24 and Rai Radio 1, Rai Radio 2, Rai Radio 3), as well as for the non-EU distribution of the channels: Rai Italia (a best of Rai productions plus original programmes for Italians abroad, including - until 30 June 2021 - three Serie A matches a week); Rai World Premium (the channel broadcasting original drama produced by Rai) and Rai News 24. Rai's offering in non-European areas includes Rai Radio 1. The channels are currently broadcast through local television platforms – via cable, satellite or new media platforms – in various ways, both free and paid for and in progressive alignment with international developments in services and technologies, aimed at integrated the Italian range with non-linear content.

In the United States, Canada, Australia and Europe, the channels are offered to subscribers in Packages or Premium à la carte bundles. Users – to view Rai channels – pay a monthly fee, in addition to their subscription with their operator; in Asia, the Rai Italia is accessible in free-to-air mode; in Latin America, Africa and various European countries, the channels are offered in Basic or Extended Basic mode, which provide for a monthly subscription with no additional costs.

Digital – Main Player competition

Source: Rai elaboration

TV offer performance

The television audience estimated by Auditel for 2021 amounted to 10.1 million average viewers throughout the day and 23.5 million in prime time. Compared to the previous year, the decrease was just under 1 million and -1.8 million, respectively. The decline in audience can be attributed, as previously mentioned, to a physiological reorganisation of TV consumption as a result of the overexposure of the medium following the lockdown of 2020.
The Rai Group, in terms of share and in comparison to the previous year, confirmed its position as market leader both over the entire day, with a 36% share (+0.8 pp), and in prime time, with a 37.4% share (+1.4 pp), increasing the gap with its main competitor. Mediaset, in fact, stopped at 31.9% over the entire day (-0.2 pp) and 32.1% in prime time (-1.2 pp).

In detail:
- the traditional generalist networks (Rai 1, Rai 2, Rai 3, Channel 5, Italia 1, Rete 4 and La7) together held a 56% share of the whole day (+0.8 pp) and 59.4% of prime time (stable);
- the semi-generalist networks (Tv 8, Nove, Rai4, Cielo, Real Time, Dmax, 20, Sky Uno and Sky Uno+1) were slightly down both in the whole day with 9.2% share (-0.5 pp) and in prime time with 9.6% share (-0.4 pp);
- the specialised networks recorded an audience share of 24.5% throughout the day (-1.2 pp), while in prime time the share was 21.4% (-0.7 pp);
- the other TV stations continued their growth, reaching 10.6% share in the whole day (+0.7 pp) and 10% in prime time (+1.1 pp).

The latter aggregate, in addition to representing the entire sector of local broadcasters, broadcasters not registered with Auditel, and other satellite broadcasters, also includes the consumption deriving from on-demand content (more than 7 days after their broadcast or exclusive digital) from the smart TV apps of registered publishers (such as RaiPlay and Mediaset Infinity) and the consumption of OTT content (such as Netflix and Amazon Prime Video).

Compared to individual channels, always in terms of share:
- Rai 1 was once again the most watched network both over the entire day, with a 17.1% share (+0.7 pp), and in prime time, with 19.7% (+1.1 pp)
- Rai 2 recorded a share of 5.1% (+0.1 pp) over the entire day and 5.3% (-0.6 pp) in prime time;
- Rai 3 was confirmed at 7.2% (+0.3 pp) in the whole day and 6.4% in prime time (+1 pp).

In terms of the performance of the competition's main channels during the period in question, the following results are reported, always reported as share:
- Canale 5 recorded a share of 15.4% (+0.4 pp) in the whole day and 14.2% (-0.6 pp) in prime time;
- Italia 1 had a 4.3% share (-0.4 pp) over the entire day and a 5% share in prime time (-0.4 pp);
- Rete 4 stood at 3.8% (stable) over the entire day and 4.5%, in prime time (-0.3 pp);
- La7 recorded a 3.2% share over the entire day (-0.2 pp) and a 4.4% share in prime time (-0.4 pp);
- TV8 recorded a decrease in both full day and prime time, stopping at 1.9% (-0.2 pp, -0.3 pp, respectively);
- NOVE remains stable in both full day and prime time with 1.7% and 1.8% respectively.

Radio offer performance

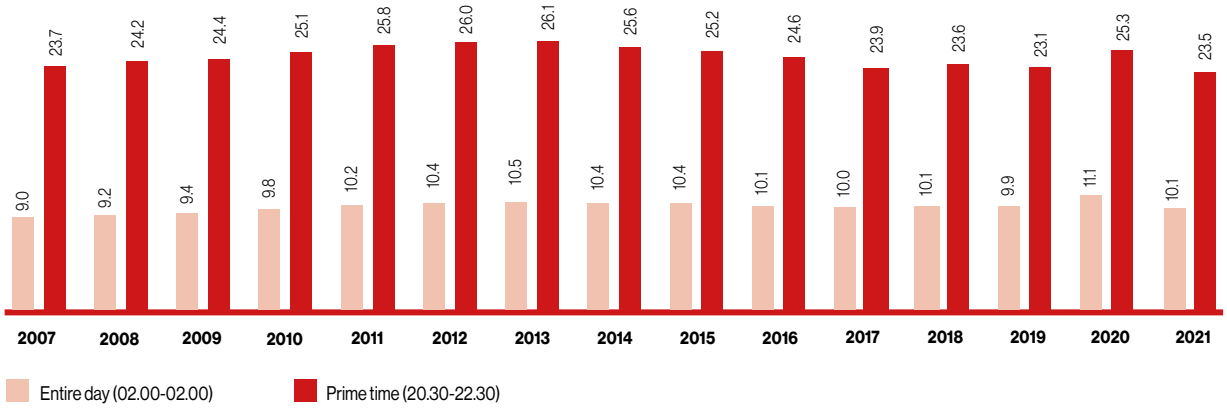
The results for 2021 (TER, 19 January-13 December) presented below are compared with those for 2019 (15 January-16 December), as those for 2020 were not produced due to the Covid-19 emergency.
In terms of volumes, as mentioned above, the radio shows some suffering, evidenced both by the penetration figure (63.6% vs. 65.8% in 2019), and by the number of listeners on the average day, which fell from 34.9 million in 2019 to the current 33.8 million.

With respect to groups, in the ranking (band 6:00-24:00) - which, as usual, only takes into account broadcasters operating at national level - the RadioMediaset group (Radio105, Virgin Radio, Radio 101 and Radio Montecarlo) is confirmed in first position with 995 thousand average listeners, equal to a share of 16.1% (+0.7 pp); the Gedi group (Radio Deejay, Radio Capital and M2o) is stable in second place with 702 thousand average listeners and an 11.3% share (-0.3 pp); thanks to the excellent results, the Rai Radio Group (Rai Radio 1, Rai Radio 2, Rai Radio 3, Isoradio) climbs to third place with 697 thousand average listeners and an 11.3% share (+0.6 pp); the RTL group (RTL 102.5 and Radio Freccia), with a drop of 1.6 pp, drops to fourth place with 628 thousand average listeners and 10.1% share.

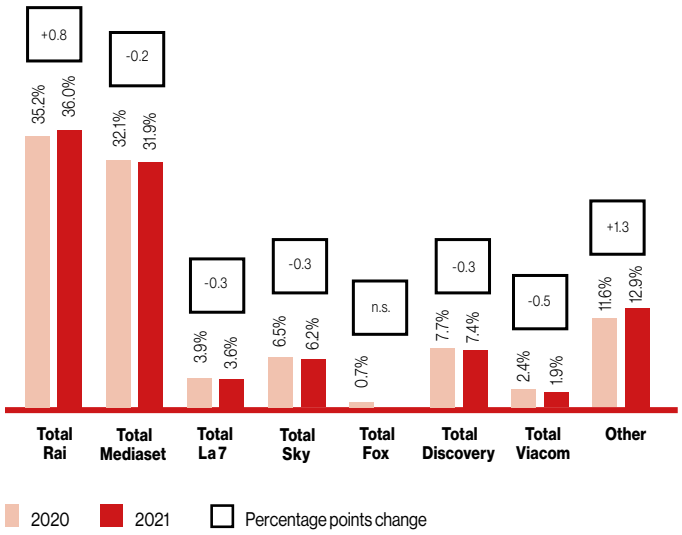
With regard to the individual broadcasters and again for the 6:00-24:00 band, RTL 102.5, despite the significant drop, manages to retain the leadership of the ranking of broadcasters with 527 thousand average listeners (-17.1%) and a share of 8.5% (-1.5 pp), followed by Radio 105 with 511 thousand average listeners (-6.2%) and a share of 8.3% (+0.5 pp), while in third place is Radio Deejay with 454 thousand average listeners (-2.8%) and a share of 7.3% (stable). Fourth place for RDS with 428 thousand average listeners (-6.3%) and a share of 6.9% (-0.3 pp), fifth place for Radio Italia with 363 thousand average listeners (-9.5%) and a share of 5.9% (-0.4 pp), sixth place for Radio Kiss Kiss with 308 thousand average listeners (+25.2%) and a share of 5% (+1.1 pp). The first Rai channel is in seventh position with Rai Radio 1: 300 thousand average listeners (+2.7%) and a share of 4.8% (+0.2 pp) followed by Rai Radio 2 with 240 thousand average listeners (+8.6%) and a share of 3.9% (+0.4 pp). Finally, Virgin Radio was ninth with 211 thousand average listeners (-5.4%) and a share of 3.4% (-0.1 pp) and Radio 24 tenth with 198 thousand average listeners (-2.5%) and a share of 3.2% (stable).

Rai Radio 3 and Isoradio are in fourteenth position with 120,000 average listeners (-2.4%) and a share of 1.9% (stable) and the second - penalised, as mentioned, by mobility restrictions - in seventeenth position with 37,000 average listeners (-24.5%) and a share of 0.6% (-0.2 pp).

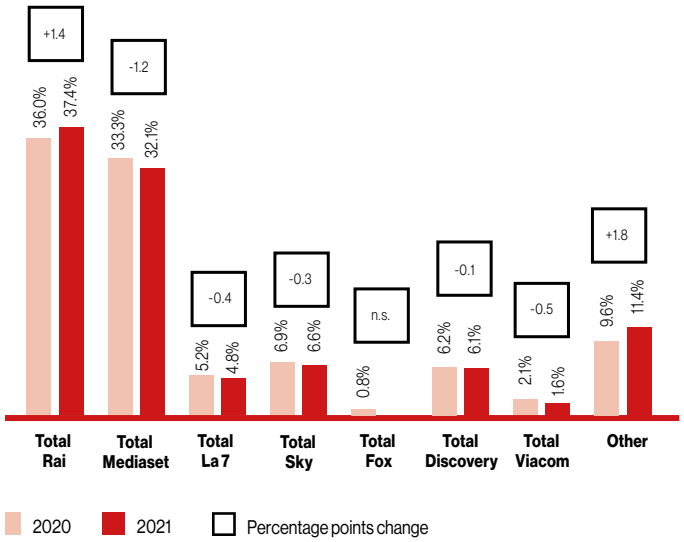
Evolution of the average television audience
(source Auditel, figures in millions)



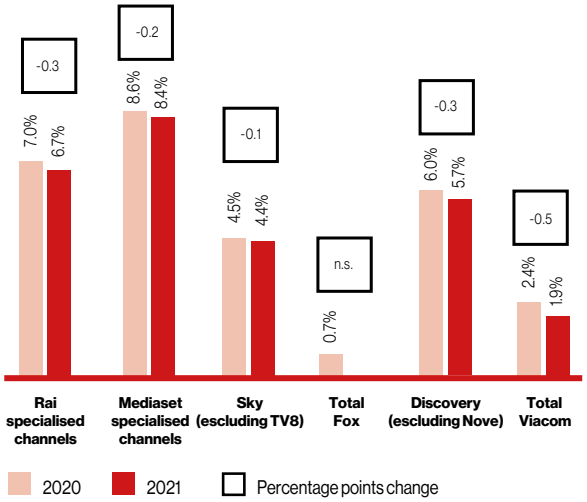
Share major publishers on average day generalist and specialised channels
(time slot 02:00 - 02:00, source Auditel)



Share of main publishers in prime time generalist and specialised channels
(time slot 20:30 - 22:30, source Auditel)



Share of publishers on average day specialised channels
(time slot 02:00 - 02:00, source Auditel)



Average share of TV channels

	Entire day (02.00-02.00)		Prime time (20.30-22.30)	
	2021	**2020**	**2021**	**2020**
Rai 1	17.12%	16.39%	19.74%	18.68%
Rai 2	5.06%	4.94%	5.29%	5.85%
Rai 3	7.17%	6.91%	6.38%	5.36%
Rai Generalist	**29.35%**	**28.24%**	**31.42%**	**29.88%**
Rai 4	1.32%	1.37%	1.44%	1.45%
Rai Premium	1.38%	1.27%	1.31%	1.16%
Rai Movie	1.10%	1.15%	1.14%	1.25%
Rai 5	0.35%	0.39%	0.40%	0.39%
Rai Storia	0.25%	0.25%	0.30%	0.31%
Rai Scuola	0.02%	0.02%	0.02%	0.02%
Rai Yoyo	0.85%	0.98%	0.59%	0.59%
Rai Gulp	0.18%	0.31%	0.22%	0.35%
Rai Sport	0.50%	0.39%	0.31%	0.28%
Rai News 24	0.71%	0.82%	0.24%	0.28%
Rai Specialised	**6.67%**	**6.96%**	**5.97%**	**6.08%**
Total Rai	**36.02%**	**35.20%**	**37.38%**	**35.96%**
Canale 5	15.35%	14.98%	14.16%	14.75%
Italia 1	4.34%	4.75%	4.95%	5.30%
Rete 4	3.77%	3.78%	4.47%	4.73%
Mediaset Generalist	**23.46%**	**23.51%**	**23.59%**	**24.77%**
Mediaset Specialised	**8.38%**	**8.57%**	**8.51%**	**8.54%**
Total Mediaset	**31.85%**	**32.08%**	**32.10%**	**33.32%**
La7	3.16%	3.38%	4.41%	4.79%
Total La7	**3.64%**	**3.86%**	**4.77%**	**5.15%**
Total Sky	**6.23%**	**6.53%**	**6.55%**	**6.85%**
Total Fox	*	**0.70%**	*	**0.80%**
Total Discovery	**7.43%**	**7.71%**	**6.14%**	**6.24%**
Total Viacom CBS	**1.93%**	**2.37%**	**1.63%**	**2.07%**
Other channels	12.90%	11.55%	11.43%	9.61%
Total TV	**100.00%**	**100.00%**	**100.00%**	**100.00%**

* In 2021 Fox does not broadcast on free linear television platform.

Main operators active in the radio market*
(Source Rai)

National

RAI RADIO

Rai Radio1
Rai Radio1 Sport
Rai Radio2
Rai Radio2 Indie
Rai Radio3
Rai Radio3 Classica
Rai Isoradio
Rai Gr Parlamento
Rai Radio Kids
Rai Radio Live
Rai Radio Techetè
Rai Radio Tutta Italiana

MAIN PRIVATE PLAYERS

GEDI
DeeJay
Radio Capital
M2O

RTL 102.5
RTL 102.5
Radio Freccia
Radio Zeta

RADIOMEDIASET
R101
Radio105
Virgin Radio
Radio Monte Carlo
Radio Subasio (regional)

IL SOLE 24 ORE
Radio24

Radio Dimensione Suono

Radio Italia

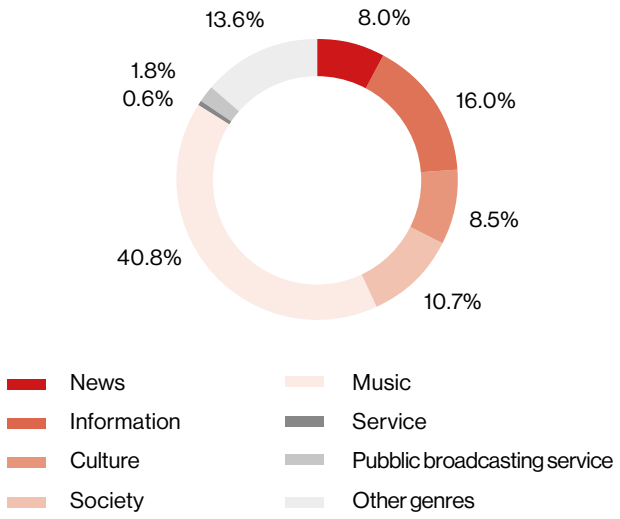
Radio Kiss Kiss

Local radios

Approximately 400 local and provincial broadcasters in all Regions

* Only the main national stations broadcast on FM were taken into consideration, excluding Radio Maria and Radio Radicale.

Radio programming by genre
(broadcast time; source Rai)



Digital and social offer performance

In 2021, the Total Digital Audience measured by Audiweb reached 37.1 million unique users on the average day, +8% compared to 2020. Each user spent an average of 2 hours and 22 minutes a day in the digital world (-28.5%, a drop attributable to the *boost* in the reference period).
There were 13.2 million Italians (2+) who access the internet on an average day via PC (+19.6% compared to the same period of 2020); 33.7 million (target 18+) via mobile (smartphone + tablet). On a monthly basis, however, on average 44.3 million individuals, i.e., 74.5% of the Italian population, connected to the internet at least once a month (+2.2% compared to 2020). 27.9 million users browsed from a PC (+3% compared to 2020), while 39.1 million connected to the internet via a mobile device (+2.4% vs. 2020).

Compared to the Rai world, in the same period, 10.7 million users connected on average at least once a month to one of the various Rai sites or apps (24.3% of the active population on the internet). The value was down compared to 2020 (-14%), mainly for the reasons already mentioned related to the accelerating push that the pandemic has imposed on digital consumption; in particular, in the March/May 2020 period, the digital traffic recorded by Rai had achieved a significant surge as many of the citizens/navigators had sought information and reassurances with great intensity and frequency mainly in the editorial offering of the Public Service operator This was also reflected in the ranking of the main online groups active in Italy, which saw Rai slipping from the 27th (2020) to the 33rd position (2021). At the top of the ranking are once again the big international players (Google, Facebook, Amazon and Microsoft) followed by RCS MediaGroup and Mediaset, which rises to the 6th position, topping the GEDI group for the first year. In this regard, it is worth mentioning the significant contribution that the *properties* Meteo.it and *Tgcom24.mediaset.it* made to the total traffic generated by the Mediaset Group.

In 2021, all the main information portals (Corriere.it, TGCOM24, Repubblica.it, Il Messaggero and Rai News 24), with the exception of TGCOM24 (stable), recorded, as already anticipated, a decrease linked to the significant values recorded in 2020 as a result of the pandemic. The Rai information portal, Rai News 24, stood at a monthly average of 2.2 million unique users, still highlighting ample space for growth compared to its competitors (Audiweb).

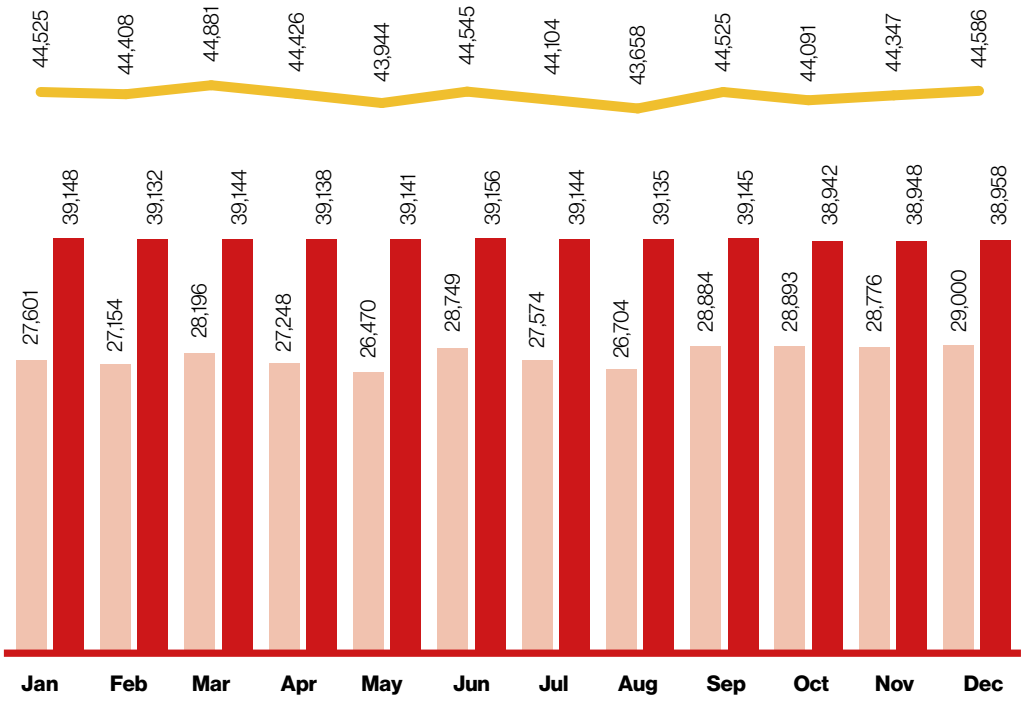
Also the video portals of the major national players considered (RaiPlay, Mediaset Infinity, La7, Discovery+), in terms of unique users, with the exception of RaiPlay, show declining results compared to 2020: Mediaset Infinity, leading the ranking with 11 million unique users, registers a -2%; RaiPlay is firmly in second place with 8.9 million, with a growth of over 12%; in third position is La7 with 4.7 million (-19%), followed by Discovery+ with 1.4 million (-23%). In terms of time spent by users on the same national players, RaiPlay leads the ranking with over 2 hours and 20 minutes, followed by Mediaset Infinity with 2 hours and 6 minutes; far behind are La7 and Discovery+, with 19 minutes and 32 minutes respectively (Audiweb).

As regards the details of the multimedia offering of video content, RaiPlay improved its own performance over the same period of 2020: a total of 13.4 million active users were registered (Mapp). In terms of genres used on the Rai player, drama was the most used with 42.6% of the total views on demand and 47.1% in terms of time spent. The most viewed titles were: *Il paradiso delle signore*, *Che Dio ci aiuti*, *Un posto al sole* and *Mare fuori* (Auditel Online).

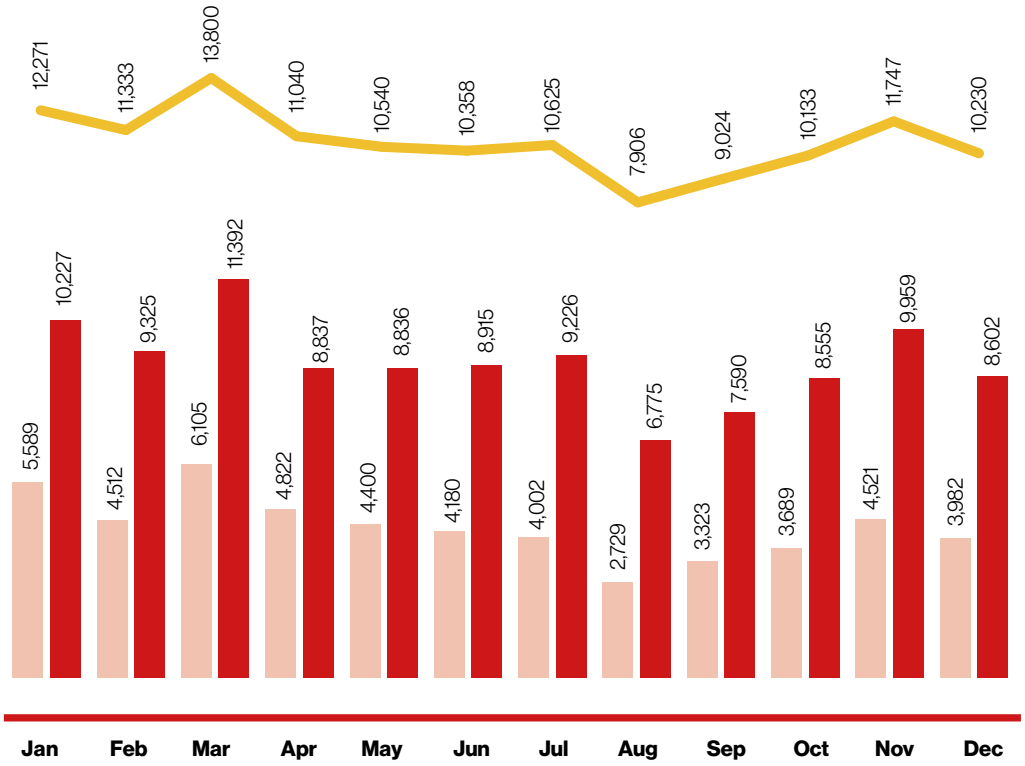
In 2021, the offer of Rai content on YouTube, through the two official channels – Rai channel and *Il Collegio* channel – generated 893 million views overall (source YouTube Analytics).
Rai's three main mobile applications (RaiPlay, RaiPlay Radio, RaiPlay Yoyo) totalled 4.8 million downloads during 2021: the RaiPlay app 4.6 million; RaiPlay Radio 93 thousand and RaiPlay Yoyo 134 thousand. The Rai News app, in the same period, recorded 31 thousand downloads. In 2021, the contents on the RaiPlay Yoyo app generated about 53 million views in the reporting period (Mapp data).

With regard to the social world, the metrics for collecting information were changed in 2020. Compared to previous years, programme-related interactions are measured 24 hours a day, whereas previously the measurement covered a range from 3 hours before to 3 hours after the broadcast. The new system recorded, obviously, a much higher total number of interactions than in the past; however, this computing system tends to penalise Rai's performance for editorial reasons: first, compared to the competition, Rai offers a smaller number of programmes that generate buzz both in the days before and after the broadcast, attributable to reality, talent, and gossip shows, i.e., products aimed at causing a sensation/scandal generating a sounding board; secondly, although (live) sport events are excluded from the survey, all comments before and after the event are included in the count.

Total Digital Audience per month - 2021
(unique contacts/000, source Audiweb)



Total Digital Audience per month referring to Rai - 2021
(unique contacts/000, source Audiweb)



The 2021 ranking of traffic generated by TV publishers on social media sees Sky (685 million interactions with a 40% share) and Mediaset (447 million, 26%) prevailing, followed by Rai (286 million, 17%). Furthermore, in 2021, Rai rationalised its presence on the three main social networks (Facebook, Twitter and Instagram), significantly reducing the total number of pages and profiles, the latter from 600 to 433, distributed as follows: Facebook 186, Twitter 152 and Instagram 95. In view of this contraction, which led to a natural decrease in social traffic, the following results were recorded for each social platform: Rai's offer on Facebook, in 2021, engaged around 331 million people (-20.8%), with 1.53 billion views (-18%); followers on Twitter grew by 13.7% to 9.8 million; with respect to Instagram, the total fan base reached 8.4 million (+12.3%) (Fanpagekarma, Nielsen Social Content Ratings). In terms of genres, with respect to Rai's offer, in first place is Entertainment (46% of the total), followed by Sport (32%) and then by Talent/Reality (9%): *Ballando con le stelle*, *Il Collegio*, *Tale e quale show*, *The Voice Senior*, *La caserma* (Talkwalker).

As of December 2019, Auditel also measures TV ratings on digital devices via both browser and app. The system for detecting TV ratings on digital devices measures the online ratings of five publishers (Discovery, La7, Mediaset, Rai and Sky), which account for over 85% of the total traditional TV audience. The ratings are registered on a census basis; the system uses several metrics: the *Total Time Spent* (TTS), calculated by adding up all the seconds when each device views editorial and advertising content of a single publisher, the *Legitimate Streams* (LS), which measures the volume of content streams delivered and viewed for at least 300 ms, (the technical threshold that guarantees the effective start of the stream) from each device and the AMRD, which is the average daily number of devices connected in the minute. The survey also measures consumption by embedding, i.e., by content offered on properties external to the reference brands. This approach is particularly relevant for Sky - which has agreements with over 260 sites - and Mediaset (around 150 sites).

Despite these considerations, Rai has managed, even in these rankings, to carve out a significant space. In 2021, the total TTS amounted to over 962 million hours: Rai 35%, Mediaset 41% and Sky 20%. This figure is the sum of hours spent consuming content in linear mode (362.5 million hours) and on demand mode (599.7 million hours). In linear mode, Mediaset led the way (37%), followed by Sky (29%) and Rai (28%); in on-demand mode, Mediaset garnered a 43% share, with a small gap compared to Rai (43%) and a large lead on Sky (15%). In the ranking of the most viewed programmes in on-demand mode, the first Rai title was *Il Paradiso delle signore*, which ranked fourth with 21 million hours.

In LS terms, the total for 2021 was 13.9 billion streams: Mediaset 48%, Sky 34%, Rai 15%. This figure too is the sum of linear (2.4 billion) and on-demand use (11.4 billion). In linear mode, Mediaset remained in the lead with 60% of total LS, followed by Rai (21%) and Sky (15%). Mediaset's result was buoyed by the offer of TGCom 24 (609 million views), Mediaset digital (227 million) and Canale 5 (185 million). With regard to on-demand mode, again in terms of LS, out of a total consumption of 11.4 billion, Mediaset garnered 45%, Sky reached 38% and Rai carved out a share of 14%. This distribution depends on the formats made available by the operators, which obviously rewards "short" content over "medium-long" content, even more so when distributed by embedding on a significant number of brands outside the original ones. In the consumption of "long" contents (>30') in on-demand mode, instead, Rai is the publisher with the largest market share, both in terms of TTS (50%) and in terms of LS (45%).

With regard to total consumption on a month-by-month basis, in terms of time spent, Rai tends to rank at the top in the periods characterised by major events: March with the *Sanremo Music Festival* and June with the *European Football Championships*, but also December, thanks above all to the drama *Mare fuori*, by far the first on-demand title of the month. In terms of LS, the month-by-month ranking always sees Mediaset outperform Sky and Rai because, as already mentioned, LS are affected by the type of formats used, rewarding the shorter ones (Auditel Online).

Television

Generalist channels

Rai 1

21.6 mn
DAILY CONTACTS

110
MINUTES SEEN PER DAY

17.1%
SHARE IN 24 HOURS

19.7%
PRIME TIME SHARE

A prestigious and authoritative network, Rai 1 respectfully and elegantly offers content and language of undisputed quality. In an ever-changing and increasingly competitive scenario, Rai 1 intercepts the needs of the public with professionalism and sensitivity.

In 2021, Rai 1 will once again be the channel of great drama, major sports events, entertainment, current affairs and cinema. After playing a pivotal role during the toughest period of the 2020 health emergency, which marked a major change in the television paradigm, in 2021 Rai 1 gradually regained its identity through a stream of original content to support viewers in their recovery efforts. The offer featured productions that reaffirmed the first channel's mission to inform and entertain with measure and a sense of responsibility, with respect and elegance.

In 2021, Rai confirms its leadership in terms of both audience and share, with a programme schedule that has been able to respond to the constantly evolving needs of the television landscape and the country with an offer of quality in terms of content and language, an offer that has excellence, universality, integration, reliability and originality as its core values. This increase marks important results in particular for young audiences (target 15-24 year-old), which recorded a variation of +0.56 p.p. over the whole day and +1.28 p.p. in prime time compared to 2020.

The daytime, renewed from 2020, confirmed the mission of Public Service and an authoritative, quality network with a focus on information and storytelling. Throughout the day, Rai 1 offers information, in addition to the news and its sections, through its daytime programmes, *Uno Mattina*, *Storie Italiane*, *Oggi è un altro giorno* and *Vita in Diretta* and, in late night time slots, with *Settestorie* and *Porta a Porta*. At the weekend, information, in-depth analysis and light-heartedness with *Il Caffè di Rai 1*, *Uno Mattina in famiglia*, *Domenica In* and *Da noi... a ruota libera*, and the story of the territory and the enhancement of the artistic and cultural heritage through travel with *Linea Verde* and *Linea Bianca*, the traditional appointment with the mountains.

Prime time saw the return of great fiction with new productions and established titles. A total of 102 premiered evenings in 2021 with new successful titles in the spring - including *Mina settembre* (24.6% share), *Le indagini di Lolita Lobosco* (29.7% share), *Màkari* (26.7% share), *Leonardo* (23.9% share) - and the confirmations of the historical productions *Che Dio ci aiuti 6* (23.4% share) and *Un passo dal cielo* (22.1% share). The autumn saw the return of some beloved titles such as *I Bastardi di Pizzofalcone*, *Sostituto Procuratore Imma Tataranni*, both with excellent ratings, and two new productions: *Blanca* (25.5% share) and *Un professore* (22.3% share). While in daytime, the soap *Il Paradiso delle signore* confirmed itself as a central appointment for the Rai 1 audience.

On the entertainment side, new formats and established titles as well as major events returned after a year of restrictions. The traditional titles, *Tale e quale show*, *Ballando con le stelle* and the new Top ten and *The voice senior* were joined by new projects *(Canzone segreta*, *Affari tuoi viva gli sposi*, *Arena 60 70 80*).

There was no shortage of big events, from the traditional opening of the year with Roberto Bolle's *Danza con me* (17% share) to the closing with *L'Anno che verrà* (33% share), to the complicated but

1. *Sanremo Music Festival*
2. *La vita in diretta*
3. *Storie Italiane*

exciting *Sanremo Festival*, through the *Eurovision Song Contest*, to *Il Volo*: *Tributo a Ennio Morricone*. There was no shortage of Alberto Angela's cultural dissemination with new episodes of *Ulisse* and *Stanotte a... Napoli*, which represent a central and indispensable point of the network's quality offer. During the summer, cultural dissemination was, as per tradition, entrusted to Piero Angela with a new cycle of *Superquark*.

In the 2021 primetime schedule, cinema completed the offer with a selection of first-run titles designed for Rai's general public, including the tribute to Freddie Mercury on the 30th anniversary of his death with a 24.4% share and more than 5 million listeners, *Il Traditore* by Italian director Bellocchio (21.9% share) and *I Fratelli De Filippo* (20.3% share). Great success also for Rai 1's new autumn series, *Morgane detective geniale*, which won almost 4 million viewers with a share of 19%.

For sports fans Rai 1 broadcast the exciting *European Football Championship* (41.8% with more than 9 million viewers) and the World Cup qualifiers (31.7% with almost 8 million viewers) during the summer.

"Rai 1 confirms its image as the leading channel of public service broadcasting, able to guarantee shared and universal enjoyment, informing and entertaining with measure and a sense of responsibility."

4. *The Voice Senior*
5. *UnoMattina*
6. *UnoMattina in famiglia*

Rai 2

13.9 mn
DAILY CONTACTS

51
MINUTES SEEN PER DAY

5.1%
SHARE IN 24 HOURS

5.3%
PRIME TIME SHARE

In an increasingly competitive and constantly evolving TV landscape, Rai 2 renewed itself while continuing to inform, educate and entertain, and also contributing in an innovative and constant way to deepening social issues.

In a year that is still difficult due to the continuing health emergency, Rai 2's offer was characterised by a series of entertainment and information programmes.

The year 2021 saw novelties and innovations in the network's historical programmes. *I Fatti Vostri* has inaugurated a new conduction and, with the resumption of social life, has once again become populated with new stories, live connections and reports. The most topical facts to reflect on the events of the day and the many stories, told by the protagonists themselves, allow the country's reality to be recounted with the curious, familiar and discursive eye that has created the style of *I Fatti Vostri*.

Detto Fatto, continued its quest for factual experimentation: a staff of professional tutors for simple solutions and valuable advice on fashion, cuisine, DIY, animals and the green world. Interviews with guests in the studio, tutorials, features, entertainment and singing performances and a positive, young, fresh approach to small, everyday problems.

Ore 14 turned a spotlight on the main events of the first part of the day without leaving room for dramatisation, excesses and trivialisation. A tale of reality realised through live connections from all the regions of our country. The envoys are witnesses to a narrative that is attentive to the needs of the viewer, committed to respecting all sensitivities and enhancing the territories and the excellence they express.

Check Up, the historic Rai programme, continued to present medical excellence in our country, thanks to the presence in the studio of the most authoritative Italian doctors.

Among the novelties is *Bellissima Italia*, the new programme dedicated to the territory, a journey along the Italian peninsula in search of the excellence of taste, and the stories connected to it.

As far as entertainment is concerned, 2021 was the year of restart. Rai 2 accompanied the country's gradual return to normality by focusing on lightness and good humour, elements that have always characterised its offerings. The start of this new season was entrusted to two prestigious products with a strong appeal to the public, Enrico Brignano with *Un'ora sola vi vorrei* - an amusing and entertaining analysis of the events of the week, where satire is the main means of decoding and recounting what happens every day - and *Stasera Tutto è Possibile* - the craziest comedy show on television - hosted by Stefano De Martino.

If in the first part of the year *La Caserma* challenged Generation Zeta with the educational and growth experience of parents or grandparents who did their compulsory military service, this autumn saw the return of *Il Collegio*, the docureality that has become a real lifestyle phenomenon among the very young and teenage, set in this edition in 1977. In a classroom at *Il Collegio*, a group of 13 to 17 year old strive to complete the school cycle and obtain

1. *Bellissima Italia*
2. *I Fatti Vostri*
3. *Il Collegio*

the Middle School Certificate, which takes into account academic performance and conduct. As in previous editions, the children had to say goodbye to smartphones and computers for this one in order to immerse themselves in an educational experience of training and relationships that was very different and far removed from their everyday reality.

The late night featured a rich and varied offering: from *Ti sento*, the talk show in which listening, emotions, and memories become stories, to *Restart*, in-depth journalism on major economic issues; from *Belve*, with irreverent and biting interviews with determined and ambitious women, to the night time with *I Lunatici*, the Rai Radio 2 radio programme; from *Detectives*, the programme that rigorously recounts and retraces the most famous but also little-known court cases, to *Una pezza di Lundini*, whose irony is overwhelmed by surreal interviews, filmed contributions and impromptu improvisations. But the late night slot also featured an inclusive initiative such as *O anche no*, a programme that established a direct line to the world of disabled people and their families.

Also in the wake of education for solidarity and inclusion, for the eighth consecutive year, the network produced *La Giornata della memoria*, in 2021 dedicated to Father Maximilian Maria Kolbe, a Polish Franciscan who, as an inmate in the Auschwitz concentration camp, asked and obtained from the SS to take the place of another prisoner condemned to death.

Fiction has always represented the imagination of the network. An imagery in which Italian titles characterised by contemporary and sophisticated writing and mainstream titles coexist, with the aim of presenting a varied and quality offer. Romantic TV movies and films suitable for family enjoyment alternate with a rich offer of seriality, which has always been characterised by crime, adrenalin and detective titles.

With regard to the sports offer, Rai 2, keeping faith with its vocation as a sports network, in conjunction with the Tokyo 2021 Olympics, was the Olympic network, with three weeks of live broadcasts and productions that were a great success, first and foremost that of *Il circolo degli Anelli*.

"Rai 2, balancing innovation and tradition, has consolidated its offering, seeking to win the interest of viewers and the attention of younger generations."

4. *Il Provinciale*
5. *Stasera tutto è possibile*
6. *Detto Fatto*

16.1 mn
DAILY CONTACTS

62
MINUTES SEEN PER DAY

7.2%
SHARE IN 24 HOURS

6.4%
PRIME TIME SHARE

Rai 3

Rai 3 is the channel of knowledge and reflection: the tale of reality enhances the network's historical brands, proposes novelties and strengthens its identity in all programming slots.

Also in 2021, Rai 3 was an attentive witness to events, with a schedule that, from morning to evening, saw endless programmes that spoke about the whole of Italy, the world and all the new challenges of the global world in always different ways, alternating new proposals with the network's staples.
The desire to offer a comprehensive, complete and coherent overview of the audience's needs and the desire to learn, reflect and delve deeper are expressed daily in all TV genres and sub-genres.

In the daytime, the spotlight is on information, in-depth analysis and cultural magazines in the talk version and in the enquiry, in Public Service programmes and in docudramas: from *Agorà* - with its spin-offs *Agorà Extra* and *Agorà Week-end* - to *Mi Manda Rai 3*; from *Elisir*, *Quante Storie*, *Passato e Presente*, *Maestri* and *Geo* to *Rebus* with the major themes of economics, culture, history and news. From the cultural and media magazine *Tv Talk* to the in-depth journalistic programme *Frontiere*; from the language programme *Le parole per dirlo* and the in-depth political programme *Mezz'ora in più* - passing through the great attention to the topic of foreign affairs with *Mezz'ora in più, il mondo che verrà* - to the popular, light and entertaining magazine with *Kilimangiaro*.

In the access-prime time slot, established appointments alternate with experiments.
On Saturdays, *Le Parole*, to discover, deepen, understand, and prompt reflection on the main facts, events, and situations animating Italian life; from Monday to Friday, *Che succ3de?* which experiments with new formats, languages, and solutions that are always different and original; *Via dei Matti n. 0*, the new 2021 programme made up of music, stories and cheerfulness set in a house open to friends and notes, stories and smiles; *Nuovi Eroi*, with the stories of ordinary citizens who have been awarded the Order of Merit of the Italian Republic by the Presidency of the Republic; *Generazione Bellezza*, a journey through the beauty of our country.

In the prime-time slot, an offer with a strong journalistic impact: the great investigations of *Presa Diretta* and *Report*, the in-depth political and social analysis of *#Cartabianca* and the great popular story with *Chi l'ha Visto*, Italy through the stories.
The winning line-up of women's products continued, such as *Amore Criminale*, followed by the spin-off *Sopravvissute*, *Le ragazze* and *Illuminate* in the late night slot, programmes entirely dedicated to in-depth analysis of gender issues with respect to the representation of the female image. But also, *Titolo V*, the information programme on the State-Regions relationship; Corrado Augias's itinerant storytelling with *Città Segrete*; the challenges of the Earth signed by Mario Tozzi with *Sapiens*; the enquiries of *Indovina chi viene a cena* on the environment, animals, ecosystem; the second appointment with the show at the time of the pandemic with *Ricomincio da Rai Tre*.
Sunday did not miss the weekly appointment on contemporary issues with *Che Tempo Che Fa* and the face-to-face meetings with the best of the political, cultural, scientific, artistic and sports scene. A unique story through faces, protagonists bearers of values and stories.
2021 also saw the prime time debut of the sit-show *Lui è peggio di me* with the odd couple Giorgio

1. Augias and Zanchini in *Rebus*
2. Federica Sciarelli in *Chi l'ha visto*
3. *Via dei Matti n. 0*



Panariello and Marco Giallini, and the homage to Carrà with *A raccontare comincia tu*.

There are many and varied late-night proposals. Identity titles such as *Dottori in corsia*, with cases of high and medium medical complexity born within the Bambino Gesù Children's Hospital; *Che Ci faccio qui*, an exploratory journey into the lives of others, unmediated portraits to show the most hidden part of the human soul and society. And innovative titles such as *In Barba a tutto*, the new talk by Luca Barbareschi and *La versione di Fiorella*, Mannoia's "almanac of the day", or journalistic titles such as *Il fattore umano* 's reportages on the violation of human rights in the world, and multiplatform series such as *Ossi di seppia*, the story of the country through the protagonists of the last 30 years.

There was no shortage of event evenings, such as *L'Italia di Dante: Il Quinto dell'Inferno* with the re-proposal of Roberto Benigni's magnificent reading of Dante's work accompanied by an introduction by Corrado Augias on the vision of love in Dante's work; *Fame d'Amore Speciale*, on the occasion of the Giornata Nazionale del Fiocchetto Lilla on the theme of eating disorders among young people; *Dal Circo Massimo*: *Andrea Bocelli!* an evening on the occasion of the opening of the Food System Summit in Rome; *L'Odissea* with Teatro patologico on the occasion of Autism Awareness Day; *Il Borgo dei Borghi*, the great challenge to get to know the most beautiful villages in Italy; *La Grande Opera at the Arena di Verona*, three operas in prime time.

Rai 3's commitment has been rewarded by the public: on the national television scene, in fact, the network has steadily strengthened and consolidated its third position in a very complicated competitive context characterised, among others, by the presence of two major media events (the European Football Championship broadcast on Rai 1 and the Olympics on Rai 2).

Storytelling, involvement and innovation. These are the key words of the Rai 3 network's presence on the main digital channels, more than 100 production lines that follow, anticipate and continue the linear programming, thanks to a cross-media storytelling active on the main social networks and with continuous references to RaiPlay.
In addition to the activities related to the television programme schedule, there is a wide range of premium content on offer: streaming with Q&A moments also on live TV, Facebook groups with communities, weekly social live broadcasts, interactive experiments on Instagram stories and Facebook with polls, quizzes and backstage, cross-media video content, original RaiPlay products.
Among the accounts that generated the highest number of interactions: *Tempo Che Fa*, *Chi l'ha visto* and *Report*.

Many awards have been received by the network programmes.
"*Un anno di zapping... e di like*" awarded the Moige Prize to *L'Odissea*, *Speciale Fame D'Amore*, *Ricomincio da Rai Tre*, *Timeline focus*, *Via dei Matti n. 0*.
The "Diversity Media Awards" awarded *#Cartabianca* as best TV Programme; the "Festival Cinematografico delle Foreste" awarded *Presa Diretta*'s *Guerra all'Amazzonia*; the "Cultura della Pace-Città di Sansepolcro" National Award awarded *Blob*.

"Rai 3, with innovative codes and language, interprets current affairs while keeping a watchful eye on the world every day"

4. *Mi manda Rai 3*
5. *Che Tempo Che Fa*
6. *Report*

Semi-generalist and special interest channels

Rai Gold

Rai 4

4.3 mn
DAILY CONTACTS

43
MINUTES SEEN PER DAY

1.3%
SHARE IN 24 HOURS

1.4%
PRIME TIME SHARE

From science fiction to crime, from the epic genre to the survival thriller, Rai 4 offers films and television series of contemporary production, modern language and international scope.

Rai 4 has gradually refined and repositioned its editorial line, offering to the free television audiences premium television series typically reserved for satellite pay TV or streaming; in 2021, of particular note in this respect, were the last season of *Vikings* and the second season of *Narcos: Mexico*, the four seasons of the horror/fantasy series, signed by Guillermo del Toro and Chuck Hogan, *The Strain*, the fourth season of the anthology Fargo and the third season of the German crime series, set in the roaring and dramatic years of the Weimar Republic, *Babylon Berlin*.

But the increase in platforms has above all encouraged a constant search for new products. Again among the prime-time series, there were two US titles of note that brought us a post-modern hybridisation of different genres, namely *For Life*, a legal thriller-prison drama fusion inspired by a news story, and, first and foremost, *Resident Alien*, combining the classic science fiction of aliens and flying saucers with surreal comedy accents.
More traditional is the teen/fantasy female proposition of *Stargirl*, programmed in the summer, and the romantic mystery one of *Private Eyes*, now in its fourth season and successfully repeated in daytime.

Exploring new imagery also means pushing new geographical boundaries. Suffice it to mention the now classic appointment with the *Missione Oriente* cycle, dedicated to genre films from China, Hong Kong, South Korea, Japan, Thailand and Indonesia. In 2021, an initial cycle dedicated to martial arts, with classics featuring Bruce Lee and the recent *Ip Man* saga, was complemented by the premier of a final chapter, followed by a second monographic offering on zombies, with acclaimed South Korean trilogy *Train to Busan* and a brand-new Japanese horror/comedy.

Even the most recent European genre productions have always been well represented in the Rai 4 offering, with particular emphasis on the latest developments in the crime and fantasy macrogenres. In the crime genre, films such as the British *Rocknrolla* and the French *Antigang* are mentioned; in the area of fantasy, titles such as the French *Ghostland*, the Norwegian *Thelma* or the Italian *The Nest*, all premiered as part of the *Supernatural Thriller* cycle. The new wave of European crime also includes two brand-new prime-time series, namely Spanish series *La Unidad*, a crime thriller about a local anti-terrorist unit filmed in Madrid, the south of France and northern Morocco, and *Hide and Seek*, a surprising Ukrainian investigative thriller that, with its cold, dark settings, follows in the footsteps of the successful Scandinavian detective genre,

As far as daytime programming is concerned, highlights include the grand finale of *Supernatural*, now in its 15th season; the Chinese epic colossal *Tribes and Empires - Le profezione di Novoland*; and various female-driven offerings: the third seasons of the fantasy films *Sirene e Streghe* (remake) and the romantic mystery *In the Dark*; and the unreleased *Burden of Truth*, a legal drama on civil themes in the wake of the Erin Brockovich myth.

1. *Stargirl*
2. *Vikings*
3. *The Strain*

The traditional synergy between film festivals and television film programming has been brought up to date in a formula of updating and interlinking imagineries: in conjunction with the 2021 dates of the Trieste Science+Fiction Festival and the Turin Film Festival, a number of first-run films from previous editions of the two festivals have been programmed. The collaboration with a specific Turin section, *Le Stanze di Rol*, made it possible to programme, simultaneously on the channel and in Turin cinemas, the animated graphic theme song created as an ideal extract of the section's themes.

Numerous publishing initiatives have been dedicated to the relationship between imaginary and reality. In March and October, two editions of the *Obiettivo Mondo* cycle linked the environmental themes of the UN Agenda 2030 with the dystopian science fiction and survival thriller genre juxtaposing documentaries on climate change with films such as *Blade Runner 2049*, *Seven Sisters* and *Arctic*. Similarly, the latest seasons of *Criminal Minds*, was accompanied by documentary series *Murder Maps*, focusing on the most notorious murderers in history.

The weekly magazine *Wonderland* then tackled the "true crime" theme by digging into the Teche Rai archives. The *Il giallo e la nera* detective and crime feature looked back at the Rai detective series of the 1960s, 1970s and 1980s inspired by real cases of crime, combining historical accounts and TV narration. During the summer, the *Italian Crime Stories* cycle presented a selection of fictions written by contemporary masters of Italian crime literature.
One of the main themes of *Wonderland*, which celebrated its 10th anniversary this year, has always been the relationship between science and science fiction. One of the central themes of the science fiction imagination, the alien invasion, was retraced in a cycle of films associated with the four episodes of *Space Walks*, a weekly late-night show that recounted the history and current events of space exploration. Cinema and documentary were also combined in the horror/fantasy genre, with the second season première of docuseries *Eli Roth's History of Horror*, an essential encyclopaedia of the genre by one of its cult directors, which was accompanied by a cycle of classic and contemporary films reflecting the monographic theme of each episode.

In terms of ratings, 2021 was in line with the previous year, with a 1.32% share over the whole day and 1.44% over prime time, and a good retention of the 15-44 year-old reference group on the editorially most characterising proposal, that of prime time: an average of 1.51% over the whole day and 1.63% over prime time was recorded.

"A schedule that has always been dedicated to fans of films and television series with an expertly selected offering that is constantly enriched with brand-new products."

4. *Narcos: Mexico*
5. *Antigang*
6. *Wonderland*

4.9 mn
DAILY CONTACTS

32
MINUTES SEEN PER DAY

1.1%
SHARE IN 24 HOURS

1.1%
PRIME TIME SHARE

Rai Movie

Rai Movie is the movies for you

Rai Movie, the only public service channel dedicated entirely to cinema, set itself apart, thanks to its offer, on a national landscape marked by continuous launches of themed channels and streaming platforms. If cinema is a mirror of reality, portrayed, reconstructed and photographed using a wide variety of narrative methods, then Rai Movie aims to provide a space in which this can be represented in all its forms.

Great attention was paid to the programme schedule, which was strategically developed to ensure that all of the genres and expressions of cinema used were recognisable, able to maintain audience loyalty and representative of the story of contemporaneity. Furthermore, Rai Movie closely follows the current affairs and history of Italy, creating a well-curated schedule aimed at remembering and celebrating its most important protagonists and events.

Significant airtime was dedicated to contemporary Italian cinema, which is emphasized especially in the evenings, and Ito classic cinema, with films that have made cinema history.

The prime-time offering was characterised by genre cinema, with westerns on Mondays and thrillers on Thursdays, joined in 2021 by the Tuesday appointment of *Il vizio del cinema*, featuring those films that Rai Movie believes have left their mark on the recent history of world cinema due to their good workmanship or current tastes.

Ever-attentive to social and cultural changes, Rai Movie dedicated its April programming to the *Obiettivo Mondo* project with four appointments looking at the sustainability issues contained in the UN's Agenda 2030, namely overcoming poverty, promoting peace, justice and strong institutions, strengthening partnerships for achieving the goals and ensuring clean and affordable energy for all.

Marking the 75th Strega Prize and the "Narrazioni e visioni dal dopoguerra a oggi" conference, Rai Movie dedicated its programming to the finalists and winners of past editions, including Elio Petri's film *A ciascuno il suo* from the corresponding book by Leonardo Sciascia, Jean-Jacques Annaud's *Il nome della Rosa*, based on Umberto Eco's masterpiece, and Luigi Comencini's film *La ragazza di Bube*, based on the novel by Carlo Cassola.

The search for the best possible definition and quality of the material broadcast and the utmost respect it demonstrates for original formats is one of the things that set the channel apart. The 2021 broadcasts included: the unabridged version of Howard Hawks's western masterpiece starring John Wayne and Montgomery Clift, *Il fiume rosso* (Red River); the restored director's cut of Michael Cimino's film *I cancelli del cielo* (Heaven's Gate); and the complete edition of the Titanus classic *Sodoma e Gomorra*, which had not been shown for almost sixty years. The year ended with the start of a painstaking reconstruction of the feature films starring Stan Laurel and Oliver Hardy with the complete and restored versions of *Muraglie*, *Il compagno B.*, *I figli del deserto*, *La ragazza di Boemia*, *Gli allegri gemelli* e *Allegri vagabondi*.

Where permitted by contractual agreements, foreign films are broadcast in double audio mode, i.e., with the original soundtrack proposed on the

1. *Obiettivo Mondo*
2. Nanni Moretti presents *Tre piani* al Festival de Cannes
3. *Il nome della Rosa* by Jean-Jacques Annaud

second DDT audio channel. Italian films with audio descriptions for blind people are carefully selected and broadcasted.

Also in 2021, which saw, compared to the previous year, a moderate recovery in both theatre exhibition and distribution of films, and the most important film festivals held mainly in attendance, Rai Movie continued to support this beginning of a return to normality in the Cinema sector with its programming. Rai Movie continues to partner and support the most important Italian festivals.

The 78th Venice International Film Festival marked the restart of the film year, and Rai Movie accompanied it with a highly articulated programme: the Opening and the Award Ceremony, the daily news strip *Venezia Daily*, the *Tv Call* with interviews with the protagonists of all the films in the official selection, the press conferences and the Career Golden Lions. And then the red carpet with the stars present at the Lido. During the Film Festival Rai Movie offered viewers almost complete news and information coverage.

Rai Movie was also present at the 39th Turin Film Festival and the 16th Rome Film Festival, reporting on the kermesses with four in-depth specials and with *TV Calls* to the guests of the two events.

Movie Mag, now in its seventh edition in September, is one of the longest-running current affairs and film information programmes currently on air. On the strength of its historic team of presenters, it boasts a loyal audience both on Rai Movie and in the nightly repeats on Rai 1.

Many Italian titles were recounted and promoted by the magazine through interviews, backstage or in-depth reports. Popular and spectacular films such as *Freaks out* by Gabriele Mainetti or *Diabolik* by the Manetti brothers found their place alongside film masters such as Nanni Moretti with *Tre Piani* or Marco Bellocchio with *Marx non può aspettare*. In perfect synergy with the Italian audiovisual industry, the magazine was also dedicated to the professions of cinema: technicians and professionals, costume designers, set designers, set photographers and make-up artists recounted the seasons of great Italian cinema and the specificity of their profession.

Italian cinema, the one aired every week on Rai Movie's screens, was the subject of in-depth analysis by critics, journalists and filmmakers in perfect synergy with the programming, enhancing Rai's film catalogue. In addition, the section dedicated to the most important writers of the national scene continues, who each week present their favourite film, highlighting the close relationship between literature tout court and that particular tale in images of about two hours that is a film.

In the second half of 2021, Rai Movie added two pieces to the collection of monographic specials produced in recent years, genuine documentaries dedicated to the world of cinema. The first is *Fellini, Simenon - Con profonda simpatia e sincera gratitudine* by Giovanna Ventura who, starting from the epistolary collected by the Adelphi publishing house, through interviews and archive material traces the stages of the friendship between two giants of the 20th century. This documentary was presented at the Rome Film Festival. Also, *Esterno Giorno* by Luca Rea - which had its premiere in December at the 39th Turin Film Festival - is an investigation into the passion for the craft of filmmaking of four leading figures in Italian cinema today: Valerio Mastandrea, Jasmine Trinca, Domenico Procacci and Saverio Costanzo.

4. *Transcendence* by Wally Pfister
5. *Il sacrificio del cervo sacro* by Yorgos Lanthimos
6. *Il primo re* by Matteo Rovere

On RaiPlay, in the pages dedicated to *Movie Mag*, there are new exclusive clips from the collection *A scuola di cinema con Rai Movie*, dedicated to documentaries and animation, again made thanks to the collaboration with 100 Autori, the union association of Italian screenwriters and directors.

Also on RaiPlay, and as a preview just for the digital audience, clips made in collaboration with Premio Strega, with the "heart films" of the twelve selected writers, were also published. All the clips were relaunched by the network social networks, which have long since become a true extension of the TV channel, each with its own specificity: Facebook is the place for interacting with users, while Twitter follows current events such as giveaways and dedicated programmes and Instagram supports the channel's schedule on a daily basis.

During the film events followed by the channel, live streaming content was made available on RaiPlay (the press conferences of the Venice Film Festival and the red carpets of both the Venice Film Festival and the Rome Film Festival) and on demand (TV calls exclusively for Venice, Rome and Turin), always punctually relaunched on social profiles.

"Rai Movie is the movie-only channel, offering comedies, action films, romantic films, thrillers and Westerns spanning a wide variety of genres, ambiences and themes."

7. *The Red River* by Howard Hawks
8. Mads Mikkelsen at *Movie Mag*
9. Premio Strega

Rai Premium

The most successful titles in the Rai catalogue and the general public's most beloved characters: Rai Premium looking at Italy and the ways of life of its people to make viewers think, laugh and thrill.

3.7 mn
DAILY CONTACTS

54
MINUTES SEEN PER DAY

1.4%
SHARE IN 24 HOURS

1.3%
PRIME TIME SHARE

2021 was a year of growth for Rai Premium, which established itself firmly among the top three in the ranking of semi-generalist and thematic channels, with an average share of 1.38% over the whole day (1.27% in 2020) and 1.31% in prime time (1.16% in 2020). With the global pandemic emergency still ongoing, the choice of a reassuring channel that builds schedules capable of consolidating the ever-growing loyalty of its audience and carrying it into the challenges, editorial and otherwise, that the near future will bring has proved to be a winning one.

The channel therefore remains attentive to its audience, which has always been fond of the product that was originally at its core, namely Italian TV dramas. The proposal to show strategic short-term reruns of generalist TV shows continues to be greatly appreciated by the relevant audiences, as they had the chance to find what they had missed or see again what they loved, whether dramas or prime time entertainment.

Replays of generalist fiction were once again a winning strategy both in prime time, with new products in immediate replay, and in day time, with some of Rai production's long-standing titles. These include *Imma Tataranni* and *Fino all'ultimo battito*, which in 2021, with a prime time share of 1.63% and 1.1% respectively, won the public's approval, and an evergreen such as *Don Matteo*, a much-loved series capable of ensuring the crucial early evening slot an average performance of 1.5%.
Il paradiso delle signore daily performed particularly well, as ever, obtaining highly satisfying ratings, with around 2.8% of the average, both in immediate replay and with the marathon formula on Saturday afternoon and Sunday in the late evening.

As usual, a space in the schedule was dedicated to reruns of the best generalist entertainment, with repeats of popular shows such as *Un'ora sola vi vorrei* and the historic *Ballando con le stelle*.

As far as purchased products are concerned, 2021 was characterised by the success of tv movies and tv collections, such as northern European productions *Un estate a...* and *Ottilie von Faber-Castell*, both quality series that also highlight the public's interest in international products and their special set.

Rai Premium maintains a constant commitment to the production of original content such as *Mood*, an innovative graphic journey into the archetypes of narration, and the new edition of *Allora in onda*, an entertaining foray into the history of Rai's best-loved TV series and dramas through curiosities and behind-the-scenes stories enriched by original and entertaining interludes.

The channel has not lost sight of the contemporary world and the challenges that the present and the future will present in terms of protecting the planet. In this sense should be read the success of *Mood to 2030*, five new episodes inspired by the themes of the UN 2030 Agenda for Sustainable Development, combined with thematic programming of dramas and documentaries such as *Wasted: contro il cibo sprecato*, *Il paese ritrovato*, *Backlight: il futuro della moda*.

1. Vanessa Scalera in *Imma Tataranni*
2. Violante Placido, Bianca Guaccero e Marco Bocci in *Fino all'ultimo battito*
3. Terence Hill in *Don Matteo*



Also on the subject of sustainability and fashion is the *Speciale* Report realised thanks to the Media Partnership with the Milan Fashion Film Festival.

Uniche, now in its fifth edition, the branded entertainment TV show hosted by Diego Dalla Palma, continued into 2021.

"The best dramas and the major entertainment successes of the past and present, long-running series, mini-series and TV movies, cleverly interspersed with in-depth analysis allowing viewers to experience and relive the emotions triggered by the quality of the Rai offering."

4. The cast of *Il Paradiso delle Signore daily*
5. Enrico Brignano in *Un'ora sola vi vorrei*
6. Milly Carlucci and Paolo Belli in *Ballando con le stelle 2021*

Rai Italia

Rai Italia is the channel for Italians abroad, which promotes the Italian language and culture around the world, including sport, news, in-depth analysis, drama, special events and entertainment.

Rai Italia's editorial offering is divided into four schedules (North and Central America, South America, Sub-Saharan Africa and Asia/Australia) designed to reflect the main time zones, is broadcast via satellite, cable, Iptv and OTT platforms. The channel is available in encrypted and pay-per-view modes, in North America, South America, Sub-Saharan Africa and Australia in addition to the homes reached via direct and free satellite broadcasting in the Asian continent. All Rai Italia original productions are also available in Italy and Europe through streaming on RaiPlay, as well as on the Rai Italia website.
The programme schedule presents the *best of* Rai's networks, with the most popular and successful programmes of the Rai generalist networks, spanning all television genres, being broadcast on the same day or the days immediately following

This offer is complemented by original Rai Italia productions for its worldwide audience: almost six million Italians living abroad, between sixty and eighty million Italian descendants and about 250 million so-called "Italics," i.e. people of Italian origin and otherwise, who appreciate and follow the Italian way of life and share its basic values.
Rai Italia's original productions in 2021 include the "historic" programme *La giostra dei gol* and the three matches of the Serie A football championship, *I Mercoledì di Francesco* with the Wednesday papal audiences, and the daily *L'Italia con voi*. Added to these titles was *Cristianità*, which continued, as usual, on the weekends of the summer season and brought Sunday Mass and the Papal Angelus into the homes of our compatriots abroad.

L'Italia con voi - a daily broadcast realised with the collaboration of the Ministry of Foreign Affairs and International Cooperation (MAECI), the CGIE, the Comites and the Dante Alighieri Society - is the main original production realised by the channel for and with Italians living and working abroad. The format includes in-studio and live guests and reports - both from Italy and abroad - produced by a network of video-makers who tell the stories and events of our communities and their protagonists around the world. These stories, as well as in the daily, are also offered in the weekly *L'Italia con Voi - Speciale Le Storie*, which will also be broadcast on the generalist networks, as a response to the so-called "return information" demand of our compatriots.
On the occasion of the Festival della Canzone Italiana, a special edition of *Sanremo con voi* was produced in March and broadcast live from the Teatro delle Vittorie in Rome, both before the individual evening events and during the Festival's Italian ad breaks. Experts, singers and the stars of the festival's evening events making spur-of-the-moment comments and bringing Amadeus and the Ariston theatre to Italian viewers thousands of miles away.
On the occasion of the Comites elections held in December 2021, the channel gave space to the information campaigns carried out by the Ministry of Foreign Affairs and International Cooperation, often hosting its representatives in *L'Italia con voi* to learn more about how to participate.

In the second half of the year, as the Serie A rights

1.-2. *L'Italia con voi*
3. *Cristianità*

were no longer available for the Italian communities abroad, Rai Italia's sports offer was remodelled by including the matches of the top men's and women's volleyball leagues in the weekend schedule.
Also in the area of sporting offerings, in May the *Giro d'Italia*, one of the most important cycling races in the world, was broadcast live, much loved not only by our countrymen, but also by many fans.

Rich and varied, as always, is the cultural, entertainment and information offer on the channel's schedule. Great attention is given to both regional and national information to take into account all Rai titles. Similar pluralism guided the choice of in-depth news programmes such as *Porta a Porta*, *Carta Bianca*, *Report*, *Presa Diretta*, *Petrolio*, *Mezz'Ora in Più*, *Tg2 Dossier*, *Re-Start.* There was no shortage of programmes telling the story of the territory, such as *Linea Verde* (with its many variations) and *Linea Blu*.

Rai-produced dramas have brought Italians abroad their best-loved titles *(Un Passo dal cielo 6*, *I Bastardi di Pizzofalcone 3*) and new ones dedicated to outlining the role of women in our contemporary world *(Lolita Lobosco*, *Imma Tataranni*, *Mina Settembre*).
Extensive programming was devoted to the latest generation of Italian cinema and its excellence was highlighted through the broadcast of the David di Donatello awards and the opening and closing evenings of the Venice Film Festival.

Daytime programming aims at audience loyalty with programmes suitable for the whole family: from the soaps *Un Posto al sole* and *Il paradiso delle Signore daily* to games to play with *(Eredità*, *Reazione a Catena*, *I soliti Ignoti*), passing through *È Sempre Mezzogiorno*, *I Fatti Vostri* and *Domenica In.* There was no shortage of historical containers such as *UnoMattina* and *La vita in diretta Estate*.

Primetime programming ranged from the infotainment of *Che tempo che fa* to historical titles such as *Tale e Quale Show* and *Ballando con le stelle*.

The *Service Contract 2018-2022* regulates, among other things, the concessionaire's offer for foreign countries and in English. More precisely, Article 12.3 states that: "*Rai is required to develop a specific English-language channel of an informative nature, promoting Italian values and culture, also through the production of original programmes and works specifically made for a foreign audience, as well as aimed at broadcasting products representing the excellence of the Italian production system and selected cinematographic, documentary and television works to enhance the country's identity*".

Consistent with this, the basic guidelines of the English-language channel were first outlined in 2021, with the definition of the editorial assets and positioning specifics. Starting in May, a *cross-media* editorial project was defined for the promotion of the Made in Italy in the world, based on an idea of integration between Rai Italia and the English-language Channel, with a substantial doubling of Rai's offer for foreign countries, also envisaging an appropriate placement on the digital platform RaiPlay.

"Original programmes and the best of Rai productions for Italians abroad: to be close even when you're far away."

Rai Cultura

Rai Cultura - with its three television channels (Rai 5, Rai Storia and Rai Scuola), two web portals (www.raicultura.it and www.raiscuola.it) and the Orchestra Sinfonica Nazionale della Rai - produces, distributes and fosters the circulation and multi-platform reuse of cultural content, cultural entertainment, history, music and quality education formats. A schedule which combines narrative force and rigorous scientific verification and speaks the language of today, with the capacity to override outdated scheduling concepts and which also travels with great effectiveness through networks and social media on mobile devices and in on-demand mode.

Over the course of 2021, as the health emergency continued, Rai Cultura (and in particular Rai Scuola), has been supported the new forms of distance learning activated by the world of education and training. In cooperation with the Ministry of Education, in fact, Rai has made available to students and teachers new programming spaces dedicated to school, with an offer aimed at all age groups. Moreover, through Rai Scuola, Rai Storia, Rai 5 and Rai 3, Rai Cultura has continued its commitment to the Public Service aimed at nurturing community values and social cohesion, as well as supporting the culture and art, music and theatre sector. In fact, in addition to taking care of the multiplatform offer of the three television channels Rai Storia, Rai 5 and Rai Scuola, of the portal www.raicultura.it (art, literature, history, music, cinema, theatre and dance, philosophy and science) and of Rai's Orchestra Sinfonica Nazionale, Rai Cultura has occupied programming slots in the schedules of Rai's generalist channels through internally produced titles including: *Storie della tv*, *Storie delle nostre città*, *Italiani*, *Italia viaggio nella bellezza*, *Senato & Cultura* on Rai 1, *Progetto Scienza* on Rai 2, *Passato e Presente* (daily with repeats on Rai Storia), *Di là dal fiume e tra gli alberi*, *#maestri*, *L'Italia della Repubblica*, *Progetto Scienza, Apprendisti stregoni*, *Terza pagina*, *Save The Date*, *Visioni* on Rai 3.

A number of prestigious productions were notably broadcast on Rai 1, including:

- on 5 June, live broadcast *Senato & Cultura*. Omaggio a Dante, a tribute to Dante Alighieri through the arts of music, cinema and theatre from the Aula del Senato della Repubblica,
- and *Il suono della bellezza*, produced in collaboration with Rome's Teatro dell'Opera and Galleria Borghese, which achieved a 9.9% share with 2 million listeners in the prime-time slot on 20 June. Taking their cue from some of the most significant works housed in the gallery, musical director Daniele Gatti and the Orchestra dell'Opera di Roma embarked upon a musical journey starting with the baroque music of Händel and Vivaldi, via Paisiello and Mozart, and ending with the neoclassicism of Stravinsky.

Rai Cultura is also a centre of expertise when it comes to producing classical music for the company. In fact, exclusive events, operas and prestigious concerts are produced by Rai Cultura and broadcast on the generalist networks.
Events in the first half of 2021 included the *Concerto di Capodanno da Vienna* and the concert from the *Teatro LaFenice di Venezia*, directed by Daniel Harding, the *Concerto dell'Epifania from Naples*, performed by the Orchestra Partenopea di S. Chiara, the *Concerto di Pasqua from the Cathedral of Orvieto* on 2 April with the orchestra of the Maggio Musicale Fiorentino, directed by Zubin Mehta, and the *Concerto per la Repubblica* from the *Sala dei Corazzieri at the Quirinale* with the orchestra of the Accademia Nazionale di

1. *Italia viaggio nella bellezza. - Sulle tracce del patrimonio*
2. *Bronte*
3. *Animals with Cameras*



Santa Cecilia, directed by Jakub Hrušada, which was broadcast on Rai 1 on 1 June.
Opera-film *La traviata* was produced for Rai 3 in collaboration with the Teatro dell'Opera di Roma, under the theatrical and television direction of Mario Martone, with the Choir and Orchestra of the Teatro dell'Opera di Roma and conducted by Daniele Gatti. The opera was broadcast in prime time on 9 April, achieving an excellent audience share of 3.9% with some 980,000 listeners.
The second part of the year included the live broadcast from the Quirinale of the Concert conducted by Maestro Riccardo Muti for the *G20 of Culture* (29 July on Rai 1) and the concert *Le Vie dell'Amicizia* (6 August on Rai 1); the *final Concert of the Festival dei Due Mondi* conducted by Maestro Antonio Pappano with Orchestra Nazionale di Santa Cecilia (15 July on Rai 2).
For the summer prime time of Rai 3, *La grande Opera at the Arena di Verona* presented three of the most beloved titles in the history of melodrama: *Cavalleria rusticana*, *Pagliacci* and *Aida*. Enriched with digital sets by D-Wok and narrated by exceptional testimonials such as Pippo Baudo and Antonio Di Bella, the three operas achieved a 4.9% share for 774 thousand viewers and the cycle as a whole a 4.8% share for 832 thousand listeners.
On Rai 1, the year ended with the traditional live broadcast of the opening of La Scala season with *Macbeth* - watched by 2.64 million people, with a share of 10.5% - the *Concerto di Natale* from La Scala Theatre and from Basilica superiore in Assisi.

Rai Cultura
Classical music production 2021

Generalist networks

14 events for a total of 24 hours of offer in first transmission

Rai 5

33 events for a total of 58 hours of offer in first transmission

in streaming

A total of 56 hours (OSN Rai concerts, events from La Scala, events from the Quirinale).

4.-5. *La Traviata* - Il Maestro Daniele Gatti conducts the Orchestra of Teatro dell'Opera di Roma
6. *Il Segno delle Donne*, Elena Stancanelli and Sandra Ceccarelli

Rai 5

The cultural entertainment channel devoted to music, art, literature, theatre and nature with a special focus on large-scale productions, innovation and experimentation in the art field.

2.7 mln
DAILY CONTACTS

19
MINUTES SEEN PER DAY

0.4%
SHARE IN 24 HOURS

0.4%
PRIME TIME SHARE

In 2021, in the wake of the pandemic, Rai 5 completely reoriented its programming, setting itself the twofold objective of supporting distance learning with art, literature and theatre programmes linked to school curricula (particularly in the last year of high school), as well as keeping alive and continuing the public's connection with those forms of expression (music and theatre) forced by the pandemic to close down.

This was a real change of programme schedule, which saw the strengthening of the offer of cultured music (symphonic, lyrical, chamber music) with new spaces (every day in the morning and afternoon, as well as in prime time on Wednesdays), and of theatre (every day in the afternoon); various documentary titles were also replaced, in favour of a more focused offer on art and literature.

This offer was complemented by original productions: the *Save the Date* special dedicated to the situation in Venice during the lockdown; live broadcasts of major events that marked a first revival, such as Richard Strauss's *Salome* from La Scala, Franz Liszt's *Sinfonia Dante* for orchestra and women's choir performed by Rai' Orchestra Sinfonica Nazionale for a tribute to Dante on the 700th anniversary of his death; the final concert from Bologna of the *International Composition Competition 2 August* in memory of the victims of all massacres; the *Concert for Milan* with the Filarmonica della Scala conducted by Maestro Riccardo Chailly; *Turco in Italia*, by Rossini from La Scala; the inauguration of Teatro dell'Opera di Roma with *Julius Caesar* by Giorgio Battistelli.

In total, in 2021 Rai 5 offered 2,311 hours of serious music and drama shows, of which 322 hours were first broadcasts.

To celebrate the 700th anniversary of Dante Alighieri's death, Rai 5, in the week of Dantedì, changed its programming schedule to make room for programming dedicated to the Supreme Poet. The offer for Dante in the autumn recovery was very rich, articulated with daytime and prime time appointments. In fact, from 13 to 17 September, three episodes of *Sciarada* were scheduled in succession: *Speciale per Dante*, then *Divini canti* with Carmelo Bene and finally *La Vita Nuova*, interpreted by Nicola Piovani. Closing the cycle of celebrations and the Dante Year was *Divino Dante*, a cycle of four evenings - *Dante e la parola*, *Dante e l'amore*, *Dante e il Divino*, *Dante e il mondo* - with a prestigious panel of experts and historians of the Italian language and literature, and readings of passages.

There was also a new cycle of *L'altro Novecento* dedicated to authors such as Andrea Zanzotto, Attilio Bertolucci, Beppe Fenoglio and Giuseppe Tomasi di Lampedusa; the new season of *Nessun dorma!* dedicated to the contamination between musical genres - jazz, opera, pop, symphonic -; the Nuovo Cinema Italia space, with its window on the first and second works of emerging authors of Italian cinema in the new millennium; the new edition of *Prima della prima*, the historic programme that reveals the "behind the scenes" of the great opera productions; *Art Night*, with its forays into the new Italian museums as well as a rich selection of production and purchase documentaries; *Terza pagina*, a preview

1. *Sciarada – Speciale per Dante*
2. *Art Night, il MART di Rovereto*
3. *Father and son*

and reflection on the cultural inserts of the major Italian newspapers.
Tuesdays, continued to bring us great international art films, and Thursdays maintained its traditional appointment with the great titles of ballet, opera and symphonic music, in addition to the usual new cycle of *Muti prova Aida* with the Cherubini Orchestra.

The theatrical programme proposed - in the midst of theatre closures due to the pandemic emergency - historical plays by great masters and the best of the contemporary scene: the *Maratona Teatrale Next Generation* on Saturday 3 July was dedicated to the new generations of theatre, proposing the graduation performances of some of the most important Italian theatre schools - Accademia d'arte drammatica Silvio d'Amico, Civica Scuola di Teatro Paolo Grassi, Scuola per attori del Teatro Stabile di Torino -, new productions by young talents and, in a premiere, the monologue *Father and son* centred on the generational confrontation between parents and children.

In 2021 Rai 5 also covered issues such as nature, the environment, travel and exploration, with an accentuated anthropological value, during both the daytime and the Sunday prime-time slot The third season of the series produced in collaboration with Rai3 *Di là dal fiume e tra gli alberi* is also worth mentioning.

"Rai 5's productions cover all genres of performing arts from music to theatre and from ballet to opera and focus particularly on broadcasting events live at the same time providing cultural entertainment in an up-to-date and contemporary language."

4. *Julius Caesar*
5. *Turco in Italia*
6. *Salomé*

Rai Storia

The quality channel which presents history, talks about Italy and reflects on our past to help us understand our present and plan for the future.

1.3 mn
DAILY CONTACTS

26
MINUTES SEEN PER DAY

0.3%
SHARE IN 24 HOURS

0.3%
PRIME TIME SHARE

Rai Storia is the channel that turns telling the story of the past into an opportunity for reflection and discussion, deploying tools and languages to encourage greater understanding and interpretation of the complexity of the present in which we are living.
The 2021 offer confirmed its thematic appointments, as the cornerstone of the prime-time schedule and the mainstays in terms of recognition, audience and its public service role, including the daily appointments with *Passato e Presente* and with *#maestri* (in collaboration with the Ministry of Education) - in prime time on Rai 3 and then on Rai Storia - which, precisely during the pandemic period, carried on a television of training and in-depth analysis, support for school education, rewarded by flattering ratings ((*Passato e Presente* overall achieved an average share of 4.2%, *#maestri* at the autumn resumption achieved an average share of 3.8%). These cornerstones are flanked by well-defined programming slots that provide tools for understanding key figures in our country's history, such as *Italiani*, and for disseminating and promoting cultural heritage, such as *Italia*, *Viaggio nella Bellezza*.

A year also made up of important awards, starting with the Premio Moige for *Alighieri Durante detto Dante* and the Premio del pubblico e Menzione speciale Archeoblogger at the Ram Film Festival for *Il patrimonio sommerso un museo sul fondo del mare*. And again: at the Sicilymovie Festival of Cinema di Agrigento, Menzione speciale Around Sicily for *Pillole sul patrimonio Unesco Monte Etna*.

Many productions dedicated to cultural places and heritage, including: *Ricostruire insieme. Bienniale di Architettura 2021*; *Montecitorio, l'arte e la storia di un palazzo*, an exclusive journey through the Chamber of Deputies; *Procida capitale italiana della cultura 2022*; *Il patrimonio subacqueo, un'eredità per il mondo* for the tenth anniversary of the Convention on the Protection of the Underwater Cultural Heritage, in collaboration with the UNESCO Office of the MIBAC and the patronage of the Italian National Commission for UNESCO; *Le Magnifiche. Le più antiche università italiane*, a journey through the universities of Bologna, Padua, Naples, Siena, Rome.

The narration of the story and its protagonists included, among others: *Nel mezzo del cammino*, the reading of the 1st canto of Dante's Inferno with the students of the acting schools of the Centro Sperimentale di Cinematografia and Accademia Silvio D'Amico; the "impossible interviews" with the 20th century Italian *women* protagonists with *Il segno delle donne*; the Special *Il milite ignoto*, on the occasion of the centenary of the burial of the son of Italy at the Vittoriano; *La Bussola e la clessidra,* the series that sees Professor Alessandro Barbero answer viewers' questions and curiosities on a series of documentaries dedicated to the theme of the great battles, from Pearl Harbor to Lepanto, Verdun and Afghanistan; *I ragazzi del '36*, the American rowing team that won the Berlin Olympics; *Italiani* with episodes dedicated to the female scientists of the last two centuries; the new series of *Storie della Tv*, with the stories of the protagonists of the small screen, television genres and Rai correspondents around the world.

1.-3. *Le magnifiche. Le più antiche università italiane* (Naples, Siena, Rome)

Ancient and modern history was explored in depth with episodes dedicated to *La Guerra dei Trent'anni*, the Ottoman siege of Malta in 1565, and *Le Battaglie del Louvre*, with the events that took place there. But also with episodes *Costruttori di castelli*, the construction of the Eiffel Tower, the sailing of the Red Sea by the Egyptians 3,500 years ago and, in Cambodia, in the world's largest city in the 13th century, *Angkor*.

The new episodes of the *1941* series are dedicated to 20th century history and society, with in-depth coverage of the Italian war, from the honour of arms in East Africa to the declaration of war on the USA; *L'uomo che salvò il mondo*, on the risk of a US-USSR nuclear war; *Il muro di Berlino - La notte in cui scese la cortina di ferro*, history and implications of the creation of the Wall; *Bobby Kennedy, il sogno di un mondo nuovo* from the emergence of the young Robert Kennedy until his assassination; *Lo spirito della Liberazione*, colorized footage on the end of World War II and peace; *Lettere da Baghdad*, *Gertrude Bell*, the gripping story of the "queen of the desert".

There was no shortage of the usual appointments with the cinema - *Cinema Italia*, dedicated to Italian cinema; *Binario Cinema* with historical genre cinema; *Domenica con*, with personalities from the worlds of culture and entertainment who offered the public their own personal schedule together with a film to which they are linked - nor the space dedicated to documentaries with *Doc d'autore*.

"Great institutional activities, the most important anniversaries, events in the past that are to be remembered, all become televised and cross-media events in Rai Storia which are vital elements in the narration of our country's culture".

4.-5. *Italia, Viaggio nella bellezza*
6. *L'ombra del muro*

0.2 mn
DAILY CONTACTS

17
MINUTES SEEN PER DAY

Rai Scuola

The channel devoted to formal and informal instruction, education and digital, scientific and technological literacy: culture and learning at the centre of the television's function as a Public Service.

Rai scuola TV channel and its new website, which were developed during the dramatic months of the 2020 lockdown, continued, in 2021 as well, to play a major role in the great commitment to schools This major productive effort supported teachers, students and families with distance learning and in using digital technology to its full potential. This project - which has been followed up with an organic plan between the Ministry of Education and Rai - concerns purely curricular topics for which Rai Scuola supports school teaching with programmes produced in close cooperation with the MIUR *(La scuola in tivù*, *La scuola in tivù - Percorsi di Maturità*, *Speciali Rai Scuola Educazione civica Cittadinanza e Costituzione*, *Laboratorio scuola*, *Professione futuro*).

In addition to this, Rai Scuola presents a solid offer in the field of digital skills and the development of computational thinking, knowledge of English, the dissemination of scientific culture, interdisciplinary study to learn about the challenges of sustainability and climate change, as well as new teaching aids for the study and teaching of civic education.

Among the most important programmes to be aired in 2021 are:

- *La scuola in tivù*. To the corpus of more than 330 lectures, consisting of about a thousand teaching units, delivered in 2020 in cooperation with the Ministry of Education, a further 194 lectures (for about 600 teaching units) were added in 2021, delivered by lecturers on topics identified by the Ministry itself and dedicated to the most important subjects;
- *La scuola in tivù - Percorsi di Maturità*. An in-depth study in 16 lessons to explain the 2021 State Examination;
- *La scuola in Tivù - Istruzione degli adulti*. A pathway in 30 episodes dedicated to those enrolled in the Provincial Centres for Adult Education as support for the attainment of the final qualification of the first cycle of education and organised on four cultural axes (language, mathematical, historical-social and scientific-technological);
- *Speciali Rai Scuola: Educazione civica - Cittadinanza e Costituzione*. A series of insights on the Constitution, sustainable development, digital citizenship, labour, heritage protection, legality, Europe, gender equality;
- *Professione futuro*. 12 episodes centred on Technical, Professional and High-school technical Institutes, with the aim of providing concrete support for school choice orientation and illustrating the training pathway: entry skills, the curriculum, the teaching staff, interaction with the business world, job opportunities, etc;
- *Speciali Rai Scuola*. In-depth studies and activities on important anniversaries and topics: 27 January (Holocaust Memorial Day), 10 February (National Memorial Day of the Exiles and Foibe), 23 May (Legality Day), etc;
- *Laboratorio Scuola*. A series of video lectures on the tools, methodologies and potential of integrated digital education aimed at teachers, students and families. With methodological reflections within concrete teaching situations, the series devotes special attention to the most successful and effective experiences implemented in schools, rethinking them from a

1. *Professione futuro*
2.-3. *Progetto Scienza – STEM*

non-emergency perspective;

- *Digital World - Competenze digitali*. The programme focuses on tools for enhancing digital skills, providing elements for approaching technologies with critical thinking: 26 monographic episodes with topics ranging from big data to artificial intelligence, from Web 3.0 to Industry 4.0, from digital citizenship to the world of social media;
- *I segreti del colore*. A production for those wishing to engage in the field of fine arts and the conservation and restoration of works of art, enriched this year with new episodes dedicated to mosaics. A weekly appointment dedicated to art education to provide knowledge about the history of art, artists and production techniques of past masterpieces.

With respect to the offering of programmes in English at upper intermediate-advanced level, aimed at those learning and perfecting their knowledge of the language, which has characterised Rai Scuola's 2022 programming, continues to be integrated with programming in English dedicated to other subjects, in line with the *CLIL-Content and Language Integrated Learning* the methodological approach aimed at integrated learning of linguistic-communicative and disciplinary skills in a foreign language.

The channel offers a large number of programmes, including: *Perfect English*, *English Up*, *What Did They Say?*, *3ways2*, *Spot on the Map*. And also series such as *The Great Myths*: *The Iliad* e *The Great Myths: The Odyssey*, on epic literature. There are also many programmes dedicated to the main authors of Anglo-American literature: *The Secret Life of Books*, *Shakespeare's Tragic Heroes*, looking at the characters from the main Shakespearean tragedies, *Bram Stoker-Dracula* and *Edgar Allan Poe - The Last Four Days* on two of the most representative authors of 19th century genre literature. The offer was complemented by programmes on language teaching methodologies and orientation: *Erasmus Plus Stories*, *The Italian Dream*, *Shakespeare Class*.

Popular science is always present in Rai Scuola's programming schedule with an important offer and an average of around 70 hours of programming per week. Among the most notable titles:

- *Progetto Scienza - Newton Speciale Sostenibilità e Innovazione*: a cycle of six episodes on environmental sustainability and scientific innovation, two topics at the heart of the global agenda, in this cycle focusing on the theme of water;
- *Progetto Scienza - Storie della Scienza*: to explore how and why science has become so central in today's world;
- *Progetto Scienza – STEM*: twenty weekly episodes dedicated to STEM disciplines, with some of the leading experts from the world of research and innovation;
- *Progetto scienza - Verso il futuro*: ten appointments dedicated to study and work orientation with an overview of the latest scientific research and discoveries that will change our vision of the future and the way we study and work;
- *I lincei per il clima*: a television and web-based event produced in cooperation with the Fondazione Lincei per la Scuola on the topics of climate change, air quality, climate and health, climate and biodiversity, the causes of global warming and future climate projections.

Many initiatives were organised in collaboration with the Dante Alighieri Society to mark the 700th anniversary of the death of the Supreme Poet. These included 11 lessons from the *Enciclopedia infinita* –

7.-8. *Progetto Scienza – STEM*
9. *Lezioni in Tivù*

Dante e la Divina Commedia, produced by Società Dante Alighieri.

Rai Scuola's training offer - mostly consisting of short teaching units designed for online publication and easily accessible on the move - is also available on the Rai Scuola portal, on RaiPlay (often with subtitles for the deaf) and on the Rai Cultura portal.

"Rai Scuola is broadening its own horizons by strengthening the range of tools and content available on the network and accessible on mobile devices, developing operational links with schools, universities, the main cultural institutions and the most active players in the world of scientific and technological research."

Rai National Symphony Orchestra

Despite the reduced number of people on stage and a 3-week suspension between March and April due to the health emergency, the activities of the Rai National Symphony Orchestra confirmed the level of excellence of its contribution within the Italian music scene. Below is a summary of the initiatives undertaken in 2021.

Seasonal concerts. 2021 saw the opening of the *Winter Concerts* with Bruckner's *Fifth Symphony* conducted by Maestro Harding; Maestro Nagano and pianist Lupo performing Brahms' *Primo Concerto*; violinist Sergei Khachatryan conducted by Maestro Yamada, performing *Šostakovič*'s *Primo Concerto*; Maestro Valčuha conducting music by Stravinsky, Dallapiccola and Beethoven; Maestro Madaras Madaras, soprano Grigorian and baritone Goerne performing *Lieder* by R. Strauss, Wolf and Šostakovič; Maestro Mc Adams conducting the Overture from Weber's *Oberon* and Brahms' *Serenade No. 1*; Maestro Conlon and pianist Lisiecki performing Grieg's Concerto; Maestro Inkinen conducting Stravinsky's *Orpheus* and *Divertissement*.
Maestro Dantone, mezzo-soprano Paola Gardina, tenor Alasdair Kent and baritone Paolo Bordogna opened the *Spring-Summer Concerts* with Stravinsky's *Pulcinella*; Maestro Dantone took the podium again to conduct Haydn's *Symphony No. 104* and Schubert's *Tragic* Symphony; Maestro Gatti conducted the complete Brahms symphonies in two concerts. 2021 also saw the return of Russian pianist Malofeev interpreting Liszt's *Primo Concerto* conducted by Maestro Luisi; Maestro Shokhakimov and the female voices of the Maghini Choir paying homage to Dante Alighieri with a performance of Liszt's *Dante-Symphonie*; pianist Bollani and Maestro Järvi proposing Bollani's *Concerto Azzurro*, *Aurora* and Järvi's *Snow maiden Unveiled*; mezzo-soprano Antonacci performing Chausson's *Poème de l'amour et de la mer*, conducted by Maestro Pascal; Maestro Mariotti and violinist Rachlin performing Mendelssohn's *Concerto*.
Maestro Luisi and violinist Hilary Hahn inaugurated the *Autumn Concerts* with Sibelius' *Concerto* and Berlioz's *Sinfonia Fantastica*; pianist Kholodenko, conducted by Maestro Shokhakimov, played Rachmaninov's *Third Concerto*; pianist Melnikov and NSO's first trumpet player Rossi played Šostakovič's *Concerto*, conducted by Maestro James Feddeck; violinist Capuçon, conducted by Maestro Trevino, played Bruch's *First Concerto*; violinist Szeps-Znaider played Brahms' *Concerto* conducted by Maestro Conlon; cellist Altstaedt, conducted by Maestro Netopil, played Bloch's Hebrew *Schelomo* Symphony. The *Autumn Concerts* ended with two concerts conducted by Maestro Gatti, who played the complete Schumann symphonies.

Rai NuovaMusica, Rai Orchestra POPS and the extraordinary concerts. Mezzo-soprano Kožená and Maestro Marin presented an evening dedicated to Berio for the *Rai NuovaMusica* series. In the *Carnival Concert*, Maestro McAdams and baritone Bordogna performed Cimarosa's Intermezzo giocoso *Il maestro di cappella*.
In June, a cycle of four concerts was held for the *Rai Orchestra POPS* festival, two conducted by Maestro McAdams and two by Maestro Axelrod, with programmes ranging from Zappa to Scott Joplin, from Rota's soundtracks to Jonny Greenwood of Radiohead, to Ginastera, Ellington, Mason, Bernstein, Gershwin, Keith Emerson, Purcell and Sollima. Also starring are pianist Taverna and cellist Sollima.
The NSO took part in the *MITO Settembremusica*

1.-3. Maestro Fabio Luisi conducting the Rai National Symphony Orchestra

festival; it held the *Musica Insieme* concert with which Rai and the Piedmont Region thanked those involved in combating the pandemic; the concert for the *Moncalieri Jazz Festival*; the concert *Musica per un Mondo Nuovo* commissioned by Rai Radio 3 in collaboration with the XXXIII edition of the Turin International Book Fair; the customary *Concerto di Natale*, with the traditional performance of Tchaikovsky's *Nutcracker*; and a Christmas concert for Intesa Sanpaolo.

Opera performances and symphonic concerts at other venues. Since 2017, Orchestra Sinfonica Nazionale Rai has been the principal guest orchestra of the Rossini Opera Festival; in 2021, in addition to the final *Gala Rossini* concert, it took part in *Moïse et Pharaon* and *Elisabeth, Queen of England*. He also took part in the *MITO Settembremusica* festival with a concert at the Teatro alla Scala in Milan conducted by Maestro Luisi and featuring the pianist Piemontesi; at the *Settimane Musicali di Ascona*, again conducted by Maestro Luisi, and with the cellist Vogler; at the *Milano Musica* festival with two concerts at Teatro alla Scala, the first conducted by Maestro Ceccherini and with pianist Baglini, the second conducted by Maestro Madaras and with tenor Cortellazzi; at the *Verdi Festival* in Parma with the *Requiem* conducted by Maestro Gatti.
The Orchestra Sinfonica Nazionale also inaugurated the season at the Coccia Theatre in Novara under the baton of Maestro Fogliani and pianist Bae; it held a prestigious tour in Germany (Frankfurt-Cologne-Hamburg) conducted by Maestro Trevino and starring violinist Hahn; it took part in the *Christmas Concert in Assisi* conducted by Maestro Eddins and with tenor Alagna and cellist Hauser.

the Orchestra were engaged in: 5 cham concerts, as part of the *Le domeniche dell'Auditorium cycle*, 9 concerts in other venues at the Quirinale, 2 concerts for the *MITO Settembremusica* festival, 4 concerts for the *Domenica in Musica* marathon and one concert for *Professione Orchestra* in *Concerto organizzato* as the conclusion of the *Professione Orchestra* masterclass.

Educational projects. NSO educational initiatives in 2021 saw the continuation of the *Professione Orchestra* educational project, consisting of a series of masterclasses for young musicians, for the fifth consecutive year as part of a project undertaken in collaboration with the Pinerolo Academy and involving the Rai NSO's first parts as teachers. Several chamber ensembles from the OSN Rai took part in the *Museo in Musica* project, short musical performances during a visit to the TV and Radio Museum at the Rai headquarters in Via Verdi.
All of the season's concerts were broadcast, some live, on Rai Radio 3 (also available in audio streaming mode), with some also broadcast in Eurovision for the Euroradio circuit, and all symphonic concerts of the year can be found on RaiPlay and www.raicultura.it/orchestrarai. In 2021 Rai Cultura filmed 39 events, which were aired on the Rai Networks and/or live streamed on the RaiCultura portal www.raicultura.it.
All institutional information, the concert calendar, press releases with photographic material, and the season's librettos can be found on the Orchestra's institutional website www.raicultura.it/orchestrarai.
The Orchestra has official pages on social networks Facebook, Twitter and Instagram, where editorial content such as *Il Concerto in 2 battute*, and in-depth focus with video excerpts broadcast in full on RaiPlay at the end of the live streaming of the concerts are

The Rai National Symphony Orchestra - Activities of 2021

25 concerts from the Symphonic Season:
- 8 *Winter concerts*
- 9 *Spring-summer concerts*
- 8 *Autumn concerts*

1 concert from *the Rai Nuova Musica series*
4 concerts from the *Rai Orchestra POPS* summer festival

5 extraordinary concert

10 chamber concerts in the Auditorium and 11 at other venues

8 opera performances

The *Gala Concert* at the *Rossini Opera Festival*

10 symphonic concerts at other venues

Educational projects *Professione Orchestra* and *Museo in Musica*

Rai Ragazzi

Rai Ragazzi represents Rai's editorial proposal for young audiences, from the youngest children to those crossing the threshold of adolescence. A numerically limited audience - because there are not many children in our country - but a valuable one: commitment to their education and peaceful growth is an essential part of public service.

Linear programming is divided into two dedicated television channels, Rai Yoyo, aimed at the youngest, advertising-free viewers, by far the most-watched children's channel in Italy, and Rai Gulp, dedicated to boys and girls in their pre-adolescent years, with a focus on the themes of inclusion, equality and the rejection of stereotypes, and growth as aware citizens.

If the entire media system is evolving, children are always in the front row: more and more programmes are watched on-demand, thanks to RaiPlay and the children's app RaiPlay Yoyo, accompanied by original content also on social media.
Childhood protection is inherent in all Rai programming, but the dedicated offer, curated by Rai Ragazzi, is a special pact of friendship and attention to children and their families.

The editorial offer of the Public Service aimed at children and young people has always revolved around two key terms: entertainment and education. The emergency caused by the pandemic, which lasted throughout 2021, made it necessary to add new and pressing priorities to these classic elements of the offer for children. Explaining, in sincere and child-friendly language, why the world, life, school have changed, what is happening and how we will get out of it. Supporting school education with programmes that accompany children in the complex alternation between in-presence and distance learning. And, above all, promote self-confidence, a sense of community and social cohesion, and intergenerational exchange with all programming.

At a time when sociality is severely restricted - from school to sports activities, from associationism to parties with children and young people, and, in particular, pre-adolescents who see their need for autonomy repressed and risk falling into self-isolation - the responsibility of the media becomes more intense.

With original production programmes, with cartoon and fiction series made in collaboration with independent Italian authors and producers, with a selection of the best European and international works, Rai Ragazzi's offer is broad, inclusive, contemporary.

The three main guidelines the Rai follows in this activity are as follows:

- an editorial responsibility towards an audience of children and teenagers and their families to provide high-quality original productions and a selection of the best international series that are educational and entertaining and encourage critical thinking, creativity and a taste for the finer things;
- the promotion of the Italian creative industry, involving the best talents and the best national audiovisual companies producing cartoons and kids' series as part of a process of growth and internationalisation;
- constant innovation, with the ability to offer new formats, styles, languages, technologies and modes of interaction in a highly progressive environment.

1. *Paddington*
2. *Berry Bees*
3. *Acqua Team*

In the current climate, in fact, tastes and preferred ways of enjoying TV and audiovisual programmes are changing rapidly, especially among children aged 8 years and over, but also where younger children are concerned. What we are faced with is a different context from that of a few years ago and the importance of our role and our responsibilities as a public service is greater now than ever. The offering spans multiple platforms and services - generally international - that compete for children's time and attention, meaning that children are involved, from a very young age, in commercial dynamics that do not always respect the stages of development and the editorial quality of what is on offer.

Rai is called upon to provide the youngest audience with original, distinctive and contemporary programming.

The editorial themes that have been addressed throughout the year are many, united by the spirit of Public Service: education (art, history, literature); science and technology (STEM, innovation, space); the earth, our only planet; sustainability, environment, protection of the sea; inclusion, diversity, solidarity; festivals, values, spirituality; solidarity networks (the Alfieri della Repubblica); leading girls; bullying, language, media education; young citizens (civic education. Europe); Italian language and English language; special welcome to the little ones; adolescence; what I will do when I grow up and, of course, laughing together.

4. *La Custodia*
5. *Le epiche avventure di Capitan Mutanda*
6. *Mila*

1.8 mn
DAILY CONTACTS

64
MINUTES SEEN PER DAY

0.9%
SHARE IN 24 HOURS

7.9%
4-7 YEARS SHARE IN 24 HOURS

Rai Yoyo

Rai Yoyo is ad-free TV for young children, their first channel.

The pre-school offering, based on a solid and carefully structured narrative framework, is designed to support youngest children as they explore both themselves and the world around them, helping them to understand that there is room for them, too, that difficulties can be overcome and that others can be friends. The affection of family members is a keystone, but friendship is just as important and becomes narrative.

Rai Yoyo proposes stories, worlds, colours and different techniques, broadening languages to stimulate a more complete sensitivity in children, breaking the laziness of wanting to watch and rewatch the same programme a thousand times.

With the increase in channels and platforms, the offering for little ones has tended to become more and more specialised (infant TV, preschool, upper preschool or bridge): during all of its schedule, Rai Yoyo hosts and organises a wide range of programmes, combining general fun storytelling with valuable learning, programmes with broad specificities, specific curricula, language learning, art, history, science and maths..

Rai Yoyo's audience changes from watching colours on TV to playing with their parents' smartphones and to become immersed in tablet touchscreens. This is why Rai Yoyo's programming was immediately created to be integrated with the non-linear offering of social networks, the RaiPlay Yoyo app and the RaiPlay platform, focussed around favourite shows, but always varied and multiple.

The products offered by the channel are divided into:

- Studio entertainment productions (*La Posta di Yoyo*, *Albero Azzurro*, *Calzino*, *Pianeta Storie*) or external ones (*Diario di casa in Montagna*). Purchase series. In addition to the new episodes of the major hit series *(Peppa Pig*, *Masha e Orso (Masha and the Bear)*, *PJ Mask*, *Bing*), the new European series *The Adventures of Paddington* and, thanks to the continuity of the partnership with the major, the Disney series *(Mickey Mouse Strepitose Adventures*, *Mira Royal Detective*, *Dottoressa Peluche (Doc McStuffins)*, *T.O.T.S.*), the following are worth mentioning: the *Piccolo Malabar* series, which brings science closer to the little ones by recounting, with imaginative and amusing gimmicks, how far scientific knowledge of natural phenomena has come and by proposing, with admirable lightness, notions of astrophysics; *Superpapà*, in which we discover how every dad is a superhero when he shares the daily adventures of the little ones and accompanies them in discovering the world; the animated specials *La chiocciolina e la balena* and *L'Odissea di Shooom,* in which technical and artistic skills, and the environmental message are integral parts of an engaging and poetic tale, which has won international awards.
- Co-productions. Always geared to children's needs and sensitive to educational/training aspects *(Gli Acchiappagiochi*, an amusing re-evaluation of farmyard games, often forgotten and obscured by the use of various devices; *2 Happy farmers*, education in healthy country life; *Lo Specchio di Lorenzo*, which delicately and poetically recounts the world of an autistic child; *Acquateam Missione Mare* on education in sustainable behaviour and respect for the environment; *Nina & Olga* based on the famous

1. *La Posta di Yoyo*
2. *L'Albero Azzurro*
3. *Pinocchio & Friends*

books by Nicoletta Costa, one of the best-loved children's authors; *Lampadino and Caramella*, an inclusive cartoon accessible to all children, designed for different sensory disabilities thanks to the use of a narrator's voice, with subtitles and sign language interpreters), but also *Minicuccioli*, *Trullalleri*, *Lupo*, *Topo Gigio*, *44 Gatti*, *Winx Club*, *One Love*, *Giù dal Nido*.

As well as giving viewers the option of replaying the channel's series and programmes on RaiPlay and via the RaiPlay Yoyo app, web activities are a great source of creative and productive development. Managed internally with a dedicated team, they can be developed to create a content that is increasingly targeted and dedicated to the multi-platform and social pages.

"Rai Yoyo represents excellence on the national and international scene.
It is the outright favourite of and most watched by children and their families, it is the network that unites."

4. *Masha e Orso*
5. *Gli Acchiappagiochi*
6. *Il Villaggio Incantato di Pinocchio*

0.8 mn
DAILY CONTACTS

30
MINUTES SEEN PER DAY

0.2%
SHARE IN 24 HOURS

1.3%
8-14 YEARS SHARE IN 24 HOURS

Rai Gulp

Rai Gulp is a channel intended to accompany school aged children, from elementary school to the early teen years.

Aimed at a school-age audience ranging from primary school age to the early adolescent years. These are children who are discovering school, reading, autonomy and differences. They start to see television channels for children, in an increasingly expanded and personalised menu and to watch prime time television. They have smartphones and tablets, start interacting on social media and gradually find all sorts of content on web – directly or through classmates or older siblings.
The Public Broadcasting Service offer opens to all languages: cartoons, dramas, in studio programmes, documentaries and films. In an increasingly close connection between the television channel and the online and social media offer.

A special commitment is dedicated to helping children to grow as citizens, develop insight and a critical spirit, reject discrimination and promote confidence in themselves and in their own abilities. Special focus is devoted to two mainstays which occasionally overlap: the rejection of bullying and gender stereotypes. The objective is to offer programming that fights them, discourages them with intelligence and demonstrates their inconsistency and uselessness.

The channel's programmes are divided into:

- In-house productions, both in studio *(La Banda dei fuoriclasse*; *Green Meteo*; *JESC*;) and external ones *(#Explorers Community*; *#Explorandom*; *Kids Portraits*).

Particular attention was paid to the themes of sustainability, STEM disciplines and civic-mindedness.
On 2 June - on the occasion of Festa della Repubblica and 75 years after the Constitutional Referendum - a special episode of *La Banda dei Fuoriclasse* was produced, featuring President of the Republic Sergio Mattarella answering questions from Rai Gulp children on rights and the future, followed by the special *Il futuro passa di qui - La nostra Costituzione*, a programme on the Italian Constitution as seen by young people.

- Purchased series and films. New episodes of the comedy series *Le epiche avventure di Capitan Mutanda*; the return of the first series of *Kung Fu Panda*; Disney productions - thanks to the continuity of the partnership with the major company - such as the classic Marvel-Spiderman, *Avengers* and *Ducktales*, but also the live action *A casa di Raven* and *Coop and Cami: a voi la scelta!*; the new season of *Jamie Johnson*, a BBC series on youth football, whose production continued even during the pandemic restrictions; the animated specials *Vanille e Patatine fritte al porto*, which emphasise how women's aspirations and tenacity can manifest themselves even at a young age and must be respected and encouraged by the social fabric; films such as *Dilili in Paris* and *I racconti di Parvana*, stories rich in imagination and at the same time reality that encourage growing together with others in harmony.
- Co-productions. Animated products include *La Custodia*, a story of migration, a young violinist who, thanks to his love for music, survives a very hard journey; *La Stella di Andrea e Tati*, a multi-award-winning short film that delicately tells the true story of two Jewish girls who escaped the concentration camp; *il villaggio incantato di Pinocchio* and *Pinocchio & friends*, two amusing and captivating

1. *La Banda dei FuoriClasse*
2. *Jams*
3. *Marta & Eva*



series, very different from each other but with a common denominator, the presence of Collodi's famous character and his educational and training contribution; *OPS Orrendi per sempre*; *Atchoo*; *Bat Pat*; *Berry Bees*; *Gormiti*; *Leo Da Vinci*. In a world premiere on Rai Gulp, on Children's Rights Day on 20 November, the award-winning animated film *Mila*, made in collaboration with Rai Ragazzi, showed the war seen through the eyes of a little girl and reminded us of the right to peace. Live series include *Jams*; *POV*; *Cercami a Parigi*; *Marta & Eva*.

Along with classic series produced with fun and relaxation in mind, which never fail to cover issues such as the sense of community, the acceptance of new things and the rejection of gender stereotypes, Rai Gulp is known for its productions that address important issues such as the fight against sexual harassment, the rejection of racism and violence, the memory of the Shoah, legality and the rights of children in an innovative way and using appropriate language. Original drama productions such as the *Jams* series and animated specials such as *La Stella di Andra e Tati* have been recognised and won awards on numerous occasions at prestigious international festivals and events.

"Rai Gulp is the channel that supports boys and girls from childhood through to adolescence, with an offering incorporating a wide variety of styles, from cartoons to drama, from live programmes to documentaries and web content, that puts the emphasis on insightful and educational entertainment and provides a source of fun and relaxation, as well as instilling a sense of team spirit and offering an insight into the complexity of contemporary society"

4. *I racconti di Parvana*
5. *POV*
6. *#Explorers Community*

3.1 mn
DAILY CONTACTS

32
MINUTES SEEN PER DAY

0.7%
SHARE IN 24 HOURS

0.2%
PRIME TIME SHARE

Rai News 24

The first public television all-news channel. Rai News 24 explores, as well as informing.

News, politics, the economy, foreign affairs, society, culture and sport: thanks to the work of its numerous correspondents and in synergy with other Rai's regional newsrooms and correspondents of offices, Rai News 24 broadcasts 24 hours a day.

Rai's all news channel, it responds daily to the demand of a demanding audience that wants to be kept up-to-date at 360 degrees thanks to the continuous flow of news, live or with closed reports, with in-depth analysis and investigations.

The founding principle of the editorial policy is the one underlying the all news channels: not just a series of news programmes, but rather a flow of news, insights and spaces dedicated to understanding, discussing and exploring with the aim of becoming ever faster but also ever more reliable, more timely and more in-depth. But all news is also service: from traffic to weather, every day space is given to useful information for citizens.

The most popular time slot is in the morning, between 6 a.m. and 12 noon. While the night, between midnight and 6 a.m., remains Rai monitoring slot that also guarantees coverage for all other channels and networks. The building collapse in Ravanusa, Sicily in December woke up the Italians with images that only Rai News 24 was able to provide and with the presenters' account of the night.

Of course, the channel's main structure is composed of the news bulletins, which aim to update the user every hour, on the hour, always live, even at night.. In the second half-hour, quick summaries and some in-depth reports or columns alternate to tell about the Italian system, the peculiarities of our country, but also the world.

Among the headings: *Tuttifrutti*, a programme of culture and entertainment, including books, theatre, opera and cinema; *Basta la salute*, which played a particularly delicate role during the pandemic; *Futuro24*, which talks about science and technology; *Spotlight* with its investigations into current affairs; *Economia24* for stock market updates and economic and financial issues. And then columns about territory and food, ecological transition, care for planet earth, gender policies, work, family and rights. But also Europe, with the state of the union, and politics columns: *Studio 24*, Monday to Friday, and *Saturday 24* at weekends. And in the case of special events and extraordinary occurrences Rai News 24 is always ready to go in-depth with dedicated programmes - from *Speciali* to *Filo Diretto* - to report on current events.

Every day, then, the press review, which has a capillary importance in the newspaper's information, both for Italy and abroad, and - in the first evening slot, between 6 and 8 p.m. - a moment of reflection to accompany the viewer towards an understanding of the day's main events.

Next to the television channel stands Rainews.it, the web title that, with news, updates, photos, and products tailored specifically for the web, proves to be a necessary tool to guarantee a constant flow of news. Online with a completely revamped version as of December 2021, Rainews.it is the public service's digital information collector with exclusives and appointments from all Rai channels.

1.-3. Rai News 24 anchor persons

There is also the newspaper's presence on the main social networks, from Twitter to Instagram.

Alongside television images and the web is Televideo, the newspaper written on the screen, the simple and timely tool, appreciated by Italians for its authority, speed and reliability. With around 2.5 million daily contacts, Teletext is a viable alternative for users who do not choose the web to keep themselves informed.

"Rai News 24, Rainews.it and Televideo, three different ways of informing, 24 hours a day, 360 degrees. Different languages and tools for the same goal"

4. *Newsroom Italia*
5. *È già domani*
6. Live coverage by Rai News 24

2.2 mn
DAILY CONTACTS

30
MINUTES SEEN PER DAY

0.5%
SHARE IN 24 HOURS

Rai Sport

Rai Sport brings all of the sports action into the homes of all Italians: live commentary, interviews, in-depth reports, columns and original content for a great sports narrative of well-known and lesser-known disciplines.

2021 was a historic year for Italian sport. The year just ended was the year of the gradual return to pre-pandemic normality and the resumption of sporting events at national and international level, in particular the major events postponed in 2020: the *European Football Championship*, the *Olympic Games* and the *Paralympic Games in Tokyo*. But, above all, it was a year of great Azzurri successes, brought by Rai Sport into the homes of Italians with live commentaries and in-depth reports with experts and former champions.

As per tradition, the main winter sports events opened and closed the calendar year. The year 2021 was inaugurated by the *World Ski Championship in Cortina*, the first major sporting event held during the Covid-19 pandemic, broadcast in its entirety on Rai 2. Ample space was also dedicated on Rai Sport HD to the Alpine Ski World Cup, with live coverage of all men's and women's races, including those held on the legendary slopes of Wengen, Kitzbuehel, Garmisch Partenkirchen and the Gran Risa in Alta Badia. The winter sports season on Rai Sport has been enriched with additional events, such as the *Cross-Country Ski World Cup*, *Nordic Combined*, *Ski Freestyle*, *Ski Jumping* and *Snowboard*.

Rai confirmed itself as the home of great cycling, from the Classics to the major stage races. In particular, Rai Sport has followed the 104th edition of *Giro d'Italia* with daily broadcasts on Rai Sport HD and Rai 2: a great narration that combines the sporting epic with in-depth cultural insights related to the territories of the peninsula crossed by the "Pink Race".

The public's affection for cycling was confirmed at the *Tour de France*, with excellent viewing averages, despite the fact that there were no Italian athletes fighting for the final victory. The Azzurri, on the other hand, were the absolute protagonists of the *Road Cycling World Championships* held in Flanders in September: fans were able to watch live on Rai 2 and Rai Sport HD the gold medals won by Filippo Ganna (men's time trial), Elisa Balsamo (women's road race) and Filippo Baroncini (U23 road race).

The sports summer opened with Italy's triumphant ride to the *European Football Championship*. For one month, from 11 June to 11 July, Rai Sport offered Italian viewers 27 matches, all on Rai 1 (20 in prime time, 7 in the afternoon) and in 4K. All match commentaries were supplemented by interviews and on-field interventions by the media reporters. There was no lack of daily in-depth coverage with the columns *Notti Europee*, broadcast from the Rai Auditorium at Foro Italico every evening at the end of the matches, and *Dribbling Europei* on Rai2 in the afternoon. All matches, in-depth reports, exclusive interviews from the national team's training camp and a lot of original content have been made available on RaiPlay. The successes on the pitch of Mancini's Azzurri were accompanied by the enthusiasm of fans, also demonstrated by the great ratings recorded during the entire event: a continuous crescendo culminated with the Italy-England final, watched by 18.2 million spectators, equal to a share of 73.7%.

The summer programme continued with the main international sporting event: the *Tokyo Olympics*.

1. *EuroVolley 2021*
2. *Tokyo 2020 Olympic Games*
3. *Tokyo 2020 Paralympic Games*

The exploits of the Olympic athletes were able to attract the attention of the public even in a time zone that was not particularly favourable. The live coverage from the various Japanese Olympic sites reached a total of 190 hours on Rai 2, with an average of 1.3 million viewers and a share of 22.3%. The highlight day for both Italian sport and television was 1 August, when for a couple of hours viewers were glued to their screens for the double Italian gold medal (Gianmarco Tamberi in the high jump and Marcell Jacobs in the 100 metres). There were 5.6 million viewers, with a 37.8% share, and an absolute peak, both in terms of audience and share of all the Olympics, which at 2.55pm was close to 7 million: 6.9 million viewers and 46.2% share.

The story of the Olympic competitions was supplemented by daily in-depth programmes. Of particular note was the excellent result of the prime-time programme, *Il Circolo degli Anelli*, which attracted an average of 1.2 million viewers, with a share of 8.2%.

Rounding off a summer sports offer of the highest level were the *European Volleyball Championship* for both women and men, during which both Italian teams were at the top of the continental event.

2021 also saw the return of great tennis on Rai's networks, with the *ATP Finals* in Turin, the tournament that pits the top eight players in the world ranking against each other. A week from 14 to 21 November, with one match a day broadcast live on Rai 2, featured Italians Matteo Berrettini and Jannick Sinner.

Rai Sport confirms its commitment to enhancing the role of sport as an exceptional vehicle for messages in favour of integration and against all types of discrimination, with live coverage of major Paralympic sporting events. Special mention must be made of *Tokyo Paralympic Games*. Rai Sport gave ample space on the generalist network and thematic channel to the exceptional feats of a record-breaking Italian expedition: ninth place in the Olympic medals table, with 14 gold, 29 silver and 26 bronze medals, the second best result ever, after the 80 medals of Rome 1960. In addition to the extraordinary results from the competitive point of view, particular emphasis was placed on the life stories of Paralympic athletes: stories in which sport is an opportunity for personal fulfilment and social redemption, thanks to the willpower and courage of sportsmen and women who represent a positive role model to be imitated in everyday life.

Also in 2021, Rai Sport was the home of the top national basketball and volleyball championships, with live coverage of the most important matches of each day.

Motorsport fans were able to follow the *MXGP World Motocross Championship 2021*on Rai Sport HD, which saw the last participation before the retirement of nine-time world champion Tony Cairoli. All current topics related to the world of motor sport were given their own in-depth coverage during the weekly *Reparto Corse* column.

Rai Sport HD also gave coverage to numerous other sporting disciplines such as snooker, horse racing and riding, shooting, skating, orienteering, hockey, frisbee, rowing, archery, gymnastics and boxing. The worlds of sailing and boating were again highlighted this year in the weekly column *L'Uomo e il Mare*, while topics related to the world of Paralympic sport were explored in depth in the fortnightly programme *Sportabilia*.

The historic sports columns aired on Rai 2 are confirmed: *Dribbling*, *90° Minuto* and *Domenica Sportiva*, enhanced by a second part dedicated to sports other than football, *L'altra DS.*

On Rai Sport HD, the appointment with the columns *90° Minuto* on Saturdays (with images from the Serie A previews) and *Calcio Totale* on Mondays at 11pm (football news, images from Monday's post-match and football market) has been renewed. Also on Mondays in correspondence with the live broadcast of the match is the *C Siamo* column dedicated to Lega Pro football with guests and correspondents.

"Rai Sport is a constant presence representing a broad range of disciplines and combining traditional platforms with modern communication styles and tools to bring the public high-quality sporting entertainment".

Tg1 - 1.30 pm

3.7 mn
VIEWERS

23.7%
SHARE

Tg1 - 8 pm

5.1 mn
VIEWERS

24.2%
SHARE

Tg1

Rai's historic news programme Tg1, 70 years after its birth, confirms the authoritativeness it has demonstrated over the decades within the Italian news landscape.

Created in 1952 with experimental broadcasts of Italian television and with the name *Telegiornale*, the Tg1 news programme produces top ratings, confirming its position as an authoritative source of information in the Italian news panorama.

Also in 2021, Tg1 followed and analysed the main events of the Italian political scenario, mostly related to the pandemic and its economic consequences, with a special focus on the definition, approval and implementation phases - at national and European level - of the PNRR (National Recovery and Resilience Plan). The acts and activities of the government, the parliamentary and inter-party dialogue were explained in detail, with great attention also paid to the individual initiatives of each political force. From the autumn onwards, the electoral campaign for local government, with the subsequent vote/ballot and the related political fallout in the parties was central. But also Italy's international role, with the coverage of the G20 meeting held in Rome at the end of October, the discussion and approval of the stability law, and the gradual approach in terms of debate to the first and most eagerly awaited political event of 2022: the election of the President of the Republic.

Numerous spaces were dedicated to speeches, trips to Italy and abroad, and messages from President of the Republic Sergio Mattarella. Particular mention must be made of the visit to Pope Francis in the Vatican, the signing of the enhanced bilateral cooperation treaty between Italy and France, and the visits to Spain and Germany.
Closely related to the political activity were all the steps concerning the confrontation with the European institutions in the process of achieving the 51 targets required by Brussels to obtain the provision of the first tranche of funding under the PNRR. On the economic information side, the contents of the support measures and social bonuses outlined by the government in favour of families and businesses penalised by the economic consequences of the pandemic spread were explained and recounted. At the same time, ample space was given to the decisions taken to tackle the so-called "caro bollette" (high bills), a phenomenon that materialised in the latter part of the year.

The health emergency was followed up with information covering all stages of the vaccination campaign, the daily routine related to the course of infection, the impact on the health system and the measures taken to limit the impact of the virus. In the same vein, great attention was paid to social issues related to the pandemic, stories of voluntary work and solidarity, the most fragile, the disabled, and those who lost their jobs due to the pandemic. Careful information also featured topics such as gender equality, the status of women, violence against women, and bullying.

Environmental protection, the fight against climate change, and the mobilisation of young people are also among the central themes of social information. As far as the world of schools and universities is concerned, not only the modes of education, but also the conditions of hardship experienced by students during the pandemic were explored. A separate chapter was represented by the account of Tokyo Olympic Games and the successes of the Italian

Tg1 reportages
1. *The vaccination campaign*
2.-3. *Joe Biden's assignment*

representative team in the various disciplines, both from a sporting as well as a social and customary point of view.

Central to Tg1's news mission is the coverage of the main events in international foreign policy, with specific in-depth reports on the first year of the Biden presidency in the United States, the consequences of Brexit, and Pope Francis' apostolic trips to Budapest and Slovakia, and to Cyprus and Greece. The major international events that followed included the UN pre-summit in Rome and the crisis in Afghanistan, with an account of the heavy social and economic fallout. And, again, the Italian pavilion at the Expo in Dubai, Cop 26 in Glasgow, the climate summit, the video conference of Biden and Xi Jinping, the virtual summit for democracy at Joe Biden's initiative, the Patrick Zaki affair, the end of German Chancellor Angela Merkel's term of office.

The investigations and reportages of *Tv7* and *Speciale Tg1* touched on topical issues, delving into themes of social life in Italy and abroad. These include the health issue and the impact of Covid-19 with the emergency work of hospitals and doctors, the various vaccination campaigns; the economic consequences of the pandemic; the crisis in companies; redundancies; and work with the light and shade of smart working. Human rights, immigration, disability, declining birth rates, gender-based violence, the condition of women and the gender gap, social discrimination, the situation in prisons, the promotion of culture, art and the digital world with the resulting revolution in the social and economic fabric were among the topics that found much space.

The communication on the pandemic inevitably also characterised the in-depth coverage managed by Tg1 within *UnoMattina*, with special attention to the contribution of doctors, nurses, volunteers, third sector associations, churches, and culture. Special initiatives were carried out concerning the fight against violence against women and the protection of the dignity of every person, a commitment to the prevention of deaths at work, and constant work on the memory of the democratic and constitutional history of our country.

A great deal of space was given to culture, the promotion of cultural heritage, books and every instrument capable of promoting cultural and scientific growth, civic sense, solidarity and responsibility. The column *Tg1 Persone* was mainly developed on art-related topics. Building a sense of community and dialogue between believers and non-believers was one of the central elements of the *Tg1 Dialogue* column, which frequently featured the original participation of Dacia Maraini.

"Informative correctness and respect for pluralism, the credibility of the storytelling and the rigour of the content are the elements that make Tg1 a guaranteed news programme, the window on the world for all Italians, between tradition and innovation."

Tg1 reportages
4. *The vaccination campaign*
5.-6. *TheG7 in Cornwall*

Tg2

An important space in Italian news, Tg 2 offers the viewer a direct and up-to-date account, stripped of all sensationalism and rhetoric.

Tg2 - 1 pm

1.9 mn
VIEWERS

13.5%
SHARE

Tg2 - 8.30 pm

1.6 mn
VIEWERS

6.8%
SHARE

The information offer of 2021 was dedicated to major national and international events. The viewer was always offered the truth, stripped of all sensationalism, with a focus on the country and beyond through a language interwoven between emotion and content. A story made up of images and testimonies that enriched the editions of news programmes, columns, specials and dossiers.

First and foremost, the health emergency was recounted, declined in all its aspects, from the health aspect - with special in-depth coverage of the vaccination campaign - to that linked to the news, the social aspect, the economy, the world of production and the world of culture, school and education, and psychological aspects. Alongside the information on the coronavirus, the newspaper also continued to report on other news: black and white news, judicial news, national and foreign policy, economics, culture, art, the social sector, and the third sector. And, again, the fight against climate change, the drama of hunger in the world, combating food waste, disability, renewable energy, biodiversity, respect for the environment, sustainable mobility, gender equality, and the fight against violence against women.

An increase in the range of information on offer compared to the previous year, with an overall total of 1,113 hours of broadcasting including services, live broadcasts and reports in the news, in special editions, in institutional appointments and in commentaries. Always timely and coherent information made possible thanks to the capillary deployment of correspondents in Italy and abroad - to which is added the permanent presence in Milan for a more direct information link with Lombardy and northern Italy - which have enabled the newspaper to provide a direct and always up-to-date account.

A commitment rewarded by ratings: in 2021 the 1 p.m. news reached a 13.5 per cent share, the 8.30 p.m. news 6.8 per cent. There was also an increase in the approval rating for the latest edition, the 8:30 a.m. edition, which achieved a share of 4%.

Tg2 ensured complete and capillary information, also offering food for thought through initiatives included in the 20:30 news edition. These include: *L'era del coronavirus*, the space in which intellectuals, artists, philosophers, writers, scientists, have expressed their thoughts on the different faces of the pandemic.

The *Tg2 Post* column played a fundamental role to the news offering of the newspaper, the daily in-depth segment that reached an average share of 4.2% with peaks close to 9% in 2021. In addition to reporting on political debate and current affairs every evening, with studio guests from the worlds of politics, science, economics, culture and journalism, it provided coverage of extraordinary events such as the clashes in Washington and the killing of Ambassador Attanasio and Carabiniere Jacovacci in Congo. In August, it was the only in-depth news programme that reported on the fall of Kabul and the flight from Afghanistan, also with excellent share ratings.

Many *Speciali* aired throughout the year. Among them, five on the topic of the government crisis, to which special episodes of *Tg2 Post* and *Tg2 Italia* columns were also dedicated; four on the October

1. *G20 Special*
2. *Tg2 Dossier - The Amazon*
3. *Administrative Elections Special*

local elections; and one on the G20. To these are added those dedicated to the Ravanusa tragedy for which special editions were also produced.

In-depth coverage of national and international, historical and social issues found space in the historic *Tg2 Dossier* column, which dealt with the Shoah, Dante Alighieri, the climate emergency with the Glasgow summit, the Amazon, Bulgaria, the situation in Pakistan with on-site correspondents, small municipalities, the suburbs of America, figures such as Gianni Agnelli, Maradona, and the Unesco heritage.

Long commentaries were provided to cover institutional events such as the inauguration of the judicial year of the Court of Auditors, the Report by the Governor of the Bank of Italy, the opinion on the 2021 Statement of Accounts of the Court of Auditors, and the annual meeting with the financial market-Consob. But also the extraordinary meeting of the Constitutional Court, the general assembly of the Supreme Court of Cassation and, again, the ceremony to award the De Sanctis prize to Senator Liliana Segre and the ARERA annual report.

The traditional live broadcast of the Venice Historical Regata in September was not to be missed, providing an opportunity to interweave the theme of the modern-day health emergency with the historical pandemics that affected the lagoon city in past centuries.

There were also excellent ratings for the 14 columns throughout the week. Each one deals with specific topics: medicine, art, cinema, books, current affairs, culture, food and wine, tourism, leisure, customs, untold tales and stories of personalities and life, the third sector and voluntary work, the world of youth, disability, mobility, renewable energy, new technological and IT frontiers, political debate.

As part of a comprehensive and strategic editorial planning, the web offer was also increased in 2021, with an increasingly revamped website open to viewers and the broadcasting of audiovisual content on all distribution platforms.

"Tg2 provides viewers with objective and pluralist information based on content, images and emotions, always with plenty of insight and food for thought".

4. *Tg2 Dossier - Bulgaria*
5. *Tg2 Dossier - Pakistan*
6. *Tg 2 Post*

Tg3 - 2.10 pm

1.8 mn
VIEWERS

12.5%
SHARE

Tg3 - 7.00 pm

2.1 mn
VIEWERS

12.6%
SHARE

Tg3

The news programme reporting on real life, people and their hopes and problems, helping us to understand the changes in society. Tg3 not only presents the facts using direct language, but also helps to understand why the main events are happening.

Tg3 presents the news and offers the keys to forming one's own opinion. It is a growing news programme, with a recognisable brand and an audience that demands in-depth but clearly explained information, the majority of whom are female, over 55 years of age, and have a medium to high cultural level.

As always, even in 2021, still marked by the pandemic, the newspaper tried to be as present as possible in the places where the events were taking place.

The Tg3 information offering starts at 12:00 noon with Rai's only national news programme broadcast from Milan,. It is the first in the midday slot and is characterised by numerous live connections from the territory. The share was 9.9% for almost one million viewers.

Tg3 2.20pm edition, with 12.5% share and 1.8 million viewers, was particularly sensitive to the daily problems facing families, as well as environmental issues; the main edition at 7 p.m., characterised by many in-depth reports on the key events of the day, in 2021 recorded an average share of 12.6 per cent, with over 2 million loyal viewers.

The evening concludes with *Linea Notte* (almost half a million viewers for a 5.5% share), which confirms itself as a privileged space for analysis, commentary and reflection on the day's issues and anticipation of the next day's topics with always qualified guests and commentators.

Saturday and Sunday evenings are rounded off by *Tg3 Mondo*, an international window on the world with its protagonists, followed by in-depth coverage by *Agenda del Mondo*.

Tg3's service information is constantly on the rise with the *Fuori Tg* appointment that daily deals with practical problems with viewers having the opportunity to ask questions to the guests. *Tg3 LIS* in sign language, a fast news bulletin offering a comprehensive information landscape for the deaf, is also very well received.

Numerous are the weekly cultural columns. These include *Fuori Linea* with music, cinema, art, books, styles, trends, ideas and everything "generating culture" and *Chiediscena*, the weekly theatre information magazine. But also *Pixel*, dedicated to sustainable technology with an eye on the future, and *People*, which features life stories told in the first person by the protagonists, who are ordinary men and women with extraordinary experiences to tell.

Tg3 is also present on the internet and on social media, with a constant increase in users.

"With its attention to social issues and the clear and direct language it consistently uses, Tg3 is a recognisable brand offering that aims to provide its audience with the keys to interpreting change and the challenges it presents".

1.-3. Tg3 anchorpersons

TgR - 2 pm

2.7 mn
VIEWERS

18.1%
SHARE

TgR - 7.35 pm

2.8 mn
VIEWERS

14.6%
SHARE

TgR

TgR: the local matters that matter to you.

With its twenty-four editorial teams spread across all of the Italian regions, and a central web-social media editorial office, TgR guarantees a capillary, constant and widespread presence throughout the Italian territory, fulfilling not only its mission to provide proximity information, but increasingly playing a role of concrete support to the entire news organisation.

In a time of great upheaval and epoch-making changes, TgR, thanks to its constant contact with local institutions and its capillary coverage of regional realities, is a constant point of reference for citizens, who can count on a reliable newspaper, on verified news and on concrete help in their daily need for information.

In 2021, the regional editorial offices, despite being under considerable management stress due to the pandemic, continued to provide a continuous and comprehensive service, overcoming the difficulties posed by the state of emergency time and time again. Major emphasis was placed on what was going on around the country, with one eye always on the issues of environmental and economic sustainability.

TgR, through the web and social media, has also proved to be a valuable tool from a health prevention point of view, providing citizens with specific information on the behaviour and precautions to be taken according to the epidemiological impact of the health emergency in the various territories of our country. Particularly valuable were also the contributions in the cultural and historical fields related to the individual regional territories, which supported hard-hit sectors from the pandemic, but of fundamental importance. In 2021, thanks also to the commitment and dedication of its hundreds of professionals, the newspaper was rewarded by listeners, with an audience share of 14.8% in the morning edition of *Buongiorno Regione*, 18.1% in the 2pm edition, and 14.6% in the 7.35pm evening edition.

It is important to mention *Buongiorno Italia*, a programme that harmonises regional news into a unified, national product, with flattering ratings.

Among the many specialist program resulting from the commitment and professionalism of the editorial platform, it is very important to remember the national relevance of the daily in-depth scientific, medical and technological analysis of *Tg Leonardo*.

Another subject that is very dear to the magazine is that of our country's relations with Eastern Europe and the countries bordering the Mediterranean, which, thanks to *Est Ovest* and *Mediterraneo*, are analysed weekly, providing the listener with an interesting insight into countries and cultures close to us.

The web project has expanded the online services and proved to be a well-established reality, with the ability to integrate and complement the traditional information offering with excellent results in terms of views.

The platform's editorial offering, which has now become of central importance for its ability to provide certified and verified information 24 hours a day, is enriched with contributions and insights that well make up that great cultural mosaic of an Italy interested in analysing itself in its peculiar facets, and in the relationships of its small but important realities in relation to Europe and the world.

"TgR continues to place great importance on providing viewers with reliable and local news and information in keeping with its mission to provide extensive regional coverage and its focus on the many distinctive features of our country".

1. *TgR reportages*

Rai Parlamento

Rai Parlamento is the reference point of the Public Service to follow institutions live. Live streaming, features and news, providing the citizens with constant updates on Italian and European institutions, with a clearer, faster and more immediate language.

Rai Parlamento is the newspaper that follows the Parliament's work; a daily task providing live streaming, special features, news and weekly updates *Settegiorni* and *Punto Europa* - to inform citizens on the legislative activities performed by the Chamber of Deputies, the Senate of the Republic and the European Parliament.

Spaziolibero and the *Accesso regionale* (Regional Access) play a relevant role in corporate programming by hosting representatives of the so-called "third sector" on a daily basis.

Weekly magazines like *Rai Parlamento Magazine* (*Filo Diretto*; *Il Ritratto*; *Le parole della politica*; *Territori*; *Orizzonti d'Europa*; *Lavori in corso*) present insights on Europe, culture and the legislative activity performed by the Italian and European Parliament.

Rai Parlamento offers news three times a day, as well as political and parliamentary magazines such as insights on governmental communications, information from the Ministries and question times.
Live broadcasts from the Chamber of Deputies and the Senate of the Republic are provided with translation into the Italian sign language (LIS).
The content produced are broadcast live and published on www.raiparlamento.rai.it.

1. *Magazine*
2. *Spaziolibero*

Rai Parlamento

Newscast 9:30 am Rai 1

235 editions

Share 16.52%

Newscast 15:15 am Rai 3

189 editions

Share 4.78%

Newscast 18:00 am Rai 2

217 editions

Share 2.61%

Rai Parlamento Magazine

153 episodes

Filo Diretto con i Territori; Il Ritratto; Le parole della politica; Territori; Orizzonti d'Europa; Lavori in corso

Share 3.91%

Question Time Chamber of Deputies

38 live broadcasts

Share Rai 2 1.27%

Share Rai 3 3.34%

Question Time Senate of the Republic

14 live broadcasts

Share Rai 2 1.12%

Share Rai 3 3.10%

Speciale Camera and Speciale Senato

32 live broadcasts

Share 5.40%

Settegiorni

34 episodes

Share 12.62%

Punto Europa

36 episodes

Share 3.58%

Spaziolibero Tv

108 episodes

Share 4.65%

Spaziolibero Radio

34 episodes

Share 13.30%

Drama

Rai produces fiction for airing on the generalist networks, on specialised channels and on the RaiPlay digital platform.
The commitment to encouraging Italian and European audiovisual production is one of the linchpins of its mission as a Public Service broadcaster in recounting contemporary and historical Italy, in fostering talent and the Italian audiovisual industry, in supporting innovation and in helping to have Italian work shown in other countries.

In terms of internationalisation, the activity of the European Alliance between Rai, France Télévisions (France) and ZDF (Germany) has further consolidated during 2021. After the debut of the major series *Leonardo*, first release of the Alliance on the great Renaissance genius led by Italy, and following the preview of *Around the World in Eighty Days* in the framework of the fourth edition of Canneseries, the three partners have defined their new strategic publishing policies for the future.
There are several new releases about to be completed, and other projects undergoing. Among these, *Il quinto giorno*, one of the most significant European co-productions ever realised, mainly filmed in Italy and inspired by Frank Schätzing's science fiction best seller *The Swarm*; *The Reunion*, a thriller inspired by Guillaume Musso's best seller *La Jeune Fille et la Nuit* and adapted from the homonymous novel written by Émile Zola, touching contemporary topics; *Sopravvissuti* (Survivors), a mystery-drama born from the work of a team of young authors graduated at Rai Master's Degree in Screenplay in Perugia, directed by Carmine Elia and interpreted by Lino Guanciale together with an international cast.

As for the programming, the outcomes achieved over the previous years have been confirmed in 2021 with the return of Public Service and the ability of this macro-genre to convey and interpret collective topics.
Overall, during the year, Rai networks broadcast fiction films over 152 days, including 118 previews and 34 reruns.

It is worth noting that, in 2021, Rai productions ranked first in the top 20 fiction films. More specifically, the last episode of the major TV series *Il commissario Montalbano* (*Il metodo Catalanotti*), adapted from the novel of the same name written by Andrea Camilleri, was the most watched, scoring 9.5 million viewers and 39.5% share. The series *Le indagini di Lolita Lobosco*, inspired by Gabriella Genisi's novels, ranks 2nd with an average audience of 7.4 million viewers and a 30.5% share. Ranking 3rd, *Màkari*, a fiction series adapted from Gaetano Savatteri's works, that recorded 6.7 million viewers and 27.3% share.

Even where the pay-TV subscriber target was concerned, Rai titles occupied the top 20 positions, with *Il commissario Montalbano* (38.2% share) leading the rankings, followed by *Le indagini di Lolita Lobosco* (27.6% di share) and *Màkari* (25.1% share). The figures demonstrate that even with a rich and sophisticated offer such as that of satellite Pay TV, Rai Fiction's proposals continue to satisfy the tastes and expectations of the most demanding audience.

In 2021, channel Rai 1 broadcast 27 new fiction series spread over 102 days, with an average of more than 5.2 million viewers and 22.7% share. These results have been achieved through a structured offer featuring the sequels of best loved series, original stories set in contemporary times in which the public can recognise themselves; stories of civil courage

1. *Il Commissario Montalbano*
2. *Il Paradiso delle Signore*
3. *Le Indagini di Lolita Lobosco*

and solidarity among people; namely, stories reflecting today's life - even when they talk about past events.

In addition to the prime-time figures, there are also those for the afternoon slot, which strengthened its hold thanks to *Il Paradiso delle Signore* daily series. With 17.5% share and an average of more than 2 million viewers (+1.3 percentage points compared to 2020), the new episodes consolidated an audience of loyal viewers.
Rai 1 reruns were broadcast on 34 evenings in 2021, with positive audience figures. The rerun shows totalled a share of 15% and average audience of over 3 million.

As for the other Networks, channel Rai 2 broadcast 4 new fiction series (first release) for 16 days in total, reaching more than 1.5 million viewers on average and 7.1% share. In contrast with the general-interest offer provided by channel Rai 1, this network's offer is characterised by a strong, complementary and specific identity made of transgressive topics and complex and conflicted characters.

On channel Rai 3, the daily drama *Un posto al sole* in access prime time confirmed its success (1.7 million viewers and 6.9% share). This drama revolves around several social issues collected in a topical story set in the Neapolitan scenery in a mix of romance, comedy, and drama.

As for RaiPlay, between 1 January and 31 December 2021, drama was among the most viewed contents, totalling 42.6% Legitimate Streams generated on the platform (2020: +0.5%) and 47.1% Total Time Spent - TTS (2020: +0.4%). In other words, we can confirm that drama covers more than one third of VoD consumption on the public service platform.

In the top20 most-watched titles of the year, the daily series *Il Paradiso delle Signore* (58.3 million Legitimate Streams and over 20.7 million TTS-Total Time Spent) is confirmed in first place, followed by *Che Dio ci aiuti* (24.1 million Legitimate Streams and 9.5 million TTS-Total Time Spent) and *Mare fuori* (22.2 million Legitimate Streams and 9 million TTS-Total Time Spent). An excellent performance - that of the *coming-of-age* set in the Naples juvenile penal institution - which, on the occasion of the broadcast of the second season, achieved a record result in the period under analysis with over 13.3 million Legitimate Streams reaching 46% of the 15-24 target audience.

The presence in the ranking of two important titles of the older serial series should also be noted this year: *Un medico in famiglia*, in sixth place with over 9.8 million Legitimate Streams, and *Braccialetti rossi*, in thirteenth place with over 5.5 million Legitimate Streams, confirming the value of repeated multi platform utility of the fiction genre as a core asset of public service production.

The platform, however, is no longer just a showcase for the Networks' offerings, but in the move to digital media company has consolidated itself as a window for the distribution of dedicated products. With this objective in mind, work on the production of titles that are innovative in content, language and format, aimed at a younger audience of digital users, has been further deepened. This is the case of *Nudes*, the Italian adaptation of the homonymous teen drama produced by the Norwegian NRK. An anthology series centred on the stories of three teenagers that tackles the theme of revenge porn with the aim of narrating the consequences of an act done superficially and without awareness in a delicate age such as adolescence.

4. *Nudes*
5. *Un Posto al Sole*
6. *Carosello Carosone*

In addition to these results, the Rai's drama offering received a number of major awards from the public and critics over the year, awards that sanctioned the quality and value of the storylines produced by the Public Service, their authors and all of the talented individuals involved. These included:

- Nastro d'Argento (categories 'best casting director' and 'best soundtrack') and 'best fiction' award at the Zoom Festival to *Carosello Carosone*;
- Nastri d'Argento Great International Series Award to *Il commissario Montalbano* (Iconic Series Award), *Il commissario Ricciardi* (Series of the Year), *L'amica geniale* (Excellence Award), *Mina Settembre* (Nastro d'Argento for Writing), *Mare fuori* (Nastro Speciale);
- Special Mention TV Fiction and Special Student Jury Award in the 73rd edition of the Prix Italia and award in the "best social fiction" category at the Tulipani di Seta Nera Festival to the web series *Mental*;
- Serial Award, within the third edition of FeST - Il Festival delle Serie Tv to *Il commissario Ricciardi*, *L'amica geniale - Storia del nuovo cognome* and *Il commissario Montalbano*;
- DQ Craft Award at the C21 International Drama Awards to the series *Blanca*.

Documentaries

Rai Documentari produces, co-produces, purchases and pre-purchases documentaries to incorporate into the schedules of generalist and themed television networks and the offering of the RaiPlay platform.

The offer - declined in serialised slots, in spaces linked to major anniversaries, in appointments on specific themes, and in the selection of archive products for special programming days - is aimed at encouraging the development of the Italian documentary sector, also through international productions and co-productions, with a view to reaching a wide audience.

Starting with eleven products supplied in prime and fringe time of the three generalist networks in the first half of 2021, this went up to around thirty broadcasts in the second half of the year. Added to these are the daytime placements, again on the generalist channels, and, starting in October, the permanent space on the Sunday afternoon of Rai 2 dedicated to documentaries on adventure, climate and nature.

The 2021 offer's innovative elements are divided into three product blocks: crime series, the storytelling of major international anniversaries, and three-minute pills dedicated to women.
For the crime series –among them, *Marta. Il delitto della Sapienza*, the first documentary of the series aired in prime time on Rai 2 - was essential to involve different producers on a single project to highlight the diversity of style in describing the same event.
In the case of major international events - such as Princess Diana's death, the September 11 attacks, the Afghanistan intervention, Gaddafi's killing, etc. - the documentaries, through different visual languages, emphasised how any story has a universal character thanks also to an effective dramaturgical structure.
The idea of the short films - *La prima donna che*, thirty inspiring biographies of innovative women who fought against the stereotypes of their time on Rai 1's daytime programme, - was to tell, in three minutes, the portrait of women who played major roles in the history of women's emancipation.

Extensive coverage was also given to the 700th anniversary of Dante Alighieri's death, with the

7. *Il Commissario Ricciardi*
8. *Makari*
9. *Chiamami ancora amore*

production of three documentaries for different audiences.

Internal production was enhanced thanks to investigative documentaries and products deriving from conventions stipulated by Rai Com such as *Roma. È finita la grande bellezza?* and *Il Tunnel della libertà*.

Rai Documentari has attended all the main events in the sector, actively contributing to the presentation of Italian projects at national and international industry events.
On a national level, it is worth highlighting the partnership with Doc/it- Associazione Documentaristi Italiani in the development of the 2021 editions of IDS Industry and IDS Academy. On the international level, important was the collaboration with MIA-Mercato Internazionale dell'Audiovisivo, the Biografilm Festival, Visioni dal Mondo, as well as PriMed of which Rai is a founding member.

Furthermore, Rai Documentari introduced its publishing lines at FipaDoc-Festival International de Documentaires and at the World Congress of Factual and Science Producers. It also obtained many awards. Among them, the ABU TV Documentary Award for *Senza Respiro*, also a finalist for the Japan Prize.
The broadcasting of documentaries has met with public approval, particularly in the case of crime series titles such as *Speciale 11 settembre: le due ore che cambiarono il mondo*, *Dante Confidential*, *Sotto il vulcano*. Meanwhile, critics' response to the more innovative products was also good.
The dissemination of the products was certainly also helped by the preview presentations both in Rome, on the occasion of the Film Festival (*Scalfari. A sentimental journey* e *Vitti d'arte Vitti d'amore*), at Casa del Cinema (*Afghanistan*, *Sergio Marchionne*), during the Turin Film Festival (*Strehler, com'è la notte?*) and, for products linked to special events, in Bari, Palermo and Bologna.

Rai Documentari selects proposals for potential co-productions via the dedicated portal, offering independent production companies, young newcomers and new talents the chance to present their projects in order to give everyone the opportunity to submit their ideas for consideration. To date, around 400 projects have been analysed, proposed by more than 200 producers.

Cinema

The Rai Group's cinematographic and audiovisual content is purchased, produced and distributed by wholly-owned subsidiary Rai Cinema.

The year 2021 was marked by the on-going emergency situation caused by the pandemic, with the consequent closure of cinemas, which continued until the end of April, and slowdowns in production sets. In this context, Rai Cinema continued to purchase films and dramas with the aim of adequately replenishing stocks for the programming of the various networks and the RaiPlay platform, while on the film production front, it continued to support independent producers to ensure that production fully resumed.

Acquisition

With regard to the supply activities for the channels' needs, in 2021 Rai Cinema signed a two-year agreement with ViacomCBS for the acquisition of new series for the two-year period, including the 3

1. *C'era una volta Gheddafi*
2. *Marchionne*
3. *Tunnel 29*

new series of historical franchises such as *CSI:Vegas*, *NCIS Hawaii* and *FBI International*, other prime free-to-air serials and 10 unreleased TV movies for each year of the agreement. The licences of the series *Hawaii Five-O* and *Blue bloods* for Rai 2 programming and the series *MacGyver*, *Scorpion* and *Medium* for Rai 4 programming were also renewed.
Product acquisitions were finalised from the Disney/Fox majors (25 films, also for the Christmas programming of the generalist networks, unreleased serial product and the renewal of the 11 seasons of *Criminal Minds*, in addition to product for the programming of the kids channels), Sony Pictures (41 films for all channels, of which 15 first releases and/or first viewings, 5 TV movies, 3 series and 1 first-run miniseries), Eagle Pictures (22 current films and/or first releases, in addition to a diversified library for all Rai channels), Warner Bros (51 films including current first viewings, flow and library and series for the first time not included in the agreement with Mediaset, for the film and serial programming of all networks, as well as the current first run miniseries *The plot against America*), MGM (27 current, DTV and library films in addition to the new first run series *Clarice* - sequel to the film *The Silence of the Lambs*).
Complementing the film offer of all Networks, the procurement of quality films from independent Italian distributors continues, concerning both first-run and library films. These include: Bim, Lucky Red, Movies Inspired, Koch Media, Notorious Pictures, Eagle Pictures, Academy Two, Adler, Tucker, Lilium Distribution. Finally, the Minerva library has been renewed.

With regard to more TV-oriented products in particular, a wide selection of products was sourced from German company ZDFE which, thanks to a strong partnership, provides a substantial amount of content to fill the scheduling slots of the network's TV movie, TV collection, mini-series and ongoing series offerings, and from Beta, given the three-year agreement.

Finally, it is worth mentioning the packages with partners BBC, Dall'Angelo, A&E, TF1 Studio - Newen Connect, Regency Entertainment (UK), ORF Enterprise and Entertainment One.
With reference to the foreign product for distribution, the company continued to monitor the international product and to consolidate relations with the most important European and American independent companies. Also this year, the main markets (*European Film Market di Berlino*, *Marché du Film* di Cannes e *American Film Market*) were held mainly online. However, only the *MIA Market* in Rome, in mid-October, was held in presence with the participation of exclusively European sales and buyers, mainly French, with a modest presentation of new product.

Thanks to the fruitful collaboration with Leone Film Group, Rai Cinema was able to guarantee 14 titles with great editorial and commercial potential to the 01 Distribution list, selecting them from the existing agreement.

Film production

In 2021 too, the effects of the health emergency continued to have repercussions on production in terms of lengthening the timeframes initially envisaged in the individual production plans and the postponement of some production phases.

Among the films waiting to be presented to the public are, two interesting co-productions, *Last words* by Jonathan Nossiter and *Il dente del giudizio* by Gregorio Sassoli, plus Italian films of the widest and most varied kind.
First works such as *Settembre* by Giulia Steigerwalt;

1. *La Befana vien di notte*
2. *Il Traditore*
3. *Il bambino nascosto*

Il legionario by Hleb Papou, winner of the Best Emerging Director award at the 2021 Locarno Festival; *La tana* by Beatrice Baldacci; *Marcel!* Jasmine Trinca's directorial debut; *Le terme di Terezin* by Gabriele Guidi; *Happy days - La vera storia del mostro di Bari* by Pierluigi Ferrandini; *Piano piano* debut work by Nicola Prosatore; *Stranizza d'amuri* by Giuseppe Fiorello; *Due* debut films by Giuseppe Battiston and *Ipersonnia* by Alberto Mascia.
Secondary works such as *La caccia* by Marco Bocci and *Calcinculo* by Chiara Bellosi.
Films by established auteurs such as *Il paradiso del pavone*, a family drama by Laura Bispuri; *Il signore delle formiche* by Gianni Amelio, on the story of Aldo Braibanti; *Bla bla baby* by Fausto Brizzi; *Il sesso degli angeli*, the new film by Leonardo Pieraccioni; *Leonora addio*, a journey into the Pirandellian world by Paolo Taviani; *C'era una volta il crimine*, the third chapter of the gang of criminals by Massimiliano Bruno; *Dante*, directed by Pupi Avati and starring Sergio Castellitto; *Occhiali neri*, director Dario Argento's return to the thriller genre; *Il colibrì* by Francesca Archibugi; *Astolfo* by Gianni Di Gregorio; *Il volo* by Pietro Marcello, melodramatic musical; *Il ritorno di Casanova* by Gabriele Salvatores; *Di più non basta mai* by Pappi Corsicato; *Chiara* by Susanna Nicchiarelli, a passionate portrait of Clare of Assisi as an ante-litteram feminist; *L'ombra del giorno* by Giuseppe Piccioni, set during Fascism; *Orlando* by Daniele Vicari.
More experimental projects such as *Balentes*, a film between animation and cinema from life by Sardinian director Giovanni Columbu.

Films in preparation or in the shooting phase include: *Greta e le favole vere*, environmentalist family by Berardo Carboni; *Billy*, a debut feature by the young Emilia Mazzacurati; *Come pecore in mezzo ai lupi*, action movie by Lyda Patitucci; *Mixed by Erry* by Sydney Sibilia; *Il principe di Roma* by Edoardo Falcone, a costume comedy starring Marco Giallini, Sergio Rubini and Denise Tantucci; *Amici per la pelle* by Pierluigi Di Lallo, a comedy based on the true story of the young son of art Filippo Laganà, starring Filippo Laganà, Massimo Ghini and Nancy Brilli; *Body Odyssey*, a debut work by Grazia Tricarico, on the morbid relationship between a bodybuilder and her body; *Il grande Boccia* by Karen Di Porto,a comedy about Tanio Boccia, the Italian Ed Wood; *Il ritorno* by Stefano Chiantini; *Mi fanno male i capelli*, a surreal comedy by Roberta Torre; *Mia*, a drama by Ivano De Matteo; *The Palace* by Roman Polanski, a fierce moral apology on class struggle; *Diabolik 2* and *3*, by Manetti Bros.; *Una donna è fuggita* an ambitious thriller/polar by Fabrizio Ferraro; *Le mie ragazze di carta* by Luca Lucini, which takes us to Italy in the 1970s; *Inferno*, a visual project conceived by the artist Mimmo Paladino; *Julio Cesar* by Enrico Maria Artale; *Mimì e il Principe delle tenebre*, a debut work by Brando De Sica, on the theme of diversity treated with original horror nuances; *Io capitano*, an immigration story by Matteo Garrone; *La guardia* by Giulio Ricciarelli; *Il capitano* by Lorenzo Borghini; *Stranizza* by Roberto Andò, on the genesis of drama *Sei personaggi in cerca d'autore*, starring Toni Servillo, Ficarra and Picone; *Non morirò di fame* by Umberto Spinazzola on food waste and the crisis; *Samia* by Yasemin Samdereli, the true story of the Somali Olympic athlete; *La chimera* a return to directing by Alice Rohrwacher.

Documentary production

As far as reality and documentary cinema was concerned, Rai Cinema launched 25 projects that reflected both its editorial lines and its mission to support independent producers and authors. Some projects are developed by authors who are already well-known on the Italian documentary scene:

4. *La Tristezza ha il sonno leggero*
5. *Il Cielo stellato sopra il ghetto di Roma*
6. *Cruel Peter*

4


5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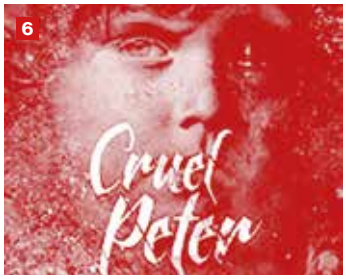
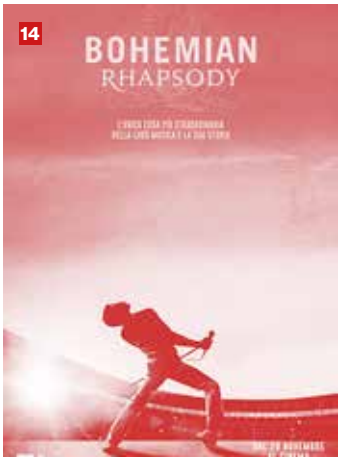


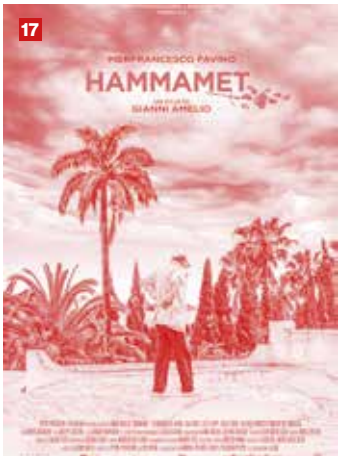
7. *I fratelli De Filippo*
8. *Malefcent Signora del male*
9. *Tre piani*

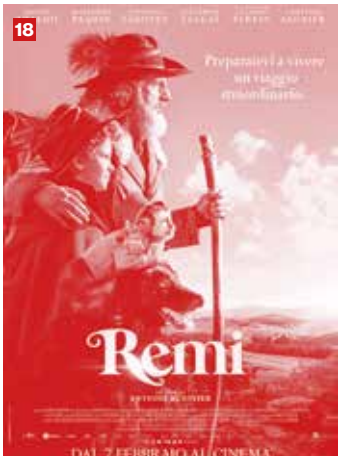
10. *Diabolik*
11. *Marylin ha gli occhi neri*
12. *Morgane Detective geniale*

13. *Pinocchio*
14. *Bohemian Rapsody*
15. *The Good Doctor*



16. *Comedians*
17. *Hammamet*
18. *Remi*





Daniele Gaglianone, Cecilia Mangini, Paolo Pisanelli, Barbara Cupisti, Giorgio Verdelli, Giulia Amati, Roberta Torre, Roberto Minervini, Gianfranco Rosi.
Other filmmakers include Sandro Bozzolo, Marco Santarelli, Diana El Jeiroudi, Leonardo Dalessandri, Trudie Styler, Edoardo Leo, Erica Liffredo.
Several awards were received this year: *Brotherhood* by Francesco Montagner won the Golden Leopard for Best Film Cineasti del Presente at the Locarno Film Festival and, despite the current pandemic, continued its journey by participating in several prestigious festivals around the world (AJB DOCS (Special Mention), Annecy Cinéma Italien, CinEast Luxembourg, Sao Paulo International Film Festival Brazil, DOC NYC USA, RIDM Canada, Cairo International Film Festival Egypt, IFFR Netherlands, CPH: DOX Denmark, Verzio HRFF Hungary, Belgrade Auteur FF Serbia, Les Arcs France); *Mi chiamo Francesco Totti*by Alex Infascelli, which won the David di Donatello for Best Documentary and the Nastro d'Argento for 'Cinema of the Real', *The Rossellinis* by Alessandro Rossellini, which was awarded the Nastro d'Argento in the Cinema Spettacolo Cultura (Cinema as Cultural Performance) category, and *Notturno* by Gianfranco Rosi, winning the Nastro 75.

From a television broadcasting point of view, there is an increasing presence of the cinema of the real in the Rai schedule, in addition to the now consolidated collaboration with the *Speciale Tg1*.

Festivals

Rai Cinema took part in the Berlinale which took place online, with two films: Pietro Marcello's *Per Lucio* selected in the Berlinale Special, painting an intimate and familiar portrait of Lucio Dalla, one of the most beloved authors of our musical scene, along with Fabrizio Ferraro's *La veduta luminosa*, a journey in search of the places frequented by poet Friedrich Holderlin.
The company participated in the Cannes Film Festival - exceptionally held in the summer - with no less than nine titles across the festival's various sections: in competition, Nanni Moretti's *Tre piani* and two international co-productions, *The Story of my Wife* by Ildikó Enyedi and *France* by Bruno Dumont, as well as *Piccolo corpo* by Laura Samani in competition at the Semaine de la Critique. Presented in Cannes Première was the documentary film *Marx può aspettare* by Marco Bellocchio: the director was awarded the prestigious Palme d'Or of Honour.

At the Venice Film Festival, Rai Cinema participated with 29 titles, four of which were in competition: *Qui rido io* by Mario Martone, *Freaks out* by Gabriele Mainetti, Spencer by award-winning Chilean director Pablo Larraín and *Il buco* by Michelangelo Frammartino, winner of the Special Jury Prize.

The David di Donatello awards ceremony saw Rai Cinema pick up a total of 18 statuettes - 7 for *Volevo nascondermi* by Giorgio Diritti, including Best Film, Best Director and Best Actor for Elio Germano's portrayal of artist Antonio Ligabue, and 3 for *Miss Marx* by Susanna Nicchiarelli, including Best Producer.

In addition to these, there are 7 Golden Globes awarded by the Foreign Press in Italy - including Best Film and Best Actress for *Le sorelle Macaluso*, Best Director to Daniele Luchetti for Lacci and Best Debut Film for Paradise, una nuova vita by Davide Del Degan - and the Nastri d'Argento awarded by the Sindacato Nazionale Giornalisti Cinematografici Italiani: of all, 5 Nastri were awarded to Emma Dante's *Le sorelle Macaluso*, winner in the Best Film, Best Director, Best Editing, Best Sound and Best Production categories.

19. *Mia e il Leone Bianco*
20. *Marx può aspettare*
21. *Green Book*

At the end of this year, Rai Cinema was present at the Rome Film Festival and Alice nella città with 22 titles and at the Turin Film Festival with 15 titles.

Distribution

In 2021 01 Distribution ranked fourth in the distributor ranking - the first Italian distribution after 3 international majors - with an 8% market share per box office.
Unfortunately, the worsening health emergency and the introduction of the new restrictive measures hindered the return of the general public to the cinema, especially during the Christmas holidays.
The best box office results for Rai Cinema and 01 Distribution are: *Diabolik* with €2.8 million, followed by *Freaks Out* with €2.7 million, *Tre piani* with €2 million and *Qui rido io* with €1.5 million.
The home video market also recorded a further 25% contraction due to the absence of new product: some films previously scheduled in theatres were released, exclusively, on the SVoD streaming platforms and this resulted in the unavailability of new product in the physical format with the consequent decrease in sales.
Rai Cinema's market share stands at 7%, an increase compared to 2020 (4.5%).

Commercial agreements

Partially offsetting the fluctuating performance of the cinema box office, linked to the closure of cinemas and the adoption of restrictive measures, Rai Cinema's commercial activity benefited from the high content requirements of the platforms (Sky, Netflix, Amazon, Tim, Disney+), with which, in agreement with the operating partners, Rai Com and LFG, important agreements were stipulated concerning both premium content and Rai Cinema's film library.
In a highly competitive scenario, Rai Cinema reacted by reinforcing its strategic partnership with Sky, extending the agreement for the three-year period July 2021/ June 2024, at improved economic conditions, and managing licences with flexible formulas to adapt to the needs of the market and of specific customers (assignments regulated by agreement, but also *direct to platform* or co-exclusive).

Digital activities

The commitment of Rai Cinema on the web with the usual support of Rai Cinema Channel to the promotion of all films produced and coproduced by Rai Cinema continued, as well as on the main social networks (Facebook, Instagram, Twitter Linkedin and TikTok), through full coverage with filming, editing and launches of 30 events including 4 top festivals and the creation of promotional content - both linear and VR, and in videomapping - for 01 Distribution films.

Meanwhile, work continued in the field of innovation, with a great focus on new languages, new media and new technologies; of particular note was the launch of the first permanent cinema dedicated to virtual reality and a new book on digital storytelling.
In keeping with the experiences of past years, Rai Cinema worked on launching the first virtual reality Italian cinema, presented at the National Cinema Museum in Turin on 18 May. A permanent cinema dedicated entirely to VR, with a continuous 8-hour daily programme of films designed and created using this technology.
Rai Cinema donated its first 3 VR productions, short films *Happy Birthday* and *Revenge Room* and documentary *Lockdown*. After Turin, the second theatre was inaugurated in Milan's prestigious digital culture centre, the Meet.
Also worth mentioning is Rai Cinema's second

22. *Il cattivo poeta*
23. *Momenti di trascurabile felicità*
24. *Qui rido io*

editorial project, *Storytelling Digitale. Le produzioni audiovisive 4.0* in collaboration with Ufficio Studi Rai, Anica, published by Luiss and presented at a conference during the Venice Film Festival. The book inspired the first digital exhibition of which Rai Cinema was the protagonist within "Rome VideoGameLab" at Cinecittà.
Finally, digital has been a great opportunity for inclusion thanks to the growing collaboration with Rai Pubblica Utilità and the creation of accessible content for people with sight and hearing impairments.

Teche

During 2021 initiatives continued aimed at reinforcing the brand as a point of reference of Public Service for the country's audiovisual history.

The production difficulties linked to the on-going health emergency meant a large amount of material from the repertoire had to be used for programming both on air and online, as well as to provide a cultural offering involving long-distance education.

This was achieved in part thanks to our participation, as suppliers of material from the repertoire, in many cultural initiatives that took place online in Italy and abroad.

Among our most significant collaborations were those with various schools and universities in Italy and abroad, including the University of Florence, the University Tor Vergata/Bicocca/IULM, London University, New York University, the University of Bologna, the University Bocconi, the University Ca' Foscari, the University La Sapienza and the National Research Council (CNR). Italian Cultural Institutes and Italian embassies, including the Italian Cultural Institutes in Athens, Shanghai, Berlin, Paris,and Moscow and the Italian Embassies in Panama, Algiers and Tunis. Other bodies we worked with included the Prime Minister's Office, the Senate of the Republic, the Municipality of Rome, the DIA, the Piedmont Region, the Sicily Region, the Ministry of the Interior, the State Police, the Cineteca di Bologna, the Ministry of Justice, the Carabinieri Corps, the Ministry of Culture, the Ministry of Foreign Affairs, UNESCO, the MIUR and the Holy See/Vatican.

Again with a view to enabling cultural initiatives to continue, albeit remotely, materials from the company's archives that were useful for interactive exhibitions and various festivals and public activities organised by various municipalities, associations and foundations were also made available. These included FAI, the ANSA national associated press agency, Italia Nostra, the MANN Museum in Naples, the Roma Europa Festival, the Municipality of Rimini for the Museo Fellini, various initiatives on the part of the Istituto Luce Cinecittà in collaboration with the MAECI, the GNAM Rome, the MAXXI in Rome, the MUSAC, he UCEI and the CGIL. In particular, the company's repertoire materials contributed to the realisation of around 20 festivals and exhibitions and supported the public activities of 50 associations and foundations.

During 2021, Rai Teche continued its major efforts to promote and get value out of the archive's historical titles, selecting and supplying programmes for the RaiPlay platform. The *Teche Rai* section continued to be one of the most powerful draws for digital users.

The Teche Archives make a vital contribution to networks and media outlets with its multimedia catalogue, which brought available product hours up

to over 3.7 million for TV and over 1.8 million for radio. There are over 130 million radio and TV documents in the catalogue, about 90,000 books kept in the three Rai libraries in Rome and Turin, and 50,000 photographs. The users who have registered to get hold of archive material for reuse in programmes make more than 26 million searches a month on average.

Teche verify the availability of rights and constraints of archive material both before broadcasting (rights verification and signalling of satellite encryption), for publication on the web (rights verification and signalling of geographical blocking), and for the transfer of products to third parties for commercial or institutional purposes.

This activity is fundamental to developing the digital usage of the Rai archive from a multi-platform perspective for the purposes of harmonising the process of digitising the archive assets; they also follow the recovery of 'private copying royalties', and they also handle legal obligations with regard to the utilisation of copyright works.

Negotiations were concluded and licence agreements formalised with the following collecting societies: SCF (Radio Television Radio 2 Music Video Licence, IEA Addendum to Radio Licence 2020-2022, TV Advance Agreement 2021), LEA (TV, Radio and Web Licences 2020-2021), ITSRIGHT (TV, Radio and Web Licences 2018-2019 and 2020-2021); negotiations continued with SIAE, Nuovo Imaie, Artisti 7607, SCF and AFI for the renewal of the related agreements. Negotiations were also started with the new collecting Evolution.

Contracts for the use of musical scores in NSO concerts and in radio, television and online programming were also finalised with music publishers Sonzogno and Sugarmusic and Casa Ricordi.

In 2021 the Teche Archives went on with their essential cultural work promoting Rai's records as a historical source and object of study all round the country. They spread their use by public and private entities, museums, schools, universities and foundations, all of which avail themselves of the public service as a repository of first-class historical material.
You can now see Rai Teche' in many Italian and foreign museums, Italian Cultural Institutes abroad, universities and libraries.

Radio

Rai Radio

Rai Radio oversees a number of aims, including coordinating the editorial and commercial offer of 12 channels broadcast on Fm, Dab+, sat, web, app and social media; driving the technological development of production systems, implementing linear and non-linear multi-platform distribution, constituting a cutting-edge cross-media production hub, elaborating and supporting social campaigns and activities; providing data and reports on production and supply; supporting the company's strategic guidelines with regard to transmission platforms and infrastructures; liaising with national and international institutions and the market; gathering audience data and market research.

The production processes of Rai Radio 2's video channel on RaiPlay (visual radio) were implemented in 2021, along with plans for the new online platform RaiPlay Sound, published in December with a rich catalogue of on-demand content and a wide selection of original podcasts, including some self-produced series.

The investments in the Dab+ network outlined in the Business Plan were delayed, due in part to the obligation Imposed by Agcom to reserve transmission capacity for third-party operators.

As for broadband, the implementation of the Radioplayer Italia app, supporting the 12 Rai Radio channels and another 240 national and local broadcasters continues and concluded significant agreements with several automotive groups for access to in-vehicle infotainment terminals.

The cross-media improvement plan for the broadcasting studios is going ahead at the Via Asiago, Saxa Rubra and Corso Sempione sites in Milan.

As for ratings, Rai Radio's results in terms of TER annual data are significant. Indeed, the radio ratings survey recognised the Rai Group as having an overall share of 11.3%, an increase in relation to the pre-Covid period (+5% vs. 2019), while audience figures in general were still in decline (-2.9% vs. 2019). Also important with regard to commercial competition was the rise in the average daily audience per group, which saw the Rai achieve the third place.

In this positive context, the progress of Rai Radio 2 stands out, with a share of 3.9% (+12% vs. 2019) and Rai Radio 1 with a share of 4.8% (+5.9% vs. 2019). Rai Radio 3 was stable (+0.6% vs. 2019), while Isoradio, the infomobility channel, was still affected by the anti-pandemic measures limiting traffic and travel (-22% vs. 2019).

The editorial profile of the generalist channels was based around the genre quotas outlined in the Service Agreement for News, Information, Culture, Society, Music, Service and Public Utility.

In 2021, the quotas were as follows:

- News 8.02%
- Information 15.96%
- Culture 8.52%
- Society 10.65%
- Music 40.81%
- Service 0.62%
- Public broadcasting service function 1.84%
- Other genres (variety) 13.58%

A significant proportion of local broadcast programming on Rai Radio 1 reinforced the position of radio in terms of local and community news, with information (three daily editions of the TGR Giornale Radio Regionale regional news programme) and affiliated programmes broadcast in special-statute

regions and autonomous provinces to safeguard linguistic minorities in the Valle d'Aosta and Trentino-Alto Adige, the Provinces of Trento and Bolzano in Friuli-Venezia Giulia, Sardinia and Sicily.

Rai Radio coordinates company communications across all of the channels, in conjunction with Rai per il Sociale, with the aim of improving the multi-faceted implementation of awareness and fundraising campaigns, the promotion of initiatives, and public engagement with regard to social issues and third sector activities.

During 2021, 42 fundraising campaigns, 31 awareness campaigns, 6 social communication campaigns; 1 public service campaign; 2 Agenzie Sovranazionali campaign and 69 institutional campaigns of the Italian Prime Minister's Office were planned, totalling 7,820 passages.

The TV audiodescription service for blind people is broadcast on Rai Radio 1 in medium wave. The most important TV drama and comedy shows and series have become accessible to those with sensory disabilities. A total of 707 hours was broadcast in 2021.

Generalist stations

Rai Radio 1

Also throughout 2021, Rai Radio 1 reaffirmed its identity as a broadcaster of all news. Reliable and qualified, its information centres around the press review every hour (in addition to the 5:30 am and 6:30 am editions) with five main editions (7:00 am, 8:00 am, 1:00 pm, 7:00 pm and midnight).

As was the case in 2020, the Covid-19 health emergency dominated the schedule. Rai Radio 1 told it in a timely manner (often with insights, direct and special lines) on the Gr stations and all its broadcasts. It did the same with what was happening in Italy and in the wider world, from current politics (*Radio anch'io* in the morning and *Zapping* in the evening and *Tra poco in edicola* at night) and economics (*Sportello Italia* and *Gr1 Economia* to news, employment and labour, human rights, fighting crime, and violence against women (*Moka*, *Che giorno è*, *VivaVoce*, *Il Mix delle 5*, *Italia sotto inchiesta*, *Numeri Primi* and *Mangiafuoco*). Ample space was given to matters of local interest with daily programme *Che Giorno è* Then, of course, there was intelligent satire (*Forrest* and *Un giorno da pecora*), the environment (*Green zone*, *L'aria che respiri*, *Gr1 Economia*, *and VivaVoce*) and social issues (*Che giorno è*, *Formato famiglia*).
During the year, the focus was on the health emergency and major events occurring in Italy and around the world, such as the storming of the Capitol and the inauguration of President Joe Biden in the US, and the birth of the Draghi government in Italy. Then, of course, there were the blocking of the Suez Canal by a container ship, NASA's mission to Mars and the killing of Ambassador Attanasio in Congo, the Israeli and Palestinian crisis, the successes of

1. *Moka*
2. *Green Zone*
3. *Zapping*

the Italian athletes in summer sporting events, the reconquest of Afghanistan by the Taliban, the Cop26 in Glasgow, the G20, to name but a few examples. In addition, all programmes are committed to always supporting and listening to the campaigns promoted by the Rai social secretariat.
Rai Radio 1's programme schedule also includes sections dealing with a wide range of themes: health (*Formato Famiglia Life*), technology and innovation (*Eta Beta*), the sea (*Radio di bordo*), insights into foreign countries (*Voci dal mondo* and *Caffè Europa*), motoring (*Top Car*), school (*Tutti in classe*), agriculture and the environment (*Green zone* and *L'aria che respiri*), c, culture, entertainment and society (*Primafila*, *Te la do io l'arte*, *Plot machine*, *Incontri d'autore*, *Mary pop Live*, *Linguacce*, *Nonsololike*), storie (*Inviato speciale*, *Jack Folla*, *Il pescatore di perle*, *Numeri primi*, *Vittoria*), religion (*Ascolta si fa sera*, *Babele*, *Culto evangelico*, *In viaggio con Francesco*, *La finestra su San Pietro*). September saw the launch of the new weekend column *Sabato anch'io* conducted live.

Sports remains a mainstay of Rai Radio1 and Gr, with a wide range of sports, Including football (A League, B League, Champions League and Europa League), Formula 1, MotoGP and cycling (with the Giro d'Italia and Tour de France), skiing, basket and volleyball. All sports are covered by very successful programmes, such as long-standing fixture *Tutto il calcio minuto per minuto* and other broadcasts such as *Zona Cesarini*, *Extratime*, *Sabato* and *Domenica Sport*. All major sporting events of the year were covered and narrated by the radio commentators of the sports desk.
As is the case every year, room was made in the schedule to mark all of the institutional anniversaries, including Holocaust Memorial Day (27 January), National Memorial Day of the Exiles and Foibe (10 February), the day of remembrance for mafia victims (21 March), Liberation Day (25 April), the Capaci attack (23 May), Republic Day (2 June) to the collapse of Morandi bridge (14 August), etc.
Music plays a fundamental role in supporting the information and is incorporated in various programmes throughout the day, in addition to those dedicated entirely to music (*Radio1 music club*, *Stereonotte*, *Il jazzista imperfetto*, *Disco sveglia*, *Sette su Sette*).

Rai Radio 2

2021 was a very positive year for Rai Radio 2's ratings on all platforms. With over +12% share compared to 2019 and almost 2.8 million listeners on the average day, the channel confirmed its growth trend.
The performance on social media is excellent: Rai Radio 2 is first on Facebook, among all the national radio stations registered with TER, in terms of number of interactions (over 5.5 million), video views (61 million) and post likes (3.8 million). With a growth in followers of +16.5% compared to 2020 and on Instagram of 18%. This is a very important result, obtained thanks to a natively cross-media offer that is declined in audio on FM, Dab+ and in digital audio on RaiPlay Sound, in video on television and on RaiPlay with the channel in visual radio and on all social platforms,

Rai Radio 2's offer starts at dawn with the *Caterpillar AM* press review, and continues with *Il Ruggito del Coniglio* and *Radio 2 Social Club* before moving on to *Non è un Paese per Giovani*; the afternoon programming starts with *La Versione delle Due*, featuring the humour of *Numeri Uni*, *Caterpillar* in the *PM* version, *Decanter* which has become XL (on air from Monday to Sunday) and music insights by

4. Alessandra Amoroso at Rai Radio 2
5. Rai Radio 2 lives with Sanremo 2021
6. *I Lunatici*

Back2Back and *Rock and Roll Circus*,up to Pierluigi Diaco, on air with *Ti sento*, even during Christmas.
Weekends in the first half of the year featured a number of well-established figures Diletta Parlangeli, Francesco De Carlo and DJ Osso, Pino Strabioli with *Grazie dei Fiori*, Ciccio Graziani with *Campioni del Mondo* reporting on sporting events on Rai Radio 2, Francesca Fialdini with *Radio 2 a Ruota Libera*, and again Paola Perego and Elena Di Cioccio with *Il momento Migliore*. Last but not least there were cult programmes such as *Blackout* and *Lillo e Greg 610*, providing entertainment and good humour. Night-time schedules were also quite dynamic with *I Lunatici*, which was there for night-time audiences more than ever before during the emergency.

Exclusive appointments with *Back2Back Speciale Let's Play!* continued from Sala B on Via Asiago with, among others, Michele Bravi, La Rappresentante di Lista, Noemi, Francesca Michielin, Alessandra Amoroso, Colapesce and Dimartino, Franco 126, Gazzè, Motta, Extraliscio.
Rai Radio 2 also broadcast live coverage of the *Eurovision Song Contest final*.
A great deal of productive effort went into coverage from Sanremo during the 71st edition of the *Italian Song Festival*, of which Rai Radio 2 was the official radio station, with over 100 hours of dedicated live broadcasts and 150 interviews, 80 of which were exclusive from the Ariston, developing a very positive trend on both visual radio and social media.

The on the road events live from squares and theatres also returned, often thanks to media partnerships aimed at intercepting an audience of fans around the country through *CaterTour*, a traveling festival, a big part in the open air with live broadcasts, live concerts, talk shows and games.
Rai Radio 2 was, as always, at the forefront of furthering sustainability and fulfilling one of the key tasks of the public service.
In March 2021, the 17th edition of *M'Illumino di meno*, the day for energy saving launched and supported by *Caterpillar*, which for years has been the largest radio awareness campaign on energy consumption and sustainable mobility, was held. The project – organised on air, on the web and on social media – was again sponsored in 2021 by the highest government offices and involved the main Italian and European cultural attractions. The theme of the 2021 edition, *Il Salto di Specie*, has become an original Rai podcast. An extra opportunity for listeners to relive the most beautiful stories of environmental, energy and human transition encountered over the years.

Numerous special initiatives took place: *Radio 2 Day* (days dedicated to great Italian musicians) and *Live*, onair from the studios on Via Asiago and streamed on RaiPlay with Fiorella Mannoia, Frassica, Carlo Verdone Carmen Consoli, Caparezza and Marco Mengoni.

Important editorial synergies were exploited in collaboration with TV programming:

- with Rai 1 – *Il Volo*, *Tributo a Ennio Morricone*; *Seat Music Awards 2021*; *Arena Suzuki '60 '70 '80*; *Sanremo Giovani*;
- With Rai 2 – *Castrocaro Festival; Speciale Premio Tenco*; the updated version of *Radio2 Social* Club on air in the mornings and *I Lunatici* live at night.
- Rai 3 with the *May 1st Concert* and
- Rai 4 with the semi-finals of the Eurovision Song Contest.

The channel's cross-media offer was then enriched with two TV programmes also broadcast on Rai 2: *Radio2 Social Club* and *I Lunatici*, with excellent results for the network both in terms of audience

7. The Maneskin at Rai Radio 2
8. *Lo Speciale* on Monica Vitti

ratings and in terms of satisfaction by listeners of Public Service, scoring an average rating of 7.9 with over 65% of respondents giving ratings between 8 and 10 to Rai Radio 2 programmes.

Rai Radio 3

Rai Radio 3, always close to its listeners and the world of culture, also in 2021 and despite the continuing health emergency, continued to keep the sense of community alive with its audience. Throughout 2021, in fact, Rai Radio 3 continued to devote much attention to the major issues of the cultural and civic debate, while also consolidating the breadth and quality of its own musical offering. And this was done, as usual, through in-depth broadcasts, but also with prestigious musical choices.

The morning programmes, *Radio 3 mondo* and *Radio 3 scienza*, have become a hub of information and scientific dissemination thanks to the intervention of scholars, experts and virologists. *Tutta la città ne parla* confirmed itself as the space for daily debate on democracy and rights, with representatives from the worlds of politics, economics and culture. *Fahrenheit*, in the afternoon, devoted daily in-depth discussions to the world of schools, acting as a link between teachers and educational experiences.
Despite the cancellation of all live events, the Rai National Symphony Orchestra and major Italian and international festivals like *the Euroradio* concerts continued to be broadcast.
Rai Radio 3's I concerti del Quirinale, the prestigious event broadcast live every Sunday morning from the Quirinale, in its 20th year in 2021, was the only live musical event for months.
Sunday 4 April marked the 20th anniversary of the first concert held at the Cappella Paolina, an event that would be followed by over 500 concerts to date.

In addition to concerts, Rai Radio 3 continued to offer continuous in-depth analysis through *Wikimusic* and the extremely popular *Lezioni di Musica*. Programming has continuously sought a dialogue with social issues, declined and interpreted through culture: on 8 March, for International Women's Day, the show *Dentro. Una storia vera, se volete*, dramaturgy and direction by Giuliana Musso; on 21 May, for the World Day of Cultural Diversity for Dialogue and Development, the Ebu Circuit Concert with Jordi Savall and ORPHEUS XXI was broadcast; on 24 November, live from Sala A in via Asiago, *Intervista impossibile a Francesca Rimini* on the occasion of the International Day for the Elimination of Violence against Women. And again, on 27 January, for Remembrance Day, Rai Radio 3, as usual, planned important initiatives - the programme *Un giorno nella storia*, looking back at that day in nine different parts with historian Umberto Gentiloni, while in the evening *La Memoria ha 20 anni*, an evening of theatre broadcast live from Rome's Teatro Argentina, in collaboration with the Accademia Nazionale d'Arte Drammatica Silvio d'Amico, was broadcast.

To commemorate the 76th anniversary of 25 April 1945, *Lettere della Resistenza*, the reading of the last letters of those condemned to death and deported from the Resistance was broadcast. On 2 June, Republic Day and the anniversary of the vote for women in Italy were celebrated with podcasts entitled *Ragazze al voto - 2 giugno 1946*, featuring the voices of women who were girls at the time, who told of the emotion they felt at being the first to have the right to vote in Italy.
On the occasion of International Museum Day, on 18 May, with *Ti racconto un museo*, Rai Radio 3 focused

9. Rai Radio 3 at *Più libri più liberi*
10. *2 giugno 1946 - Ragazze al voto*
11. Viola Graziosi

its attention on Italy's small museums. On 21 June, marking the Festa della musica, the historic Sala A on Via Asiago hosted the live radio broadcast entitled *Todo cambia - La festa di Rai Radio 3,* with music, theatre, cinema and poetry returned live throughout the evening with artists such as Ginevra Di Marco, Enrico Rava, Umberto Orsini and many others.

On 5 May, special programming commemorated the 200th anniversary of Napoleon's death with various initiatives: *Il Concerto del mattino* presented *Sinfonia Eroica* and *Radio 3 Suite*, devoted ample space to the anniversary for four consecutive Wednesdays.

In the Dante year, from 25 March, the project *Cento giorni con Dante* kicked off. *Grandi interpreti per la Divina Commedia*, promoted in cooperation with the National Theatre of Genoa, with the publication of a podcast a day. In addition, many of the network's programmes took part with various initiatives and in-depth analyses in the *DanteDì*, the national day dedicated to Dante Alighieri, celebrated throughout Italy.

In addition to the daily programmes, on Rai Radio 3's website you can access, among other things, podcasts that during 2021 have been widely implemented with topical issues or anniversaries, such as *Genova per tutti* (20 anni dopo il G8), *L'Isola* (New York 9/11), *Imperi, Quirinale: il carisma degli outsider*, on cinema such as *Divi, miliardi e altri disastri* or on science such as *Volare.*

Special interest channels

Rai Isoradio

Rai Isoradio is the channel dedicated entirely to traffic and weather that is always broadcast live through flow programming, every day and every night. Traffic news alternates with music, useful information and brief insights designed to accompany all those on the road.

Created in 1989 to cover the motorway network with high traffic density, Isoradio is now available in isofrequency on most of Italy's roads and motorways and in many metropolitan areas.

Rai Gr Parlamento

Five parliament news on a daily basis, an extensive press review daily and insight features make up the news offering of Rai Gr Parlamento, the institutional channel of Rai Radio which deals mainly with the parliamentary activities of the Senate of the Italian Republic and the Chamber of Deputies and describes Italian society through institutional events: political current affairs, as well as the economy, environment, labour, respect for human rights, the fight against crime and corruption, and social issues. Here too the Covid-19 emergency was the main topic of 2021. In addition to this offering, the new schedule also included themed evenings dedicated to important political figures.

Specialised digital stations

The special-interest channels support the general interest radio stations in compiling a comprehensive offering with the aim of tapping into vertical audiences. Audiences can listen in Dab+, on TV, on the web and with the RaiPlay Sound app.

Rai Radio 1 Sport

Radio Rai's sports offer is also present on Rai Radio 1 Sport, the digital channel launched to coincide with the Russia 2018 World Cup.

Every day from 07:15 am to 19:00pm, Rai Radio 1 Sport is broadcast with insights and features dedicated to soccer and to other sports.

There are many specialist programs on the channel, including *Palla al centro* and *Tempi supplementari*, but also *Tutto il calcio minuto per minuto vintage*, *Extratime*, *Numeri primi* and historical radio reports.

During special events Rai Radio 1 Sport broadcasts exclusive content that does not appear on Rai Radio 1.

Rai Radio 2 Indie

Rai Radio 2 Indie is the digital channel dedicated entirely to the new independent rock and alternative music scene, as well as Italian pop. Created in 2018, it offers a refined and unique playlist of Italian and international songs, with live performances by emerging artists and music programmes by key figures. An original offering dedicated to the most innovative music and the most exclusive live events, for uninterrupted listening.

Rai Radio 3 Classica

The radio channel completely dedicated to classical music: operas and symphonic music, opera and lieder, chamber and early music, soundtracks, musicals and operettas. Every day ten centuries of music from the 11th to the 21st century.
The channel offers well-structured programming showcasing pieces relating to all civil and religious festivities, monographic spaces dedicated to anniversaries of eminent figures from history and culture with the emphasis very much on live recordings.

Rai Radio Kids

Rai Radio Kids is a source of entertainment, music and education for children.
At the beginning of the year, *Diario Kids*, a format designed to keep children company during health emergencies, went on air again. This was followed by the start of *Curiosikids*, a new entertainment format for children, which was transformed into *Curiosikids in viaggio* for the summer.
Mrs. Spelling e i Fumbles was the first programme to introduce children to English, while the *È arrivato un bastimento carico di canzoni* format linked to the world of nursery rhymes, short stories and music. Also new for 2021 was the inclusion in the schedule of *Lampadino e Caramella*, the radio version of the successful TV cartoon. Also on schedule was the *Big Bang* hourly clock, a talk show with Armando, Lallo and Lella exploring facets of everyday life. *In cucina con Radio Kids* suggests quick and easy yet tasty dishes to make with the kids, while *Krud dal pianeta Cott* is an actual radio sitcom in which villain Krud attempts to pull off one strategy after another to destroy the world, though it turns out every time that

what he has in mind is, in the end, neither dangerous nor devastating; on the contrary, he finds himself helping mankind in the process.
There is also a lot of music on air, with songs for little ones from Zecchino d'Oro and nursery rhymes performed by children's choirs, theme songs for cartoons, soundtracks, ballads and pop music for older children. *Come nasce una canzone?* lets you discover creativity in a down-to-earth format that speaks even to very little ones. There is even more music in *Pigiama Party*, the first programme to get children and parents off their feet to dance music from the 1980s, 1990s and 2000s. Finally there is the world of reading, with old classics plus plenty of original productions, such as *Fiabe della Buonanotte*.

Rai Radio Live

From culture and tourism to food, wine, fashion and design, Rai Radio Live is the story of Italy.
The channel notably focused on local coverage and events of an institutional nature in 2021. *Meravigliosi borghi*, *Paese mio*, *Patrimonio Italia* and *Il rifugio* are some of the formats designed to promote knowledge of the beauty of our country in one way or another, along with *Dieci passi nella storia*, relating to the world of walking.

Stazioni d'Italia, meanwhile, takes us on a journey to rediscover the immense heritage of the railway stations in small towns. Then there are programmes telling the story of fashion, design, food and wine, manufacturing, nature and tourism, including so-called 'slow tourism' to Italy's most beautiful and least known villages. Of course, there is also music, in all its forms, from *Era ora*, a semi-serious music talk show that tells the story of the great past artists and new realities of Italian music, to *Fox in a box*, showing the musical peregrinations of Rai Radio Live from Rai's headquarters in Sardinia, to *Musica Med*, from our headquarters in Sicily. Dance, music, theatre, circus skills, visual arts but also new forms of creativity, contemporary artistic languages, digital technology, performances, DJ sets, videos, popular and underground culture.

Finally, appointments for the week's and weekend's events. To mark the passing of Raffaella Carrà, Rai Radio Live turned into a pop-up radio station for a day, entirely dedicated to the showgirl's music.

The channel is committed to giving visibility to the *Open doors* project, featuring testimonies by top managers on the world of youth work.

Rai Radio Techetè

Rai Radio Techetè, which presents a schedule that ranges from theatre to music, from drama to comics and sporting stories, is responsible for maintaining the memory of Italian radio. Thanks to *Speciali* series Radio Techetè celebrates birthdays and anniversaries through archive material and great personalities who remember the voices and stories that made radio great.
In 2021, *Speciali* were aired, presenting archive audio material, to remember the many artists who left us, Raffaella Carrà, Carla Fracci, Franco Battiato, Milva. Then there are *Le storie della musica*, *I teatri alla radio*, and drama with *Diabolik* and *Racconti della Mezzanotte*. The number of comedy sketches, duets, improvisations and songs taken from the main variety programmes in the Rai Radio archive and broadcast in the *Pillole di varietà*, increased over the course of the year.

Rai Radio Tutta Italiana

Rai Radio Tutta Italiana is known for its easy-listening style, with its rapid speech interventions and analyses that never exceed three minutes. Features such as *Mi ritorni in mente*, which reviews the most important events year by year, and *Cantare è d'amore*, showcasing the most beautiful love songs of the last fifty years. More than 120 *Profili* are dedicated to the big names from the world of song, from Umberto Bindi to Tiziano Ferro.

And there is plenty of space for emerging singers and new independent stylings. *Astroprofili* is a new programme in which, at the beginning of every episode, the astrologer Jupiter traces the star signs of a different singer. Another novelty is *Lui, lei e loro*,conducted by Gianfranco Monti, a journey that takes listeners through the history of Italian music, stopping by men, women and bands. Rai Radio Tutta Italiana is also on Fm as the soundtrack of Rai Gr Parlamento in the evening and night time slots.

Also in 2021, the *Una serata Tutta Italiana* format accompanied a series of events and concerts held around the country, from Aosta to Reggio Calabria, in full compliance with anti-Covid regulations. All the events attracted large video audiences on the web and social media.

RaiPlay and Digital

RAI PRODUCT DISTRIBUTED ON PROPRIETARY PLATFORMS

1.9 BILLION VIEWS ACROSS ALL RAI PLATFORMS

15.3 MILLION MONTHLY AVERAGE OF UNIQUE BROWSERS ON RAIPLAY

1.25 MILLION MONTHLY AVERAGE UNIQUE BROWSERS ON RAIPLAY RADIO

In 2021,RaiPlay and Digital continued to consolidate the editorial and to produce lines adopted in 2020, proposing the RaiPlay platform a schedule characterised by its great variety of original programmes, from docu-reality to entertainment, not forgetting cinema, drama and series.

During 2021, original scripted products were one of the highlights of the Rai's OTT platform; indeed, in a market that is increasingly crowded with international players, RaiPlay's objective remains that of intercepting products that are not covered by major deals. RaiPlay's serial product strategy has focused on titles with a strong impact on the millennials target group, in order to intercept an audience that is accustomed not to linear consumption but rather to on-demand consumption. With regard to series on RaiPlay:

- two HBO Europe productions were released between January and February: *Beforeigners* (6 x 45' episodes), a Norwegian crime series with fantasy overtones, and *Foodie Love* (8 x 30' episodes), a serial romantic comedy set around Europe;
- the second season of *Into The Dark* (12 x 90' episodes), the 12-film horror anthology series produced by Blumhouse was released between March and May;
- April saw the release of *Nudes*, the anthology series produced by Rai Fiction adapting the Norwegian teen drama of the same name, exclusively for RaiPlay, which tells the story of the transition to adulthood of three young protagonists and tackles the issue of 'revenge porn';
- Between June and September there was the release of the episodes of the second season of the NBC *Lo straordinario mondo di Zoey (Zoey's extraordinary Playlist)* (12 x 45' episodes, a Lionsgate production). A romantic comedy, following *Glee* and *Crazy Ex-Girlfriend*.
- October saw the release of the second season of *Stalk*, (10 episodes of 30' - Lionsgate production), a French series set on a university campus on the theme of cyberbullying;
- finally, at Christmas, the special episode *Lo straordinario Natale di Zoey* was released.

Drama, which has been one of Rai's trademarks for decades, was again the main driver of traffic generated by RaiPlay offering during 2021.
From 2021 onwards, in addition to the usual direct and on-demand use, Rai's main drama titles broadcast in exclusive previews, with respect to the television broadcast, were: *Rocco Schiavone*, *Un Passo dal Cielo*, *Chiamami ancora Amore*, *Il Cacciatore*, *Cuori*, *I bastardi di Pizzofalcone*, *L'ispettore Coliandro*, *Mare Fuori 2*, *Un professore*, *Blanca*.

Another key asset in 2021 was the cinema offering.
RaiPlay made available to the public a catalogue of films consisting of over 1,400 titles on demand, including the 100/150 titles available weekly in catchup mode on the basis of their airing on TV channels. Film enthusiasts could also count on a number of exclusive appointments: *Sabato cinema*, the exclusive release of quality films including original first releases and international blockbusters selected by Rai Cinema, and *I film della mia vita*, Antonio Monda's feature presenting the most important films in the history of cinema and taking us on an emotional journey through the films that have fascinated the collective imagination. Moreover, thanks to the synergy with Rai Cinema, the RaiPlay film offering was enriched with great titles available exclusively. Among these: *L'ora più bella*, *In mani sicure*, *Il giorno e la notte*, *The Rider*, *Havana Kyrie*, *La Regina di Cuori*, *Sulla infinitezza*, *Restiamo amici*, *Tutte*

1. *Nudes*
2. *Stalk*
3. *Foodie Love*

le mie notti, *Thunder road*, *Il signor Diavolo*, *Emma Peeters*, *Ho tutto il tempo che vuoi*, *Intolerance*, *Il peccato - Il furore di Michelangelo*, *Parigi a piedi nudi*, *Cenerentola a Mumbai*, *L'uomo dal fiore in bocca*.

With regard to the sports offering, the RaiPlay platform made all 2020/2021 Coppa Italia matches, highlights of all 2020/2021 Serie A football championship matches and all of the biggest events such as the Giro d'Italia, the European Under-21s Championship and Euro2020 available with dedicated sections and additional content.
In the second half of the year, the sports offer grew and consolidated thanks to events such as the Tokyo Paralympics, the European Volleyball Championships, men's and women's, the European Short Course Swimming Championships, the European Road Cycling Championships, the Champions league basketball, the Tennis Nitto ATP Finals and the Tennis WTA Finals.
When it came to the European Football Championship, the programme *Europei a casa The Jackal* brought us two hours of exclusive live streaming on the RaiPlay channel starring comedy group The Jackal and guests, including Carolina Morace, Maccio Capatonda, Francesco Paolantoni, Clementino, Valerio Lundini, Lino Banfi, Andrea Delogu and many others. A very close-knit group of friends who served up their own brand of commentary and jokes throughout the Italian national football team's rousing 7-match journey to achieving the title of European Champions.

Also in 2021, thanks to the *Learning* section, RaiPlay participated in the Rai's initiatives in collaboration with the Ministry of Education, helping the school system face the challenge of long-distance education, using the vast catalogue available, to build collections of content and video playlists to offer teaching support tools to teachers and pupils of all ages both in the classroom and remotely.

Last but not least, the RaiPlay offering provided added value through the wide selection of programmes, variety shows, adaptations and investigations produced in over 60 years of the history of public TV and available on the Rai digital platform thanks to its synergistic relationship with the Rai Teche archives, a collaboration developed in the spirit of public service with the aim of building a true heritage out of the country's multimedia memory.
During the first half of 2021 RaiPlay offered a wide selection of titles that have marked various eras in the history of television and, alongside these, extensive research and selection work meant that collections of excerpts from numerous programmes could be published with a monographic slant. These include: *Sheridan - Indagine sui sentimenti*, *Eco - Lezione di Semiotica*, *Linda e il Brigadiere*, *Mister Fantasy*, *L'idiota*, *L'isola del tesoro*, *Sanremo comiche*, *Intervista con l'Avvocato*, *Diva Moana*, *Tribuna Pannella*, *1991 Guerra nei Balcani*, *I grandi del jazz*, *G8 - I giorni della rabbia*, *Inedita Lady D*, *Suite Muti*, *Zavoli racconta Zavoli*, *Vlora - L'odissea albanese*, *Giorgio Strehler - Il mestiere del teatro*, *11 settembre - America anno zero*, *Dante in TV*, *Canne al vento - Lo sceneggiato*, *Amico mio*, *Gheddafi - Sotto la tenda del Rais*, *Felipe ha gli occhi azzurri*, *Il caso Scafroglia*, *Vietnam: la prima guerra in TV*, *Jack London - L'avventura del grande Nord*.

Figures for 2021

According to Audiweb data, in 2021 the Total Digital Audience, i.e. the audience active on all digital devices, reached an average of 74.5% of the population aged 2 and over each month (+2.2% compared to the 2020 average), equal to an average

4. *Ossi di Seppia*
5. *Tu non sai chi sono io*
6. *Zoey*

of 44.3 million unique users connected.
Mobile usage (Smartphone and/or Tablet) reached a concentration level of 89.8% of the population aged 18-74, with 39.1 million individuals connected on average monthly in 2021 from these devices. Compared to the previous year, Internet use on the average day increased by 8.2%, with daily use still growing via Mobile reaching 77.5% of the population aged 18-74 (+12.8%) and almost 90% in the average month.
In this context, the Rai product distributed on proprietary platforms recorded a total of about 1.88 billion video views in 2021 (+1.08% vs 2020).
In the detailed analysis, RaiPlay is growing with respect to 2020 values with over 961 million views, while the decrease in syndication on YouTube continues (the distribution of the product on YouTube closes 2021 with 887.88 million views, a drop of -34% vs 2020, and - 49% vs 2019) and on MSN (consumption on MSN, amounting to 24.2 million views in 2021, is down 41% compared to 2020).

There were 20.5 million registered users of the RaiPlay offering (RaiPlay, RaiPlay Radio and RaiPlay Yoyo) who had accepted the latest privacy policy by the end of December 2021.

In detail:

- **RaiPlay** recorded a total of approximately 961 million legitimate streams (video views), growing by +4.8% vs 2020, with a monthly average of 15.3 million unique browsers (+23% vs 2020), and a monthly average of 69.7 million visits (+17.5% vs 2020);
- **RaiPlay Radio**, the radio portal launched at the end of December 2017 and replaced by RaiPlay Sound in December 2021, recorded a monthly average of 1.25 million unique browsers (-17%) and an average of 6.16 million audio and video media consumption (-34% vs 2020);
- **RaiPlay Yoyo**, the app dedicated to children launched in mid-April 2018, recorded during 2021 a monthly average of 4.5 million video views (+18% vs 2020) and a monthly average of 88.9 thousand unique browsers (-12% vs 2020);
- **Rainews.it** recorded a monthly average of 70.3 million page views (-5.1% vs 2020) and 4.58 million video views (-34% vs 2020), with an average month of 14.34 million unique browsers (-2% vs 2020). TgR performance achieved an average monthly of 2.5 million unique browsers (-39% over 2020), 2.5 million views (-38% over 2020) and 7.6 million page views (-24%).

Syndicated content distributed in 2021 got more than 912.08 million video views (887.88 million views on YouTube and 24.2 million on MSN), getting Rai's digital products an average of 156 million views a months.

The most successful applications were as follows:
RaiPlay with over 11.28 million downloads in the last 24 months plus 11.58 million apps downloaded on smart TVs;
RaiPlay Radio, with over 888,000 downloads in the last 24 months (over 417,000 downloads in 2021, -11% on 2020);
Rai News with over 311,000 new downloads in the last 24 months (over 130,000 downloads in 2021, -28% on 2020); and
RaiPlay Yoyo, with over 619,000 downloads in the last 24 months (255,000 downloads in 2021, -30% on 2020).

7. *Beforeigners*
8. *I mestieri di Mirko.*
9. *Il Giovane Old*

The original RaiPlay offering

In the course of 2021 RaiPlay and Digital focused its efforts on defining an original programme schedule for the RaiPlay platform, characterised by an offer of programmes diversified by target and genre. These include:

- *Ossi di Seppia* (Season 1 and 2), the in-depth feature dedicated to the events that had characterised the last thirty years of Italian history through the memories and personal accounts of those who lived through that period. 2021 recorded 1.79 million views and a time spent in viewing (tts-d) of 266,000 hours;
- *Beforeigners*, a crime series with fantasy overtones. Men and women from the past mysteriously appear in modern-day Norway, the difficulties they experience when it comes to integrating creating huge social problems. With 836,000 views and a time spent in fruition (tts-d) of 284,000 hours;
- *Foodie Love*, the series that tells the story of a love that is born at the table, the two stars of the show united, in fact, by their shared passion for food. *Foodie Love* achieved the following results in 2021: 702,000 views and a time spent in fruition (tts-d) of 174,000 hours;
- *Nudes*, an anthology series produced by Rai Fiction that looks at the moment of transition that teenagers of all eras have gone through at some point, that shadow line that accompanies them into adulthood, the moment when everything changes forever, from one day to the next. The series shows how dangerous it is to cross this line in the wrong way, tackling the theme of revenge porn from the perspectives of the three young protagonists - Vittorio, Sofia and Ada. An Italian adaptation of the Norwegian teen drama of the same name. *Nudes* achieved 1.91 million views and a time spent in viewing (tts-d) of 357 thousand hours;
- *Lo straordinario mondo di Zoey – Season 2*, the musical romantic comedy starring Zoey, a computer programmer who works at a company in San Francisco and discovers, following an accident, that she understands the feelings of people who communicate with her through songs. 1.12 million views and a time spent in viewing (tts-d) of 371 thousand hours;
- *Stalk - Season 2*, a 10-episode teen drama aimed addressed to the target audience of millennials and Generation Z, which deals with an extremely topical issue among teenagers: cyberbullying. Stalk achieved the following results in 2021: 926 thousand views and a time spent in viewing (tts-d) of 204 thousand hours;
- *Il Giovane Old*,the music and comedy programme hosted by Nicola Savino with Melissa Greta Marchetto, Aurora Leone, Herbert Ballerina and DJ Angelo. A club where artists and musicians such as Coez, the Coma Cose, Vasco Brondi, Gaia, freely experiment and perform in an unfiltered talk centred on music. 332 thousand views and a time spent in viewing (tts-d) of 47 thousand hours;
- *È andata così*, Luciano Ligabue celebrates thirty years of career, of unforgettable records and live performances, but also of the history of our country that the rocker has always been able to tell with his songs. The artist retraces his and Italy's history since 1990 in a journey enriched by never-before-seen images of thirty years of concerts. 1.46 million views and a time spent in viewing (tts-d) of 223 thousand hours;
- *Europei a casa The Jackal*, an exclusive live show to comment on the Azzurri's matches at Euro 2020. 1.78 million views and a time spent in viewing (tts-d) of 205 thousand hours;
- *La Nottataccia*, four episodes of stand-up

10. *Corpo di ballo*
11. *Tocca a Te!*
12. *SuperQuark+*

comedy, theatre and live music in the company of L'Orchestraccia and many guests from the world of music, television and cinema. 178 thousand views and a time spent in viewing (tts-d) of 22 thousand hours;

- *Tu non sai Chi sono Io*, a docu-reality show in which young people open up to their parents unfiltered, spreading a message of courage and love, to overcome the drama that stems from a lack of communication between generations in the digital age. 151 thousand views and a time spent in viewing (tts-d) of 24 thousand hours;
- *Corpo di ballo*, a journey of discovery of one of the world's leading dance companies. The dancers of the Teatro alla Scala in Milan star in this docuseries taking an unfiltered look a their personal and professional lives. 338 thousand views and a time spent in viewing (tt-d) of 86 thousand hours;
- *Superquark+, Season 3*. Piero Angela, accompanied by a group of young popularisers, talks about the theme of love in a modern and fast language. 331 thousand views and a time spent in viewing (tts-d) of 56 thousand hours;
- *Racconti Criminali*, the crime series that retraces some of the most striking crime events in the history of our country. 51 thousand views and a time spent in viewing (tts-d) of 20 thousand hours;
- *Playlist 24*, the clip collection serving up the highlights of Rai's daily offering: shows, drama, news, sport, talk, reality and much more besides. 9.28 million views and a time spent in viewing (tts-d) of 317 thousand hours;
- *Back2Back – Speciale let's Play (I concerti di Radio2)*, a series of concerts hosted by Ema Stokholma and Gino Castaldo from Sala B of the Rai radio studios on Via Asiago in Rome in which the artists taking to the stage in turn look back at their careers and private lives. Back2Back achieved the following results in 2021: 29 thousand views and a time spent in viewing (tts-d) of 6 thousand hours;
- *I Fantastici – Fly2Tokyo*. A group of young people united by a single dream, the Tokyo 2020 Paralympics. Accompanied by Bebe Vio, who is also in the hunt for a historic qualification in a new speciality, they challenge themselves by bringing their talents and humanity to bear in order to gain access to the most important competition. 85 thousand views and a time spent in viewing (tts-d) of 10 thousand hours;
- *Into The Dark – Season 2*, the 12-film horror anthology series produced by Blumhouse, an American firm specialising in the genre with cult titles such as *The Purge*, *Sinister* and *Paranormal Activity*. In 2021, the series recorded 440 thousand views and a time spent in viewing (tts-d) of 188 thousand hours;
- *Allevi in the jungle*, a journey in the company of Giovanni Allevi through the sounds, music and stories of the street singers the Maestro has encountered in some of Italy's most major cities. 108 thousand views and a time spent in viewing (tts-d) of 18 thousand hours;
- *Dante e il potere*, a brilliant lecture on Dante by historian Alessandro Barbero at the Complesso Monumentale di Santa Croce in Florence. 64 thousand views and a time spent in viewing (tts-d) of 23 thousand hours;
- *Tocca a te!*, a programme created by Carlo Conti and comprising a selection of videos chosen from the many received from 'ordinary people' to showcase talent and its various facets. In 2021, the programme recorded the following results: 35 thousand views and a time spent in viewing (tts-d) of 2 thousand hours;
- *Tutariel*, with each of the 30 episodes featuring Stefano Sarcinelli (the tutor) and Marco Marzocca (his domestic assistant Ariel) trying to teach us

13. *Play Books.*
14. *#PlayMag*
15. *La Nottataccia*

those useful little hacks that make everyday life better, amid plenty of glitches. 136 thousand views and a time spent in viewing (tts-d) of 7 thousand hours;

- *I film della mia vita.* The most significant films in the history of cinema: an emotional journey through the films that have fascinated the collective imagination. In 2021, 25,000 views and a time spent in fruition (tts-d) of one thousand hours;
- *I mestieri di Mirko*. A journey around Italy to tell of curious and uncommon trades, but of great social value for the history and culture of our country. 28 thousand views and a time spent in viewing (tts-d) of 4 thousand hours;
- *Istantanee 2021*, the story of a year through 12 events, one per month, that have marked our present. 99 thousand views and a time spent in viewing (tts-d) of 7,000 hours;
- *Play Mag*. The most relevant film, fiction and entertainment news for millennials. In 2021, the programme recorded 23,000 views and a time spent in viewing (tts-d) of 1.6,000 hours;
- *Play Digital*, a journey into the world of technology and the web, giving us an insight into all that the world of digital innovation has to offer. 50 thousand views and a time spent in viewing (tts-d) of 6 thousand hours;
- *Play Books*. New paths for reading more about the literary world and the latest news, with ideas and reflections from its main figures. 36,000 views and a time spent in fruition (tts-d) of 5,000 hours.

Furthermore, the following exclusive products on the issues of digital literacy and innovation, social inclusion, diversity, equal opportunities and disability, as well as the live streaming of the events organised in Spoleto to mark the first *Rai Festival per il Sociale* were made for the RaiPlay platform:

- *Web side Story*, a documentary series of monothematic episodes showing how the web has made history and changed our lives. 23 thousand views and a time spent in viewing (tts-d) of 1.2 thousand hours;
- *ConverseRai*, a programme reporting on professional and personal aspects of great men and women of our time. 14 thousand views and a time spent in viewing (tts-d) of 1.3 thousand hours;
- *Young Stories*, the series that recounts the typical day of 13 young people, aged between 15 and 25, from waking up to goodnight, including teenage routines, family and emotional relationships and life on social networks. 24 thousand views and a time spent in viewing (tts-d) of 2 thousand hours;
- *Che lavoro/i farai da grande*, a journey into the world of work in which digital guru Marco Montemagno illustrates the new scenarios dictated by emerging technologies. 10 thousand viewings and a time spent in fruition (tts-d) of 965 hours;
- *E allora dai*, a series that aims to bring the public closer to the digital world, to discover in a light-hearted way what new technologies are and show the path to becoming digital citizens. One thousand views and a time spent in fruition (tts-d) of 54 hours.

Digital offering

During 2021 RaiPlay and Digital confirmed its commitment to delivering new products and offerings in other fields. Here are the most significant.

Euro 2020. The 2020 European Football Championship, postponed until June 2021, was the first major sporting event with a live audience and the first step towards post-pandemic normality. RaiPlay dedicated a *Speciale* to the event that, with dedicated

16. *I film della mia vita*
17. *SuperQuark+*
18. *Pickwick Pack*

pages, in addition to replaying full matches, showed the goals, real-time recaps, interviews with those involved and programmes dedicated to the event, such as *Sogno Azzurro*. Last but not least, the *Speciale* included the match schedule, rankings and results, as well as introductions to all of the teams involved in the event.

Rai Radio 2 Live. 24 hours of radio 'to watch'! Radio 2's radio programming was on air as of September, on a dedicated channel, through special video recordings of the programmes. In addition to the digital and analogue on-air offerings and digital distribution with RaiPlay Radio, both live and on demand, the radio station reinvented itself by adding images to the words and combining this with the simulcast distribution of TV channels.

RaiPlay exclusives. We saw an increase in the number of opportunities for exclusive live broadcasts for RaiPlay in 2021, giving the target audience the opportunity to follow major events. These included *I Concerti del Quirinale*,concerts every Sunday, the Rai National Symphony Orchestra programme every Thursday and live broadcasts from La Scala and Santa Cecilia, not forgetting exclusive live broadcasts of events such as *OnePeopleOnePlanet*, the Italian sign language versions of the most important programmes such as the *Sanremo Festival* and some of the matches of the 2020/21 Coppa Italia (Italy Cup) and under-21 European Football. Championship matches.

You Tube and MSN. The confirmation of the distribution strategy on the YouTube platform, the timelines and publication quantities of which were changed, reinforced the significantly positive results already recorded, with an increase in the number of views on RaiPlay and stable levels of performance on YouTube, confirming the complementary nature of the two most strategic assets in terms of the distribution of Rai products in the digital sphere. Together with the MSN offer, which benefited from an increase in product through Playlist24, the Rai offering expanded methods of audience engagement, reaching, free of charge, an increasingly large audience of users, especially among youngsters.

Rai Cultura. The portal aims to make Rai's cultural offer accessible and usable in the digital environment with dedicated content and services. The new platform is organised by thematic areas and full of original content produced by the Rai Cultura editorial staff, cultural programmes from special-interest and general TV programming and titles from the Rai Teche archive.

RaiPlay Radio. Replaced, as of 9 December 2021, by the new offer of the **RaiPlay Sound** platform, RaiPlay Radio was the Rai radio portal for the first 11 months of 2021. Together with the live broadcasts from 10 radio stations – five on-air and five digital – offers two exclusive digital stations, Rai Radio 1 Sport and Rai Radio 2 Indie, with specific selections and programmes. The offer clearly shows the different identities of each radio network with the network portals and programme pages, on which you can find a rich offer of content of live-streaming, on demand and podcasts.

Rai.it. The inclusive Rai portal that makes the Group's vast digital offering easily accessible.
Rai.it promotes and provides access to all television and radio programming, as well as to the informative and multimedia content from all news mastheads, showing the most important news from Rai News 24 and Rai Sport. Rai.it also offers a series of services of

19. *L'ora più bella*
20.-21. *Play Books*

great importance and interest to audiences, such as the guide to Rai channels and access to information about Rai as a company.

Digital offering for teenagers and children

The strategic asset of Rai's digital offering is the segment for children and teenagers, presided over by the RaiPlay platform with its *Children*, *Teen and Learning* sections, the RaiPlay Yoyo app, the MHP offering dedicated to Rai YoYo and Rai Gulp on Smart TV. In 2021, a specific strategy was developed for this target, focusing on the following objectives:

RaiPlay platform / Children's section. This section is aimed at children and families and covers a wide range of entertainment genres, including cartoons, films, short films and programmes, with a very rich thematic offering of over 230 titles for the publication of around 60 hours of on-demand products per month, divided by target and genre and available on all devices.
In addition to rerun titles, thanks to synergies developed with Rai Ragazzi, Rai Fiction and Rai Cinema, there is a significant offering of exclusives and boxset previews, compared to broadcasting on linear channels. In particular, during 2021, the offer was enriched with 34 titles exclusively on RaiPlay for different time periods (among these: *Star Key*, *Le ragazze dell'Olimpo*, *ScienceXplosion*, *MathXplosion*, *Kid Lucky*, *Sandokan*, *L'ultimo dei Mohicani*, *Acqua in bocca*, *Gino il pollo*, *Le storie di Lùpin*, *Oto e la musica*, *Symo e Rose*, *I famosi 5*, *Bob Aggiustatutto*, *Leggende sotto il mare*, *Jungle Book Safari*, *Il fantastico mondo di Richard Scarry*, etc.) and 48 boxset titles premiering on linear channels (including: *Lo specchio di Lorenzo*, *Acqua Team missione mare*, *La rosa blu*, *44 gatti*, *Pablo*, *Nursery Rhyme di Masha e Orso*, *Leo Da Vinci*, *Fumbleland 2*, *Atchoo 2*, *Paf il Cane speciali*, *Summer & Todd*, *Alice & Lewis*, *Nina e Olga*, *Il villaggio incantato di Pinocchio*, *Il puntino azzurro*, *Minicuccioli a scuola*, *Le canzoni animate del 63° Zecchino*, *Vanille*, *Patatine fritte al porto*, etc.).
The offering was complemented with new series, programmes and new editions of programmes from the time of airing (such as *L'Albero Azzurro*, *Diario di Casa*, *Diario delle vacanze*, *La Posta di Yoyo*, *La banda dei fuoriclasse*, *Oreste che storia!*, *Gormiti*, *Baby Boss*, Kung Fu Panda – *Le Zampe del Destino* e *Capitan Mutanda*) and a varied offering of films for children and families (such as *Il club dei brutti*, *Rocca cambia il mondo*, *Bernie il delfino*, *Heidi*, *I Fantastici 5*).

During 2021, two editions of the *Zecchino d'Oro Festival* (the 63rd and 64th) were also followed live, for which clips of the songs and guests presented on each day of the Festival were made and published live. There was no shortage of special deliveries designed ad hoc to mark all the major festivals (Christmas, Easter, Mother's and Father's Day, etc.) either, with various thematic video playlists that differed from week to week, talking to children about art, music and science in a light-hearted and imaginative way.
In the video section dedicated to learning English *Hello Kids!* the little ones can find songs, nursery rhymes, cartoons and games to learn English while having fun with *Masha and Bear's Nursery Rhymes*, *Peppa Pig's adventures*, the songs of the *Small Potatoes*, the stories of the *Twirlywoos* and the funny *Fumbles* from the *Fumbleland* series.
A great deal of airtime was also given to digital content accessible to all with series and programmes translated in Italian sign language, accompanied by audio descriptions and subtitles.

RaiPlay platform / Teen section. This section,

22. *Cercami a Parigi*
23. *Zoey*
24. *Rocco Schiavone 4*

launched in March 2020, offers a rich and well-structured range of titles that makes use of the strongest products in the RaiPlay catalogue adapted to the target audience. Titles span several genres, including cartoons, films, live action, children's drama, programmes, documentaries and music. Over 150 titles and about 40 hours of on-demand product per month, divided by target and genre, and available on all devices.

Every month in 2021, at least one new title was added to the offering as an exclusive or exclusive premiere boxset. These include: *Marta e Eva*, *Animal House*, *Animal School*, *Radio Teen*, *La prima donna che*, *Buck*, *Cercami a Parigi 3*, ecc. RaiPlay's new original titles include the second series of *Stalk*, *Nudes* and *Lo straordinario mondo di Zoey 2*.

Rai 2's programmes, *La Caserma*, *Voglio essere un mago* and the very popular *Il Collegio 6*, worked live with hundreds of clips for each evening and lots of extra content, were also very successful.

The programme schedule designed for the teen market also provides a rich offering that is renewed every week with thematic video content created ad hoc, with series to watch with friends or alone talking about friendship and love, passions linked to sport, fashion and music, and also dealing with complex issues linked to adolescence such as bullying and cyberbullying and existential anxieties.

Last but not least, the film catalogue offers some of the most popular films of recent years, such as *La profezia dell'armadillo*, *Sette minuti dopo la mezzanotte*, *Hugo Cabret*, *La-La Land*, *Scialla* and many others.

RaiPlay platform / Learning section. RaiPlay joined the *#LaScuolaNonSiFerma* project in early March 2020, providing an offering in its Learning section for children, parents and teachers, to enrich the experience of long-distance and classroom education. This section was created to support children and young people at all stages of their education, from nursery to high school, through a series of carefully selected documentaries, interviews, films, journalistic reports, programmes and cartoons produced with school curricula in mind. The new *Learning* section took children and young people on the perfect journey through school subjects by the following means:

- Rai programmes divided into eight subjects, namely literature & theatre, history, science, humanities, geography, art history, foreign languages, and music & performing arts;
- over 80 themed collections created ad hoc for children at nursery, primary, middle and high school;
- more than 400 playlists of videos, dedicated to the eight school subjects, which are renewed from week to week, creating a kind of digital magazine dedicated to the world of school and to those who like to continue to deepen and learn;
- new, ad hoc programmes with audio descriptions, subtitles and, in some cases, translation into Italian sign language.

App RaiPlay Yoyo. The application with parental locks, is dedicated to children and provides a rich on demand specialist schedule structured for two different targets, defined by age group, and is updated weekly. In 2021, Rai offered 65 titles, 113 series, totalling about 4,400 episodes to be watched online and, of these, 34 titles, 51 series and about 2,550 episodes to be enjoyed offline. Furthermore, the offering supported little ones with special programmes designed specifically for special occasions (Christmas, Easter, Mother's Day, Father's Day, etc.).

Children's MHP offer. An on-demand offering,

25. *Il fantastico mondi di Richard Scarry*
26. *Il Collegio*
27. *Cenerentola a Mumbai*

186 PAGES
27.0 mln FOLLOWERS

92 PROFILES
8.4 mln FOLLOWERS

152 PROFILES
9.8 mln FOLLOWERS

available via Smart TV, updated weekly in relation to new editorial releases (exclusives/premiers/new series) proposed by the specialist Rai Yoyo and Rai Gulp channels.

Cartoons on the Bay. Also in 2021, RaiPlay was a partner of Cartoons on the Bay 2021, the Festival of cross-media animation and children's television. In this edition, RaiPlay hosted on the platform the Hall of Fame award dedicated to Fusako Yusaki, the Japanese artist, director and animator who has always been one of the protagonists of Italian animation, with a dedicated retrospective.

RaiPlay Sound

9 December 2021 saw the launch of the RaiPlay Sound platform, dedicated to the world of audio, which offers the public - in addition to live broadcasts of all Rai Radio channels and the chance to listen to their favourite radio programmes - also original podcast content produced for the platform.
On the new platform, users have access to a rich catalogue, divided into genres, topics, recommended content or favourite programmes, and audio books selected from the great classics of Italian and international literature. In addition, it is possible to listen to audio descriptions of Rai TV dramas and series, foreign TV series and TV series and films broadcast by Rai as well as some TV programmes.
Access to the content, also offline, is guaranteed to users through the in-app offline listening functionality on mobile devices, tablets and smartphones. Access is always free of charge and all users already registered to RaiPlay Radio and RaiPlay can access and use all the services offered by the new platform.
Among the original podcasts: *Pointe Nini - Storie di montagna al femminile*, the portrait of a great mountaineer who lived at the turn of the 1930s; *Astropolitica*, on the confines of space beyond the atmosphere; *Le Lillo Parole*, neologisms and comments on the vocabulary of the Italian language that does not keep pace with changes; *Arti Show*, the life and work of brilliant and bizarre contemporary artists, the real rock stars of the visual arts, from Mario Schifano and Jeff Koons, via Kounellis and Basquiat; *Divi miliardi e altri disastri*, loves, secret passions and hidden quarrels; *Inviate in prima linea*, with the female journalists who have told the whole of Italy about the events that have determined and disrupted recent history; *In viaggio con Laura e Andrea*, an astonishing adventure to be listened to in one breath to discover fascinating and mysterious places and eras in history.

Social media and traffic building

During 2021, Rai consolidated its branding and traffic-building strategy for social and digital platforms (with regard to organic and paid communication activities) streamlining and promoting the main objectives, namely promotion of the Rai's television and digital products, user engagement/advocacy, creating traffic on Rai's digital platforms, and controlling third-party platforms (Google, Samsung, Amazon and Huawei); the rationalisation and securing of social pages and profiles.
In addition, the mergers of the web and social structures of the three generalist networks, Rai Ragazzi and Rai Gold were completed.

In December 2021, with the launch of the new web platforms RaiPlay Sound and Rainews.it, the new social accounts Facebook, Twitter and Instagram of RaiPlay Sound were inaugurated, with a dedicated social strategy aimed at enhancing the editorial offer

28.-30. *I podcast originali di RaiPlay Sound*

of the programme schedule, podcasts and original content; for Rainews.it, the activity of reorganising and renewing the social offer from an editorial point of view was continued, while at the same time developing a univocal visual identity, easily recognisable and associated with the Rai brand.

The streamlining of promotional activities in organic mode has made possible an integrated editorial management between network accounts, corporate accounts, vertical properties and third party platforms (e.g. Amazon FireTv, Apple, Samsung, Huawei), launched in the first half of 2021 and consolidated during the year, orienting communication towards enhancing the 'conversion' objectives through a constant focus on referral to the proprietary platform, promoting awareness of the Rai product and expanding the reach of content, and secondly on community engagement on these third party platforms.

The organic activity on RaiPlay social media moved along three main communication axes:

- *flow:* flow communication linked to the promotion of TV titles (e.g. *Ballando con le Stelle*, *Il Collegio*, *Che tempo che fa*) and digital (originals, previews, exclusives) in the catalogue (live/VoD). With a view to promoting the network programme schedule and the genre programme schedule available on the platform, a social strategy was implemented aimed at enhancing the titles available live and in VoD on the platform by the network and RaiPlay social accounts, in a synergic and complementary manner;
- *archive and events:* valorisation of the RaiPlay library and of the Teche Rai archive titles, linking social promotion to anniversaries, anniversaries and events of particular importance for public opinion. In addition to this, there is the real time coverage of key events in the Rai programme schedule (e.g. the Sanremo Festival, the Paralympics, the Rome Film Festival, the Venice Biennale Film Festival, the ATP Finals, the European Football Championship, the America's Cup, Lucca Comics & Games) through the network accounts involved and RaiPlay;
- *look and feel:* in the second half of 2021 the visual identity project was consolidated; it was created to give the company's profiles a unique, clearly recognisable and coordinated graphic identity through the use of vertical graphic/video social toolkits for each channel. This choice was made with a view to giving the broad and multifaceted family of social network profiles a simple, clear and consistent identity that reflected the Rai logo (and not the specific network logo) as the lowest common denominator, with the channel's characteristic colour bar as a distinctive element.

In 2021, the awareness of content available on the RaiPlay.it platform continued to increase, encouraging conversion towards it, to the detriment of native content published on social platforms. Facebook is the social where this strategy has had the greatest influence on the content strategy and consequently on the performance of the pages: the average duration of video content went from 210 to 88 seconds, and the total seconds of video published went down from 14.9 million to 11.5 million.
It should be remembered, in fact, that the algorithm of social platforms tends to give more value to native content if it does not invite outward linking to third-party platforms, and this, although it penalised the pages that saw their exposure reduced (Facebook -17% average daily reach), it did however improve awareness of the RaiPlay product.
Instagram, on the other hand, was less impacted by the reduction in native content and the reduction

in video minutes published, resulting in excellent results and an increase in average daily reach of +37.46% compared to the previous year.

The results achieved during 2021 on the main organic social KPIs compared to 2020 were as follows:

- community:

Facebook	Instagram	Twitter
-5.33%	+12.27%	+13.72%

- posting:

Facebook	Instagram	Twitter
-2.86%	+16.54%	-8.16%

- Total interactions:

Facebook	Instagram	Twitter
-21.83%	-1.69%	+3.97%

- reach media per day:

Facebook	Instagram
-17.13%	+37.46%

The data show a greater exposure of content on Instagram and a growth in communities: Instagram (+12.27%), Twitter (+13.72%), Facebook (-5.33%) slightly down. This figure is even more positive if we consider that a massive reorganisation of the company's social pages and profiles was carried out: while at the end of 2020 Rai managed almost 600 social pages and profiles, at the end of 2021 this number had been reduced to 433 properties, broken down as follows:

- Facebook 186 (-26.2% vs. 2020);
- Instagram 95 (+4.4 vs. 2020);
- Twitter 152 (-39.4% vs. 2020),

This reorganisation will continue in the future with the twofold aim of rationalising the production effort, concentrating it on a reduced number of contact points, and securing the social properties in a perimeter that is increasingly manned and controlled.

Festival di Sanremo 2021, as well as the great success obtained on Rai's proprietary digital platforms, also generated a remarkable result in the social sphere. Over the course of the festival week, in fact, more than 30.2 million interactions were recorded (+35% compared to 2020) with a final in great growth, reaching 6.8 million interactions and growing by 58% compared to last year's edition.

Here are some brief insights that give a measure of Rai's presence on each social platform (*sources: Nielsen Social Content Ratings e FanPageKarma* - data as at 1.1.2022):

Facebook. During 2021, Rai's 186 Facebook pages engaged approximately 331 million (-20.78% vs. 2020) people. The overall fan base, despite the strong reduction of pages, only contracted by 5.33%, remaining at 26.98 million. The total number of reactions made was remarkable: 108.33 million (-21.83% vs 2020). Video post views were 1.53 billion (-18% vs 2020). These last two metrics were strongly impacted by the decision to reduce native content in favour of promoting links to RaiPlay.it.

Instagram. During 2021 the perimeter of Rai's profiles on Instagram, a platform that is clearly growing in the young target audience, reached 92 profiles. The total fan base reached 8.42 million (+12.27% vs. 2020), the number of posts published increased to 68 thousand in 2021 (+16.54%), while the average daily reach improved significantly to +37.46% compared to 2020.

Twitter. The activity of rearranging the social profiles on Twitter during 2021 was the most important of the three socials; the perimeter covered went from a base of 252 profiles in 2020 to 152 at the end of 2021 (-39.4%), despite this, during the year followers grew

by 13.72% to 9.78 million, the 337 thousand tweets generated 6.35 million likes.

The promotion and positioning of Rai's products in the social sphere are supported by advertising campaigns on the main digital platforms with the aim of: repositioning Rai's digital platforms within the continuous change that characterises the OTT market; increasing app downloads and supporting traffic on Rai's websites; reaching new and potentially distant targets from Rai with campaigns aimed at both traffic building and brand awareness of key content for the company, innovative and/or aimed at a young audience.
In 2021 these activities were characterised - in addition to a strategy of greater push towards the use of the app - by the impossibility of setting up campaigns in a data-driven logic. Rai could not, in fact, implement on its platforms some of the required tracking tools (tags/pixels) and therefore it was not possible to use some advertising formats that in past years had guaranteed the best results in terms of advertising exposure (impressions) and traffic to digital platforms (clicks).
The following results - achieved in 2021 and for which the percentage change compared to the same period of the previous year is highlighted - on the platforms Google/YouTube, Twitter, Apple Search, Spotify, Samsung Smart TV, Outbrain, IOL, LinkedIn, LG Smart TV, are therefore to be considered within a scenario of strong delivery impediment compared to the previous year (*Sources: reports and planning tools of the concessionaires*).

- Campaigns delivered: 545 (+196%)
- impression: 555,383,379 (-38%)
- clicks to Rai platforms and app store: 9,205,335 (-25%)
- App downloads: 5 million*

* *The figure is a total (paid and unpaid). The comparison with 2020 is absent because the metric had other parameters.*

In addition to the rationalisation of the perimeter of pages and profiles in 2021, the issue of the security of social properties, the protection of Rai content and copyright infringement committed by one of our properties on the Facebook, Instagram, Twitter and Twitch platforms was addressed.

Marketing and Promotion

The communication strategies are aimed at strengthening the presence of the RaiPlay brand and increasing its brand awareness through the enhancement of the products published on the platform, with a particular focus on original and/or exclusive productions and products of any genre (dramas, TV programmes, series, documentaries).

In this context, a key element is represented by cross promotion with the print media, which, particularly from the last quarter of 2021, has been - and will be - increasingly strategic for the promotion of originals. From January to December 2021, 1,318 print articles were published in trade and generalist magazines, periodicals and newspapers, for an average of 109 issues per month. In the same period, 1,197 online articles were published for an average of 99 issues per month and 356 press releases were launched.

The most prominent originals in the press were: *Ligabue* (with 76 publications including those on La Repubblica, Il Fatto Quotidiano, Il Corriere della Sera, Il Messaggero, La Stampa, Elle, GQ, Vanity Fair, IoDonna) and *Europei a casa The Jackal* (with 70 publications including those on La Repubblica,

Fanpage, Open, Milano Finanza, Il Fatto Quotidiano, Huffington Post, Il Messaggero, IoDonna, La Stampa, Il Corriere dello Sport). Also of note are *I Fantastici – Fly2Tokyo* with 51 publications, *Lo Straordinario Mondo di Zoey* with 35 publications and *Il Giovane Old* with 30 publications. Even *Ossi di Seppia*, a highly successful original, with the weekly publication of the press release relating to the episode of the reporting period, produced a total of 307 articles during the year. Also not to be forgotten are the magazines, Play Mag, Play Books and Play Digital, with their weekly online and print publications.

There were 29 promos realised in 2021 and 9 press conferences.

In this context, the marketing activity - fundamental for a careful and detailed knowledge of consumption trends - is strategic, and in 2021 it has been increasingly dynamic, both in the market analysis and profiling of RaiPlay users, and in the preparation of the launch of RaiPlay Sound.

RaiPlay also took part in numerous territorial promotion events, with a view to directly involving users. These included: the Rome Film Festival, the Turin Book Fair, Lucca Comics, ATP Finals Tennis, Arte e Nuvola, Visionary Day and Più libri, più liberi.
The caring strategy was also consolidated through the activity of a specific customer care for digital platforms to better guarantee direct communication with users.

In 2021, the mailbox dedicated to supporting digital users supporto@rai.it received a total of about 218,000 reports, mainly for problems of a technical nature.

User Experience (UX) and User Interface (UI) Design activities

The company's apps and websites have been restyled during 2021 to improve functionality and navigation. Here are the most significant ones:

Rai.it. Both the offer and the UX/UI restyling of the Rai.it homepage have been redefined for access to entertainment (RaiPlay, RaiPlay Sound, RaiPlay Yoyo), the corporate section (Canone, Fornitori, Lavora con noi, etc.), information (Rai News 24 and Rai Sport), culture (Rai Cultura and Rai Scuola), as well as Rai Group companies.

RaiPlay. In the course of 2021, important updates are planned, with adaptation and declination on all distribution platforms. Among the most important are the new *video leaf page* template with the insertion of the on-page player and autoplay to favour immediate access to the content; the upgrade of the *download* functionality for offline viewing of content on the mobile app and management of the flow and communication inherent to the expiry of rights of content on the platform and visible offline in the app (distributed with or without DRM) the design of new formats for editorial launches, which can be positioned on the homepage and within the pages to better promote the available offer; the redesign of a multifunctional player for smart TVs for a new user experience based on simplicity; the implementation of graphic labels on the posters of the programmes in the RaiPlay catalogue to highlight editorial peculiarities related to the title displayed.

Euro 2020 special on RaiPlay. A vertical offering dedicated to the event but integrated into the platform, complete with live matches, summaries, goals, highlights and lots of video on demand from

Rai programming and exclusively from Rai Sport. New features included a calendar, results and rankings, statistics, teams, live player perspectives with additional cameras and realtime statistics from the field of play

Rai Scuola. The user-centred design and redesign of the schools portal, with a new information structure based on subjects, school type and the type of content or education offered. Key features included browsing by school type, filter enhancement, routes, workshops, events, web docs, live broadcasts.

Rai Tv+. An immersive experience in a new app that offers and merges the characteristic functions of linear television with additional hybrid broadcast/broadband services and access to the OTT RaiPlay service. Key features included information on the hour on air, restarts on live broadcasts, live broadcasts from the radio channels, the latest editions of national and regional news programmes. Moreover, the functionality *Regional Exchange Action Live TgR* allows switching from the local TgR edition on a broadcast stream to that of another desired location on a broadband stream, with a return to the broadcast stream at the end of the edition.

Radio and Television Museum in Turin. New institutional website was created with multimedia contributions related to the 2020/2021 exhibition and initiatives and launch of the museum's social media accounts.

RaiPlay Sound. The new app and web platform for using Rai's audio content (original and linear podcasts on demand, live radio and Replay Radio service). An overall repositioning of the Rai in the non-linear audio segment reflecting the company's new strategic and distributional vision and to a new platform image, involving UX/UI aspects and the graphic redesign of all programme and podcast posters.

Rai – MISE Smart Card website. Site linked to requests for Rai smart cards.

RaiPlay Yoyo. Upgrade following a change in Apple's policy, which now no longer allows the distribution of mobile apps with social registration for children.

Corporate portal. Repositioning of Rai's corporate content offering through the creation of a new single portal for providing users with a renewed and more modern mode of communication that is clearer, more transparent and more tailored to the specific information needs.

RaiNews Portal. Realisation of a single portal that collects, organises and exposes to the public in an organic way the Rai information, creating synergies between the different newspapers present in the company. The project also includes the creation of visual, interactive and data journalism products that will be published by the interactive storytelling desk of the new information portal.

Radiocorriere.tv. Repositioning of the digital offering through a new portal dedicated to previews, news and promoting the Rai's television, radio and digital offering, fed with original VOD content.

Rai Com. The restyling of the Rai Com portal through the UX redefinition and of the sites pertaining to the company's various business areas with a view to restructuring content and improving the user experience, the alignment of the UI with the parent company and the study of design solutions that facilitate the updating of pages over time.

New Cookie Policy banner. Continuous upgrade of the UX/UI of the Cookie Policy banner, in line with the Privacy Policy provisions issued by the Garante per la Protezione dei Dati Personali (Italian Data Protection Authority), distributed on all Rai platforms, portals and sites and declined for all devices (mobile, desktop browser and smart TV).

Digital Rights and Compliance

Rai is always attentive to the verification and protection of rights also in the digital sphere. The activity - which involves all the corporate subjects in charge of identifying rights and any authorisations that may be necessary to ensure the compliance of the production with the terms of the law - has involved, among others, the identification of the correct way to apply the obligations deriving from the *rights exploitation guidelines* on the occasion of UEFA EURO 2020 and the Tokyo 2020 Olympic Games, as well as the consolidation of the relationship with the FAPAV-Federation for the Protection of Audiovisual and Multimedia Contents and the activation of the process of SIAE authorisation requests for the use of repertoire material. With reference to the fulfilment of copyright and related rights obligations, in addition to the support provided to the Teche Rai during the process of negotiating agreement contracts with the collecting societies of authors (SIAE), artists/performers and phonographers (SCF), the process of periodic reporting of the works published on RaiPlay was defined.

Television production

The realisation of Rai's television editorial projects – general and specialised channels, news and sports – is entrusted to highly specialised internal professional staff and supported by the highest standards of technology, so as to offer the viewer a product which is always in line with the public service mission and at the level of quality, including technical, that this requires.

The year 2021 was characterised by an upward trend in production compared to the previous year, which had been marked by contractions due to the pandemic. In fact, starting in the spring and continuing through the summer season and the autumn recovery, production commitment levels comparable to those of 2019 were achieved. This affected, in general, all editorial clients, TV channels and genres.

Already early in the year, the persistence of constraints and operational limitations resulting from the continuing of the health emergency often led to a burden on production models with longer set-up times for studies and greater recourse to external connections. For example, the *Sanremo Music Festival*, which took place without an audience and suffered from scheduling uncertainties in the planning phase due to the general health situation, was carried out in compliance with strict health protocols that resulted in set-up times increased by around 50% compared to previous editions, which also had a significant impact on implementation costs.

Against this backdrop, television production resumed at full capacity in the face of an ever-increasing growth in editorial demand with full saturation of internal human resources.

Among the most important productions carried out, it is worth mentioning: the return of all the races of the *Alpine Skiing World Championships* as host broadcaster for the production of the international signal; the coverage of the *European Football Championships*; the *Giro Ciclistico d'Italia* - also in this case, the international signal was produced on behalf of RCS, as well as the customisations for Rai Sport - as well as the production organisation and coverage of the *Tokyo Olympic and Paralympic Games*. Finally, it should be noted that, in addition to the growing production activity for editorial structures and newspapers - thanks to an increase in internally produced programming slots - special events such as the*UN Food Systems Pre-Summit* and all the official events that characterised the Italian G20 Presidency were productively realised.

Technological activities

Chief Technology Officer – Technological infrastructure

The CTO - Technological Infrastructure Area determines the company's technological requirements in the fields of the production, processing and distribution of audio, video and data content based on the objectives of the Business Plan, the specific business needs and national and international technological best practices. It also defines the technological architectures and equipment, systems, networks and services needed for the development of the Rai Group.
Technological activities in 2021 are characterised by the operational start of the refarming of the terrestrial television platform, i.e. the complex process of renewing the broadcasting system of Rai and other operators aimed at the release of the 700 MHz band for its allocation to fifth-generation mobile telephony systems.
In a scenario made even more complex by the persistence of the health emergency linked to the coronavirus pandemic, the activities therefore focused on technological projects capable of strengthening the company's resilience capacity, increasing productivity and accelerating innovation.

Refarming of the DTT platform

In compliance with the board resolution of 16 and 17 December 2020, Rai participated in the tender called by the Ministry of Economic Development for the allocation of the right to use the additional transmission capacity available nationwide, corresponding to half of a multiplex in DVB-T2 technology, in addition to the transmission capacity already allocated in 2019.
As a result of this tender, Rai was awarded this additional capacity, which was indispensable in order not to jeopardise, during and after the refarming, the current technical quality and perimeter of the offer. Subsequently, the activities aimed at obtaining specific rights of use with specification of frequencies for the third DTT multiplex as a result of the integration with the half multiplex already achieved - without specification of frequencies - in 2019 were started. At the same time, all the technical-administrative activities aimed at ministerial approval of each of the facilities (over two thousand for the network also containing regional information and over one thousand each for the networks with thematic content) that make up Rai's new DTT networks were carried out. These activities had to overcome some specific criticalities due to very stringent international coordination constraints - recently reviewed by the administrations involved - which required the activation of a technical round table with the MiSE to resolve them.
In July 2021, the MiSE revised the roadmap for the realisation of the new DTT networks, postponing the start of activities for the re-channelling of frequencies across the country, the decommissioning of MPEG2 coding, and the introduction of the new DVB-T2 standard. Consequently, Rai proceeded to re-evaluate the configuration of the three residual multiplexes in DVB-T technology with the constraint of maintaining the transmission of the main programmes in MPEG2/MPEG4 simulcast as well as including three different regional contents in each broadcasting macro-area.
In line with the new roadmap, operational refarming activities started in October, with the transition of thematic programming to MPEG4 encoding. In November, in the region of Sardinia, the re-channelling of the frequencies of all the broadcasting facilities belonging to national and local operators began, with the necessary monitoring of the activation of the facilities of the new networks and the updating of the AGCom National Frequency Cadastre for the census of broadcasting facilities operating in the territory.
It also participated in the procedure launched by the MiSE to update the plan for the allocation of automatic channel numbering (LCN) to nationally broadcast free-to-air audiovisual media services. Among the most important points to emerge from this procedure is the allocation of LCN channels between remote control positions 801 and 823 to programming containing RAI's regional information.

Analogue (FM, OM) and digital (DAB+) radio

With reference to radio, Rai continues to place great emphasis on protecting the analogue radio service (FM), the technical quality of which suffers from a lack of prior planning.
In 2021, the Carmignano-Poggio Ciliegio facility - a facility potentially covering a population of about one million inhabitants in the provinces of Florence, Prato and Pistoia - was activated on the new frequency to allow Rai Radio 1 to be received also on the move through automatic tuning of car radios.
In addition, activities deriving from compliance with the DAB+ must-carry obligations continued, i.e. the hosting on the Rai block of the contents of independent national radio providers, through the transfer of the necessary transmission capacity. From November 2021, the Rai Mux DAB+ will host the broadcaster Radio Cusano Campus.
Rai's DAB+ network is made up of a total of 57 stations to date for a mobile outdoor coverage equal to 56% of the national population.

International technical activities and frequency coordination

Rai participates in many national (Ministry of Economic Development and CRTV Confindustria Radiotelevisioni) and international (EBU, ITU, CEPT) band management tables. Work is underway in preparation for the 2023 World Radiocommunication Conference (WRC-23), whose main topic on the agenda will be the maintenance – in the long term – of the use of the UHF band for the DTT digital terrestrial television platform.

Technological development initiatives

Many initiatives were launched to assess the potential optimisation of the DTT band and guaranteeing adequate video quality for the regional signal in the various phases of refarming. Among these, a technological cooperation agreement was signed with UNCEM (the National Union of Municipalities, Mountain Communities and Authorities) for the trialling of a system for broadcasting radio and television signals through a Fixed Wireless Access Multicast on IP protocol transmission mode, applied to urban settlements in mountain areas and/or with criticalities in terms of receiving audiovisual signals.
In the Municipality of Vernante (CN), where the design of a Proof of Concept has been started, Rai has made available the experimental service that can also be extended with value added features in relation to the feedback of the identified users. Initiatives to assess the possibility of guaranteeing users access to regional signals through integrated applications in an HBBTV environment continued and the implementation of a dynamic configuration of Rai's transmission capacity is underway that will increase the audiovisual quality of regional programming.

Specific compatibility checks of the user receivers were also started in order to guarantee the SLAs of the Concessionaire's service agreement. The bandwidth optimisation analyses can also be re-proposed to be adopted on the satellite broadcasting platform and in the post-refarming phase, with DTT networks with higher transmission capacity, fully operating using DVB-T2 standards.

Service management and Contract with Rai Way

The demand for new services from Rai Way has almost tripled compared to the previous year; 18% of them is associated with sporting events, 15% with cultural, political and social events; the remainder relate to infrastructure-type activities.

Standardisation and Special Projects

There is an extensive ongoing participation in national and international technical bodies (e.g., European Commission, EBU, CEI, CENELEC, IEC, DVB, WRC, CEPT, ITU) and agreements with Public Administrations, Universities, Research Institutions and Companies.
Among the most relevant activities in 2021, suffice it to mention the collaborations with: IAPB (International Agency for the Prevention of Blindness) aimed at identifying technologies to improve the television use of visually impaired people; the Italian Space Agency, for the definition of new uses of satellite signals on mobile terminals; UNCEM (the National Union of Municipalities, Mountain Communities and Authorities) aimed at trialling new ways of distributing television signals in the most isolated areas.

Information and Communication Technology

The health emergency is pushing society to rethink its development model and companies to define new management methods. In this context, technological infrastructure is therefore not an option, but becomes an enabling factor, having in itself the capacity to support the company's industrial policies and also to accompany social transformation.
The governance of the company's digital evolution helps to strengthen Rai in its role as a public service. With this in mind, Rai joined the Gaia-X association in the second half of 2021, which aims to build a federated European data infrastructure to connect different existing cloud ecosystems and make them available to EU citizens.
The participation of Gaia-X in the technical round table will allow Rai's expertise to be enhanced, as it will be able to highlight its instances related to the management of applications typical of the broadcasting environment.

The experience gained during the health emergency to support the smart working plan allowed employees to work remotely, ensuring the continuity of company operations, but also allowed us to imagine the adoption of new production models. Monitoring in recent months has shown a stabilisation of access to company IT services from the outside: at the moment there are about 4,000/4,500 business users who remotely access information services every day and over 1000 virtual machines are made available daily for particular needs and situations.

The high number of people working from home is an indicator that confirms the positive impact in terms of flexibility, as well as generating positive effects in terms of the environmental (green economy) and social inclusion. Technologies for mobile working are becoming increasingly relevant in production models.

Production models, including those that exploit mobility, cannot ignore the need to ensure the continuity of IT services; therefore, all the technological and procedural elements have been consolidated in the technological infrastructure to deal with emergency situations. These measures specifically concerned the updating and consolidation of backup platforms, middleware, data integration, information and access protection, and workstation management.
The issue of IT service continuity is particularly relevant with respect to the enhancement of the Rai offering on the web, which seizes the opportunity of multi-channel development and distribution innovation, affording increased communication capacity with the public internet network.

Focusing on the issues of exploitation of the potential offered by the dissemination of digital channels and use also in live streaming mode with contribution through the IP network, efforts were focused on the project *Disaster Recovery Web Farm and internet Node*, which aims to create the disaster recovery infrastructure of the RaiPlay platform at the Rai headquarters in Turin in Via Cavalli, to ensure the Company redundancy of equipment and internet access not only via Rome, in Via Teulada. The initiative included interventions on the web farm components, internet node, network security, and traffic balancing. The decision to make certain infrastructure components redundant is an indispensable element, since the digital transformation exposes companies to phenomena potentially capable of compromising the quality of service in terms of accessibility and continuity.

The availability of redundancy is just one of the factors that increases the level of resilience of company information systems with respect to the occurrence of endogenous events – for example, the impact of the new Rai business models – and exogenous – for example those related to security incidents. In general, in the ongoing digital transformation the issue of security is central; knowledge and risk management, as well as the ability to consciously address the challenges posed by digital technologies, are critical success factors. The governance model of technological assets has made it possible over time to achieve an adequate level of protection against malware risks, contributing to the protection of the company's information assets through the design and implementation of interventions aimed at security and compliance with the reference regulatory framework. Following the *Compliance* and *IT risk Assessment* activity, the periodic assessment of the level of IT security and ICT risk allows updating the organic security plan - new perimeter security and identity and access management services for ICT services were integrated into the infrastructure in 2021. In this context, the workflow of the IT Risk Management process, which aims to identify, assess and deal with IT risks in a given area, was also updated.
Among the most relevant interventions in the cybersecurity field is the start of the project to implement a perimeter security architecture of Intrusion Prevention System (IPS) for corporate data centres; the new architecture will offer a complementary level of protection compared to traditional firewalls, allowing traffic analysis with the identification of attack types and increasing the level of stability and continuity of corporate services and data protection.

In addition, the action of the SCC - Security Coordination Centre for the coordination of IT security activities continued, which maintains relations with the CNAIPIC (National Anti-Computer Crime Centre for the Protection of Critical Infrastructures) and has been organised to analyse information, also from external sources, in order to mature the proactive capacity to take action, and mitigate the risks connected to the undermining of the company's critical services normal functioning.
The introduction of new technologies and related services represents an opportunity to optimise operational processes, paving the way to effective and efficient production models. Consequently, the lion's share of the investments went to the consolidation of the platforms supporting business processes, in line with the scenarios agreed with the company stakeholders.

With the aim of optimising the life cycle of product planning, a significant effort was made to further the evolution of systems to support editorial and economic planning processes and production resources:

- in terms of editorial planning, the release of the functionality preparatory to the shutdown of Radiocorriere was completed, and the activities continued for the launch of the schedule module for short-term planning;
- as part of the management, administrative and management control processes, the new systems for economic planning and financial planning of Rai and its Subsidiaries were released;
- investment planning project is underway;
- following the definition of the new logical model of business accounting, the systems supporting the process and integration to the separate accounting were released;
- the realisation of a new version of the integrated planning system, in addition to tapping the potential offered by the new version of the technological platform, was an opportunity to optimise operational processes, seizing on the indications

1. *Data Center in via Cavalli (Turin)*

for improvement from user experience;

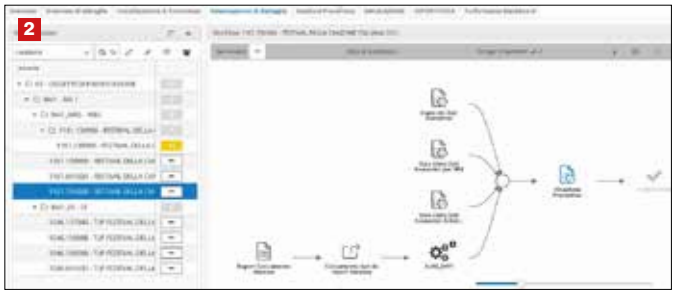
- with regard to the planning of production resources, the activity to optimise integration with the company ERP continued; moreover, the management functions required by editors for external light filming were released to pilot users, implementation for vehicle and connection planning was started, and a "demo" version for medium- and long-term planning was released;
- with regard to the issue of business process integration of macro-processes of editorial, economic and production resource planning, an update on management of planning master data was carried out.

A project was launched to expand the Rai CRM system, with the aim of enhancing the integration and centralised coordination of the various company touchpoints (telephone, web, social, mail, app). The new system, taking advantage of an advanced technological architecture, will be able to respond to the need to improve interaction with citizens and the ability to take advantage of the information deriving from it.
In addition, in agreement with the Italian Tax Revenue Office, an innovation scenario was designed for the platform for the management of the ordinary licence fee, which encourages the use of the electronic channel for communications with users and promotes the digitisation of documents to drastically reduce the time and costs of managing correspondence. A functional and technological review of the accounting management of the user's account statement was launched, which will manage the accounting transactions for the taxpayer to have updated situations for the purposes of Rai processing and for communications to the Italian Tax Revenue Office.
Design paths were launched to improve the services already available and to build specific solutions to be integrated into the overall application architecture:

- optimisation and evolution actions have been carried out on the company ERP for accounts receivable and payable. The management of Rai Cinema's reports was also released in a testing environment;
- the initiative enabling access to the Rai multimedia catalogue by universities, schools, public bodies and non-profit associations, under specific agreements stipulated for cultural, educational and institutional purposes has come to an end. The same solution, albeit with different purposes, will also be extended to Rai Com buyers allowing the consultation of multimedia material kept in Rai's archives, with the security safeguards required by the context;
- in the field of systems to support the purchasing of goods, works and services, the new system for the management of the supplier list, implemented on a cloud-based platform, was released;
- the configuration and parameterisation of the IT services necessary to start the operation of the Channel in English were carried out;
- the design for the upgrade of the integrated TgR production systems was completed; the technological renewal will concern the Regional Offices, the Production Centres and the Regional News Service, and the operational phase of the project started on some locations;
- connectivity services were created for the new Rai Pubblicità office in Padua.

The project for the use of digital signatures was completed, with regard to the book-signature management process of TV and Rai 1. In addition, several initiatives were launched to ensure the technological upgrading of Rai's software assets that manage the main business processes in the editorial and production sectors.
The provision of services is the central issue of enhancing and appropriately managing the information assets generated by data, now considered as valuable corporate assets. The development of big data algorithms has allowed the Company to harness the knowledge deriving from internal and external information sources. The main initiatives in this context were:

- consolidation of services for the sentiment survey on Rai programmes (SARAI, Instarai) through data from Twitter and Instagram and *M.Emo.Rai*, which, using artificial intelligence algorithms, supports the analysis of emotions aroused by television programmes; an initiative for measuring the use of Rai online videos and competition is also being launched;
- development of a dashboard for the analysis of planned and transmitted data;
- collecting analyses on copyright reporting;



2. *Integrated Planning System*

- development of a data warehouse system for Rai Pubblicità, which will allow better intercompany governance in the future;
- evolution of the new CRM system for Rai Way for the management and sale of transmission circuits/links, which involved the makeover of the CRM system and integration with the Group's ERP.

A fundamental requirement in the design of data management platforms is processing speed, which supports the central role of computing, storage and connectivity infrastructures. In this regard, investments were made for the adoption of systems and technologies mainly oriented towards virtualisation, according to a model aimed at consolidating on-premise infrastructure platforms within the Rai data centre and at the same time launching targeted paths to introduce the hybrid cloud paradigm. In addition, with regard to network and voice services, the activities of periodic upgrading of the equipment continued, as well as the renewal due to obsolescence of the sites in Borgo Sant'Angelo, DEAR, Salario 1 and 2, Naples Production Centre and Mazzini Executive Centre.
Continuity and reliability in the provision of services was ensured through the supervision of technological infrastructures (application, processing, communication). At present, a total of 323 services are managed, of which 297 are provided directly to employees (B2E).
In this framework, services for events were designed and provided, first of all for the *Sanremo Music Festival*, ensuring connectivity and transport on the IP network, the provision of WiFi services, VoIP, the configuration of network equipment, the construction of cabling, on-site and remote support, access and accreditation control systems, and the supply of workstations. The contribution to the first *Festival Rai per il Sociale* in Spoleto and to the United Nations Pre-summit on Food Systems UNFSS was particularly important.

Research and Development

Rai's Research and Development activities are carried out by the Technological Innovation and Experimentation Research Centre Department (CRITS) - the main laboratory complex operating in Italy today in the field of broadcasting and media - and focus on the development and experimentation of new technological solutions in the field of production, distribution and multi-platform services, with a view to the ongoing improvement of the services offered.
These activities refer to the technological and legislative context that characterise, currently and in the future, the audiovisual world both nationally and internationally.
From a regulatory standpoint, the reduction in frequency resources by 2022 and the resulting necessary evolution of digital terrestrial television have had a significant impact, while from a technical perspective there are many new innovations that are gradually transforming the way radio and television are made:

- classic display systems with increasingly advanced features in terms of spatial definition (UHD-4K or Ultra High Definition4K), temporal definition (HFR or High Frame Rate) and vision quality (HDR or High Dynamic Range);
- new types of devices and ways of enjoying (smart TVs, smartphones, PCs, immersive goggles);
- IT technologies becoming increasingly common in the world of radio and television production;
- artificial intelligence used in a wide range of fields, from content analysis, indexing and processing to content encoding and the independent production of virtual content;
- the introduction of new transmission methods allowing for the increasingly widespread and targeted broadcasting of radio and television content (expansion of fixed broadband, 5G technologies for mobile broadband networks).

These issues are developed in close synergy with the other company departments and also in collaboration with third parties, within funded projects and within international organisations.

3. *M.Emo.Rai System*
4. *Control Room in via Cavalli (Turin)*

Funded projects – Patents

The Horizon2020 5G-TOURS project provides, together with partners such as TIM, Ericsson, the Municipality of Turin and the Fondazione Musei, for the study and development of applications in the media sector, such as remote production and immersive media, which will exploit the 5G potential. In particular, CRITS contributed to the creation of the infrastructure to support the production and distribution of a concert with travelling musicians, which took place in November 2021. The event was distributed via 5G Broadcast technology for reception on mobile terminals.

In the H2020 5G-RECORDS project, aimed at the study and integration of a remote production platform based on 5G networks, CRITS contributed to the design of systems and equipment, the integration between the set/production and the remote site, the definition of tests and experimentation in the project trials.

CRITS, in the H2020 AI4Media project, aimed at the study and development of artificial intelligence (AI) technologies and systems to support the media sector, analysed AI applications and technologies to support business processes, comparing business requirements with similar evidence from international stakeholders. In addition, CRITS initiated the design and development of specific AI components in the area of automatic character detection from video.

2021 saw the start of the IDMO (Italian Digital Media Observatory) funded project for the development of technologies and processes to counter disinformation. CRITS supported the disinformation detection and social network analysis processes conducted by the partners with activities related to the automated collection and analysis of data sources.

As part of its research activities, both on its own and in collaboration with universities and companies, CRITS develops inventions that are filed as national and international patents, and maintains control over industrial and intellectual property, maintaining patents, and promoting technological innovation. Furthermore, support for Rai Com continued with the commercial extraction of value from patents, in particular those essential for the DVB-S2, DVB-S2X and DVB-T2 standards.

Production systems, audio-video coding and artificial intelligence

New technologies and appliances were developed and analysed able to handle very high quality television signals all along the production and distribution chain, paying particular attention to standardisation problems of new formats, also with a view to a pervasive transition to the IP technology. Both study and experimental activities aimed at understanding the maturity and practical applicability of emerging standards, such as SMPTE 2110 and AMWA NMOS, continued, and support continued to be provided to Networks and Platforms for the broadcasting of the experimental Rai 4K channel via satellite, both in terms of signal encoding and providing technical consultancy for the production of programmes in the UHD-4K format.

In the field of production based on new technologies of mobile vehicles, design and trial activities of advanced shooting systems with drones continued, in particular with regard to sensors and systems and components supporting automatic shooting.

Research activities continue in the area of 3D scanning of objects and environments for augmented/virtual reality applications and as support for TV production. In particular, as part of the H2020 5G-TOURS European project, 3D scans and reconstructions of some objects and rooms of Palazzo Madama in Turin were made.

In the field of computer graphics and animation technologies applied to television production, a low-cost real-time motion capture chain with the possibility to work remotely was realised within the IBC Accelerator programme led by EBU and Irish TV (RTÉ).

To support the diffusion of UHD television formats that require high bandwidth capacity, research is continuing on video coding techniques based on artificial intelligence technologies. In this context, also with a view to contributing to the international standards (MPEG, ISO-IEC, ETSI), a prototype of a video encoder entirely based on neural networks is being developed; this activity is taking place in synergy with the Politecnico di Torino thanks to a doctoral thesis funded by Rai.

In the area of archive digitisation, with the other RAI directorates involved, CRITS continued the analysis, design and support of film digitisation and the experimentation of innovative and effective quality control solutions in the context of mass migration. International activities in the association of FIAT/IFTA television archives also continued.

Work continued on the study of an automated access system to corporate content description databases (multimedia catalogue), aimed at facilitating data access and enrichment in various corporate application contexts.

In the field of applications of artificial intelligence technologies to the media context:

- a speech transcription and translation system was set up to facilitate the production of subtitles in English, in cooperation with the Foreign Offering, Technology and ICT Department;
- in cooperation with Networks and Platforms, an AI service orchestration system is being developed at an advanced stage to automatically metadata RaiPlay content and enable a more advanced analysis of user behaviour. The AI tools used are manifold and range from facial identification technologies, Natural Language Processing (NLP) for text classification and enrichment applications, tools for real-time indexing and searching of video streams based on MPEG CDVS (Compact Descriptors for Visual Search) technology, and deep neural networks (deep learning), particularly in the area of automatic programme segmentation;
- studies and experiments continued in the area of visuo-linguistic tasks, i.e. AI systems capable of integrating natural language knowledge and computer vision to solve complex tasks.

In collaboration with ICT, the industrialisation and commissioning of Hyper Media News platform was completed. This is a suite of applications based on artificial intelligence algorithms that analyse and classify journalistic and news content from different sources (TV and Web) in order to provide consultation and exploration services to support editorial activities. The engagement activities of an initial user panel were launched.
On the basis of the positive trials of recent years, the Rai Bridge system, which allows enhancing linear television with synchronised content usable by the user on smartphones and tablets, went into full operation with a view to proposing the introduction of the service in the company. The system is now able to support companion screen productions, including continuously, linked with generic programmes both live and broadcast and online.

Interactive and multi-platform services

In the field of applications on connected TV, CRITS provided for the constant maintenance of the RaiPlay application on the HbbTV platform and the optimisation of performance and user experience. In particular, during 2021, the section dedicated to the European Football Championship was added to the RaiPlay application, which provided users with specific features such as, for example, the consultation of the match schedule and, during live matches, the possibility of viewing results and game statistics, as well as selecting footage from different angles provided by alternative cameras.
Also in the context of smart TV services on the HbbTV platform, the development of the new Rai TV+ application was completed, an innovative service that combines the contents of linear offer with those of the on-demand offer. The new application, launched during EURO 2020 and available on the more than 7 million televisions featuring HbbTV technology currently present in Italy, allows you to access the programme guide, have in-depth information on the programme you are watching, view it again from the start through the restart function, or view again programmes already aired on RaiPlay. In addition, Rai TV+ allows you to access at any time the latest national news editions and to select the various TgR local editions.
In the field of accessibility and social inclusion issues, following the positive results achieved in the semi-automatic subtitling experimentation of TgR Piemonte, a feasibility study was launched to introduce the use of artificial intelligence technologies in subtitling processes, with the aim of sustainably expanding the accessibility of Rai's offer, both on linear and on-demand platforms.
Work continued on the development of the Avatar-LIS platform, which was developed with the aim of extending the provision of sign language content in contexts where no interpreting service is provided. In particular, a web application "Didattica-LIS" was developed, also thanks to a collaboration with the Ente Nazionale Sordi (National Board for the Deaf), which facilitates the learning of LIS (Italian Sign Language) and generates content in LIS through a virtual actor. This application, which was awarded the Digital prize at the Diversity Brand Awards 2021, will be made available to Associations, Museums, Schools, Universities, Institutions wishing to produce content or services in LIS through a non-profit virtual actor.

In cooperation with IAPB Italy - International Agency for the Prevention of Blindness, activities are underway for the project "High Contrast Enhanced Images for Visually Impaired People", aimed at studying technological solutions to be applied to TV content to improve the quality of visual perception of visually impaired people.
In the context of innovative services in the radio field, the development of applications to simplify access to personalised content and navigation through voice commands using smart speakers or voice assistants continued. In this context, in collaboration with Networks and Platforms, a voice assistant demonstrator, based on open-source systems for speech recognition was created, oriented to browsing the RaiPlay catalogue.

With the implementation of the refarming of the 700 MHz band, the Rai regional multiplex will become macro-regional and therefore will carry two or three replicas of this network, whose programming differs only during the transmission of regional programmes, on average one hour a day. CRITS developed a technical solution that, through a dynamic use of video bandwidth makes it possible to optimise the use of the transmission bandwidth in order to ensure adequate video quality for the third network by transmitting a single Rai 3 signal in HD quality in the hours of national programming and multiple regional Rai 3 signals in SD quality in the hours of regional programming, in a completely transparent mode for receivers.

Distribution systems and networks

Work and experiments continued in the field of evolution of terrestrial distribution networks: in particular, CRITS is involved in the definition and evaluation of fifth-generation 5G mobile technologies for broadcasting TV content to mobile terminals. In this context, CRITS participates in the activities of the 5G-MAG group to promote 5G Broadcast technology and promote the introduction on the market of smartphones compatible with the new standard. To support the studies, experimental activities also continued, with the broadcasting of the 5G Broadcast signal from the transmitter in Turin Eremo and the evaluation of service coverage in the Turin metropolitan area. In addition, an experiment with multiple single-frequency network (SFN) transmitters was launched in Valle d'Aosta.

With a view to expanding the possibilities of access to the Rai offer through the distribution of multimedia content on broadband networks, CRITS participates in the activities of the European consortium DVB (Digital Video Broadcasting), which has defined the new DVB-I standard for the distribution on the internet of TV services usable by users, on connected

televisions, in a way that cannot be distinguished from traditional broadcasting services. CRITS, which is now involved in DVB activities to extend DVB-I to 5G broadcast and broadband technologies on mobile devices, led the definition of the new DVB-HB (DVB-Home Broadcast) standard, which provides for the local conversion into IP format of traditional broadcast signals (digital terrestrial or satellite) for the fruition at home of television content on devices such as smartphones or tablets. Finally, to align broadcast technologies with OTT technologies, CRITS contributed to the activities for the definition of a new standard DVB-NIP (DVB-Native IP) for satellite and terrestrial distribution in native IP format, as an alternative to the MPEG-TS format currently used for broadcasting.

As part of the Rai-UNCEM agreement (National Union of Municipalities, Communities and Mountain Authorities), activities continued to reduce the digital divide between urban areas and mountain areas and allow the reception of radio and television signals in the most isolated areas, not reached by digital terrestrial, as an alternative to TivùSat satellite broadcasting. The first phase of the project, which saw the trial of a system based on the use of FWA (Fixed Wireless Access) technology on IP protocol, finished and alternative solutions based on new technologies, including 5G, the DVB-HB standard and Native IP, are now being studied.

In the field of DAB+ digital radio system, which is supporting the current diffusion in FM frequency modulation, possible changes to the multiplex structure have been studied to limit the impact on service quality as a result of the must-carry obligations, which provide for the sale by Rai of 25% of the total capacity to national third-party content providers. Furthermore, as part of the project to extend coverage inside motorway tunnels, a software simulator is being developed to model tunnel propagation.

Networks and Platforms

The activities relating to the distribution of RAI content and services over IP protocol, whose service levels have remained unchanged despite the dematerialisation and remotisation of the web farm management functions, led to the complete renewal of the encoding, transcoding and storage infrastructures. The redesign of the delivery platforms makes it possible to support evolved audiovisual formats (4K, immersive audio, as in the case of the drama *Blanca*, multi-acoustic tracks) and to adapt to the changing needs of publishing structures. Work continued on strengthening measures to protect the digital assets of the Public Service through the implementation and development of DRM (Digital Rights Management) and watermarking systems.

A significant boost to the application development process, accompanied by the consolidation of RaiPlay's positioning in the most popular platforms and ecosystems on the market, was required to define and develop the new Rai News and Rai Play Sound projects.

The business intelligence platform was released into production, and its transfer to internal resources was planned for 2022. The process for the introduction of dedicated tools based on artificial intelligence technologies such as the automatic content metadata orchestrator was initiated. The focus is on increasing the effectiveness of big data processing to be used both in the conception and production of content and in customised advertising delivery projects.

The project for the distribution of free Rai smartcards was launched, as prescribed by the Rai-MiSE Service Contract, in order to guarantee universal coverage of Public Service broadcast content on Italian territory.
Together with the relevant corporate structures and Rai Way, activities were started up for the refarming of digital terrestrial broadcasting starting from October 2021.

Within the scope of the development activities of Rai's radio and television broadcasting service networks, in 2021, both the monitoring and control of the service levels achieved by the network continued, as well as the verification of the progress of the realisation of orders and the technical evaluation of some of Rai Way's service offers, mainly related to the extension or modification of the terrestrial broadcasting networks and the satellite platform.

On the subject of the refarming of the 700MHz band, work was carried out in defining post-refarming DTT Mux reconfiguration hypotheses in relation to the quality perceived by users and the availability of transmission bandwidth; simulative analyses at the laboratory provided decisive support for corporate decisions, especially with regard to the composition of macro-regional Mux.

The Networks and Platforms laboratory dedicated to the study of UHD production technologies in 4K and 8K continued its technical experiments with the production of experimental films in 2021.
On issues concerning the reception of the RAI radio and television service, both the activity of handling user reports continued, with constant efforts to provide adequate answers, and that of technical support to answer the various interrogations and/or parliamentary interpellations.

The Quality Control System (QSC) has continued to operate in monitoring the technical quality of the terrestrial radio and television service and to detect inefficiencies in the broadcasting and transmission network. The system currently uses peripheral equipment (probes) located at 25 different sites throughout the country.

Technologies

The process of technological innovation of the systems of the production centres, of the regional and foreign offices and for external shooting continued, following the industrial context of market innovation, with the aim of completing the transition from SD to HD production and dealing with UHD production in a structured way, as well as gradually migrating from traditional SDI production technologies towards IT and IP technologies in the processing and transport of audio video content, both files and live, according to a multi-platform approach. During 2021, several renewal initiatives were completed, as illustrated below, broken down by technical area.

Channel broadcasting, central controls and networks

The technical resources of the new transmission station in UHD technology and the new off-tube room at the CPTV Biagio Agnes for the airing of the Rai 4K channel were activated. Moreover, the second half of 2021 saw the design and implementation of the technical tools necessary for the production of subtitles and their airing for the new English Language Channel.
The high-level design of the disaster recovery system for generalist television channels was completed, based on the use of technical synergies between the Rome-Saxa Rubra and Turin-Via Verdi systems and a design hypothesis of a cloud solution for the disaster recovery of special-interest channels was developed.
The refarming of the coding platforms for the broadcasting of Rai channels on Digital Terrestrial, provided for following the Ministry of Economic Development plan for the transition to DVB-T2 technology, involves the need to optimise the use of transmission capacity, in order to allow an adequate level of the technical quality of the service offered to users. To this end, a signalling mechanism was designed, in close collaboration with Networks and Platforms and with CRITS, which allows the automatic switching of the signal sent to users between national HD transmission and regional transmission. The implementation phase, which started in the second half of 2021, is still ongoing.
Among the initiatives completed during 2021 are: the strengthening of the infrastructure for television connections at the Production Centres in Rome with the redesign and renovation of the connection systems between the Nomentano and Saxa Rubra sites; the upgrading of the existing digital vision network system at Saxa Rubra and the replacement of the analogue one at Teulada and the redesign of the Nomentano production centre's vision network; the revision of the technical specifications document for the delivery of TV products acquired for the various production chains.
Among the activities still in progress as at the end of 2021 are: the renewal of the general intercom system in the four production centres; the renewal of the infrastructure for the generation of Televideo services; the upgrading of firewalls and balancing equipment on the entire network infrastructure; the evolution of connections and video switching infrastructure for

the complete management of signals in UHD; the redesign of the LTE connection reception system at the CPTV in Rome.
With reference to the projects aimed at programme subtitling, it is worth mentioning the setting up of the Teletext subtitling service on Rai Italia channels and the TgR editions through live stenotype and experimental automatic stenotype for TgR Lazio news editions.
With regard to IP networks to support production processes, the renovation of core and aggregation nodes and of distribution infrastructures continued at all the Production Centres, and the band was expanded at production facilities, as a preliminary activity for improving the quality of the product, also in view of the migration to the UHD TV standard. In this context, the complete redesign and renovation of the network infrastructure at the Nomentano site, along with the renovation of the facilities of the television studios, were completed. In addition, the activation of the new network configurations at the regional offices is underway, in coordination with the activities of the project to renew the systems to support the production of the news by regional newsrooms.
Finally, trials continued, at the level of connection infrastructure, of the transport technology of video/audio signals over the IP network also in view of a possible experimental interconnection with similar systems managed by Rai Way.

IT infrastructures for the processing and storage of audio/video content.

The design of the evolution of the management infrastructure for digitalised products has been largely completed, with the aim of simplifying workflows and adapting them to changing business conditions, also in light of the requirements that emerged following the Covid-19 emergency. In this context, the first core of the new system for process orchestration was released into production, with a specific application in the context of services dedicated to the movement of video/audio files.
A technical review from an evolutionary perspective of the digitalisation flow of the archive programmes (Digimaster project) was launched and the implementation on the Media Factory archive system of the new workflow to archive the content resulting from the digitisation of regional teche was completed.
The infrastructure of the Media Asset Management system is being upgraded with the aim of enhancing the technical resources dedicated to the processing of the contents managed by the editorial staff and to evolve the system towards complete redundancy between different company sites. The new storage infrastructure for the areas near the broadcasting of the Turin production centre has been completed while the renovation of the centralised storage areas of the Rome production centre was completed.
Testing and integration between the production infrastructure on Media Factory files and the On Air programme management system continued, in order to automate the publishing and production chain to support airing and the planning of the integration of processing requests between the Multimedia Catalogue and the Media Factory was started.
With reference to the initiatives to ensure computer security, the secure data erasure service was activated in order to comply with the specific regulations on the subject and an assessment of vulnerabilities of the relevant IT infrastructure was carried out. Following the assessment, specific technical interventions to mitigate the risks identified were identified and implemented.
Finally, specific project initiatives were launched and they are still ongoing to evolve the basic IT infrastructure according to the renovation cycles provided for by the technologies used (e.g., tape library, virtual infrastructure, servers, storage, etc.).

Production, post-production, graphics and light mobile links systems.

As part of the project to secure and renew the national news systems, data migration activity to the new storage systems continued, with the completion of the copying of audiovisual content.
In the field of Regional News, the renovation of storage was completed with the installation and release in operation at the editorial offices of Sardinia, Puglia, Campania, Marche, Umbria, Emilia-Romagna, Calabria and Basilicata; in Campobasso and Rome, Dalet system upgrades were released in production; the integration process with the new web portal continued.
In the field of networks and programmes, the systems of the new post-production rooms (including five graphics rooms and five editing rooms) for the Nomentano studios renovation project were installed, together with the implementation and release of centralised storage for video editing.
With a view to optimising and rationalising the software licence park in operation at the CPTV and TGR post-production areas, a floating licence server was acquired and rolled out to manage plug-ins for loudness control and normalisation.
In the mobile and ENG area, production support activities continued, particularly with reference to the needs for major sports events; mobile workstations were introduced not only for use in field editing (with the renewal of editing workstations for Rai Sport) but also for structured use with systems based on centralised storage.
As regards filming, production support activities continued with the introduction of light filming models based on DSLR-type digital cameras for investigative journalistic and video-making activities.

Studios and Control Rooms

Work continued on the construction of the new production facilities at the CPTV Fabrizio Frizzi - Nomentano; for the studio area, three new control rooms in 3G HD standard in a UHD-Ready infrastructure and the 5 stalls were released. In addition, a music control room was built inside the CPTV for high-level audio shoots for orchestras, and a number of ancillary premises were renovated for more complex television productions (ballet rehearsal rooms, external sets, simultaneous translation, etc.).

The technological adaptation activities continued for the TgR studios with the upgrade to HD technology of the video mixers in eleven TV control rooms and the one for the cameras in the Bolzano and Trieste studios is underway. In Florence and Cagliari, the design for the renovation of the television control rooms was started.

External filming

The outdoor filming assets upgrade plan continues for their technological adaptation to HD and UHD/HDR standards. In this regard:

- some satellite stations have been upgraded to HD;
- the first OBVAN equipped with a mobile director in 12G technology, equipped with 10 cameras and 2 radio cameras, for UHD productions, was delivered into operation;
- work was completed on the first SNG vehicle with 12G technology, equipped with 4 cameras and 1 radio camera, for UHD production;
- in December, the mobile director's vehicle named ESTERNA RM3 was delivered into operation, with quad-link UHD technology production, recently used for important and complex TV productions;
- seven new light vehicles with KASAT uplinks are being built for the news contributions of the regional offices; they are equipped to make live broadcasts and carry out field editing activities.

At the Palazzo Madama's institutional site, the design for the implementation in HD standard of the filming system for the new courtroom and office directions was completed. In addition, part of the adjustments to the electrical system and the filming workstations inside the Quirinale Palace have been completed, and the phases for the HD upgrade of the RAI studio at Montecitorio have begun. The RF system was also completed, which allows the daily use of radio cameras for HD standard filming outside Palazzo di Montecitorio and Palazzo Madama for news production.

Top technologies for broadcasting, such as instant replay systems, fibre optic transmission systems, intercom systems, cameras and optics, were procured and used for the realization of production systems for major sports events in 2021.

Electrical installations for stage lights

Work has been completed at the CPTV Nomentano on the integration of 3 classic lighting directors and 4 new lighting stations in the stalls. Works for the TV6 CPTV Roma Nomentano and TV10-11 CPTV Roma Teulada studios, as well as for the realisation of the new lighting system at the television studio of the Regional Office in Palermo are underway

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Transmission and distribution activities

Rai Way is the company in the Rai Group that owns the infrastructure and systems for the transmission and broadcasting of TV and radio signals.
Listed on the Stock Exchange (MTA) of Borsa Italiana since 2014, Rai Way is a leading provider of integrated network infrastructures and services for broadcasters, telecommunications operators, private companies and public administrations. It uses its assets and expertise to transmit and broadcast television and radio content for public service broadcasting and for its customers both in Italy and abroad, leveraging an excellent heritage of technological, engineering and managerial expertise and infrastructure.
In conducting its business, Rai Way manages more than 2,300 sites equipped with infrastructure and systems for the transmission and broadcasting of TV and radio signals in Italy. It has 21 operational offices and avails itself of highly skilled staff.

The services offered by the Company include:

- Broadcasting Services, meaning services for the terrestrial and satellite transmission of TV and radio signals to end users within a geographical area;
- Services for the transmission of TV and radio signals via the connecting network (radio links, satellites, fibre optic) and in particular the provision of Contribution Services, to be intended as one-way transport services;
- Tower Rental Services, understood as the hosting of third party transmission and broadcasting systems at the company's sites including, where applicable, maintenance services as well as other complementary activities;
- Network services, which include a wide range of heterogeneous services relating to electronic communication networks and telecommunications in general, such as, for example, design activities and consultancy services.

The aforementioned services are made available by Rai Way to different customer categories, including: broadcasters (a category that also includes network operators and local and national radio and television players, including RAI), telecommunications operators (mainly MNOs, or Mobile Network Operators), public administrations and private companies.
The experience Rai Way has gained in operating transmission and broadcasting networks allows it to play a central role in its reference scenario, in a favourable position for also being able to explore markets related to the development of new generation telecommunication networks.

2021 was a very significant year, both in terms of commercial development on new markets and the consolidation of traditional services, in particular towards Rai.
In the first months of the year, the project for the extension of the MUX 2, 3 and 4 coverage for Rai was completed, and resulted in an increase in the number of installations from approximately 400 to 1,000, and, as of 1 July 2021, the increase in the fee for so-called "basic services" came into effect to remunerate interventions on the digital terrestrial broadcasting network in order to adapt to the new "post-refarming" configuration, which will envisage Rai Way's management of three MUX for Rai. In addition, coordination and connection management activities continued for the contribution for numerous events: the European Football Championship, the Olympics, the Paralympics, the Venice Film Festival, and the G20 held in Rome. During the year, the agreement for the management of contribution services for the 2021/2022 Football Championship was also renewed.

Rai Way, relying on its long-standing know-how in the management of broadcast networks and services, participated in the procedures for the assignment of rights to use frequencies for the digital terrestrial service in the local area launched by the Ministry of Economic Development, winning the rights to use frequencies for first-level networks in Lombardy, Veneto, Friuli-Venezia Giulia, Puglia and Basilicata, and Sicily, and for second-level networks in Piedmont, Lazio and Sicily. The acquisition of the rights to use these frequencies has allowed numerous contracts to be signed for the provision of access service to transmission capacity, and represents a significant strengthening of Rai Way in the local broadcasting market, with the acquisition of a significant number of new customers.

In the tower rental market, activities were mainly focused on consolidating the existing areas managed for MNOs clients in order to slow down the dynamics of terminations, mitigating their effects with new activations and new services offered on existing sites.
On the other hand, the Fixed Wired Access (FWA) market operators sector was characterised by intense network development, also driven by the need to increase broadband coverage due to the impulse given by smart-working and distance learning, which allowed for the further consolidation of the development of stations at Rai Way sites. In addition, in 2021, radio broadcaster hosting continued to grow.

Sales Activities

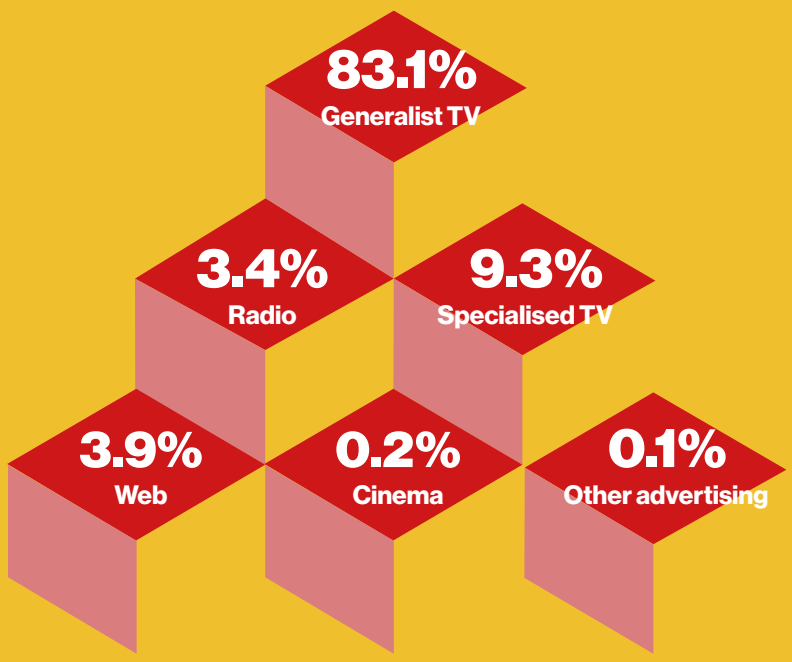
Advertising

The sale of Rai advertising space – on generalist and specialised radio and television channels, on digital and satellite free-to-air channels, on Rai domain, on product placements, on televideo and on other minor media – is managed exclusively by Rai Pubblicità, a wholly-owned subsidiary of Rai.

During 2021, the international economy started to grow again, although - even in the absence of particularly restrictive containment measures - pandemic developments dented consumer confidence. As a result, the recovery of economic activity and global trade in 2021 was less smooth than expected and, starting in the summer months, inflation of energy products and supply-side bottlenecks led to a slowdown. Moreover, in the latter part of the year, the emergence of the Omicron variant of Covid-19 raised fears of an intensification of the pandemic worldwide, increasing uncertainty about its future evolution.
The economic context in Italy, too, after 2020 in which GDP was strongly influenced by the pandemic waves and the consequent containment measures adopted, has seen, mainly thanks to the driving force of domestic demand and the recovery of economic activity, an increase an increase in both household consumption and investment.

In this scenario, the 2021 advertising market returned to a regime of near normality with positive performances in almost all sectors and growth across all media compared to the previous year.
The Rai Group benefits from this trend with significant results helped by the performance of TV ratings and the presence of major sports events (the Olympics and the European Football Championships above all) initially planned for 2020. In particular, with respect to total TV, Rai's market share increased by 0.7 points compared to 2020, reaching 20.5% (Source: Nielsen).
Compared to 2020 and in addition to the TV medium, both on generalist and specialised channels, there is also an increase in Product Placement, Cinema - which benefits from the reopening of cinemas from April - and the Web, which increases its sales with a performance that is decidedly higher than that recorded by the market (+17.6% - Nielsen Digital source FCP/ AssoInternet), particularly in terms of video sales, thanks to the excellent performance of Rai properties.
Both the Radio medium - penalised by a year 2021 still strongly affected by the pandemic and its effects in terms of mobility, changes in listening habits and sociality, which have determined very fluctuating months for investments due to a reduced visibility on long-term strategies - and Other Advertising due to the limitations related to the holding of events on the territory, especially in the first part of the year show a negative trend.
As for the 2022 advertising market forecast, the projections released by Nielsen in November 2021 assume a growth of 6.4% (2.8% if only the FCP-Assointernet universe is considered). This recovery is once again driven by digital transformation, with further development of OTT, and sees a 2022 benefiting from

Advertising of the Rai Group - breakdown by medium - year 2021



Source: Rai

major sporting events (Winter Olympics and World Cup).
However, these projections do not take into account either the impact of the new TUSMA regulation that came into force on 1 January 2022 - which defines new crowding limits and, for the Rai Group, determines a reduction in the most valuable saleable seconds - or estimate the new framework of profound uncertainty resulting from the recent Russian-Ukrainian conflict.

Sales

Rai Group's sales activities are managed by the wholly-owned subsidiary company Rai Com.

Agreements, Tenders and Partnerships

Despite the continuation of the health emergency - with the consequent organisational limitations and strict protocols to be observed - the resumption of Rai's radio and television production activities allowed the resumption of the commercial offer to various institutional partners.

Many publishing initiatives resulted in agreements also with partners who decided to invest in the Rai product for the first time. Among the most important: the New Year's Eve programme *L'anno che verrà*, once again returned outdoors and shot in Terni in cooperation with the Municipality and the Region of Umbria; the spin-off *Linea Verde Tour* - Rai 1, the programme conceived to enhance the territory and entirely financed through agreements, which saw the production of 17 episodes for this 2nd edition; the program on Rai 2 *Campioni di domani*, a talent created in co-production with Fondazione Cortina 2021 and Credito Sportivo Institute and broadcast on the occasion of the 2021 Alpine Skiing World Championships - Cortina; *Andiamo a 110*, dedicated to the Superbonus in the construction sector in collaboration with Italian National Engineers Council Foundation; the revival of the historical *Check-Up* feature in agreement with SCABEC (Società Campana Beni Culturali); the implementation of an articulated communication plan for the Apulia Region and the Sicily Region, through the realisation of over 40 activities including speeches, dedicated episodes and programmes; an awareness-raising campaign on financial education for the Committee for Financial Education/MEF, with initiatives that also involved the fiction *Un Posto al Sole*, in addition to numerous radio and television programmes on both generalist and thematic networks; the implementation of 3 *Caterraduno* stages in Senigaglia, Cervia and Pesaro. In addition, relations were consolidated with many partners, such as Ente Nazionale Risi, ISTAT, Consorzio tutela Grana Padano, Fondazione Cassa di Risparmio di Alessandria, Regione Liguria, and Regione Umbria.

With regard to the Conventions inherent to the obligations deriving from the Service Contract, of note is the formalisation of new annual conventions with the Presidency of the Council of Ministers for the protection of linguistic minorities (Slovenian/Italian, Friulian, French and Sardinian languages) and the extension of the one for television and multimedia offerings abroad (Rai Italia).

Foreign Library Marketing

With reference to the distribution of television and film content, 2021, especially during the first half of the year, confirmed the slowdown in commercial exchanges - recorded in 2020 and caused by the pandemic - which reduced the opportunities for discussing and meeting with international customers and distributors.
At the macro-territorial level, it is worth mentioning the agreement formalised with Netflix for European territories, which includes the sale of 250 titles distributed between cinema, fiction and documentaries.
Among the most important productions, there continued to be interest, in European countries, for *Il Paradiso delle Signore*, and for the Titanus library for which Rai Com acquired the distribution and, internationally, for *Il Commissario Montalbano* of which Rai Com is the exclusive agent in all territories of the world.
Other titles confirming good sales results include *L'Amica Geniale*, *Vivi e Lascia Vivere*, *Mentre ero via*, *la Vita promessa*, *l'Allieva*, *I Bastardi di Pizzo Falcone* and *l'Ispettore Coliandro*.
Documentary production, while maintaining a niche position with respect to the drama product, also continued to produce a fair amount of interest, not only thanks to Alberto Angela's documentaries (*Le Meraviglie*, *Le Notti a...*), but also thanks to the documentaries/reports *World tales*, *Italian tales* and *Travelling around the word*.
The cinema product has been severely affected by the closure of cinemas and the failure to organise evenings and festivals, both national and international. For new products, commercial activities recorded a slight recovery in May 2021, with the release in cinemas of *Il Cattivo Poeta*.
As for foreign art music, the sale of *Macbeth*, the opening performance of the opera season at La Scala in Milan, was a good commercial success, both in terms of TV and VoD exploitation and in the sale of theatrical rights.
Finally, the partnership with WDR (Westdeutscher Rundfunk Köln) was confirmed for the marketing of the *Concerto di Capodanno 2021* at the La Fenice Theatre in Venice.

Rai Channel Distribution and Marketing Abroad

In spite of the progressive contraction of the pay TV market and the drop in feedback from hotel chains, mainly linked to the pandemic emergency, the marketing and distribution of Rai channels abroad continued in 2021, with a very positive overall result. Particularly in Europe, all contractual relationships were reconfirmed, including the most important ones (e.g. with Telenet, Proximus in Belgium, Orange, SFR and Bouygues Telecom in France, KPN and Ziggo in the Netherlands, Mediapool in Germany).

By contrast, in the non-European area, the contraction of the pay TV market for linear channels, the loss of broadcasting rights for Serie A and the worldwide pandemic crisis weighed negatively on the number of subscribers.

Sports broadcasting rights

The results for 2021 were good, above all due to the agreement with Juventus FC for the relegation of the library, the suspension of the Association in participation for the Juventus Channel and other library relegation agreements with Bologna, Sampdoria and Atalanta.

Editions

Rai Com develops and manages the Rai Music Catalogue and takes care of the exploitation of rights for light, contemporary and art music. In the area of revenue recognition by SIAE, 2021 also saw a downsizing of the portion related to ambient music, due to the closure of public venues and hospitality venues. On the other hand, the excellent contribution of the drama and TV shows part was confirmed, as well as that of revenues related to private copying and online TV.

Teche archive and production services

The archive material of the Teche Rai also confirms its appeal on the national market in 2021. There was a clear recovery in the facilities product, mainly due to the organisation of some competitions such as the Giro d'Italia, the Maratona delle Dolomiti and the Milano-Sanremo.
Excellent results were achieved, particularly in relation to the royalties from the second series of *L'amica Geniale*.

Home Video and Licensing

The home video sector - which is affected by the change in habits that has led the Italian population to prefer the digital product - shows stability in normal trade to Eagle Pictures, but records a decrease for the newsstand part, especially in the Montalbano initiative which, while maintaining a good margin, failed to record the standards of previous years.
As for the licensing of brands related to entertainment, the importance of some products including *Il Collegio* and *È sempre mezzogiorno* is confirmed, as well as the sale from Rai to Banijay of the *Pechino Express brand*.
Publishing activities always performed well thanks to the sales of magazines dedicated to the children's segment, puzzles and cooking.

Patents and Cultural Heritage

The commercialisation activities of the *Opera Omnia* project, in collaboration with the Ministry of Foreign Affairs and International Cooperation and Rai Patents continued.

Digital

Excellent performances were recorded both in the TVoD and EST sectors – also thanks to the collaboration with the main platforms (Itunes, Google, Chili, etc.) and the management of the Tvod Premium mode – and in the Svod area where new agreements were reached with the main market players, including Amazon and Netflix, and the four-year agreement with Sky.

Rai Libri

In an increasingly rich and diversified publishing market, Rai Libri has managed to maintain a fair balance in its editorial production through a catalogue that reflects both the constant relationship with television production and the most topical social issues.
During 2021, collaborations with the most authoritative names in Italian journalism were expanded, with the publication at the beginning of the year of *L'Assedio* by Antonio Di Bella, a live account of the assault on Capitol Hill, continuing with *Quadrare i conti*, a collection of economic advice for Italian families by Monica Setta, and with *Quirinale-Dodici presidenti tra pubblico e privato* by Bruno Vespa, who, in view of the February 2022 elections for the new President, devoted attention to the subject.
The collaboration with the great Rai 1 drama continued with the publication of the historical novel inspired by the mystery and crime plot of the TV series dedicated to Leonardo Da Vinci and with an unpublished novel in the wake of great popular fiction such as the volume dedicated to *Il paradiso delle signore*.
The engagement with the audience of young readers is confirmed with the new edition of the fanbook dedicated to the sixth edition of the Rai 2 docu-reality *Il Collegio*, to which this year has been added the first novel inspired by the successful series *I segreti della fortezza Aquibis*.
Not missing are the highly successful faces of the RAI programme schedule with the publication of a memoir by Mara Venier on the last years of her mother, who is suffering from Alzheimer's disease, and Massimiliano Ossini's new book *Kalipè, a passo d'uomo* in which he recounts his sustainable approach to nature and the world around us.
Antonella Clerici confirms her usual appointment in bookshops with the new volume *A tavola con Antonella e i suoi amici cuochi*, while Flavio Insinna signs an illustrated and timeless fable with which he narrates the great themes of human ethics and morality entitled *Il Gatto del Papa*.

Audio Video Content

The production of video content intended for the foreign market and functional to conventions or commercial agreements continued. In 2021, three episodes including 5 short news taken from the magazine *Italiana* were produced and distributed abroad, and the feature film in two languages *Enrosadira* was produced for the Convention with the Autonomous Province of Bolzano, dedicated to the women of South Tyrol.

Other activities

Public Broadcasting Service

Rai Pubblica Utilità, with daily appointments on radio and television networks and a rich offering on Televideo and the web, offers a wide range of useful service information to citizens, which is constantly updated and expanded in its contents, in terms of weather, climate, mobility, traffic and the environment. It also provides a series of services aimed at promoting accessibility and ensuring greater inclusion of all viewers.

Weather, Climate, Environment and Major Risks

The offer is present regularly on all platforms and relies on the collaboration with Institutions and Bodies - including the Air Force, Civil Protection, Meteomont Carabinieri, Coast Guard, etc. - for the acquisition and distribution of content.
In addition to the numerous daily broadcasts on the generalist television networks, regional news programmes and the Rai News 24 schedule - also featuring *Meteo LIS* (weather forecasts for visually impaired), weather forecasts are also provided in the following tv shows *La Vita in Diretta*, *UnoMattina*, *UnoMattina estate*, *Uno weekend*, *Vita in diretta estate*.
On the radio channels, alongside the periodic dedicated appointments, the offer also includes specific programmes such as *Meteo Europa*, *Meteo Weekend*, *Bolmont* with forecasts on avalanche danger, *Bolmare* with warnings to sailors.
Among the productions is *Green Meteo* - on air on television, on Rai Gulp, and radio channels, on Rai Isoradio - which presents the forecast for the weekend and addresses the issues of environmental sustainability in a language suitable for children and from a virtual studio that reproduces Italy with special and innovative graphics.
During 2021, environment and sustainability were also specifically addressed in the programme *La Temperatura della Terra* broadcast on Rai Isoradio and during several episodes of *Linea Verde* on Rai 1 and *Kalipe* on Rai 2. Rai also participated in numerous climate events such as those at the Turin Book Fair and the Earth Technology Expo in Florence.

Mobility and Traffic

The range of information on mobility, traffic and sustainable mobility is also very diverse, with content provided on all Rai platforms and in collaboration with many institutions and organisations, including the Ministry of Infrastructure and Sustainable Mobility, the Ministry of the Interior, Autostrade per l'Italia, Anas, etc.
The offer takes the form of daily television appointments in the schedules of the generalist networks and Rai News 24, to which was added, in 2021, the daily information in *Buongiorno Regione Liguria* to report on critical issues arising from the modernisation of the Ligurian motorway network. Over 160 editions a week of *Onda Verde* are produced on the radio, to which specific traffic forecasts for the weekend are added.

Accessibility

Rai's commitment is strong and constant to achieving ever greater inclusion also through the continuous increase in the hours of programming accessible – also on the web – through the use of subtitling, audio descriptions and translation into Italian Sign Language (LIS).
During 2021, more than 17,500 hours of subtitled product were produced, which can be used on generalist channels, now covering well over 90% of programming. Every day, 14 editions of national news programmes, 12 news features, 3 editions of Tg Parlamento, as well as sports and religious events, films, dramas, documentaries and prime-time and in-depth political and cultural programmes are subtitled, in addition to the prime-time products of Rai Premium, regional news programmes in 11 regions, and over 1,000 hours per year in English.
Subtitling is also present on the web with over 3,000 hours of programmes - almost all films and dramas, events of particular relevance and the offer for schools - doubling compared to the previous year.
Audiodescriptions, with over 1,700 hours of product, guarantee full accessibility for the visually impaired to around 95% of films and prime-time dramas on the generalist networks. To these are added around 2,500 hours per year of audio-descriptions on Rai Premium, Rai Movie, Rai 5 and Rai Ragazzi. Also during 2021, live audiodescriptions were realised, including those for *Il Festival di Sanremo*, *Il Concerto del Primo Maggio*, *L'Eurovision Song Contest*, the opening and final ceremonies of Festival del Cinema di Venezia, *Lo Zecchino d'Oro*, il *Macbeth*.
On the web, accessibility services are also available through Rai Easy Web, which is designed and implemented based on the provisions of Law 4/2004 '*Provisions to facilitate disabled access to IT tools*'. This site provides cultural entertainment and leisure content for all age groups in a form that is fully accessible to the visually impaired by means of Braille bars and speech synthesis. In 2021, the offer included classic multimedia works, new fairy tales that are also accessible in LIS, weekly reflections on current affairs, up-to-date information on events, events and news of special interest to the visually and hearing impaired. The offer was also enriched with accessible museum content: since March, the audiodescriptions of the 92 panels by Federico Zuccari on the drawings of Divina Commedia, constituting the virtual tour set up by the Uffizi Gallery, have been made available.

Televideo and Other Services

Televideo began in 1984 and, since then, has been a stable point of reference on the information landscape and an Italian habit. It is broadcast in national format on all Rai channels and, in its regional format, on Rai 3. From only 300 pages of 1984, the offer has progressively grown and now includes about 15,500 pages per day and over 70 sections dealing with environment, social inclusion, digital literacy, books, culture and leisure,

National Teletext

ENVIRONMENT

1,700 pages spread across the headings *Energie Rinnovabili*, *Riduci-Riusa-Ricicla*, *Sostenibilità Ambientale*, *Agenda Verde*, *Mobilità Sostenibile*, *Lo sapevate che...? ASvIS*, *WWF* and the information service provided by the Coast Guard.

SOCIAL

7,800 pages spread across the headings *Audio-descriptions,*, *Fundraising* and *Visual and Hearing Accessibility Services*; 2,750 information pages revolving around *Work*, *Health* and *Digital Literacy*.

CULTURE

2,400 pages spread across the following headings: *Accadde oggi*, *Ricorrenze*, *Un Libro*, *Libri*, *Mostre*, *Le pagine da leggere*, *All'ordine del giorno*, *Lo scaffale*, *Capitale della cultura*, *FAI - Fondo per l'Ambiente Italiano*, *TCI - Touring Club Italiano*.

Regional Teletext (21 sites)

ENVIRONMENT

About 2,650 pages distributed across the headings *Agenda Verde* and *Natural Parks*.

CULTURE

4,500 pages including the headings: *I Borghi da Gustare*, whose contents of particular cultural interest were taken up as part of the programming of the digital channel Rai Radio Live and by Radiocorriere TV, *FAI - Fondo per l'Ambiente Italiano* and *TCI - Touring Club Italiano*.

SOCIAL

400 pages with useful information and practical indications also with reference to health emergencies (vaccines, swabs, etc.).

cuisine, territory, children, citizen services, traffic circulation and weather. During 2021, the temporary closing of places of culture and spaces open to the public, resulting from the pandemic trend, led to a contraction in the offering in the field of culture, leisure and territory.
Also available in web version, Televideo is still one of the most usable products and support for people's daily lives.

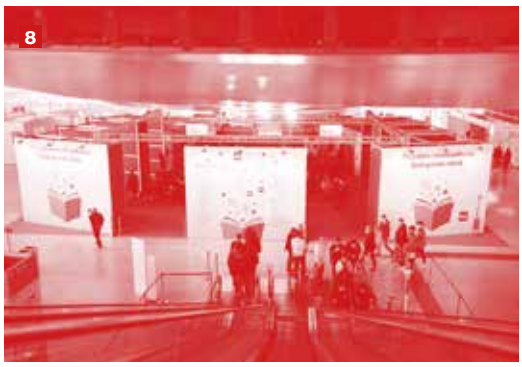
Communication

Rai's communication activities are carried out with a view to protecting, improving and strengthening the corporate image both as a public service and the country's largest media company.
Even in 2021, Rai, as well as other European public service operators, has continued to play a unique and central role during the emergency resulting from the progressive spread of the Covid-19 pandemic. Through an unprecedented commitment in history, indeed, extraordinary results have been achieved, with the purpose of continuing to provide citizens with an always complete offer of news, culture, cinema, entertainment and distance learning services, in full compliance with the new health regulations.
The transformations that have characterised the social context – from the forms of distancing to the various degrees of lockdown – have profoundly changed behaviour, habits and many psychological attitudes, determining, inter alia, also different modes of daily consumption of television, radio, press and digital services. Physical isolation combined with economic instability, fear of contagion and uncertainty about the future have had a significant impact on people's lives, particularly for the most fragile groups of the population.
In this emergency, RAI promptly and responsibly updated its editorial strategy, including by inspiring and launching a series of initiatives designed to support the population with the aim of narrating, explaining and supporting change and, in doing so, providing practical support to viewers. Never before had the founding values of the public service, such as the objectives of social cohesion and community support, appeared to find such a clear place in the concessionaire's programming.
This being the case, corporate communication sought to maintain Rai's image and reputation by enhancing its characteristics of quality and excellence in the face of the changes imposed by environmental conditions and the rigidity of the regulations.
Within this overall context, more strategic emphasis was placed on certain communication projects that also gained widespread support not only within but also outside the concessionare. These included the communication projects related to the offer dedicated to education, society, culture, children, the most fragile groups of society and the third sector. It is also worth noting the tributes to leading figures who died over the course of the year or anniversaries that were celebrated through special lighting on the General Management building in Viale Mazzini.
Despite the complexity generated by the situation, the commitment to strengthen corporate transparency, an increasingly important asset of the Public Service, was remarkable, to seek increasingly innovative ways to communicate and promote the Company and its brand.

Among the more interesting communication plans of 2021 were: the one dedicated to Dante Alighieri, on the 700th anniversary of the poet's death; the one that has accompanied and supported the roadmap of the switch-off process for over a year now; the one dedicated to Earth Day based on an in-depth effort of sharing the positioning of the Public Service on such a sensitive issue; the launch of some of the programmes aired during the year, including *Meraviglie* and *Stanotte a Napoli* which marked the return of Alberto Angela, and *Blanca* the new drama released in Autumn.
The planning activity in support of the Institutional Days (Legality Day, Day of Remembrance and National Day in Remembrance of Mafia Victims) also continued, with the launch of specific initiatives of the various publishers (Rai Radio 3, Rai Documentari, Rai News) to the support of strategic events for Rai such as the European Football Championship, the Rai Festival for Social Affairs, the Turin Atp Finals, Rai's day to combat Violence against Women.

Also of note was the promotion of two major new initiatives launched at the end of the year: the RaiPlay Sound platform and the new single news portal Rainews.it, two major challenges for the Public Service in the name of innovation.

The events organised during the year included; the setups on the occasion of the Festa dell'economia in Trento, the press conference *Accendiamo Il Futuro - Presentazione Offerta 2021/2022* on the occasion of the Presentation of the programming, the participation in the Rome Film Festival and the Turin Book Fair, the dedicated set-up for *Più Libri più liberi* held as usual in Rome at La Nuvola, the press conference for *Blanca*.
Last but not least, events such as Autism Day and Republic Day celebrated through an illumination of the Viale Mazzini façade, as well as the tribute to Raffaella Carrà, remembered with a special lighting and projection and accompanied with a procession on the day of her funeral.
The promotion of Rai products also took place through advertising spaces outside the Company's radio and television and multimedia offer, such as static, dynamic and digital billboards, web spaces, and daily and periodical press. Through these media – which also allow reaching the public that can only be contacted on the move – during 2021, advertising plans were carried out for the promotion of 26 products, including, the dramas *Leonardo*, *Il Commissario Ricciardi*, *IlCommissario Montalbano- Il metodo Catalanotti*, *Un professore* and the films *Bohemian Rhapsody*, *Non ti pago*, *Sabato, domenica e lunedì* and



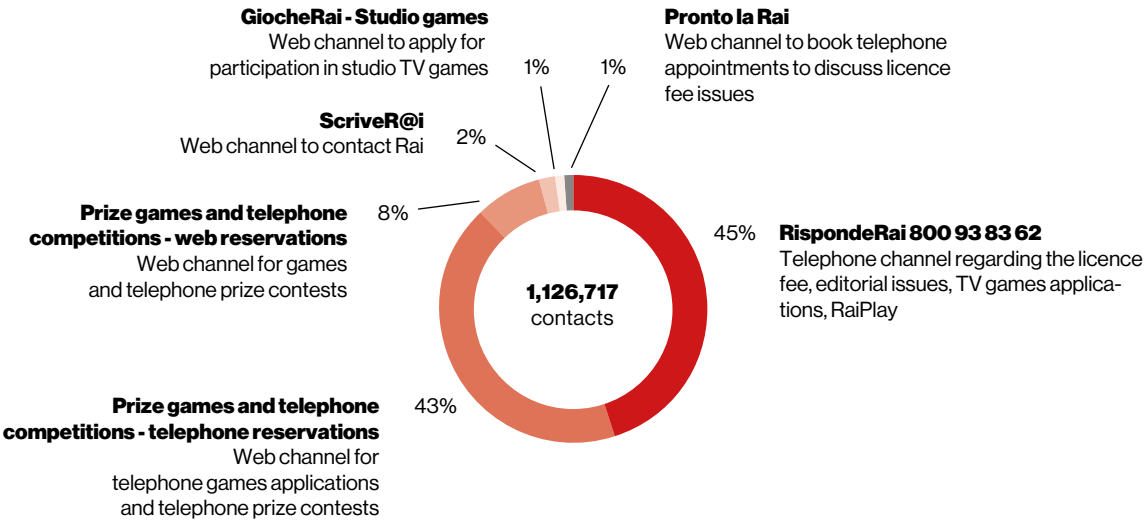
1.-2. Dynamic billboards
3.-6. Static billboards
7.-8. International Book Fair
9. Light show in memory of Raffaella Carrà

I fratelli De Filippo,
in addition to the promotion of the sports and Rai Play offer.

Corporate communication also included the publication of information and content available on the institutional website and aimed at making Rai even more transparent with regard to its users, with content tailored to the needs of the various strategic targets that come into contact with the company in search of information and services. In this context, during 2021, many sections of the company website were updated, including those relating to management, searches, regional and foreign offices and employee compensation, and a series of short promos on Rai Highlights aired from May 2021 were developed.

Rai enhances its brand in all its forms and promotes major international co-productions and internal productions also through a continuous and constant presence at small festivals as well as large international events.
In 2021, Rai participated in 90 national and international festivals, with about 240 programmes; it garnered 107 nominations and won 78 awards. Among these, for the third consecutive year, Rai was included among the 20 best companies according to the Diversity Brand Index that measures the perception with respect to *brand* inclusiveness and won the "Digital" Award of the Diversity Brand Summit, with the *Virtual Lis – Didattica* platform entirely created by the Turin CRITS and capable of providing services and content in Italian sign language through a virtual *avatar*.
The Rai 3 documentary *Non far Rumore* won the "Jorge Garcia Badaracco – Fondazione Maria Elisa Mitre" Award for best feature film at the Lo Spiraglio festival, a festival dedicated to mental disorders that was strongly committed to organising a special event with the director, producers and cast of the *Mental* series, a Rai Play exclusive that tells the stories of a group of teenagers with psychiatric problems.
Moige, the Italian Parents' Movement, awarded twenty-one Rai productions (among them: *Berry Bees*, *Topo Gigio*, *Pablo*, *Lo specchio di Lorenzo*, *Chiara Lubich*, *Io un giudice popolare al maxiprocesso*, *Questo è un uomo*, *Canzone Segreta*, Via dei *Matti n. 0*).
There were also prizes from the 39th edition of Sport Movies & Tv 2021 - Milano International Ficts and at Ebu Connect for Creative Direction spots.

Through the Contact Center - contactable by phone through the toll-free number 800.93.83.62 and via web using the ScriveR@i service - Rai always keeps a direct channel of communication open with its audience.
In 2021 too, there were many contacts for initiatives and campaigns promoted by Rai Canone and for the collection of applications for games and telephone competitions with prizes for Rai programmes including *Affari tuoi - Viva gli Spos*i, *Uno mattina in famiglia*, *È sempre mezzogiorno*, *I Fatti Vostri*, *Il pranzo è servito*, *L'Eredità*, *Citofonare Rai 2* and *Domenica in*.



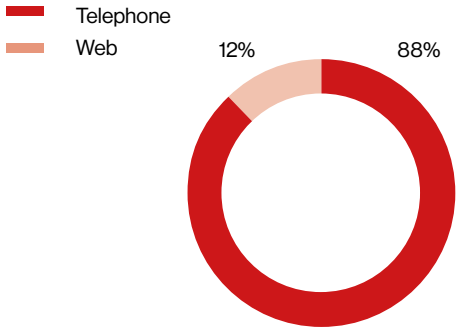
National and International Festivals - Prizes awarded in 2021

N.	Festival	Country	Award	Winning programme	Publisher
1	Diversity Brand Summit	Italy	Digital Award	*Digital LIS*	CRITS
2	Lo Spiraglio	Italy	Best Feature Film	*Non far rumore*	Rai 3
3	Festival del Cinema Città di Spello e i Borghi Umbri	Italy	Agenda 2030 Award	*La rosa blu*	Rai per il Sociale
4	Prix Italia	Italy	Students' Jury Special Award	*Mental*	Rai Fiction - RaiPlay
5	Prix Italia	Italy	Mention for Special TV Drama	*Mental*	Rai Fiction - RaiPlay
6	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Topo Gigio*	Rai Ragazzi
7	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Pablo*	Rai Ragazzi
8	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Lo specchio di Lorenzo*	Rai Ragazzi
9	Un anno di zapping... e di like 2020/2021	Italy	Polizia di Stato Prize	*Berry Bees*	Rai Ragazzi
10	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Carosello Carosone*	Rai Fiction
11	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Chiara Lubich*	Rai Fiction
12	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Io un giudice popolare al maxiprocesso*	Rai Fiction
13	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Questo è un uomo*	Rai Fiction
14	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*La mia jungla*	Rai Fiction
15	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Alighieri Durante, detto Dante*	Rai Cultura
16	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Cammina Italia*	Rai 24
17	Un anno di zapping... e di like 2020/2021	Italy	Premio Federazione Italiana Cuochi	*Linea Verde Life*	Rai 1
18	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Canzone Segreta*	Rai 1
19	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Penso che un Sogno Così*	Rai 1
20	Un anno di zapping... e di like 2020/2021	Italy	Polizia di Stato Prize	*Stop and Go*	Rai 2
21	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Domani è domenica*	Rai 2
22	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*L'Odissea*	Rai 3
23	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Ricomincio da RaiTre*	Rai 3
24	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Speciale Fame d'amore*	Rai 3
25	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Via dei Matti n. 0*	Rai 3
26	Un anno di zapping... e di like 2020/2021	Italy	Moige Prize	*Timeline Focus*	Rai 3
27	Diversity Media Awards	Italy	Best TV Programme	*Cartabianca*	Rai 3

N.	Festival	Country	Award	Winning programme	Publisher
28	Diversity Media Awards	Italy	Best News Piece	Awarded to Giovanna Botteri for *Pakistan Sorridi ancora*	Tg3
29	Aquileia Film Festival	Italy	First prize	*Il patrimonio sommerso. Un museo sul fondo del mare*	Rai Cultura
30	Sicilymovie - Festival del cinema di Agrigento	Italy	Special Mention Documentaries	*L'assassinio di Giulio Regeni*	RaiPlay
31	Sicilymovie - Festival del cinema di Agrigento	Italy	Special Mention Around Sicily	*Monte Etna*	Rai Cultura
32	Tulipani di Seta Nera	Italy	Special Mention "Best Drama"	*Mental*	Rai Fiction - RaiPlay
33	National Prize "Cultura della Pace Città di Sansepolcro"	Italy	National Prize "Cultura della Pace Città di Sansepolcro"	Blob	*Rai 3*
34	Festival Cinematografico delle Foreste	Italy	Festival delle Foreste European Prize	*Guerra all'Amazzonia (PresaDiretta)*	Rai 3
35	Marco Luchetta International Journalist Prize	Italy	Tv News	Giammarco Sicuro with a piece on migrants at the border between Mexico and the US on *TG2 Storie*	Tg2
36	Roberto Morrione Prize for Investigative Journalism	Italy	Baffo Rosso 2021 Prize	Awarded to Sigfrido Ranucci for *Report*	Rai 3
37	Paolo Borsellino National Prize	Italy	Paolo Borsellino National Prize	Maria Grazia Mazzola	Tg1
38	Paolo Borsellino National Prize	Italy	Paolo Borsellino National Prize	Giovanni Parapini	Rai per il Sociale
39	FeST - Il Festival delle Serie Tv	Italy	Premio della GGGente	*Il commissario Ricciardi*	Rai Fiction
40	FeST - Il Festival delle Serie Tv	Italy	Scripted series of the year	*L'amica geniale 2*	Rai Fiction
41	FeST - Il Festival delle Serie Tv	Italy	Award for Best Actor	*L'amica geniale 2*	Rai Fiction
42	FeST - Il Festival delle Serie Tv	Italy	Award for Best Direction	*L'amica geniale 2*	Rai Fiction
43	FeST - Il Festival delle Serie Tv	Italy	Crossing Borders Prize	*L'amica geniale 2*	Rai Fiction
44	FeST - Il Festival delle Serie Tv	Italy	Real Estate Prize	*Il commissario Montalbano*	Rai Fiction
45	Nastri d'Argento	Italy	Serie Iconiche Prize	*Il commissario Montalbano*	Rai Fiction
46	Nastri d'Argento	Italy	Eccellenze Prize	*L'amica geniale*	Rai Fiction
47	Nastri d'Argento	Italy	Nastro d'Argento for the Script	*Mina Settembre*	Rai Fiction
48	Nastri d'Argento	Italy	Nastro Speciale	*Mare Fuori*	Rai Fiction
49	Nastri d'Argento	Italy	Series of the year	*Il commissario Ricciardi*	Rai Fiction
50	Nastri d'Argento	Italy	Nastro d'Argento	Rai Fiction	Rai Fiction
51	Areté Prize	Italy	2021 Ultimate Areté Prize	*Green Meteo*	Rai Ragazzi
52	Areté Prize	Italy	2021 Areté prize Media category	*Green Meteo*	Rai Ragazzi

N.	Festival	Country	Award	Winning programme	Publisher
53	RAM Festival	Italy	Audience Award	*Il patrimonio sommerso. Un museo sul fondo del mare*	Rai Cultura
54	RAM Festival	Italy	Special Mention Archeoblog	*Il patrimonio sommerso. Un museo sul fondo del mare*	Rai Cultura
55	Sport Movies & Tv	Italy	Best Paralympics	*I Fantastici – Fly2tokyo*	RaiPlay
56	Sport Movies & Tv	Italy	Guirlande d'Honneur	*Europei a Casa The Jackal*	RaiPlay
57	Sport Movies & Tv	Italy	Guirlande d'Honneur	*Il Circolo degli Anelli*	Rai Sport
58	Sport Movies & Tv	Italy	Mention d'Honneur	*Il Grande Slam - Generazione di Fenomeni*	Rai Sport
59	Matera Art International Film Festival	Italy	Best Animation	*Lo specchio di Lorenzo*	Rai Ragazzi
60	Roma Film Corto	Italy	Cinema Solidale Award	*La Rosa Blu*	Rai per il Sociale
61	EBU Connect Awards	Europe	Best promo above 60 seconds	Giro d'Italia 2020	Creative Direction
62	EBU Connect Awards	Europe	Silver Best entertainment promotion	77^ Venice Film Festival	Creative Direction
63	EBU Connect Awards	Europe	Silver Special Covid-19	Italia riparte	Creative Direction
64	ABU Prizes	Asia	Best Tv Documentary	*Senza Respiro*	Rai Documentari
65	Clio Sports	USA	Bronze Best visual effects	Giro d'Italia 2020	Creative Direction
66	Zoom Festival	Spain	Best Fiction	*Carosello Carosone*	Rai Fiction
67	Cartoons on the Bay	Italy	Best Short Film	*Mila*	Rai Ragazzi
68	Cartoons on the Bay	Italy	Best Tv Series Pilot	*AcquaTeam – Missione Mare*	Rai Ragazzi
69	Cartoons on the Bay	Italy	Best Preschool Tv Series	*Gli Acchiappagiochi*	Rai Ragazzi
70	Cartoons on the Bay	Italy	Best Upper Preschool Tv Series	*Nina&Olga*	Rai Ragazzi
71	Promax Global	USA	Silver Best Motion Graphics	Giro d'Italia 2020	Creative Direction
72	C21 International Drama Awards	United Kingdom	DQ Craft Award	*Blanca*	Rai Fiction
73	New York International Film Awards (NYIFA)	USA	Best Animation	*La Custodia*	Rai Ragazzi
74	St. Louis International Film Festival	USA	Best Narrative Short	*Mila*	Rai Ragazzi
75	St. Louis International Film Festival	USA	Best Animated Short	*Mila*	Rai Ragazzi
76	New York Animation Film Awards (NYAFA)	USA	Best Animation Short Film	*Mila*	Rai Ragazzi
77	New York Animation Film Awards (NYAFA)	USA	Best Original Score in Animation Film	*Mila*	Rai Ragazzi
78	New York Animation Film Awards (NYAFA)	USA	Best Director	*La Custodia*	Rai Ragazzi

Contact Channel



As well as preparing the daily press review, the press office is responsible for numerous institutional, product and content promotion activities for the public service. Overall, in 2021, 74 press conferences were held in Rome, Sanremo, Turin, Milan, Naples and Terni and 331 photo shoots, in addition to thousands of press releases regarding corporate issues, products, audience ratings, changes and previews of programmes provided daily to the press and published on the website www.ufficiostampa.rai.it.
About 2,340 posts were published on each of the social accounts of the Rai press office (Facebook, Twitter and Linkedin) in the period under review, with an overall average of 14 launches per day. In addition to these activities, there is also the management of the Rai page on Linkedin, with 200,000 followers having access to products of particular corporate relevance, competition notices, corporate communication campaigns and posts at the end of all press conferences with links to NewsRai.

Particular emphasis was given to the promotion of certain initiatives that, in some cases, have become major events, such as the annual presentation of the Rai 2021-2022 offer, the Prix Italia in Milan, the launch of the Euro 2020 European Football Championship, Rome Film Festival and the Turin Book Fair.

The *Rai Porte Aperte* project continued, which, launched four years ago, has allowed almost 50,000 students to enter Rai through educational visits, training internships, and special events.
The health emergency has made it necessary to rethink the initiatives and, from the first months of 2020, *Rai Porte Aperte* was forced to suspend any activity in presence. Also in 2021 too, these initiatives were mainly carried out through social channels where – in addition to strengthening presence and communication on the project and networking – a great deal of focus was given to publicising the programming and publishing selections and Corporate initiatives, with particular attention to the student target.
To date, the @RaiPorteAperte account, launched in January 2019 on social media to promote the project, has 860 followers on Instagram and 1,292 on Facebook.

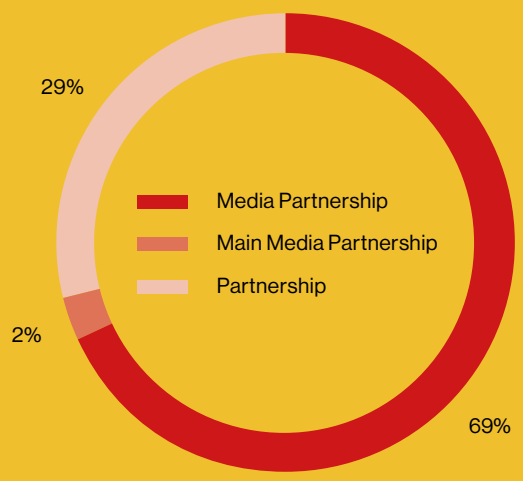
Also for the 2021-2022 school year, Rai, as part of the multiyear collaboration with the Osservatorio Permanente Giovani-Editori, for the ninth edition of the special initiative *Educazione alla conoscenza del linguaggio radiotelevisivo, attraverso il ruolo del Servizio Pubblico* – aimed at all teachers and students of the classes participating in the project *IlQuotidiano in Classe* – collaborated in setting up the training project in schools that led to the creation of 6 educational reports on just as many topics.
Among the many communication initiatives, the *Newsletter Rai Settegiorni* and the *Libro Blu Rai 2018-2021. Qualità, Innovazione, Futuro* of which, in March 2021, a version in images was produced that visually summarises Rai's main initiatives that promote quality, innovation, and the future.
It is also worth mentioning Rai's presence at the Uffizi on the occasion of the exhibition *A riveder le stelle. Dante illustrated by Federico Zuccari*, made accessible to visually impaired users with the audio descriptions of the 92 plates that make up the virtual path of the exhibition and are available on the Uffizi website and on www.easyweb.rai.it.
Within the framework of the communication plan in view of the switch off, the *Rai Territorio – entra in sintonia* project is accompanied with the creation of physical information points at the Subscription Desks of all Rai Offices to enable users to receive, in person, useful information to better understand the switchover to the new digital TV.

During 2021, a total of more than 500 partnerships were activated and defined, of which 347 Media Partnerships, 13 Main Media Partnerships and 148 partnerships. Art and culture, music, cinema, social affairs, environment and education are the main issues at the centre of the initiatives, and, among the most shared goals of the UN 2030 Agenda, number 4 - *Quality Education* stands out, followed by *Sustainable Cities and Communities* (11), *Reducing inequalities* (10), and *Gender equality* (5).


Nuovi racconti: coraggio, sperimentazione, la Rai che cambia
Stefano Bollani
Una striscia quotidiana per riportare finalmente in casa Rai la musica di qualità
MARZO 2021
ITALIA
Sogno azzurro
La prima docuserie sulla Nazionale di calcio italiana
GIUGNO 2021
VIVA RAIPLAY!
NOVEMBRE 2019
Il tempo della Pandemia
in un racconto a più voci
aria
DICEMBRE 2020
SETTEMBRE 2020
UNA PEZZA DI LUNDINI
Lundini: la sperimentazione che diventa culto
Un grande successo tra i giovani
L'alligatore
Che succ3de? Tra satira e comicità
Una nuova formula per raccontare l'attualità
OTTOBRE 2020
La Carezza della Memoria
Speciale Verdone su Rai Radio2
APRILE 2021
Ricomincio da RaiTre
DICEMBRE 2021
SuperQuark +
Allevi in the Jungle
Alla scoperta dei suonatori di strada in giro per l'Italia
DICEMBRE 2020
L'ODISSEA
DI DOMENICO IANNACONE
Il sorprendente viaggio di Iannacone nella disabilità mentale
APRILE 2021
IL LATO POSITIVO
APRILE 2021
YOUNG STORIES
FEBBRAIO 2021
Rai
2018-2021
Qualità. Innovazione. Futuro


Accessibilità, sempre di più.
Progetto Beethoven
Musica accessibile grazie alla tecnologia
CONCERTO COCLEARE
SETTEMBRE 2019
Lucio l'Avatar
L'avanguardia del CRITS Rai per il Museo Accessibile
Rai Settegiorni
LA TV RALLENTATA
UN SUCCESSO DELLA RICERCA RAI
DICEMBRE 2019
La Pimpa per l'autismo
L'app sperimentale a sostegno dei bambini con autismo
LUGLIO 2020
Sanremo 70 e 71
I Festival più inclusivi e accessibili
2020, 2021
DIVERSITY BRAND AWARDS
APRILE 2021
Rai vince il Digital Diversity Brand Award per l'inclusione
Premiata la piattaforma "virtual LIS" realizzata dal CRITS di Torino
77ª Mostra di Venezia
con sottotitoli, audiodescrizione e in LIS
SETTEMBRE 2021
La Rai e la LIS
L'impegno costante nella traduzione dei grandi eventi
2020, 2021
Dante Istoriato.
La Rai al fianco degli Uffizi per una mostra accessibile
MARZO 2021
Più edizioni accessibili
di TG sottotitolati e in LIS durante l'emergenza
2020, 2021
Rai News 24
2020, 2021
TGR con sottotitoli
Edizioni potenziate
TGR TOSCANA
Buongiorno e benvenuti a questa edizione regionale della Toscana
Rai Easy Web
Potenziato il sito per persone con disabilità sensoriali, visive, uditive
2020
Rai
2018-2021
Qualità. Innovazione. Futuro

Partnerships



Focus

48%

49%

3%

Media Partnership

In **48%** of cases collaboration provided for involvement of a television network, in **49%** that of a radio network, the remaining **3%** was followed by the RaiPlay platform

508 initiatives in Italy in 2021

- **13** Main Media Partnership
- **347** Media Partnership
- **148** Partnership

Main publishers

TV

57.6%	**Rai Cultura** (with Rai 5, Rai Storia, Rai Scuola)
8.3%	**Rai Movie**
8.6%	**Rai Gold** (with Rai 4 and Rai Premium)
6.9%	**Rai 1**
5.8%	**Rai Ragazzi** (with Rai Gulp and Rai Yoyo)
4.5%	**Rai 3**
3.8%	**Rai 2**

Radio

49.0%	**Rai Radio3**
22.6%	**Rai Radio1**
12.7%	**Rai Radio2**
5.5%	**Rai Radio Live**
3.0%	**Rai Radio Tutta Italiana**
2.4%	**Rai Radio3 Classica**
2.0%	**Rai Radio Kids**

Newspapers and Magazines*

35.4%	**TGR**
27.2%	**Rai Radio 1/GR**
19.8%	**Rai News24**
6.2%	**TG2**
5.8%	**TG1**
5.8%	**TG3**

* Il 23% of all agreements involved at least one newsroom

Digital

3.0% **RaiPlay**

Out of total partnerships

Rai per il Sociale

17.5%

Out of total partnerships

Rai Pubblica Utilità

3.7%

Out of total partnerships

Media and Rai Partnerships - Geographical distribution

2021

North	37%
Centre	29%
South and Islands	15%
National Territory	7%
Web	12%

** The figure for the South and Islands is lower than for the rest of the country because many events planned in the summer, outdoors, were cancelled due to the Covid-19 epidemic.

International Relations and European Affairs

The strategic positioning of the Company at a global level is also pursued through the consolidation of its international dimension.
As far as European Affairs are concerned, the company's position was defined with respect to the European Commission's proposed regulations of the Digital Services Act and the Digital Markets Act within the EBU ad hoc groups, and further working tables dedicated to other sensitive dossiers were set up, including the Media Freedom Act, the maintenance of the UHF band for broadcasting and SLAPPs (Strategic Lawsuits Against Public Participation).
With reference to development activities, Rai's presence in international trade associations (EBU, COPEAM, CMCA, CIRCOM, ABU, ASBU, CRI, AUB, ATEI, LA RED, MEXICO, TAL, and Italy-Asean association) has favoured the implementation of the network of contacts in various geographical areas and the expansion of collaboration with international public broadcasters, through the finalization of Memorandum of Understanding with RTA (Argentina), while the agreement with TV Cultura (Brazil) is being renewed.
In addition, the 28th COPEAM Conference, organised in cooperation with Rai, on the topic of *Media narratives for intercultural and interreligious dialogue*, was held in virtual mode. The conference delved into the fundamental role of intercultural and interreligious dialogue in protecting and strengthening integration and social cohesion and in the battle against intolerance and xenophobia.
As part of its relations with ABU, for the second time Rai was a member of the Jury for the ABU Prizes 2021, which saw *Breathless*, produced by Rai Documentaries, awarded in the TV Documentary category.
Rai participates in the activities of several EBU groups including: the *Sustainability for PSM*dedicated to sustainability standards for the European Public Service Media; the *Artificial Intelligence and Data Initiative (A.I.D.I.)*; *Future of Work*, regarding corporate personnel management policies; and *Women in Sport*for the development of strategies that give greater visibility to women in sports.

There were also many initiatives in the framework of international co-productions. Among these were participation in the *Junior Eurovision Song Contest 2021*, in coordination with Rai Ragazzi; the broadcasting of *Kids Portraits*, the TV series produced in collaboration with the EBU and other European partners and dedicated to the lives, passions and habits of European children and young people; the COPEAM/ASBU co-production *Interrives - SustainAbility - Stories of Changemaker*through Rai 3; the agreement to exchange services of the production of *Mediterraneo* by TgR Sicilia with services of RTVE Spain (in particular of the programmes *La aventura del saber* and *Agrosfera*); the collaboration agreement with the association ATEI (Asociación de las Televisiones Educativas y Culturales Iberoamericanas) for the exchange of content on scientific, technical and cultural issues between the *Noticiero Científico y Cultural Iberoamericano* (weekly programme distributed in 19 Latin American countries in Spanish and Portuguese and subtitled in English) and the Rai *Tg Leonardo* and *Pixel* features.
Moreover, in July, Rai took part in the organisation of the UN Food Systems Pre-Summit that preceded the UN Summit on Food Chains in the autumn, through its participation in the Steering Committee in conjunction with the Ministry of Foreign Affairs and International Cooperation (MAECI).
With regard to activities to promote the Italian language and culture, RAI hosted the seminar entitled *Il racconto dello sport alla radio. Nuove prospettive* organised by the Italian-speaking Radio and Television Community. An opportunity to reflect on the links between sport and the objectives of the UN 2030 Agenda, which inspired the co-production *Lo sport che fa bene*. It also recalled the *Infinito Dante* initiative, dedicated to Dante's poetry, which closed with *I versi di Dante in LIS* thanks to the collaboration with Rai Pubblica Utilità.
In the area of international training, a networking tool to strengthen dialogue with other public broadcasters, we would like to mention the collaboration with the Italian Centre for Advanced Studies for Training and Updating in Radio and Television Journalism in Perugia, which enabled the realisation of the e-learning courses *La Narrazione dello Sport* and *Il Giornalismo culturale* dedicated to journalists from the AUB and various broadcasters from Latin America.
Finally, the new generations were the protagonists of the Mediterranean Youth Prize, dedicated to students from Mediterranean high schools as jurors within the PriMed framework. The event, organised in collaboration with the CMCA in its third edition held in Palermo, allowed the themes proposed by the competing documentaries to be explored in depth and highlighted the role of RAI in disseminating the values of sustainability.

Rai per il Sociale

Rai per il Sociale covers all the Public Service initiatives that in various capacities and from different perspectives address the issues of social affairs, inclusion, national cohesion, human rights, equal opportunities, Paralympic sports, gender respect, differently abled people, as well as the protection of the environment and sustainability. A point of listening and gathering the feedback of institutions, trade associations and the third sector, Rai per il Sociale is a space for knowledge and debate both inside and outside the Company so as not to forget the most sensitive sectors and groups of the country in the constant effort to leave no one behind.
Numerous social campaigns were carried out in 2021. Among these, there were 42 fundraisers, 31 awareness campaigns and 33 social communication spots (of which 5 with the patronage

of Pubblicità Progresso and 3 of supranational agency), for a total of 841 TV and radio broadcasts. To these are added 65 institutional communication campaigns for a total of 16,712 TV and radio airings. The social campaigns also have visibility on the web - thanks to their publication on www.raiperilsociale.rai.it, Rai.it and RaiPlay - and on social media, through the official Facebook, Twitter and Instagram accounts.

As for fund raising, also in 2021 the Rai 1 show *I Soliti Ignoti*, (broadcast in the so-called *VIP Formula* format due to the pandemic), allocated the winnings to solidarity initiatives, for a total of €2,952,100. The same choice was made during some episodes of *L'Eredità* (€282,500).

In terms of inclusion, there was great attention, as always, not only to digital literacy, equal opportunities, respect for gender, the differently abled, Paralympic sports, human rights, but also for the environment and sustainability.

Many production, including audiovisual content and podcasts for a total of over 500 hours of content available on RaiPlay and RaiPlay Sound, have been carried out. Among them: *Che lavoro farai da grande* and *Smart Life* to think about the changing labour market; *E allora dai!*, dedicated to basic literacy; *La Rosa Blu*, on the issue of disability; *ConverseRai*, the programme of insights to understand the changing world and the digital revolution we are experiencing; *Il mondo si ritrova Expo 2020 Dubai*, in collaboration with Rai Vaticano; *Pillole ASviS*, on sustainability and the environment.

In the wake of the social value of sport as a powerful vehicle for inclusion, some important initiatives in 2021 include the support for Turin's candidature for the Special Olympics World Winter Games in 2025; the sponsorship of Crazy for Football, the national football team of psychiatric patients to whose story was also dedicated the homonymous fiction starring Sergio Castellitto; the collaboration with Rai Documentari for *Tanta Strada*, the docufilm on nature, sport and disability; the support for the campaign of SOS Villaggi dei Bambini Onlus during the Tokyo Summer Games; the collaboration with the Italian Paralympic Committee for the drafting of the new protocol with Rai.

Among the programmes dedicated to the theme of disability *O anche no*, aired on Rai 2, which, on the occasion of the International Day for the Rights of Persons with Disabilities, also became a *Special* in the late evening.

Rai, always attentive to the protection of the environment and sustainability even within its own facilities, launched the initiative *Plastic free* on the occasion of the World Water Day observed on 22 March to gradually reduce the use single plastics across its offices and premises, and the *#Volonterai* campaign to find out about the voluntary work volunteered by its employees, the results of which were shared on 5 December, International Volunteer Day.

Moreover, various awareness campaigns were carried out including: road safety project on sustainable mobility in collaboration with the CNEL, Highway Police, and Ministry of Education, aimed at providing guidance for the correct use of scooters in the cities; the UNESCO project *Decade of Ocean Sciences* on the occasion of World Oceans Day with *Uno Mattina* and *Linea Bianca*; in-depth study on sustainable lifestyles in metropolitan cities in cooperation with the Pentapolis Association on TgR Lazio; with *UnoMattina*, the project on the recovery of the prison on the island of Santo Stefano in Ventotene, which combines the memories of European values with environmentally sustainable building recovery, was publicised the presentation of *M'illumino di meno*, the initiative of Rai Radio 2's *Caterpillar* programme, now in its 17th edition, was organised; in collaboration with ASviS and FERPI, the Saturday episode of *UnoMattina in famiglia* on Rai 1 introduced the appointment with *Il glossario della sostenibilità* on the 17 goals of the UN 2030 Agenda to indicate how to transform production and consumption models; the ASviS Festival of Sustainable Development was held on 28 September.

Rai encourages the dissemination of topics related to the fight against inequality in its programming, in conjunction with the associations most committed to these issues. The *Illuminare le periferie* project continued - in collaboration with the Pavia Observatory, the COSPE, the USIGRAI, the FNSI, the Italian Agency for Development Cooperation (AICS), the Impresa Sociale con i Bambini and the Caritas - which developed further, increasingly fulfilling its role as a place for real and multi-platform debate on social issues, with important new appointments and the creation of a TgR *Special* dedicated to the suburbs of Naples, broadcast by Rai 3 and available on RaiPlay.

The activities of the rehabilitation centre for drug addicts Comunità Incontro and the Save The Children light point at Torre Maura in Rome were enhanced; the annual Oxfam *DisuguItalia 2021* report on inequalities was presented as an exclusive preview on Rai newspapers and networks; the number zero of the series *La Rai Incontra* dedicated to adolescence was published on RaiPlay; the *Rai Scuola in carcere* project was launched to support education activities within adult and juvenile penal institutions. In addition, a round table on cultural diversity has been set up with anti-racist, Afro-descendant and second-generation Italian associations; cooperation with Libera and anti-Mafia associations continues; initiatives have been promoted for World Grandparents and the Elderly Day, for the Day in memory of Covid victims, and for the Day to raise awareness on eating disorders, also with short films and docufilms by Rai Cinema.

On World Alzheimer's Day, Rai Premium presented *Il paese ritrovato. La memoria delle emozioni*, a docu-reality to tell the life and stories of the residents, family members, professionals, operators and volunteers who live in the 'paese ritrovato', a village built for Alzheimer's patients, a structure built and managed by the Cooperativa Sociale La Meridiana of Monza, which has been active in the third sector for over 40 years.

In July, the first edition of the *Festival del sociale Rai* was held in Spoleto, within the framework of the *Festival dei Due Mondi* focusing on the theme of sustainability and its environmental, economic and social aspects. One of the objectives of the Festival was to show an accessible Rai, open to dialogue,

attentive to the voice of citizenship and future generations.
Rai's social commitment also had an important international platform within Expo Dubai 2020, which opened in the United Arab Emirates in October 2021. On 20 December, Rai organised in the Italian Pavilion together with Commissioner Paolo Glisenti's structure the *Solidarity Day* with the participation of relevant voices of the Italian social sphere (from Don Ciotti's Libera to the Community of Sant'Egidio) in dialogue with volunteer experiences from the Arab world, institutions, and religious representatives.
The periodic report of all the Public Service initiatives that, in various ways and from different perspectives, address social, inclusion and national cohesion issues, is available on the rai.it website, in the Corporate/Rai per il Sociale section.

Agreements with Central Government

Agreements with the Central Government are managed directly by the Parent Company.
Many active agreements in 2021, both for the continuation of communication campaigns started in previous years and for the definition of new collaborations. The most relevant in 2021 were the following.

Ministry of Education
Given the persistence of the health emergency and the consequent need to resort to Distance Learning (DAD) and Digital Integrated Learning (DDI), the important synergy activated with the Ministry of Education - launched during 2020 - has become stable and structural, although the initiatives have been adapting to the gradual return of pupils in attendance. Among the most significant initiatives in support of DAD: several cycles of the programme *Maestri*, broadcast on Rai 3 and repeated on Rai Scuola, with two lessons per episode, for the main school subjects of the first and second cycle of the secondary school (for a total of 155 episodes); more than 170 teaching units as part of the programme *La scuola in tivù*; *La scuola in tivù-Maturità*: *preparazione all'Esame di Stato*; *La Scuola in Tivù - Istruzione degli adulti*; *La nuova didattica e il mondo digitale: methodologies, contents, tools,* to strengthen the skills of teachers and students on the potential of digital technology at the service of didactic innovation; *Istruzione tecnica e professionale*, *ITS*, to offer orientation at open days and in dedicated events; 8 special on *Educazione civica*, *Cittadinanza e Costituzione*.
For primary and pre-primary school children, in synergy with Rai Ragazzi, the programme *La banda dei fuori classe* was created, with over 156 episodes aired on Rai Gulp, to interpret school subjects in a language specifically aimed at the children target audience.
The creation, started in 2020, of 100 teaching units on 20th century thinkers and great philosophers, published on the Rai Teche portal, was completed.

Ministry for Labour and Social Policies
Communication initiatives continued with a campaign on the issues of safety at work, social inclusion and the fight against poverty, broken down into a plan of initiatives in radio and television programmes in the schedule, as well as the production of an institutional video on the emergency income.
With the National Agency for Active Employment Policies (ANPAL), collaboration continued within the framework of the 7th edition of the programme *Il Posto Giusto*.

Ministry of Culture
Numerous communication campaigns dedicated to the promotion and enhancement of Italy's cultural heritage were carried out. These included the production of 14 video clips with English translation and voiceover dedicated to the Italian elements included (and in the process of being included) in the Representative List of Cultural Heritage and a special documentary on the 2001 UNESCO Convention for the Protection of Underwater Cultural Heritage. In addition, the documentaries *1972-2022: 50 anni del Patrimonio Mondiale Culturale e Naturale*; the special *Come si diventa patrimonio mondiale UNESCO*; 8 short videos for the promotion and enhancement of as many archaeological parks; 3 mini docs on Montecatini Terme, on fresco cycles in Padua and the Porticoes of Bologna were carried out.
An agreement was signed for the *Arte torna a casa* campaign, aimed at the production and broadcasting of a documentary and 13 instant docs documenting the return to public display of a series of works of art kept in the deposits of a number of state museums.
The broadcasting of the activities envisaged in the agreement with the Centre for Books and Reading concerning specific initiatives on Radio Kids and dedicated to the promotion of reading aloud by children was completed.

Ministry of Sustainable Infrastructure and Mobility
A communication campaign on road safety issues was launched with Central Committee for the National Register of Natural and Legal Persons who carry out Road Transport of Goods on behalf of Third Parties, through the realisation of a series of television interventions within network programmes such as: *UnoMattina*, *Buongiorno Benessere*, *Mattina in Famiglia*, I *Fatti Vostri* etc...

Ministry of Foreign Affairs and International Cooperation
An agreement was signed with the CGIE - General Council of Italians Abroad for the production of the programme *Storie in movimento*, broadcast in its entirety in September 2021.

Prime Minister's Office
An awareness-raising spot on the activities carried out by the national guarantor of the rights of persons deprived of their personal freedom was produced and broadcast.

Changes in the regulatory framework

Special License Fee

The decree of the Ministry of Economic Development of 27 December 2021, published in the OJ General Series No. 45 of 23 February 2022, established that for the year 2022, the special subscription fees would remain fixed at the amount set out in Tables 3 and 4 annexed to the Ministerial Decree of 29 December 2014.
The 2014 decree provided that for the year 2015, the surcharge payable by ordinary television subscribers, the special subscription fees payable for the detention outside the family environment of radio or television receivers, the special subscription fees payable for the detention of radio or television receivers in cinemas, theatres and similar premises remained fixed in accordance with the measures set out in the Ministerial Decree of 17 December 2013.
In the following years, the measure was confirmed by Article 1, paragraph 152 of Law No. 208 of 28 December 2015, by the Ministerial Decree of 30 December 2015, by the Ministerial Decree of 22 December 2016, by the Ministerial Decree of 21 December 2017, by the Ministerial Decree of 28 December 2018, by the Ministerial Decree of 20 December 2019 and by the Ministerial Decree of 31 December 2020.

Consolidated Text on audiovisual media services

Legislative Decree No. 208 of 8 November 2021, which entered into force on 25 December 2021, entirely replaced the Consolidated Law on Audiovisual Media Services (Legislative Decree no. 177 of 31 July 2005), providing for novelties in several areas of business interest.
Among other things, the new Consolidated Text introduces the need to ensure adequate visibility for media services of general interest, which are broadcast on any platform and whose protection and detailed regulation is delegated to the Communications Guarantee Authority.
Other major innovations include the important revision of the discipline of automatic channel numbering (LCN), which is also being reorganised at the regulatory level by AGCom Resolution 116/21/CONS of 21 April 2021, which will be discussed below.
The Consolidated Text lays down the obligation for media service providers to develop accessibility action plans aimed at making services increasingly accessible to persons with disabilities.
It also prohibits the processing of minors' personal data collected by audiovisual media service providers for commercial purposes, such as, in particular, direct marketing, profiling, and targeted advertising on the basis of detected behaviour.
Articles 43 to 49 amend and supplement the provisions on advertising, sponsorship and commercial product placement.
As for what is more specifically of interest to Rai, Article 45 of the new Consolidated Text profoundly revises the rules on advertising ceilings of the public service concessionaire. In fact, the previous system based on a weekly advertising limit of 4% of the total programming is abandoned in favour of a much more restrictive criterion per channel and band.
In particular, as of 1 January 2022, "*the transmission of advertising messages by the concessionaire of the public radio, television and multimedia service, with reference to each individual channel, may not exceed 7 per cent, and as of 1 January 2023 6 per cent, in the time slot between 06:00 and 18:00 and in the time slot between 18:00 and 24:00, and 12 per cent in each hour. Any excess, in any case not exceeding 1 per cent in the course of an hour, must be made up in the hour before or after*".

The crowding limits for private national broadcasters are also innovated, which are, however, set (raised) to 20 per cent for the 6 a.m.-6 p.m. and 6 p.m.-4 p.m. time slots, with no hourly limit, in compliance with the principle of flexibility provided for by the EU rules, a principle that is not applied instead to the public concessionaire.

Article 48 also revises the discipline of product placement, adapting it to market practices and extending the types of programmes in which this commercial format is admissible: "*product placement is allowed in all audiovisual media services, with the exception of news and current affairs programmes, consumer programmes, religious programmes and children's programmes*"; the new rule therefore expressly forbids product placement in consumer programmes.
The Consolidated Text provides for rules to protect the pluralism of information sources that take into account the changed market conditions, with the increasingly relevant presence of multinational platforms.

In particular, greater investigative and sanctioning powers are attributed to AGCom if it finds the existence, on the part of a market operator, of positions detrimental to pluralism; in this perspective, the Authority is given the opportunity to intervene so that these positions are removed.
In this regard, we would like to point out that on 16 February 2022, AGCom Resolution No. 23/22/CONS on the "*Initiation of the procedure for ascertaining the economic value of the Integrated Communications System (SIC) for the year 2020*" was published, adopted in consideration of the new regulations on positions of significant market power detrimental to pluralism.
Articles 52 to 57 are dedicated to the promotion of European works and independent productions, whose discipline remains substantially unchanged from the previous one, except for some adjustments to the obligations incumbent on providers of on-demand media services.
Article 55 introduces, first of all, a specific obligation of "adequate

prominence" of European works, in fact: "*the set of catalogues of on-demand audiovisual media service providers subject to Italian jurisdiction must contain at least 30 per cent of European works placed in prominence*".

In addition, the 'fully operational' share of investment in European works by on-demand media service providers, equal to 20 per cent of total net revenues, must be reached in 2024. For 2022, the share is set at 17% and for 2023 at 18%.
The provision also brings together in a single sub-sub-quota the obligations to invest in cinematographic works of Italian original expression produced anywhere in the last five years by independent producers, amounting to at least one fifth of the investment sub-quota for works of Italian original expression referred to in Article 55, paragraph 8.
Article 59 has a content corresponding to Article 45 of TUSMAR. It is expressly provided that the public radio, television and multimedia service is entrusted as a concession to RAI: in paragraph 1 the Company is nominally identified as the concessionaire, instead of the previous generic reference to a joint stock company. The expiry date of the concession is also updated to 30 April 2027.

Refarming – LCN

The 2018 Budget Law, as amended and supplemented by the 2019 Budget Law, in regulating the process for the *refarming* of the 700 MHz band, had provided for AGCom to update the automatic numbering plan for the channels of the digital terrestrial television service (LCN) and the methods for assigning numbers "*in consideration of the new frequency structure and the methods for defining technical areas*".

Annex A to the aforementioned AGCom Resolution No. 116/21/CONS, dated 21 April 2021, set forth the "*Update of the automatic numbering plan for digital terrestrial television channels, of the methods for assigning numbers to the providers of audiovisual media services authorised to broadcast audiovisual content in digital terrestrial technology and of the relevant conditions of use*", intended to operate in the new structure of the broadcasting system, consequent to *refarming*.

The procedure for the assignment of automatic channel numbering (LCN) with reference to free-to-air national broadcast audiovisual media services, issued in implementation of Article 13, paragraphs 3 and 5 of Annex A to the aforementioned resolution, was subsequently published on the institutional website of the Ministry for Economic Development, for the assignment of automatic channel numbering (LCN) with reference to free-to-air national audiovisual media services to those entities that request it. Rai promptly submitted the relevant application.

Refarming – Compensatory Measures

The Ministry of Economic Development's decree of 17 November 2021 on "*Definition of the criteria and modalities for the disbursement of compensatory economic measures in favour of network operators*" was published in the Official Gazette No. 32 of 8 February 2022. Eligible for the compensatory measures referred to in Article 1, paragraph 1039 let. a) of Law 27 December 2017, no. 205 "*the national network operators required to release frequencies in advance in accordance with the provisions of the decree of 19 June 2019 and the national network operators, already holders of the right of use, who individually or jointly, by virtue of a commercial agreement (or understanding) are assignees of a DVB-T2 network, pursuant to AGCom Resolution No. 39/19/CONS, as amended by Resolution No. 162/20/CONS, required to bear the costs of compliance for the refarming of frequencies and for the preparation for the switchover of equipment to the new DVB-T2 transmission standard*" (art. 2 let. a)), as Rai.
The Concessionaire proceeded to send the first of the provided applications to benefit from the above mentioned measures.

Refarming - MPEG-4 encoding activation

With the Decree of the MiSE of 21 December 2021 on the National Calendar identifying the deadlines of the roadmap for the implementation of the objectives of Decision (EU) 2017/899 and the final deadline for the start-up of MPEG4, implementing the Decree of 19 June 2019 and subsequent amendments, the activation of MPEG-4 encoding for the transmission of all programmes of national audiovisual media service providers such as Rai was ordered simultaneously throughout the entire territory, on a single date (8 March 2022) for technical reasons in consideration of the structure of the national networks. However, national audiovisual media service providers were allowed to simulcast programmes with DVBT/MPEG-2 coding until 31 December 2022. The national generalist channels receiving LCN numbers 1 to 9 and 20 shall however use the above-mentioned numbering for the exclusive transmission with DVBT/MPEG-4 encoding, using numbers of other available numbering arcs for the possible transmission of the same contents with DVBT/MPEG-2 encoding.
By 31 December 2022, DVBT/MPEG-2 encoding must be completely discontinued in favour of at least MPEG-4 encoding on the DVBT standard.

Public contracts

With European Commission Regulation No. 1952/2021, in force as of 1 January 2022, Directive 2014/24/EU was amended with regard to the EU thresholds for works, service and supply contracts. In particular, insofar as it is of interest to the Company:

i) for service and supply contracts awarded by administrations that are not central government authorities, the threshold is raised from €214,000 to €215,000; ii) for the award of works contracts, the European threshold is raised from €5,350,000 to €5,382,000.
Article 29 of Legislative Decree no. 4 of 27 January 2022 (the so-called Decreto Sostegni-ter) entitled "*Disposizioni urgenti in materia di contratti pubblici*", provides until 31 December 2023, for the mandatory inclusion in the initial tender documents of the price revision clauses set forth in Article 106, paragraph 1, letter a), first sentence, of the Code, for all tender procedures commencing on or after 27 January 2022.
On 21 December 2021, the Company approved: (i) the regulation on "*Criteria for the appointment of members of selection commissions in procedures announced by Rai for the award of public procurement contracts*" (replacing the previous one approved in 2017); (ii) a circular on "*Judging commissions for public contract award procedures*" announcing the preparation of the "*List of potential internal commissioners of judging commissions in procedures to be awarded with the criterion of the economically most advantageous offer*", as an organisational measure aimed at facilitating and speeding up the identification of commissioners.

Corporate governance

Renewal of the Board of Directors

In compliance with the provisions of Article 49, paragraph 6 of the then current Legislative Decree N. 177 of 31 July 2005 (Consolidated Text on Audiovisual and Radio Broadcasting Media Services) and by Art. 21. 5 of the Bylaws, which describe the composition of Rai's management body, the director expressed by the employees' meeting was first appointed (after the outgoing Board of Directors had organised the voting procedure and updated the internal regulations for the election of said member, constitution of a special Electoral Commission), then the members expressed by the Chamber of Deputies and the Senate of the Republic were elected, and finally the appointment of the Directors by the Ministry of the Economy and Finance in agreement with the Presidency of the Council of Ministers took place, with the proposal of Mr. Carlo Fuortes for the role of CEO.
The Shareholders' Meeting therefore appointed the new Board of Directors, which, at its first meeting, identified Ms. Marinella Soldi as Chairman of the management body, and, in line with the indications of the aforementioned Ministry, Mr. Carlo Fuortes as CEO, also proceeding to recognise the powers of the latter and of the management body. The appointment of the Chairman then became effective after the Parliamentary Commission for the General Guidance and Supervision of Radio and Television Services obtained the required 2/3 majority favourable opinion, which the Board of Directors took note of.
Lastly, the management body resolved to delegate authority to the Chairman in the following matters: in the area of external and institutional relations, international relations and activities; supervision, in coordination with the CEO, of institutional relations, with particular regard to the digital transition; relations and activities related to Corporate Social Responsibility and the social report; supervision of internal control activities, consistent with corporate best practices, without prejudice to the organisational placement of the Internal Audit Department reporting directly to the Chairman and in functional connection with the CEO.
The Shareholders' Meeting, as required by law and the Articles of Association, subsequently resolved to authorise the assignment of the aforementioned powers to the Chairman of the management body.

Economic-financial area

At the Board meeting of 22 September 2021, the Board appointed, pursuant to Article 30 of the Articles of Association and after obtaining the mandatory opinion of the Board of Statutory Auditors, the '*Manager in charge of preparing the company's financial reports*' for a period equal to the Board's term of office.
In December 2021, as part of the proceedings initiated by Resolution no. 391/19/CONS, the company submitted to AGCom the updated document "*Contabilità separata – Lo schema predisposto da Rai*" (Separate accounting - The scheme prepared by Rai).
With Resolution No. 399/21/CONS of 16 December 2021, AGCom concluded the preliminary proceedings for the verification of the "operational project" submitted by Rai in implementation of Article 25, paragraph 1, lett. r) of the 2018-2022 Service Contract on the subject of separate accounting, and - deeming it appropriate to amend in advance the criteria for approving separate accounting, as set out in resolutions no. 102/05/CONS, no. 186/05/CONS, no. 541/06/CONS - approved the new separate accounting scheme submitted by Rai pursuant to the aforementioned Article 25, paragraph 1, lett. r) of the Service Contract.

In the meeting of 21 December 2021, the Board of Directors approved the separate accounts for the financial year 2020, which certify the absence of overcompensation of the Public Service that is detrimental to third parties and, as such, not compatible with the indications of the European Commission.

Corporate organisational structure

At the meeting of 27 October 2021, the Board approved the implementation of the Organisational Model by Genres; at the subsequent meeting of 16 December 2021, the updating of the corporate organisational macro-structure.

TV licence fee

At its meeting of 16 February 2021, the Board, taking into account the impacts produced by the pandemic on the activities of accommodation facilities and public establishments, resolved, at no additional cost to the subscriber, to postpone the deadline for renewing the special subscription fee to 31 March 2021, and, at its meeting of 25 March 2021, also in light of the provisions of Article 6, paragraphs 5 and 6 of Legislative Decree no. 41 of 22 March 2021, concerning "*Urgent measures in support of businesses and economic operators, labour, health and territorial services, connected to the Covid-19 emergency*", approved a further postponement of the aforementioned deadline, again without additional charges for the subscriber, to 31 May 2021.

At its meeting of 9 February 2022, the Board also approved, at no additional cost to the subscriber, the postponement from 31 January to 31 March 2022 of the deadline for renewing the special radio and television subscription fee, as a concrete sign of attention to those required to pay it.

Subsidiaries

The Ministry of Economy and Finance updated, with Directive no. 5748 of 31 March 2021, the procedures for the appointment of the members of the corporate bodies (both management and control) of the companies controlled (directly or indirectly) by the same, in particular with the provision that the qualitative and aptitude preliminary investigation of potential candidates for office, "*without prejudice to the requirements provided for by legislative, regulatory and statutory provisions, is aimed at identifying the best profiles in terms of professionalism and competence and, without prejudice to the specific corporate governance structures, the optimal collective composition, also in terms of age and gender, of the corporate bodies, with the objective of pursuing the sustainable success of the companies. The professionalism and skills of the candidates will therefore be assessed, in particular in relation to the specific sector of operations, managerial experience and experience in corporate bodies, financial markets, risk management, legal and corporate sectors, and environmental, social and governance (ESG) matters*". The Directive has also impacted on the procedures to be used for the renewal of corporate bodies in companies indirectly controlled by the Ministry (now also excluding companies with listed shares), requiring, inter alia, the incorporation in the internal regulations on the selection and appointment of members of the corporate bodies of investee companies of the changes described above and introduced as part of the preliminary investigation. The Company consequently proceeded to update its internal regulation on the procedures for the selection and appointment of members of the corporate bodies of the companies with unlisted shares controlled.
At its meeting of 28 January 2021, the Board, taking into account the evolution of corporate practice, approved the direction for the Group's unlisted subsidiaries to take all necessary steps to separate the functions of the Board of Statutory Auditors from those of the Supervisory Board.

Personnel area

At its meeting of 25 March 2021, the Board expressed a favourable opinion, pursuant to the then applicable Article 49, paragraph 10, letter f) of Legislative Decree 177/2005, on the document "*Criteria and procedures for personnel recruitment and the conferral of collaborative assignments*".

Corporate Governance Report - the Rai Control Governance Model and the Internal Control and Risk Management System

The Internal Control and Risk Management System (SCIGR)

Within the scope of the risk control and management tools there are structural similarities between the systems implemented in the various Group companies. The companies have set up their own Internal Control and Risk Management System (SCIGR), which, in terms of structure, contemplated roles and operation mechanism appears similar in all associates, as required by the Code of Ethics and inspired by the system currently in effect at the Parent Company.

The SCIGR is *"all the instruments, organisational structures, company rules and regulations that enable the company to be managed in a healthy, correct way consistent with company goals established by the Board of Directors, through a suitable process to identify, measure, manage and monitor the main risks, and by structuring suitable information flows to guarantee circulation of information*".
The SCIGR is integrated in the most general organisational and corporate governance structures and is organised into three levels: *Management* (I level), *Management* with monitoring functions (II level), *Internal Audit* (III level).

An efficient SCIGR facilitates making informed decisions and helps protect corporate assets, the efficiency and effectiveness of company processes, the reliability of financial information, compliance with laws and regulations and the Articles of Association and internal regulations.
The goal of the System is to mitigate risk by managing it in each process.

Rai uses the *Committee of Sponsoring Organizations Report* as its *framework of reference*, recognised both nationally and internationally for the implementation, analysis and assessment of the Internal Control System.

The regulatory framework and device of Rai's SCIGR is mainly represented by:

- Company Articles of Association;
- Service Agreement;
- Code of Ethics;
- Organisation, Management and Control Model, pursuant to Legislative Decree 231/2001;
- Three-year Corruption Prevention Plan;
- Regulatory, organisation and powers system of Rai SpA;
- Model for the management and processing of notification of potentially illegal, irregular or reprehensible facts;
- Internal disciplinary system;
- Guidelines on Internal auditing activities, integrating the Guidelines on the Internal control and Risk Management System;
- Regulation for the management and coordination activities performed by Rai on its subsidiaries.

During 2021, the main activities on the subject of Internal Control System were:

- the continuation of the Integrated Risk Assessment project, launched in the second half of 2018, with the aim of achieving an overview of corporate risks (compliance and operational), increasing the effectiveness and efficiency of processes and even more adequately combating the phenomena of corruption and illegality, as well as all other possible offences falling within the scope of Legislative Decree 231/2001.
  The project has necessarily taken into account and will continue to take into account the organisational evolutions under way, with particular reference to the transition to the organisational model based on genres and the new Business Plan currently being drafted, which have an impact both on business processes and on process risks and Sensitive Activities pursuant to Legislative Decree 231/01 and Law 190/2012. The Sensitive Activities also include those related to the environment, social issues and governance (ESG) areas, in addition to the analysis of the possible risks related to the introduction in 2019 and 2020 of new offences under Legislative Decree 231/01 (tax offences and smuggling/ border-rights offences). The completion of the Integrated Risk Assessment project will allow the definition of a distinct reference methodology and an integrated model for identifying and managing risks, fundamental elements in a context in which the overview of corporate phenomena is of considerable strategic importance;
- the consolidation of the new integrated reporting management model[1] (also anonymous) for Rai SpA and the Group's subsidiaries (with the exception of listed companies with their own Internal Audit structure), which allowed us to improve the process of investigating a report and ensure the completeness of the analyses with a positive impact on the effectiveness and efficiency of the Internal Control and Risk Management System;
- continuous training and awareness of management and employees, through information activities and the provision of new and updated e-learning courses on the subject of Legislative Decree 231/2001 and Legislative Decree 190/2012.

1 Governed by the specific procedure approved in January 2019 by the Board of Directors of Rai.

The Rai Corporate Governance Model

CCE: Stable Commission for the Code of Ethics
RASA: Manager of the Register for the Contracting Entity
RPC: Corruption Prevention Manager

The Code of Ethics

The Code of Ethics regulates all the rights, duties and responsibilities that Rai has with the stakeholders it interacts with when performing its activities. It is addressed to the corporate officers, the Chief Executive Officer, the senior managers, employees, collaborators and everyone that has business and/or financial relations of any type with Rai or that act on its behalf on the basis of specific mandates.

The Code of Ethics was drawn up for the entire Rai Group so is binding for all companies controlled directly or indirectly by the Parent Company. The Code is valid both in Italy and abroad, with any adjustments needed for the different situations of countries where Rai operates, also through its subsidiaries.

The Code is broken down into three macro-areas:

1. initially, to underscore its importance, the principles considered essential by the Group are set forth: correctness and transparency; honesty; observance of the law; pluralism; professionalism; impartiality; value of the human resources; integrity of the people; confidentiality; responsibility towards the community; fair competition;
2. afterwards the general principles of conduct are described, which must tangibly guide Rai's activity: diligence, correctness, good faith and loyalty, including with reference to the use of digital devices (e.g., websites, blogs, forums, social networks); information and transparency; protection of the company's assets; respect for privacy; prevention of conflict of interest; strict policy concerning gifts and acts of courtesy;
3. lastly, the various areas deemed relevant and "critical" from the behavioural correctness viewpoint are specified, as well as specific methods of implementation and the supervisory programme.

In particular, the following are regulated in the Code of Ethics:

- the relationship with personnel, with special attention paid to promoting merit, equal opportunities, occupational safety and environmental protection;
- administrative and financial management, which emphasises the essential role of an internal control system;
- relations with the Public Administration with regard to conflict of interest, risk of corruption and abuse of power;
- the relationship with suppliers and collaborators, underscoring the obligations of transparency, correctness and discrimination when selecting the supplier and execution of the contract, and commitment to protecting ethical aspects along the supply chain;
- the relationship with customers and users, particularly the obligations required by the Service Agreement such as protection of minors and minorities, a socio-cultural function, a varied and quality programming;
- protection of the share capital and of the creditors;
- relations with the other interlocutors, highlighting the obligation of independence from critical subjects such as political parties and trade union organisations.

The monitoring of these areas and the assessment of reports of alleged violations are ensured by the "Permanent Committee for the Ethical Code" which reports to the Chief Executive Officer; it ensures information flows to the RAI Supervisory Board pursuant to Legislative Decree 231/2001 and periodic reporting on the initiatives taken as a result of reports received with evidence of the relevant outcomes. Moreover, specific information flows between the Commission and the Officer in charge for Preventing Corruption (RPC) are ensured in case of reports related to possible corruptive behaviours, including those abstract in nature, with evidence of the relevant outcomes.

Other aspects to be highlighted are the provision of a confidential email address for reports of alleged violations of the Code and the related penalty system, as well as the training of personnel on the principles and ethical rules set out in the Code.

The Organisation, Management and Control Model

All companies part of the Rai Group are formally autonomous in adopting their risk control and management mechanisms, and they are bound only to the Code of Ethics, which is valid for all Group companies. What is fundamental, however is the policy function carried out by the system of the Parent Company, from which the other companies draw inspiration.

In carrying out its management and coordination activities, Rai SpA promotes and fosters the independent performance by its subsidiaries, which are individual recipients of the requirements of Legislative Decree 231/2001, of the activities of preparation and revision of its Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, providing indications also considering the Group's organisational and operational structure. It also promotes the adoption of general principles to ensure legality also at associates.

The most recent update of the Organization, Management and Control Model (MOGC), adopted by Rai SpA pursuant to the aforementioned Decree on the administrative liability of entities, was approved by the Board of Directors on 29 July 2020 and

2 In particular, the new sections relating to the offence categories "racism and xenophobia", "fraud in sporting competition, betting and gambling", "tax offences" were introduced, with the identification of sensitive activities and specific control standards considered relevant for these offences. With regard to the regulatory changes that have occurred since the July 2020 meeting (see Legislative Decree No. 75 of 14 July 2020 on "Implementation of EU Directive 2017/1371, on the fight against fraud affecting the financial interests of the Union by means of criminal law"), the transposition of the related measures into the Model is in progress.

includes the legislative amendments [2] and changes in the organizational and governance structure that have occurred in the meantime.
The control standards are drawn up not only on the basis of the principles and indications contained in the Confindustria Guidelines, but also on the basis of international best practices.
The Model also contains a description of the methods and responsibilities for approving, implementing and updating the Model. Proposals for updates and/or adjustments, submitted by the Chief Executive Officer to the Board of Directors, are prepared by a special team called "Team 231".

The Supervisory Body is entrusted with updating the Model and supervises its suitability and effective implementation. The Supervisory Body of Rai SpA is a body established pursuant to the Articles of Association, and has autonomous powers of initiative and control to exercise its functions, and reports to the management board (Part IX, Article 32 of the Articles of Association). It is a collective body with two external members, one of whom takes the chair and the Internal Audit Manager pro tempore, depending on the function performed.
The Supervisory Body carries out specific interventions and monitoring in order to check the adequacy of the Model and to ascertain the level of effective implementation and efficiency of the prevention system, and also in-depth study and preliminary investigations on the subject of compliance with the provisions.
Special attention is reserved for the results of audits conducted by the Internal Audit Department and monitoring of the resulting corrective actions identified to improve company efficiency and strengthen controls established to prevent crimes.
The Supervisory Body promoted and supported the launch of the Risk Assessment on "231" risks, with the aim of keeping the framework of risks with an impact on the Model updated and ensuring the adequacy of the crime prevention system. This activity is part of the broader Integrated Risk Assessment Project mentioned above.
Every six months, the Supervisory Body, collectively, sends the Board of Directors, the Board of Statutory Auditors and the Chief Executive Officer a Report on activities carried out and on the other information established by the Model, expressing its recommendations for the best suitability and effective implementation of the offence prevention system indicated in the regulation referred to.
In addition, training initiatives and seminars are promoted for management and employees. During 2021, the provision of new e-learning training on both the general aspects of Legislative Decree no. 231/2001 and the specific profiles of the Rai Model continued, as well as the periodic publication of the newsletter specifically intended for communication and updating on "231" issues.

As part of the supervision of areas sensitive to the risk of committing crimes, on the monitoring of risks, on new procedures and on any critical issues, the Body continued to monitor in a strengthened way – considering inter alia the persistence of the national health emergency – the risks of committing predicate offences for the purposes of the administrative liability of the Entities related to the cases of culpable crime referred to in Article 25-*septies* of Legislative Decree no. 231/2001 (manslaughter and serious injuries in violation of the rules on the prevention of accidents at work).

The functions of the Supervisory Body of the non-listed subsidiaries are carried out by the respective Boards of Statutory Auditors. On 28 January 2021, the Rai Board of Directors resolved on the separation of functions between the Supervisory Body and the Board of Statutory Auditors for these companies, approving the directive that they take all the necessary initiatives aimed at achieving separation, in order to establish the Supervisory Bodies as autonomous internal control bodies for the purposes of Legislative Decree 231/01. The functions of the bodies will continue to be carried out on a transitional basis by the respective Boards of Statutory Auditors in anticipation of the appointment of the new Supervisory Bodies.

Anti-corruption

Considering the heavily regulated context in which the Company operates and the business of reference, anti-corruption is a significant issue for all of the Group's companies. In particular, it is emphasised that Rai has acquired procedural and organisational tools over the years that are able to manage and monitor what is established by the current legislation on the subject.

Specifically, the monitoring of this issue is handled individually by each Group company: in fact, they have their own Three-year Corruption Prevention Plan (PTPC) or an MOGC pursuant to Legislative Decree 231/2001 which includes the Anti-Corruption provisions, as well as a Corruption Prevention Manager (RPC) or an Anti-Bribery Representative. In this regard, as part of its management and coordination activities carried out with regard to its subsidiaries and in compliance with the logics set forth in the regulation issued on 29 December 2014, Rai SpA ensures that the subsidiaries identify the aforementioned roles and adopt their own PTPC or MOGC that includes anti-corruption provisions.

Since 2015, the Board of Directors of Rai SpA, in compliance with Law 190 of 6 November 2012, containing "*Provisions for prevention and repression of corruption and illegality in the Public Administration*", has appointed a Corruption Prevention Manager and has adopted the Three-year Corruption Prevention Plan (PTPC) of Rai SpA, then presented to ANAC, which also indicates the implementation standards and criteria for Rai's subsidiaries.
During the following years, the PTPC was updated, re-projecting

structure, method and logic. The main changes introduced were the result of three separate activities: implementing the National Anti-corruption Plan, the guidelines and recommendations of ANAC, Risk Assessment and analysis of the results of audit reports and investigations into notifications received.

In the PTPC (last updated in February 2022) published also in English on the official website www.rai.it/trasparenza and to which reference should be made for further details, the process of identification, assessment and management of corruption risk is clearly identified; it analytically lists the possible areas of risk that can be linked and the probability and impact assessment indices, based on the Risk Control Self Assessment.

Identification of the risk areas and of the related activities was periodically monitored within the scope of the Annual Information Forms drawn up by the single Anti-corruption Representatives if it was requested to confirm the overall mapping for the areas of competence and related risk assessment. Moreover, in the perspective of monitoring these Areas on an interim basis, specific flows of information, set out in the methodological notes, going to the RPC from the Representatives in charge were made operational.

The objective of the current Integrated Risk Assessment Project already mentioned above is also to enable the implementation of an increasingly integrated internal control and prevention system, taking advantage of the opportunity, indicated by Law 190/2012, to adopt new measures and/ or consolidate those already in place through coordinated action, in order to fight the phenomena of corruption and illegality more effectively.

Specifically, the PTPC adopts the following tools to support the prevention of risk:

- transversal control principles that apply to all processes and the company areas;
- specific protocols for the "General Areas" set out in the National Anti-Corruption Plan (PNA);
- anomaly indicators, identified on the basis of experience/ knowledge and that can stimulate management to pay more attention to its activities.

The function of Anti-corruption Representative is aligned with the organisational changes underway. As of today, it is covered by the heads of Top Management organisational structures (those reporting directly to the Chairperson, the Chief Executive Officer, Chief Officers and all Management heads), the Heads of Regional Offices and of the Regional Editorial Offices of Regional News, the Heads for foreign Correspondence Offices and the Heads of the TV Production Centres of Rome, Milan, Naples and Turin.
To further enhance these roles and update them continuously, a periodical newsletter system is active, as well as a specific dedicated area on the company intranet network containing important data, documents and information on anti-corruption and transparency, with a section reserved for managers and one accessible to all employees.

In addition, the training plan already launched in previous years, aimed at covering all Rai employees, continued. The *Anticorruption* e-learning course, the new edition of which was launched in March 2021, is divided into three modules: i) Introduction *The SCIGR of Rai SpA*; ii) Module 1 *Regulatory Framework*; iii) Module 2 *PTPC* and *PTCA* of Rai SpA.
The training plan involved 830 employees during the year. As soon as the health emergency is over, the possibility of specific in-person sessions for specific targets will be evaluated.

As concerns transparency, considered one of the main anticorruption levers and measures available to the Company by the PNA, it is worth mentioning Law 220/2015 Reform of the Rai and the Public Broadcasting Service introduced important company transparency changes; consequently, on 28 May 2016 Rai prepared and adopted the Plan for Transparency and Company Communication (last modified in April 2021 and currently being updated), establishing the criteria and methods for defining, publishing and updating the data, documents and information set forth in regulations in force.

That data was published on the Company website in the section called *Rai for Transparency* as of 25 July 2016. The aforementioned Plan replaces the previous *Three-year Program for the Transparency and Integrity of Rai SpA*; as a result, the Head of Transparency no longer exists (that responsibility had been assigned to the Head of Corruption Prevention). The relative responsibility has been attributed to the Chief Executive Officer.

Other information

Human Resources and Organisation

Rai pays particular attention to the recruitment, management, development and empowerment of human capital, considered a strategic factor for corporate growth, in a perspective that supports and promotes the creation of value and the achievement of corporate objectives, while ensuring sustainable results and full employee engagement.

With this in mind, Rai:

- adopts strategies for managing and developing the company's human capital, organisational structure, design and operation of the processes in line with the vision, value and culture of the Rai Group; human resources selection, management, development and compensation activities are implemented according to performance management models and in an HR business partner perspective, guaranteeing fair industrial relations and ensuring compliance with labour legislation;
- ensures the development of the organisational structure, design functions and operation of the processes, support computer systems, and monitoring of the administration activities and management of the remunerations, labour cost dynamics and optimisation and control functions connected with the activities of the personnel;
- ensures, through the Rai Academy, personnel training and research activities as well as the development of the "knowledge hub" and the alignment of skills with company strategies;
- promotes an appropriate working environment from the point of view of employee safety and health, taking all necessary measures.

In line with the Company's strong roots in the country, the supervision of processes relating to human resources management is partially delegated to specific Departments, in line with centrally defined regulations and administrative procedures.
In compliance with government measures on the containment of the virus and interpersonal distancing and in order to protect the health of workers and preserve the production facilities on whose operation the continuity of the public service depends (especially studios dedicated to national/regional news and in-depth information programs), Rai continued to facilitate the use of flexible forms of work (so-called smart working) providing staff with all the tools and equipment necessary to carry out work in total safety in presence in cases of activities incompatible with the remote work model.
In this context, Rai Place, the company intranet has proven to be fundamental, providing the regulatory and operational reference (company regulations, press releases, instructions for accessing virtual workstations to install and use audio/video services and for the use of all the tools useful for remote work, etc.), and training for all employees.

Maintaining remote work was made possible thanks to an effective telematic infrastructure that has allowed remote connection to the company's IT systems to all employees involved.

Workforce and turnover

With reference to Rai's workforce[1], there was a decrease of 113 employees during 2021, from 11,611 employees at the beginning of the year (of which 161 with fixed-term employment contracts) to 11,498 at the end of the year (of which112 with fixed-term employment contracts).

Permanent employees decreased from 11,450 employees at the beginning of the year to 11,386 employees at the end of the year. This decrease of 64 employees is determined by the exit of 490 resources, of which 214 were incentivised, and the hiring of 426 resources, of which: i) 157 due to the transformation of staff with a previous fixed-term contract to permanent status; ii) 151 due to stabilisation - in application of the framework agreement on active policies of 13 December 2018 - of resources previously used with self-employment contracts and found eligible by the relative internal assessment, so called atypical personnel; iii) 96 for new apprenticeship contracts; iv) 3 for litigation; v) 9 for entries from Group companies.

As regards fixed-term personnel, there was a net negative balance of 49 employees, from 161 employees at the beginning of the year to 112 employees at the end of the year. In this regard, during the financial year, 81 journalists were hired through a public selection procedure for TgR. These resources will be converted to permanent contracts in the course of 2022.

Personnel Selection

The activities relating to the search and selection of personnel at Rai are carried out based on a specific operational procedure ("*Criteria and procedures for recruiting staff and awarding collaboration contracts*") consistent with the "*Three-year Corruption Prevention Plan*" and the "*Corporate Transparency and Communication Plan*". Before starting the process of recruiting personnel on the market, a survey of the availability of adequate internal resources in terms of quality and quantity to fill the positions sought is carried out.
Personnel recruitment is carried out in accordance with the principles of transparency, publicity and impartiality for objective, motivated and tracked needs of the Company. The

1 The permanent Rai staff includes the top figures to maturity.

criteria for selecting and assessing candidates are identified in advance, adequately documented, specific and objective, linked to the Company's actual needs, consistent with the characteristics required for the role to be filled. All stages of the process are justified, documented and tracked, systematically and consistently.

Recruitment notices for external candidates are published on the Company's official website and/or other channels or social media. The selection of candidates, managed directly or with the support of specialised external companies, generally consists in the evaluation of qualifications and study and professional experiences, in the administration of tests (tests, written papers, hands-on tests, etc.), in the conduct of professional and/or cognitive and motivational interviews that are adequate to and consistent with the profiles sought.
For the recruitment of management and/or specialised profiles, given their uniqueness and the highly competitive context characterising the radio, television and multimedia sector, Rai, having previously verified the absence of such professional skills within its organisation, may entrust the search for personnel to specialised companies as an alternative to competitive selection procedures, ensuring in any case publicity, transparency and traceability of the selection process.

Despite the limitations resulting from the rules to be adopted to counter the spread of the Covid-19 virus, with regard to recruitment policies, during 2021:

- selections were held for the figures of technician and production specialist, aimed at identifying 20 and 35 resources, respectively, to be included in the workforce. As anticipated, due to the health emergency, the selections were carried out using largely remote operating methods;
- the evaluation activity on the suitability of resources for different professional figures continued, in compliance with mandatory recruitment obligations deriving from Law 68/99 (*Rules for the right to work of the disabled*);
- the professional journalist selection process was completed in the month of May, in accordance with trade union agreements signed with Usigrai, with the aim of identifying 90 units to be employed at the TgR Regional News;
- specific selections were held for the unique territorial realities of Friuli-Venezia Giulia (Italian- and Friulian-language programmers) and the Autonomous Province of Bolzano (journalists and clerks);
- competition selections were launched for various profiles in the TV production area (assistant directors, camera operators, editors);
- the search for resources for specialist profiles continued.

In all the cases, new resources are hired on a permanent basis, with a professional apprenticeship contract pursuant to article 10 of the RAI Collective Labour Agreement for middle managers, office staff, and workers. The use of fixed-term contracts is predominantly applied to: (i) workers belonging to the compulsory employment service, in respect of whom there are recruitment obligations in relation to the staff in service as well as commitments undertaken under the agreement signed with the Disabled Employment Placement Service of the Lazio Region; (ii) widows and orphans of employees who have died while employed with the company.

Personnel management

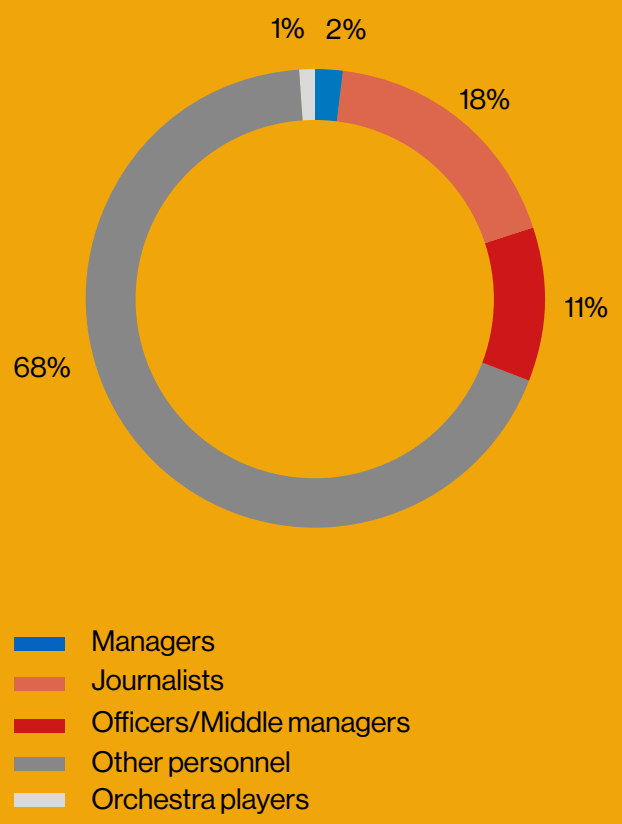
In the area of personnel management, the main initiatives implemented by Rai during 2021 concerned not only the management of the so-called entry plan of the resources that proved suitable in the selective initiatives carried out in past years and/or in the year under review and the aforementioned stabilisations, but also:

- the use of remote work, where compatible with the tasks performed, in consideration of the persisting epidemiological emergency and the consequent need to limit the presence of workers on company premises;
- the extraordinary voluntary redundancy incentive plan of journalistic staff, middle managers, office staff and workers;
- internal review activities aimed at identifying, also by means of job postings, the resources required by the various corporate Structures (in particular, by the Departments recently set up or affected by organisational reorganisations).

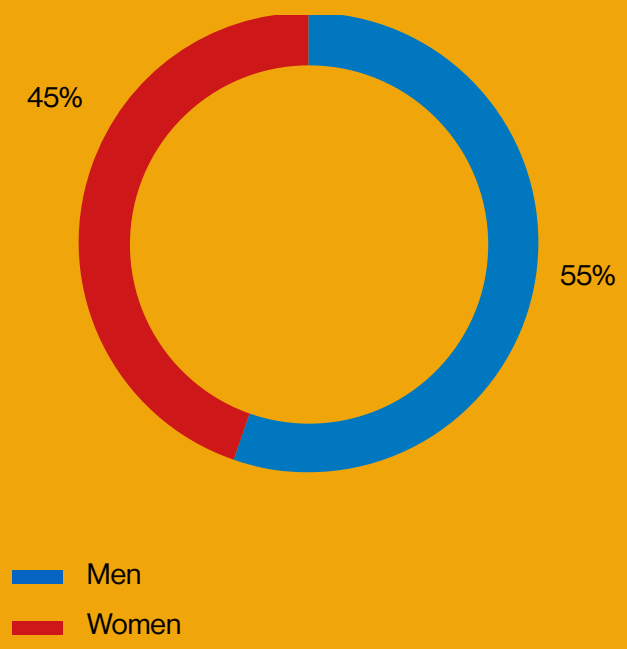
With specific reference to staff development and enhancement activities, the following main initiatives should be noted:

- promotion of the *online curriculum vitae* tool, in order to ensure that the necessary up-to-date and detailed information is available to support personnel management processes;
- identification of staff resources in order to: i) detect job developments in other professional profiles; ii) recognise, at a contractual level, the qualification of employees holding a degree of interest to the Company through an adjustment of the economic treatment and a specific career path;
- completion of the operational phase of the Skills Project aimed at developing a support system for the management of human resources centred on professional know-how. The Rai skills model resulting from the aforementioned Project will allow: (i) acquiring more detailed and targeted information on the existing skills within the company for the professional roles and profiles concerned; (ii) determining the main strategic human resource planning actions (planning, development, training and possibly recruiting); (iii) identifying, in a timely manner, areas for investment in the development of the skills needed to meet the operational needs of both individuals and the organisation. Following the adoption of the new Skills Model, during the year, some first initiatives were activated to implement the model within the personnel management and development processes: More specifically:
  - recruitment initiatives, including competitions, training courses for apprentices for the so-called

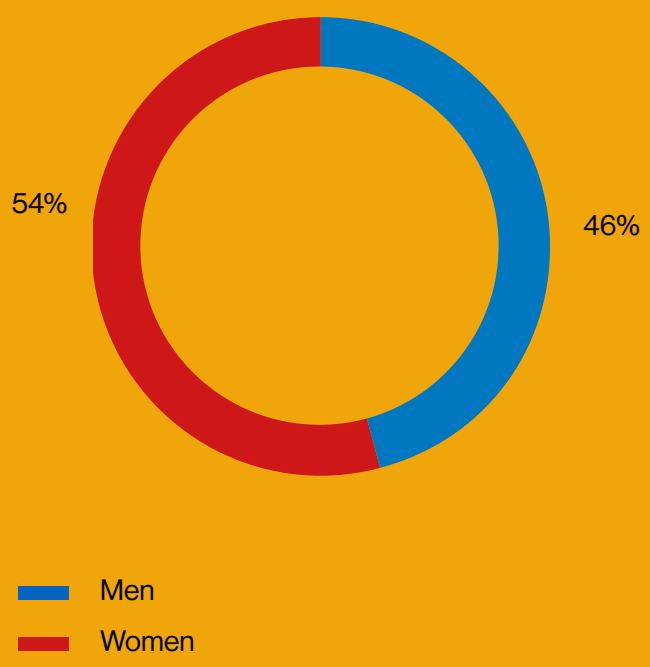
Breakdown of workforce by macro categories



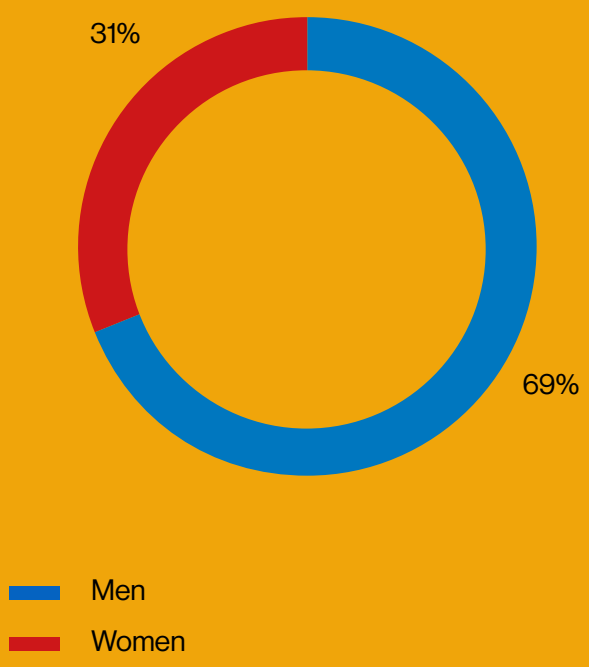
Staff Breakdown by Gender



Breakdown of hires by gender



Breakdown of terminations by gender



"professionalising" part were aligned with the skill sets defined in the Skills Model for the roles concerned;
  - a new skills mapping initiative was designed, aimed at acquiring, through dedicated survey tools, a "snapshot" of the set of skills of the staff classified as "Multimedia Programmer", in order to prepare targeted training courses on the needs of the profile of interest and activate any further management/development initiatives (launch in the first half of 2022);
  - the new performance evaluation report was implemented, with a new section dedicated to the assessment of skills (overarching and specialist);
- launch, by the disability management area, of a cognitive survey aimed at acquiring useful information to favour a more structured and effective approach in the management of any needs of staff with disabilities. The employees involved were individually contacted and, on a voluntary basis, specific meetings were organised electronically – considering the particular health emergency situation – during which each employee could illustrate their needs in relation to the accessibility of the environment and work tools, the balance between work organisation and health conditions and beneficial inclusion in the work context. The reports received from employees themselves made it possible to identify and prepare the actions necessary to remove possible architectural barriers present in the Company. In addition, a training plan on disability management was defined in cooperation with the University of Tor Vergata, in order to support the path taken by Rai towards widespread responsibility and a conscious culture of welcoming and valuing people with disabilities in its organisational and management structure;
- awareness and support to corporate structures in order to prevent claims relating to possible demotion and/or de-skilling or to define, with appropriate settlement solutions, pre-litigation situations;
- examination of the conduct reported in violation of the company regulations, the Code of Ethics, the 231 Organisational Model and the Three-year Plan for the Prevention of Corruption and determination of the consequent disciplinary actions. The investigations mainly concerned: i) issue of improper statements to the press or on social media; ii) inappropriate behaviour towards colleagues or third parties; iii) lack of diligence; iv) performance of unauthorised external activities; v) arbitrary absences; vi) absences at medical check-ups; vii) failure to observe working hours; viii) improper use of company cars. Moreover, particular attention was paid to the failure of the staff to adopt anti-Covid-19 measures, in order to guarantee a healthy and safe working environment for all Rai employees and collaborators.

Despite the emergency period and the consequent use of remote work, the activities indicated were carried out without interruption, favouring even more effectively the direct relationship with employees in order to guarantee constant attention to the needs of the resources managed.

Staff training

In setting up the Training Plan 2021, great attention was paid to ensuring that training activities were always available, flexible and easily accessible by all employees, with approaches, teaching methodologies and user channels gauged to organise an adequate learning environment for the development of the required skills.

Given the persisting restrictions imposed to face the pandemic situation, in recording the consolidation of the habit of participation in training initiatives in distance learning mode and/or in self-learning mode through e-learning courses, 2021 was characterised by the design of new initiatives consistent with the aim of making training available "anytime and anywhere", in addition to the approximately 150 titles in the Catalogue.

Within the framework of LOGIN - Plan for Apprenticeships, an extensive reworking was carried out in 2021. Most of the courses were redesigned in distance learning (e-learning or training webinars, depending on the subject matter), in order to guarantee training coverage, within the distancing constraints imposed by the pandemic emergency.

In any case, great care was taken to keep alive the initial spirit that has always animated the apprenticeship training programme, to achieve the rapid and effective integration into the working environment. In this regard, a new webinar format was developed for the welcome event, which previously engaged apprentices by inviting them to spend a day at an iconic company site (Teatro delle Vittorie *Studio di Porta a Porta*) and meet Rai's Top Managers and the testimonials of our TV programmes. The experience involved around 150 newcomers. The apprentices were also invited, via a survey, to indicate the areas or business processes they would like to know about. Based on their feedback, a cycle of web events was constructed, tailored to the preferences of the majority. The initiative, called *Esplora la Rai*, allowed them to experience business models and processes different from those in which they operate on a daily basis, thus gaining a broad knowledge of the Rai reality, albeit in a virtual mode. The cycle, realised in three editions, each of four appointments, has seen the participation of about 460 apprentices, developing an unprecedented path between innovation, conception, production and realisation of the Rai product, with the support of the CRITS, Rai Fiction, Rai Due and TV Production Departments.

The onboarding initiatives mentioned so far have been followed by professional training plans, which accompany the apprenticeship course for three years.

As part of the broader 'Gender Equality' project, conceived to promote actions for gender rebalancing within the company and a reduction of the gender pay gap, a wideranging and articulated training initiative was carried out. It saw, in the first phase, the performance of a survey, in the form of an online questionnaire for

all employees, aimed at acquiring opinions (perception index) of the company population about the attention to gender equality and its expression in Rai; in a second phase, 5 distance learning appointments were organized, dedicated to providing basic knowledge of certain aspects related to the value of diversity and inclusion, the management of plurality (age, gender) and the levers related to the expression of female leadership, with a final workshop, aimed at identifying some company operational proposals regarding the topics covered.

With a view to enriching the Catalogue permanently available through Rai Place to all employees, the activity of designing and producing new courses that are tailored to Rai's needs and homogeneous in stylistic terms has been activated: it is worth mentioning in particular an e-learning training course that will focus the creative and production process at the base of four of the best international productions of radio, TV and web broadcasters, awarded at the 2020 edition of the Prix Italia, with the aim of responding to the need for updating by professional figures related to the world of audiovisual and web production.

New initiatives, in addition to other events replicated from year to year, were also implemented in the area of professional training, on specific emerging topics.

On 5 November, a web conference seminar on the process of transition to the new television networks (so-called switch off) was organised for all the Rai personnel involved, in cooperation with the Ministry of Economic Development, with a specific focus on the New Digital TV Communication Plan and the tools to support citizens for the transition, which was attended by over one hundred resources.

Thinking of a different audience, i.e. colleagues from the publishing world, a new cycle of courses was launched, aimed in particular at the image researcher, to frame the theme of photographic and video contributions both from the point of view of Rai regulations and policies, and through targeted training on corporate applications useful for the retrieval of audiovisual material.

Collaboration with the School of Perugia was also resumed to reactivate the courses on diction and expressive techniques for journalists, previously suspended due to difficulties arising from the pandemic context in the management of in-person training; the first two editions, organised at the end of 2021, involved colleagues from the Giornale Radio.

In the historically best covered area, relating to mandatory training activities in terms of Compliance and Safety, training offering was renewed, with new courses concerning the RAI MOGC and the Company's Three-year Anti-Corruption Plan.

In addition, the last of the massive training campaigns on Health and Safety at Work, the Specific Safety Training campaign was launched in June, targeting more than 9,000 participants.

For an overview, more than 130,000 hours of training had been delivered by 31 December 2021, involving 89% of the staff.

Social Security and Welfare

Rai's welfare strategy aims at ensuring, with an intergenerational vision, the centrality of individuals and their needs, closeness to local communities and social realities, attention to families and the inclusion of people.

In line with the previous year, in 2021 Rai granted its employees a credit that can be spent through the use of a 'Welfare Platform' that ensures access to a wide range of services and benefits (refund of "social" expenses advanced by employees; services paid with vouchers; coupons, shopping vouchers and fuel vouchers for use at participating businesses).

Welfare credit is added to other protections that have been traditionally provided at the company for several decades and that, in a reconstructive perspective and in the light of their underlying aims, can be counted among the welfare benefits in a more modern sense, namely:

1. supplementary pension for different categories of employees, with the aim of ensuring a supplementary pension benefit in addition to that provided by the public social security system. This includes two negotiated funds of the Group companies (CRAIPI for middle managers, office staff, workers and players; FIPDRAI for senior managers) and a national negotiated fund for journalists (Fondo previdenza complementare dei giornalisti italiani);
2. supplementary healthcare for different categories of employees, with the aim of providing additional benefits to those of the public health system. Again, there are two company funds at Rai (FASI for middle managers, office staff, workers and players; FASDIR for senior managers) and a national negotiated fund for journalists (CASAGIT).

In addition, from a labour law perspective:

- the study and regulatory support activities continued on innovative issues, largely induced by emergency legislation, such as the management of quarantines and sickness, and the use of unilateral *remote working*, with the preparation of the relative company and individual extension notices in relation to the evolution of the regulatory framework, which is often subject to change;
- regular institutional relations were maintained with the social security institutions in the presentation of company cases relating to the various benefits concerning individual employees (parental leave, leave for disabled assistance, illness and special protection against the Covid-19 pandemic, etc.), or on cases of company interest (updating of insurance positions for entertainment workers, new INAIL regulations for self-employed entertainment workers, etc.).

Labour Relations

The promotion of an ongoing dialogue with workers' representatives is an important commitment for the Rai Group. Trade union activity is particularly complex due to the considerable heterogeneity of job profiles at the company, which are covered by four different collective labour agreements: senior managers; journalists; middle managers, office staff and workers; orchestra players.

The various meetings with the trade unions (OO.SS.) led to the

signing of several agreements. These include those relating to:

- Result Bonus. Agreements were signed concerning the 2021 performance bonus for orchestra professors and the 2022 performance bonus for executives, office workers, blue collar workers and journalists. These Agreements link the payment of the Result Bonus to the achievement of: i) a positive value - in the financial statements of the Rai Group - of the item Result of the year; ii) incremental values of the parameters of quality, innovation and productivity;
- completion of the implementation fulfilments of the previous contractual renewal agreement (28 February 2018) with particular reference to the profiles: i) Production Specialists Regional Headquarters; ii) Specialised Workers; iii) Programmers and Clerks; iv) Multimedia Programmer.

With reference to the personnel falling under the Contract for middle managers, office staff and workers, during 2021, the contract renewal negotiations started at the end of 2020 was further developed, primarily through the work of the Company/Trade Union Technical Commissions (tasked with exploring specific issues, such as the regulation of smart working), and, subsequently, by means of a confrontation between the Company and the National Secretariats/Contractual Delegation. On 9 March 2022, the contract renewal hypothesis was stipulated and approved by a large majority of the workers.
Finally, as part of the periodic meetings of the National and Territorial Committees for the health emergency, in line with the provisions of the "*Guidelines for Phase 2 of the health emergency*" of 17 June 2020, updates were provided to the Trade Unions on the issues indicated in the Protocol and answers on the specific questions.

Organisation, Processes and Systems

In line with the strategic guidelines outlined in the 2019-2021 Business Plan and in its capacity as exclusive concessionaire of the Public Service, the Rai Group's offer is divided into linear (distributed mainly through TV and radio channels accessible via satellite, digital terrestrial and Rai digital platforms) and non-linear, accessible via PC, mobile devices, Smart TV and via app.
Organisational activities in 2021 were characterised by the continuation of organisational interventions arising from the guidelines and elements of the 2019-2021 Business Plan, as well as interventions on the internal organisation of some Departments aimed at strengthening company performance, aligning organisational structures to business needs and ensuring regulatory compliance.
More specifically, with reference to the publishing sector, the development of the Genre Model continued with the establishment of the Sport and Digital Content Departments and the assignment of missions to the Genre Departments. In addition, interventions aimed at promoting the Italian 'product' abroad (through the establishment of the Foreign Offering Department) and at strengthening the Public Service objectives (through the definition of the organizational structure of the Institutional Channel within the Rai Parlamento Department).
In terms of internal operating rules, the main document sources defined/updated are: i) the *Commercial Communication Policy*; ii) the *Policy on the Outsourcing of Legal Services*; iii) the document *Criteria and Procedures for Personnel Recruitment and for the Conferral of Independent Work Assignments*; on this last point, the new process document was also formalised. In addition, the process for the *Planning of works and purchases of supplies and services* and other minor ones were defined. Furthermore, the definition of the processes necessary to enable the operation of the Genera Model was started.
Lastly, with reference to personnel IT systems, also considering the organisational and operational repercussions of the epidemiological emergency, Rai has consolidated the process of digitising processes and updating devices to ensure that employees working from home can carry out their operational activities correctly.
In general, the evolutionary action of the IT systems has been directed towards the following two main lines: (i) enhancement of self-service management functions by employees, in particular by streamlining secretarial activities for absence management; ii) consolidation of the smart working management process and automation of recurring activities; iii) design of the new IT system for personnel systems [Centralised Master Data, Pay Roll (payroll process), Time Management (attendance and travel management), Labour Costs and Shift Planning], with the aim of discontinuing applications in the 'mainframe' environment, in favour of the use of new IT solutions; iv) implementation of a special application for the management of corporate vaccination.

Real Estate Assets and Services

The Rai real estate assets include about 130 sites spread throughout the country, including properties and leases, totaling - as at 31 December 2021 - almost 760 thousand gross square metres, in addition to correspondence offices in 11 different countries. They include properties of particular architectural and historical importance, including the General Management building in viale Mazzini and the Radio Directorate building in via Asiago in Rome, the Production Center in Corso Sempione in Milan, Palazzo Labia in Venice and the regional offices in Florence. They are divided into offices and editorial offices (37%), television and radio studios and production technical areas (31%), garages, warehouses and other service areas (32%).
The main purposes of use are linked to production activities in the four Production Centres in Rome, Turin, Milan and Naples (about 58% of the total), followed by the Regional Offices (22%) and the head offices in Rome and Turin (20%).
Enhancement of real estate at the Group level is entrusted to Real Estate Assets and Services, which optimizes its management by planning both ordinary and extraordinary interventions and develops and controls services related to real

estate and individual and office equipment.
As part of the rationalisation and valorisation of real estate assets, the disposal procedure - started in 2019 - was successfully concluded with the sale of the property in Turin Via Cernaia 33 on 1 December 2021. In addition, in line with the campaign to rationalise and renegotiate leases payable, the property in Rome Via Sambuca Pistoiese 51-53 was disposed of and handed back to the Owner, subject to the transfer of some activities to the nearby property in Via Salaria 1031.

Many works were also carried out during the year, in particular the activities to adapt the main company premises to fire prevention regulations. In September, the Fire Department approved the permit submitted for the TV Production Centre in Rome, Via Teulada 66; at the Production Centres in Milan, C.so Sempione 27, and Turin, Via Verdi 16, the adaptation works necessary to obtain the certifications proceeded. Adaptation works are also under way at the Regional Headquarters in Venice, Palazzo Labia, whose completion date has been rescheduled for the end of 2022.
Major upgrading and adaptation works, mostly in the plant engineering field, are currently being prepared at the Viale Marconi Production Centre in Naples. At the Centro Studi Nomentano in Rome, work has begun on the upgrading and adaptation of the TV6 television studio, with a surface area of approximately 800 square metres, and at the Saxa Rubra Centre, work has begun on the construction of two new buildings to house two television studios, with surface areas of 600 square metres and 800 square metres, and the related appurtenances (control rooms, equipment rooms, etc.).
The campaign to assess and adapt the company's buildings with respect to seismic risk continues: the adaptation works were completed on buildings E South and I of the Saxa Rubra Centre, while procedures were started for seismic upgrading work on the Ancona Via dell'Industria and Bologna Viale della Fiera premises.
The plan for the implementation of BIM (Building Information Modeling) in the management of the entire real estate assets, aimed at optimising maintenance and facility management, saw in 2021 the conclusion of the modelling of the buildings of the Rome Production Centre (Via Teulada 66, Teatro delle Vittorie, Centro Studi Nomentano, Via Asiago and Via Salaria) and Milan Corso Sempione, in addition to those already prepared for the Bologna Viale della Fiera Regional Headquarters and the Saxa Rubra Centre. The activity is aimed at creating an organic and homogeneous management system for the entire life of the building, through the sharing of information during all phases of the building process, thanks also to the integration of 3D models and related data in the Rai GPIRai Real Estate Management database.

Contacts continue with the municipal administration of Sestu (CA) for the possible construction of the new Regional Headquarters of Sardinia on land owned by RAI (a former disused broadcasting centre), subject to the signing of a Memorandum of Understanding.

During 2021, the collaboration with the Corporate Health Service and the Covid-19 Emergency Management Unit was also intense, aimed at continuing to guarantee the appropriate safety measures for the continuation of activities within the Rai premises. Among these, the distribution of personal protective equipment continued; the detection of body temperature; the availability of sanitising gel dispensers and the provision of signs for the respect of social distancing in common service areas. Green Pass checks were set up at the entrance to company sites, in compliance with privacy regulations, and extraordinary sanitisation of working environments was carried out for a total of about 2.5 million cubic metres of treatment at the Rome, Milan, Turin and Naples sites and in the Regional Offices.

Safety & Security

As a generally accepted principle, a company's fundamental objective is to ensure its production without compromising the ethical and regulatory obligations of protecting the health and safety of its workers. Rai has harmonised its public service mission with the main objective of ensuring a safe, integrated and sustainable environment for staff and for all third parties involved in company activities and, in line with this purpose, since the beginning of the Covid-19 pandemic, it has implemented every

1. Raiheadquarters in Viale Mazzini, Rome
2. The Biagio AgnesProduction Centre, in Saxa Rubra, Rome
3. The building in Via Sambuca Pistoiese, Rome


possible action for the protection of health and safety at work.

With reference to 2021, it should be noted that, since March, the operational management of the coronavirus emergency has passed from the Task Force (TF) to the Safety & Security Department, and in particular to the Covid Management Unit (NGC) specifically established.
Safety & Security has thus played a supervisory and coordinating role in the Company in terms of health emergency and, in line with the emergency regulations issued by the Government, conduct guidelines and specific anti-contagious procedures for employees, guests, collaborators and suppliers has been updated, as well as collaborating on the development of specific cooperation and coordination protocols for each production, which dictate the rules to be followed by all subjects, both corporate and non-corporate, involved in television, radio and web production in the preliminary and broadcasting stages. NGC ensured, as did the TF, continuous dialogue with workers through the specific mailbox taskforce@rai.it, while the Corporate Health Service managed emerging criticalities and was a point of reference in health matters for workers with the mailbox ssa@rai.it and support for vaccination exemptions, through the mailbox ssa.esenzionevaccinale@rai.it.
The Corporate Health Service has therefore continued with its actions to contain the Covid-19 emergency within the company to ensure the health protection of all workers involved in business continuity. A special effort was dedicated to major production events such as the *Sanremo Festival* - for which a specific preventive protection protocol was defined, in agreement with the territorial Public Health Service - the *Tokyo Olympics*, which took place in the midst of an epidemic recrudescence, and the *Cortina Ski World Cup*, for which health protocols were applied for working at high altitudes.
Also in 2021, Rai continued to provide all the workers present in the Company with adequate personal protective equipment in relation to the various and specific activities carried out and in compliance with government lines regarding the extension of the state of emergency, guaranteed the continuation of smart working.
The fruitful dialogue between the Prevention and Protection Service and the workers' safety representatives and between the Company and the social partners continued, in line with the "*shared protocols for regulating measures to combat and contain the spread of the Covid-19 virus in the workplace*" of 14 March and 24 April 2020, renewed on 6 April 2021.
During 2021, the Prevention and Protection Service ensured that the risk assessment was updated, devoting special attention to the issue of work-related stress, for which the 2017 Inail methodology was followed. After numerous interviews, the work involving employees at the Rome office was concluded in July; the assessment in the regional offices began in December.
In addition, the procedures for the protection of workers engaged in Temporary or Mobile Sites were updated in 2021, pursuant to Title IV of Legislative Decree no. 81/2008.
Following the request of the Extraordinary Commissioner for the Covid-19 emergency to the business world to identify "extraordinary vaccination points" for its workers, the Company has positively met the request and has also joined a similar initiative launched by Confindustria. Therefore, 21 vaccination points were made available at the four Production Centres in Rome and in the various Regional Offices.
Given, however, the progress of the vaccination programs of the various Regional Health Authorities, the minimum number of adhesions necessary to obtain approval for the workplace vaccination plan from the relevant ASLs has not been reached at any of the locations.
Arrangements have been made with laboratories specializing in performing antigenic and molecular tests to conduct preventive screening for Television Production Centers. This activity proved to be of great importance, not only for compliance with health protocols relating to ordinary production activities, but also for extraordinary events and all institutional activities that required special preventive monitoring.

In the area of Asset Protection, a plan was drawn up to define corporate guidelines for the protection of works of art kept in the company, and a pilot project was set up to assess the level of physical security of corporate offices, with the aim of defining the specific corporate risk assessment model.
As for Travel Security, during the year new functions were implemented aimed at improving communications, refining the risk assessment procedure and transmitting information

4. The Milan Production Centre - C.so Sempione
5. The Venice Regional Headquarters - Palazzo Labia
6. The Bologna Regional Headquarters - Via della Fiera

between the provider's Control Room and the Rai resource on duty.
For the security of company information, the analysis and revision of some company guidelines continued, and relations with competent institutions were consolidated.

In the field of Safety, with regard to management systems, audits were carried out on a number of Offices and Centers to ensure the maintenance of certification to the BS OHSAS 18001:2007 standard and the planned migration of the system to the ISO 45001 standard on 30 September 2021.
Work also continued to implement the Environmental Management System (UNI EN ISO 14001) aimed at reducing the production of waste and environmental impact of company production activities.
Although the health emergency required a total commitment, ordinary activities also continued. These included Safety & Security's commitment to managing major events such as the *Prix Italia* in Milan, the *Festival dei Due Mondi* in Spoleto, the *Eurovision Song Contest 2021*, the *Tokyo 2021 Olympic and Paralympic Games*, and the *Sanremo Festival*.

Intercompany Relations

In 2021 the Rai Group continued operations based on an organisational model foreseeing that some activities be performed by companies set up specifically.
Relations with subsidiaries and associates are based on normal contracts negotiated at current and market values.
For details on commercial and financial relations with Group companies, please refer to what was said in Note 17.4 “Transactions with Related Parties” in the explanatory notes to the Separate Financial Statements.
In relation to the company Rai Way, it should be noted that the related shares, listed on the Italian Stock Exchange's Electronic Stock Market, recorded a decrease of 4.4% in 2021 (substantially reduced to zero when considering the distribution of the dividend).
Rai Way ended 2021 with a capitalisation of approximately €1,420 million.
As at 31 December 2021, Rai Way's share capital is 64.97% held, unchanged from the previous year, by Rai, 33.70% is traded on the stock market and the remaining 1.33% consists of treasury shares.

Additional information

Rai, in relation to the technical requirements connected to the obligation of drawing up the Consolidated Financial Statements, pursuant to art. 16 paragraph 4 of the Articles of Association, avails itself of the faculty provided for by art. 2364 of the Italian Civil Code, which allows the Ordinary Shareholders' Meeting to be called for the approval of the Financial Statements within 180 days from the end of the financial year.
Finally, it should be noted that the Company has no secondary offices pursuant to Article 2197 of the Italian Civil Code, that it does not own any treasury shares, not even through trust companies or third parties, and that, during the past financial year, the Company did not purchase or sell the aforementioned shares.

Subsidiaries Highlights

Rai Cinema

(€/million)	31 December 2021	31 December 2020
Revenue	267.4	299.1
EBIT	19.8	32.1
Profit/(loss) for the year	14.5	19.4
Total profit/(loss) for the year	14.7	19.2
Shareholders' equity	278.2	281.9
Net financial position	(124.4)	(123.9)
Net financial debt excluding liabilities for operating leases	(119.3)	(117.5)
Investments	217.9	199.9
Workforce	*157*	*150*
of which fixed-term	*5*	*1*

Rai Com

(€/million)	31 December 2021	31 December 2020
Revenue	37.7	30.5
EBIT	10.6	4.9
Profit/(loss) for the year	6.7	3.4
Total profit/(loss) for the year	6.6	3.5
Shareholders' equity	112.9	109.7
Net financial position	153.0	132.0
Net financial debt excluding liabilities for operating leases	156.4	136.3
Investments	1.7	1.4
Workforce	*117*	*109*
of which fixed-term	*4*	-

Rai Corporation in liquidation

(USD/million)	31 December 2021	31 December 2020
Revenue	-	-
EBIT	-	-
Profit/(loss) for the year	-	-
Total profit/(loss) for the year	-	-
Shareholders' equity	(5.0)	(4.9)
Net financial position	3.6	3.6
Net financial debt excluding liabilities for operating leases	3.6	3.6
Investments	-	-
Workforce	-	-
of which fixed-term	-	-

Rai Pubblicità

(€/million)	31 December 2021	31 December 2020
Revenue	690.4	584.8
EBIT	13.7	5.9
Profit/(loss) for the year	10.4	3.9
Total profit/(loss) for the year	10.2	3.9
Shareholders' equity	39.8	33.5
Net financial position	10.7	(14.6)
Net financial debt excluding liabilities for operating leases	15.9	(8.1)
Investments	2.9	1.5
Workforce	*373*	*361*
of which fixed-term	*21*	*10*

Rai Way

(€/million)	31 December 2021	31 December 2020
Revenue	230.5	225.0
EBIT	91.1	89.4
Profit/(loss) for the year	65.4	64.0
Total profit/(loss) for the year	64.9	63.9
Shareholders' equity	165.9	164.8
Net financial position	(87.9)	(46.1)
Net financial debt excluding liabilities for operating leases	(51.4)	(10.7)
Investments	85.0	60.3
Workforce	*606*	*604*
of which fixed-term	*25*	*14*

Financial balances of Rai S.p.A. with subsidiaries as at 31 December 2020 and 2021

Subsidiaries (€/'000)	**Rai Cinema**	**Rai Com**	**Rai Corporation in liquidation**	**Rai Advertising**	**Rai Way**	**Total subsidiaries**
Lease rights of use						
as at 31 December 2021	-	-	-	-	383	**383**
as at 31 December 2020	-	-	-	-	444	**444**
Non-current financial assets						
as at 31 December 2021	-	-	-	-	-	**-**
as at 31 December 2020	56	-	-	-	-	**56**
Trade receivables						
as at 31 December 2021	2,029	108,593	-	173,883	4,949	**289,454**
as at 31 December 2020	1,644	90,204	-	176,003	4,005	**271,856**
Current financial assets						
as at 31 December 2021	120,691	-	-	-	-	**120,691**
as at 31 December 2020	122,379	-	-	8,081	-	**130,460**
Other current receivables and assets						
as at 31 December 2021	2,882	2,810	-	4,044	22,077	**31,813**
as at 31 December 2020	6,684	-	-	10,637	21,140	**38,461**
Non-current lease liabilities						
as at 31 December 2021	-	-	-	-	(323)	**(323)**
as at 31 December 2020	-	-	-	-	(387)	**(387)**
Trade payables						
as at 31 December 2021	(16,494)	(6,450)	-	(187)	(57,013)	**(80,144)**
as at 31 December 2020	(16,311)	(11,124)	-	(144)	(55,607)	**(83,186)**
Current financial liabilities						
as at 31 December 2021	(1,404)	(156,394)	(3,147)	(15,871)	(345)	**(177,161)**
as at 31 December 2020	(4,943)	(136,252)	(2,954)	-	(450)	**(144,599)**
Current lease liabilities						
as at 31 December 2021	-	-	-	-	(76)	**(76)**
as at 31 December 2020	-	-	-	-	(71)	**(71)**
Other current payables and liabilities						
as at 31 December 2021	(520)	(333)	-	(3,622)	(2,874)	**(7,349)**
as at 31 December 2020	(1,429)	(1,745)	-	(2,976)	(2,550)	**(8,700)**

Financial balances of Rai S.p.A. with joint ventures and associates as at 31 December 2020 and 2021

Joint ventures and associates (€/'000)	Audiradio in liquidation	Auditel	Euronews	Player Editori Radio	San Marino RTV	Tavolo Editori Radio	Tivù	Total Joint ventures and associates
Lease rights of use								
as at 30 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**
Non-current financial assets								
as at 30 December 2021	-	-		-		-	-	**-**
as at 31 December 2020		-		-		-	-	**-**
Trade receivables								
as at 30 December 2021	-	-	-	-	266	-	112	**378**
as at 31 December 2020	-	-	-	19	60	1	129	**209**
Current financial assets								
as at 30 December 2021	-	-	-	-	1,430	-	-	**1,430**
as at 31 December 2020	-	-	-	-	801	-	-	**801**
Other current receivables and assets								
as at 30 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**
Non-current lease liabilities								
as at 30 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**
Trade payables								
as at 30 December 2021	-	(467)	-	-	-	-	(794)	**(1,261)**
as at 31 December 2020	-	(353)	-	-	-	-	(403)	**(756)**
Current financial liabilities								
as at 30 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**
Current lease liabilities								
as at 30 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**
Other current payables and liabilities								
as at 30 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**

Income statement totals of Rai SpA with subsidiaries as at 31 December 2020 and 2021

Subsidiaries (€/'000)	Rai Cinema	Rai Com	Rai Corporation in liquidation	Rai Advertising	Rai Way	Total subsidiaries
Revenue from sales and services						
as at 31 December 2021	19	66,484	-	591,723	12	**658,238**
as at 31 December 2020	4	60,154	-	502,182	-	**562,340**
Other revenue and income						
as at 31 December 2021	3,644	3,955	-	3,308	9,817	**20,724**
as at 31 December 2020	3,473	3,375	-	3,206	10,025	**20,079**
Costs for services						
as at 31 December 2021	(237,816)	(5,145)	-	(180)	(216,431)	**(459,572)**
as at 31 December 2020	(273,840)	(8,661)	-	(661)	(211,506)	**(494,668)**
Other costs						
as at 31 December 2021	-	(338)	-	5	-	**(333)**
as at 31 December 2020	-	(332)	-	-	-	**(332)**
HR expenses						
as at 31 December 2021	992	1,597	-	1,544	343	**4,476**
as at 31 December 2020	866	1,808	-	1,637	348	**4,659**
Write-downs of financial assets						
as at 31 December 2021	-	265	-	-	-	**265**
as at 31 December 2020	-	(101)	-	-	-	**(101)**
Depreciation, amortisation and others write-downs						
as at 31 December 2021	-	-	-	-	(65)	**(65)**
as at 31 December 2020	-	-	-	-	(49)	**(49)**
Financial income						
as at 31 December 2021	20,820	3,444	-	3,908	42,148	**70,320**
as at 31 December 2020	18,100	7,191	-	8,185	41,158	**74,634**
Financial expense						
as at 31 December 2021	-	-	-	-	(7)	**(7)**
as at 31 December 2020	(4)	-	-	-	(4)	**(8)**

Income statement totals of Rai SpA with joint ventures and associates as at 31 December 2020 and 2021

Joint ventures and associates (€/'000)	Audiradio in liquidation	Auditel	Euronews	Player Editori Radio	San Marino RTV	Tavolo Editori Radio	Tivù	Total Joint ventures and associates
Revenue from sales and services								
as at 31 December 2021	-	-	-	-	200	-	653	**853**
as at 31 December 2020	-	-	-	-	-	-	622	**622**
Other revenue and income								
as at 31 December 2021	-	-	-	-	19	7	-	**26**
as at 31 December 2020	-	-	-	-	15	7	4	**26**
Costs for services								
as at 31 December 2021	-	(9,745)	-	(36)	1	(648)	(1,768)	**(12,196)**
as at 31 December 2020	-	(9,233)	-	(36)	1	(516)	(1,611)	**(11,395)**
Other costs								
as at 31 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	-	-	-	-	-	-	**-**
HR expenses								
as at 31 December 2021	-	-	-	-	173	-	-	**173**
as at 31 December 2020	-	-	-	19	172	-	-	**191**
Write-downs of financial assets								
as at 31 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020		-		-	-	-	-	**-**
Depreciation, amortisation and others write-downs								
as at 31 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020		-		-	-	-	-	**-**
Financial income								
as at 31 December 2021	-	-	-	-	21	-	-	**21**
as at 31 December 2020	-	-	-	-	17	-	-	**17**
Financial expense								
as at 31 December 2021	-	-	-	-	-	-	-	**-**
as at 31 December 2020	-	(29)	-	-	-	-	-	**(29)**

Significant events occurring after 31 December 2021

Reduction of the shareholding in Rai Way

The Decree of the President of the Council of Ministers of 17 February 2022 "Regulations for the reduction of Rai SpA's shareholding in Rai Way SpA", established the possibility for Rai to reduce its shareholding in Rai Way's capital up to the limit of 30%, as a result of one or more extraordinary transactions, including one or more merger transactions, and disposals carried out through sales methods and techniques in use on the markets, including the, single or joint, use of a public offering and direct negotiation.

In case of extraordinary operations, Rai shall ensure the definition of appropriate management and governance agreements and, in order to guarantee the maximum diffusion of shareholders, the maintenance of the listing of Rai Way shares or the company resulting from the operation shall be ensured.

In the event of a public invitation, to favour the participation of Rai Group employees in the offer, forms of incentive may be provided for the same, also taking into account market practice and previous privatisation operations, in terms of shares of the offer reserved and/or price and/or financing modalities.

In case of private negotiations, Rai shall ensure transparent and non-discriminatory competitive procedures.

The completion of the above transactions is conditional on obtaining the necessary authorisations from the guarantee and supervisory authorities, without prejudice to the provisions of Legislative Decree no. 21 of 15 March 2012, and relevant implementing regulations.

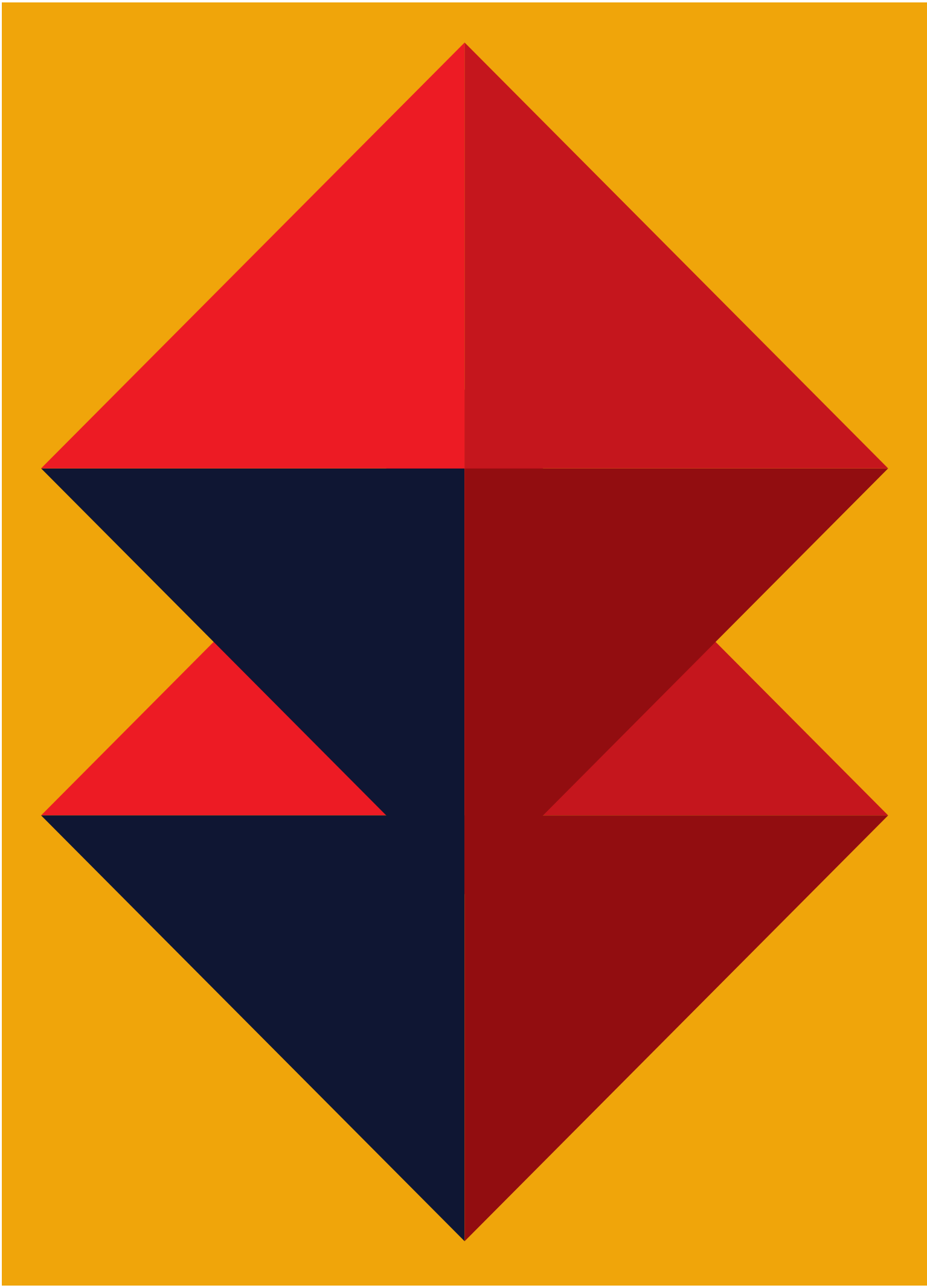
Outlook of operations

The 2022 Budget was set in an external context that presented growing macroeconomic indicators, consequently a recovering advertising trend and, from a more sectoral point of view, for Rai's reference market, a progressive affirmation of the OTT offer. On the corporate front, the salient elements of the financial year would have been represented by the entry into force of more restrictive advertising crowding limits, the net impact of the acquisition of the rights for the 2022 Football World Cup, the commitment to the organisation of the Eurovision Song Contest and the organisational transformation project aimed at adopting a multi-platform content-centric model, which also envisages shifting the editorial centre of gravity from Channels to Genres.

In this context, although being able to dispose - also due to the absence of measures capable of structurally compensating for the increasingly penalising crowding constraints - of limited resources compared to the actual transformation needs, including those linked to the indispensable technological renewal, the initial forecasts prefigure, at a Group level, adopting a stringent financial discipline, a tendential result in substantial balance.

Global tensions linked to Russia's invasion of Ukraine have intensified the slowdown signals in global economic activities, which are reflected in rising energy prices, rising inflation and new procurement difficulties for companies.

The level of uncertainty and unpredictability of the trend in the coming quarters of the main economic variables make it more problematic to estimate the possible impact on the Rai Group's performance. In the absence of exceptional tensions, the objective for the current year remains that of a balanced budget and a net financial position at sustainable levels.



Separate Financial Statements

as at 31 December 2021

Analysis of the results and performance of economic and financial management of the financial year 2021

Reclassified statements

Income statement

(€/million)	FY 2021	FY 2020	Change
Revenue	**2,516.6**	**2,361.6**	**155.0**
External costs net of major sports events	*(1,241.4)*	*(1,229.3)*	*12.1*
Major sports events	*(133.5)*	*0.0*	*(133.5)*
External costs	(1,374.9)	(1,229.3)	(145.6)
HR expenses	(937.4)	(917.2)	(20.2)
EBITDA	**204.3**	**215.1**	**(10.8)**
Depreciation, amortisation and write-downs	(317.8)	(308.5)	(9.3)
Provisions	(12.4)	(8.3)	(4.1)
EBIT	**125.9**	**(101.7)**	**(24.2)**
Net financial income	60.2	58.9	1.3
Earnings from equity investments recognised at equity	7.5	1.0	6.5
Pre-tax profit/(loss)	**(58.2)**	**(41.8)**	**(16.4)**
Income tax	27.8	21.1	6.7
Profit/(loss) for the period	**(30.4)**	**(20.7)**	**(9.7)**
Other comprehensive income	(6.1)	2.0	(8.1)
Total profit/(loss) for the period	**(36.5)**	**(18.7)**	**(17.8)**

Capital structure

(€/million)	31 December 2021	31 December 2020	Change
Fixed assets	2,276.9	2,251.4	25.5
Net working capital	(517.2)	(412.3)	(104.9)
Provisions for risks and charges	(202.1)	(183.3)	(18.8)
Employee benefits	(351.1)	(379.1)	(28.0)
Net invested capital	**1,206.5**	**1,276.7**	**(70.2)**
Equity	**657.8**	**694.3**	**(36.5)**
Net financial debt excluding operating lease liabilities	503.4	526.5	(23.1)
Operating lease liabilities	45.3	55.9	(10.6)
Net financial debt	**548.7**	**582.4**	**(33.7)**
Total	**(1,206.5)**	**1,276.7**	**(70.2)**

The financial statements for the year ended 31 December 2021 recorded a loss of €30.4 million, with a decrease compared to the financial year 2020 (loss equal to €20.7 million).

Some summary information on the main items of the income statement and capital structure is provided below, along with the reasons for the most significant variances compared to the previous period.

Income statement

Revenue

This is made up of licence fees, advertising proceeds and other trade revenue, totalling €2,516.6 million, up by €155 million (+6.6%).

Revenue

(€/million)	FY 2021	FY 2020	Change
TV licence fees	(1,819.8)	1,726.1	93.7
Advertising	590.2	501.2	89.0
Other revenue	106.6	134.3	(27.7)
Total	**2,516.6**	**2,361.6**	**155.0**

TV licence fees

Licence fees of €1,819.8 million, detailed in the table below, increased by €93.7 million (+6.2%) compared with financial year 2020.

TV licence fees

(€/million)	FY 2021	FY 2020	Change
Licence fees for the year – household licences	1,702.8	1,624.8	78.0
Ordinary licence fee exemptions	11.5	11.9	(0.4)
Licence fees for the year - ordinary	**1,714.3**	**1,636.7**	**77.6**
Licence fees for the year – special licences	80.1	60.9	19.2
Special licence fee exemptions	0.1	0.2	(0.1)
Licence fees for the year – special	**80.2**	**61.1**	**19.1**
Licence fees collected by enforcement order - ordinary licence fees collected by the Government in the period	9.2	12.1	(2.9)
Licence fees collected by enforcement order – special licences	2.5	3.3	(0.8)
Licence fees collected by enforcement order	**11.7**	**15.4**	**(3.7)**
Licence fees from previous years - household licences	**13.6**	**13.2**	**0.4**
Licence fees redemption	**0.0**	**(0.3)**	**0.3**
Total	**1,819.8**	**1,726.1**	**93.7**

The increase in this item, which mainly relates to the licence fees for the period from private customers (+€78.0 million) and, to a lesser extent, to the special licence fees for the period (+€19.2 million), was largely due to the entry into force of the following regulatory measures.

For licence fees for the period, Law No. 178 of 30 December 2020 provided, with effect from 1 January 2021:

- the abrogation of the 5 per cent reduction in the amounts to be paid to RAI to cover the cost of providing the Public Service and of the so-called 'extra revenue', determined by the higher revenues with respect to those provided for in the State Budget for 2016;
- that €110 million per year of the revenue paid for radio and TV licence fees be allocated to the Fund for pluralism and innovation in information, set up in the budget of the Ministry for the Economy and Finance, and the remainder to RAI, without prejudice to the sums of licence fee revenue already allocated by current legislation for specific purposes.

For special licences for the period, Decree-Law no. 41 of 22 March 2021 established:

- full exemption from payment of the special radio and television licence fees for 2021 for accommodation facilities as well as for the supply and consumption of beverages in public establishments or premises open to the public, including similar activities carried out by third sector entities;
- the allocation of a sum equal to €83 million in order to grant to the interested parties a tax credit equal to 100% of any payment of the licence fee made before the entry into force of the decree, or to provide for the transfer to RAI of the sums corresponding to the lower revenues claimed by the Company, of which €43 million have been already paid and recognised to Rai during the financial year.

Advertising

After year 2020, characterised by a drop of 15.3% in the advertising market compared to the previous year, mainly due to the Covid-19 pandemic, in 2021 the situation almost got back to normality.

The positive variation recorded in advertising investments compared to year 2020, also depended on major sporting events (the Olympic Games and the European Football Championship) that were postponed last year.

The advertising market showed an overall +13.5% investment growth across all media. More specifically, the TV recorded +14.4% investment; Radio +10.4%; Internet (Digital), FCP scope, +17.6% (15.1% including OTT - Search, Social, Classified etc.) (Nielsen).

In this context, Rai's advertising revenues, equal to €590.2 million, detailed in the table below, increased by €89.0 million compared to 2020 (+17.8%).

Advertising

(€/million)	FY 2021	FY 2020	Change
Television advertising on general-interest channels:			
– commercial	309.2	278.9	30.3
– promotions, sponsorships and other initiatives	190.2	141.4	48.8
	499.4	**420.3**	**79.1**
Television advertising on specialist channels	55.5	50.3	5.2
Radio advertising	20.8	20.9	(0.1)
Web advertising	16.2	10.9	5.3
Other advertising	0.0	0.1	(0.1)
Share due to third parties	(2.0)	(1.6)	(0.4)
Contingencies	0.3	0.3	0.0
Total	**590.2**	**501.2**	**89.0**

Other revenue

This item amounted to €106.6 million, recording a -20.6% drop equal to €27.7 million compared to year 2020 and mainly due to the disappearance of the state contribution to fulfil the obligations set out under the Service Contract, including those related to the development of the digital planning equal to €38.5 million, as established for the years 2019 and 2020 by Law no. 145 of 30 December 2018.

Such drop was partly compensated by the growth of the item Sundry Services, mainly for institutional purposes (€+5.9 million) to resume activities connected to agreements ratified with the Public Administration during 2020, which had contracted due to the pandemic and gain (€4.9 million) resulting from the transfer of the via Cernaia building complex of Turin.

A breakdown of this item is shown in the table below.

Other revenue

(€/million)	FY 2021	FY 2020	Change
Special services under agreement	39.0	38.2	0.8
Fulfilment of service contract obligations and digital programming development - Law 145/2018	0.0	38.5	(38.5)
Service and other provisions of services to investees	19.2	19.0	0.2
Sale of rights	10.4	10.2	0.2
Distribution and sale of channels	11.3	10.7	0.6
Sundry services, mainly for institutional purposes	11.9	6.0	5.9
Capital gains on real estate transfer	4.9	0.0	4.9
Other	8.1	6.1	2.0
Share of sales due to third parties	(0.2)	(0.3)	0.1
Contingencies	2.0	5.9	(3.9)
Total	**106.6**	**134.3**	**(27.7)**

As a result of the above trends, advertising recorded a 2.3% increase in total revenue compared with 2020, to the detriment of licence fees (-0.8 percentage points) and other revenue (-1.5 percentage points), as shown in the table below.

Percent of revenue

	FY 2021	FY 2020
TV licence fees	72.3%	73.1%
Advertising	23.5%	21.2%
Other revenue	4.2%	5.7%
Total	**100.0%**	**100.0%**

Operating costs

These are made up of external costs and HR expenses, meaning both internal and external costs pertaining to the company's ordinary business except for those concerning financial management.

The item totalled €2,312.3 million, up by €165.8 million (+7.7%) compared to 2020. The reasons for this are illustrated below.

External costs

This item amounted to €1,374.9 million and included the purchases of goods and the supply of services necessary to produce programmes of immediate use (purchases of consumables, external services, artistic collaboration agreements, etc.), the sports events recording rights, copyrights, services supplied by subsidiaries, operating costs and other management-related costs (indirect taxes and fees, contributions payable to the control authorities, etc.).

This item increased by €145.6 million (+11.8%) due to the resumption of production activities, which in 2020 were severely limited by regulatory measures to contain the health emergency caused by Covid-19, and by the holding of the European Football Championship and the Summer Olympic Games, events that were postponed to 2021, which recorded costs of €133.5 million directly attributable to event planning.

The table below shows that the majority of this increase related to recording rights (+€134.7 million compared to 2020). Among the latter, €125.0 million are calculated from the entitlement to the rights of the major sporting events mentioned above.

On the other hand, the reduction of costs related to the acquisition of transfers from subsidiaries is manly determined by a smaller quantity of broadcast hours for products acquired by Rai Cinema, compared to the previous year.

External costs for goods and services

(€/million)	FY 2021	FY 2020	Change
Purchases of materials	**10.0**	**10.8**	**(0.8)**
Costs for services			
Freelance services	112.2	112.2	0.0
Services for programme acquisition and production	193.7	177.8	15.9
Daily allowances, travel expenses and accessory costs for personnel	22.8	17.4	5.4
Signal broadcast and transmission – RAI Way	216.5	211.6	4.9
Maintenance, repairs, transport and similar	36.0	32.6	3.4
IT system documentation and assistance services	54.2	53.2	1.0
Other outsourced services (telephone, supply services, cleaning, postal, insurance etc.)	89.7	77.2	12.5
Purchase of showings from subsidiaries	235.9	273.4	(37.5)
Leases and rentals	24.0	20.6	3.4
Recording rights (mainly Sports broadcasting rights)	247.4	112.7	134.7
Rights of use	105.8	101.7	4.1
Recovery of expenses	(2.1)	(2.2)	0.1
Contingencies	(16.0)	(16.7)	0.7
	1,320.1	**1,171.5**	**148.6**
Other costs			
Administrative fees and rights for use of frequencies	10.9	10.9	0.0
Prizes and winnings	2.9	4.3	(1.4)
Fee to control authorities	5.0	4.7	0.3
TASI / IMU tax	8.4	8.4	0.0
Other indirect taxes and other duties	8.4	8.5	(0.1)
Newspaper, magazines, books and publications	1.7	1.7	0.0
Membership fees	3.0	3.4	(0.4)
Losses on disposals	0.1	0.0	0.1
Others	4.7	6.4	(1.7)
Contingencies	(0.3)	(1.3)	1.0
	44.8	**47.0**	**(2.2)**
Total	**1,374.9**	**1,229.3**	**145.6**

HR expenses

This item amounted to €937.4 million, up by €20.2 million (+2.2%) compared to the previous financial year. This increase is basically connected to that of redundancy incentives (+€10.7 million) and employment charges and social security payments (+€13 million).

HR expenses

(€/million)	FY 2021	FY 2020	Change
Salaries and social security costs	873.0	860.0	13.0
Employee severance pay provisions	40.1	40.2	(0.1)
Pensions and similar obligations	11.8	12.2	(0.4)
Others	8.2	8.5	(0.3)
	933.1	**920.9**	**12.2**
Redundancy incentives	26.7	16.0	10.7
Recovery of expenses	(5.8)	(5.6)	(0.2)
Redundancy incentives	(13.6)	(12.8)	(0.8)
Contingencies	(3.0)	(1.3)	(1.7)
	4.3	**(3.7)**	**8.0**
Total	**937.4**	**917.2**	**20.2**

As for the item Redundancy incentives, the €10.7 million increase is connected to the extraordinary measure for voluntary redundancy incentives for executives, employees, workers, journalists and managers equal to €25 million and issued in 2021. The resources affected by this measure should leave the company during 2022.

As for the item Salaries and social security costs, the €13 million increase results both from a natural growth of automatic contractual adjustments and from the variable component of work cost that recorded a contraction during the financial year 2020 due to the measures implemented to tackle the pandemic (smart working, production models review, etc.). Additional increases resulted from the retention of atypical personnel within the scope of agreements ratified with trade unions on corporate policies.

The incremental impacts related to these phenomena were only partially offset by the positive effects of management actions aimed at containing cost dynamics.

The **average workforce** in service during the period, including staff under temporary contract, consisted of 11,437 units, showing a decrease of 3 units compared to 2020. In detail, there is an increase of 68 units in staff under permanent contract and a reduction of 71 units instaff under temporary contract.

The **staff employed** as of 31 December 2021 is equal to 11,498 units, 11,386 of which have a permanent contract and 112 a fixed-term contract.
As for the staff under permanent contract, we recorded a drop of 64 units compared to 2020, due to the leave of 490 resources - of which 214 subject to redundancy incentive - and 426 new hires - 157 of which will sign a permanent contract and 151 being part of the so-called Atypical Staff and previously working under self-employment contracts that have been permanently employed in implementation of the Framework Agreement on Active Policies of 13/12/2018, 96 hired with apprenticeship contracts, 3 for litigations and 9 transferred from other Companies of the Group).

As for the staff hired under a fixed-term contract, this year recorded a reduction equal to 49 units compared to 2020. In this regard, during the financial year 81 journalists - including those who applied for the TgR (regional news) public call for tenders - have been hired.

EBITDA

In connection with the changes stated above, EBITDA was positive and totalled €204.3 million, down €10.8 million compared to 31 December 2020.

Depreciation, amortisation and write-downs

The balance of the item amounted to €317.8 million, up €9.3 million (+3.0%) compared to 2020 and refers to depreciation, amortisation and write-downs of current and non-current assets as shown in the table below.

Depreciation, amortisation and write-downs

(€/million)	FY 2021	FY 2020	Change
Amortisation			
of programmes			
Drama	130.0	136.0	(6.0)
Cartoons	12.2	10.6	1.6
Sports Libraries	2.4	2.2	0.2
Others	0.3	0.0	0.3
	144.9	**148.8**	**(3.9)**
Of property, plant and equipment			
Buildings	13.2	12.5	0.7
Plant and machinery	51.1	49.2	1.9
Industrial and commercial equipment	2.2	2.2	0.0
Other assets	6.9	6.6	0.3
	73.4	**70.5**	**2.9**
Of intangible assets			
Software	9.0	9.3	(0.3)
Other rights	0.0	0.0	0.0
	9.0	**9.3**	**(0.3)**
Of lease rights of use			
Land and Buildings	13.2	13.4	(0.2)
Other assets	2.7	2.8	(0.1)
	15.9	**16.2**	**(0.3)**
	98.3	**96.0**	**2.3**
Total amortisation	**243.2**	**244.8**	**(1.6)**
Write-downs (write-backs)			
Of intangible assets			
Programmes under amortisation	52.9	50.5	2.4
Programmes in progress	0.6	1.6	(1.0)
Sports Libraries	20.8	0.2	20.6
	74.3	**52.3**	**22.0**
Of investments valued at cost	**0.4**	**(0.3)**	**0.7**
Of other non-current assets			
Minimums guaranteed on commercial activities	0.3	4.4	(4.1)
Other non-current assets	0.0	0.1	(0.1)
	0.3	**4.5**	**(4.2)**
Of trade receivables and other current assets			
Trade receivables	0.0	5.4	(5.4)
Receivables from subsidiaries	0.2	0.1	0.1
Other current receivables and assets	(0.6)	1.7	(2.3)
	(0.4)	**7.2**	**(7.6)**
Total write-downs	**74.6**	**63.7**	**10.9**
Total	**317.8**	**308.5**	**9.3**

Provisions

The item, which recognises the provisions for risks and charges and any uses not classifiable in specific items of profit or loss, shows a balance of €12.4 million (€8.3 million in 2020); there is no absorption of funds allocated in previous years that have become redundant.

EBIT

The trends in revenues and costs illustrated above resulted in a negative EBIT of €125.9 million, showing a drop of €24.2 million compared to 2020.

Net financial income

The item, as detailed in the following table, was positive at €60.2 million (€58.9 million in 2020) and shows the economic effects arising from distribution of the dividends by the subsidiaries, from recognition of the actuarial interest for employee benefits, the effects of financial management, such interest income/ expense from banks, Group companies and bondholders, exchange rate charges/gains, and interest expense for leases as a result of the adoption of the IFRS 16 accounting standard.

Financial income and expenses

(€/million)	FY 2021	FY 2020	Change
Dividends			
Rai Cinema	18.4	14.0	4.4
Rai Way	42.1	41.2	0.9
Rai Com	3.4	7.2	(3.8)
Rai Pubblicità	3.9	8.0	(4.1)
Others	0.2	0.0	0.2
	68.0	**70.4**	**(2.4)**
Other net financial income (charges)			
Net bank interest expense	(0.5)	(0.7)	0.2
Net interest income from subsidiaries and associates	2.5	4.2	(1.7)
Interest expense on lease contracts	(0.7)	(0.8)	0.1
Interest expense on bonds	(7.5)	(10.0)	2.5
Interest expense on employee benefit liabilities	(0.8)	(2.4)	1.6
Net exchange rate income	(0.3)	0.4	(0.7)
Other net taxes	(0.5)	(2.2)	1.7
	(7.8)	**(11.5)**	**3.7**
Net financial income	**60.2**	**58.9**	**1.3**

The most significant variances compared to the previous year concern:

- decrease of €2.4 million in dividends;
- lower interest on bonds for €2.5 million, resulting from the simultaneous presence in the first half of 2020 of the new bond issue of 4 December 2019 with the 2015 issue redeemed in May 2020;
- lower interest income towards subsidiaries and related companies equal to €1.7 million and mainly related to the average credit position towards Rai Cinema;
- reduction of bond interests for benefits provided to the employees equal to €1.6 million due to the reduction of the interest rate in the actuarial valuation;
- €1.7 million reduction of Other net income for interest income recognised by the Treasury for the reimbursement of IRES resulting from the deductibility of IRAP from the work cost.

The average cost of financing, consisting of uncommitted credit lines, revolving lines and the bond maturing in December 2024, was 2.1%, in line with 2020.

Earnings from equity investments recognised at equity

The item, resulting from the valuation of associates and joint ventures using the equity method, recorded a positive balance of €7.5 million, an improvement compared to 2020 (positive balance of €6.5 million) determined by the investment in Tivù Srl.

Income tax

This item posted a positive value of €27.8 million (€21.1 million in 2020) and this is due to the balance between current and deferred taxes, as itemised in the following table:

Income tax

(€/million)	FY 2021	FY 2020	Change
IRES	0.0	0.0	0.0
IRAP	0.0	0.0	0.0
Deferred tax liabilities	2.6	1.9	0.7
Deferred tax assets	25.7	19.4	6.3
Direct taxation of previous financial years	(0.5)	(0.2)	(0.3)
Total	**27.8**	**21.1**	**6.7**

As in 2020, the economic trends in the period did not result in taxable income for direct taxes.

Deferred tax liabilities had a positive effect on the income statement of €2.6 million due to the re-entry of the temporary differences recognised in the previous years.

Deferred tax assets had a positive economic effect of €25.7 million due to the recognition of the tax loss of the period, which was offset by the income brought in by Group companies during tax consolidation.

Capital structure

Fixed assets

This item amounted to €2,276.9 million, up by €25.5 million compared to 31 December 2020.

A breakdown of this item is shown in the table below:

Fixed assets

(€/million)	31 December 2021	31 December 2020	Change
Property, plant and equipment	905.3	899.0	6.3
Lease rights of use	44.8	55.5	(10.7)
Assets in programmes	368.1	355.8	12.3
Long-term investments	926.6	919.3	7.3
Others	32.1	21.8	10.3
Total	**2,276.9**	**2,251.4**	**25.5**

The **tangible assets,** detailed in the table below, increased by €6.3 million.

Property, plant and equipment

(€/million)	31 December 2021	31 December 2020	Change
Land	366.9	370.1	(3.2)
Buildings	290.6	293.1	(2.5)
Plant and machinery	153.2	149.1	4.1
Industrial and commercial equipment	6.5	6.9	(0.4)
Other assets	26.2	26.4	(0.2)
Assets under construction and payments on account	61.9	53.4	8.5
Total	**905.3**	**899.0**	**6.3**

Lease rights of use amounted to €44.8 million, down €10.7 million compared to 31 December 2020.

Lease rights of use

(€/million)	31 December 2021	31 December 2020	Change
Land and Buildings	42.5	51.5	(9.0)
Other assets	2.3	4.0	(1.7)
Total	**44.8**	**55.5**	**(10.7)**

Assets in programmes, up €12.3 million compared 31 December 2020 and detailed in the table below, are mostly represented by Drama, on which, as shown below, most investments in the period were concentrated.

Assets in programmes

(€/million)	31 December 2021	31 December 2020	Change
Drama	281.0	253.6	27.4
Cartoons	47.8	43.1	4.7
Sports Libraries	35.8	58.9	(23.1)
Other	3.5	0.2	3.3
Total	**368.1**	**355.8**	**12.3**

The **Long-term investments**, consisting of investments in companies and other financial assets falling due beyond 12 months, increased by €7.3 million due to the purchase of fixed-income securities held as collateral for corporate bonds maturing beyond 12 months and the change in the value of associates accounted for using the equity method.

The item is broken down in detail in the table below.

Long-term investments

(€/million)	31 December 2021	31 December 2020	Change
Equity investments in subsidiaries			
Rai Cinema SpA	267.8	267.8	0.0
Rai Com SpA	107.1	107.1	0.0
Rai Way SpA	506.3	506.3	0.0
Rai Pubblicità SpA	31.1	31.1	0.0
	912.3	**912.3**	**0.0**
Equity investments in associates			
Auditel Srl	1.3	1.1	0.2
Tavolo Editori Radio Srl	0.1	0.1	0.0
Tivù Srl	7.6	2.8	4.8
San Marino RTV SpA	1.5	1.5	0.0
	10.5	**5.5**	**5.0**
Other equity investments	**1.0**	**1.0**	**0.0**
Fixed-income securities	**2.5**	**0.0**	**2.5**
Other	**0.3**	**0.5**	**(0.2)**
Total	**926.6**	**919.3**	**7.3**

Other **fixed assets**, which details are provided below, show an increase of €10.3 million mainly due to the onerous acquisition of rights of use for DVB-T2 frequencies equal to €7.9 million.

Other fixed assets

(€/million)	31 December 2021	31 December 2020	Change
Software	23.6	21.1	2.5
DVB-T2 Frequencies	7.9	0.0	7.9
Commercial rights with football clubs	0.6	0.7	(0.1)
Total	**32.1**	**21.8**	**10.3**

Investments for the period amounted to €340.1 million, up €56.2 million compared to 2020 (+19.8%).

In detail:
- greater investments in programmes for €56.1 million (+32.0%) referring to the drama genre;
- greater technical investments for €11.5 million (+12.7%), of which €1.5 million for tangible assets, €2.1 million for software and €7.9 million for the onerous acquisition of use rights of DVB-T2 frequencies;
- lower investments in lease rights of use for €11.4 million (-64.4%), which in 2020 were more substantial in relation to the renewal of lease contracts for certain company premises located in Rome.

Technical

(€/million)	Financial Year 2021	Financial Year 2020	Change
Drama	210.9	157.9	53.0
Cartoons	16.9	14.5	2.4
Other	3.6	2.9	0.7
Investments in programmes	**231.4**	**175.3**	**56.1**
Tangible investments	83.0	81.5	1.5
Software	11.5	9.4	2.1
DVB-T2 frequencies	7.9	0.0	7.9
Technical investments	**102.4**	**90.9**	**11.5**
Investments in lease rights of use	**6.3**	**17.7**	**(11.4)**
Total investments	**340.1**	**283.9**	**56.2**

Net working capital

Net working capital

(€/million)	31 December 2021	31 December 2020	Change
Inventories	0.1	0.1	0.0
Trade receivables	307.2	332.9	(25.7)
Other receivables	168.3	259.9	(91.6)
Trade payables	(543.6)	(538.2)	(5.4)
Other payables	(409.6)	(424.7)	15.1
Net deferred tax liabilities	(39.6)	(42.3)	2.7
Total	**(517.2)**	**(412.3)**	**(104.9)**

The most significant changes compared to 31 December 2020 regard the following items:

- **other receivables** recording a drop of €25.7 million for minor receivables due from customers;
- **other receivables** recording a reduction of €91.6 million for the net reduction of active advances and deferrals or future sporting events, and for the collection of tax receivables;
- **other liabilities** recording a reduction of €15.1 million for minor payables to social security institutions.

Provisions for risks and charges

Provisions for risks and charges, amounting to €202.1 million, increased by €18.8 million compared to 31 December 2020 mainly due to the provision for the contribution for the rights of use of television digital technology frequencies for the year 2021, allocated pending the issuance of the decree that will determine the amount to be paid and for provisions related to personnel management.

Employee benefits

Employee benefits, amounting to €351.1 million, decreased by €28.0 million compared to 31 December 2020 due to payments to beneficiaries and to actuarial valuation elements related to financial and demographic assumptions detailed in the specific paragraph of the Notes to the separate financial statements.

The table below shows the details of the provisions and relevant changes compared to 31 December 2020.

Employee benefits

(€/million)	31 December 2021	31 December 2020	Change
Employee severance pay	(172.8)	(187.0)	14.2
Supplementary company pension provisions	(101.8)	(109.3)	7.5
Provisions in lieu of the former fixed indemnity for journalists	(62.8)	(68.8)	6.0
FASDIR assistance provision for the retired	(13.4)	(13.7)	0.3
Other	(0.3)	(0.3)	0.0
Total	**(351.1)**	**(379.1)**	**28.0**

Net financial position

The net financial position, defined according to the ESMA standards and summarised in the following table, recorded a negative trend for €548.7 million, with an improvement equal to €33.7 million compared to 31 December 2020.

Net of liabilities for operating leases, financial debt amounted to €503.4 million, up by €23.1 million compared to 31 December 2020.

Net financial position

(€/million)	31 December 2021	31 December 2020	Change
Cash and cash equivalents	**42.5**	**11.4**	**31.1**
Other current financial assets			
Securities	0.0	2.3	(2.3)
Blocked bank deposits	4.6	4.2	0.4
Receivables from subsidiaries/associates	122.1	131.3	(9.2)
Derivative hedging instruments	0.2	0.0	0.2
Other financial receivables	0.3	0.5	(0.2)
	127.2	**138.3**	**(11.1)**
Current financial debt			
Due to banks	(196.6)	(232.1)	35.5
Payables to subsidiaries/associates	(177.2)	(144.7)	(32.5)
Derivative hedging instruments	0.0	(0.2)	0.2
Lease liabilities	(14.4)	(15.9)	1.5
Other financial debt	0.0	0.0	0.0
	(388.2)	**(392.9)**	**4.7**
Non-current financial debt			
Bond issues	(299.3)	(299.1)	(0.2)
Derivative hedging instruments	0.0	(0.1)	0.1
Lease liabilities	(30.9)	(40.0)	9.1
	(330.2)	**(339.2)**	**9.0**
Net financial debt	**(548.7)**	**(582.4)**	**33.7**
of which:			
– due to subsidiaries/associates	*(55.1)*	*(13.4)*	*(41.7)*
– due to third parties	*(493.6)*	*(569.0)*	*75.4*
	(548.7)	**(582.4)**	**33.7**
of which operating lease liabilities	*(45.3)*	*(55.9)*	*10.6*
Net financial debt excluding operating lease liabilities	**(503.4)**	**(526.5)**	**23.1**

The cash flow of the financial year, recording a positive trend equal to €23.1 million, is the result of several components, including the economic recovery and subsequent growth of the advertising market among the most relevant.

In this framework, the cash flows from Rai Pubblicità (advertising) recorded an increase of approximately €90 million compared to the previous year. This adds to the increase of ordinary licence fees following the abolition of the 5% withholding fee (Law no. 178 of 30 December 2020) and special licence fees as defined under the provisions of the 'Sostegni' Legislative Decree no. 41 of 22 March 2021 (with an overall amount of approximately €80 million), and the collection of previous receivables from the Government equal to more than €50 million.

Thanks to these resources, we could fund a relevant investment plan on radio and television production to recover from lower activity in 2020, cover the expenditure for advances related to the 2022 Football World Cup and implement a staff rejuvenation without increasing the overall indebtedness.

The average financial position (excluding liabilities for lease commitments and assets/liabilities for derivatives) records a negative trend equal to €340 million (-€259 million in 2020): the deterioration is ascribable to the variation of inter company financial balances (average indebtedness equal to €45 million against a credit position of €59 million in the previous year), while the third party receivables showed improvement (average indebtedness equal to €295 million against €318 million in 2020).

On 15 June 2021, Moody's published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with negative outlook.

The analysis conducted based on capital and financial structure ratios pointed out that:

- the net invested capital coverage ratio, which is the ratio between net invested capital (net of the licence fee receivables) and equity, was 1.83 (1.84 as at 31 December 2020);
- the financial debt coverage ratio, which is the ratio between net financial debt (net of the licence fee receivables and liabilities resulting from application of IFRS 16 for operating leases) and equity, was 0.77 (0.76 as at 31 December 2020);
- the liquid funds ratio, which is the ratio between current assets (inventories, working capital net of licence fee receivables, cash and cash equivalents and financial receivables) and current liabilities (working capital liabilities and financial payables net of liabilities resulting from application of IFRS 16 for operating leases) was 0.49 (0.55 as at 31 December 2020).

The financial risks to which the Company is exposed are monitored with appropriate IT and statistical tools. A policy regulates financial management according to best practices, with the aim or preserving the company's value through a stance adverse to risk, pursued with active monitoring of exposure and implementation of expedient hedging strategies, also on behalf of the Group companies (except for Rai Way).

Detailed information on the financial risks is provided in the specific section of the Notes to the separate financial statements, to which the reader is referred.

Financial statements of Rai SpA

Balance sheet

(Euro)	Note	Year ended	
		31 December 2021	31 December 2020
Property, plant and equipment	11.1	905,261,441	898,970,311
Lease rights of use	11.2	44,790,823	55,502,035
Intangible assets	11.3	400,215,131	377,636,731
Equity investments	11.4	923,926,170	918,831,259
Non-current financial assets	11.5	2,728,919	528,874
Deferred tax assets	11.6	-	-
Other non-current assets	11.7	3,213,070	4,215,150
Total non-current assets		**2,280,135,554**	**2,255,684,360**
Inventory	12.1	106,283	99,612
Trade receivables	12.2	307,198,053	332,911,898
Current financial assets	12.3	127,189,168	138,278,519
Current income tax assets	12.4	723,167	17,761,879
Other current receivables and assets	12.5	164,343,176	237,951,621
Cash and cash equivalents	12.6	42,536,454	11,389,882
Total current assets		**642,096,301**	**738,393,411**
Total assets		**2,922,231,855**	**2,994,077,771**
Share capital		242,518,100	242,518,100
Reserves		492,980,022	510,530,405
Retained earnings (losses)		(77,661,418)	(58,731,291)
Total shareholders' equity	**13**	**657,836,704**	**694,317,214**
Non-current financial liabilities	14.1	299,338,102	299,178,301
Non-current lease liabilities	14.2	30,861,229	40,014,408
Employee benefits	14.3	351,053,508	379,134,808
Provisions for non-current risks and charges	14.4	202,096,873	183,288,572
Deferred tax liabilities	14.5	39,598,461	42,340,142
Other non-current payables and liabilities	14.6	1,633,647	1,877,624
Total non-current liabilities		**924,581,820**	**945,833,855**
Trade payables	15.1	543,627,427	538,280,801
Current financial liabilities	15.2	373,832,246	376,915,838
Current lease liabilities	14.2	14,382,596	15,944,267
Current income tax liabilities	15.3	29,604,764	29,084,773
Other current payables and liabilities	15.1	378,366,298	393,701,023
Total current liabilities		**1,339,813,331**	**1,353,926,702**
Total liabilities		**2,264,395,151**	**2,299,760,557**
Total shareholders' equity and liabilities		**2,922,231,855**	**2,994,077,771**

Income statement

(Euro)	Note	Year ended	
		31 December 2021	31 December 2020
Revenue from sales and services	16.1	2,486,359,107	2,338,364,338
Other revenue and income	16.2	30,273,592	23,242,857
Total revenue		**2,516,632,699**	**2,361,607,195**
Costs for the purchase of consumables	16.3	(9,994,830)	(10,841,167)
Costs for services	16.3	(1,320,167,605)	(1,171,520,756)
Other costs	16.3	(44,768,435)	(46,979,762)
HR expenses	16.4	(937,388,658)	(917,168,808)
Impairment of financial assets	16.5	(256,060)	(5,481,296)
Depreciation, amortisation and write-downs	16.6	(317,542,915)	(302,998,131)
Provisions	16.7	(12,451,089)	(8,306,516)
Total costs		**(2,642,569,592)**	**(2,463,296,436)**
EBIT		**(125,936,893)**	**(101,689,241)**
Financial income	16.8	72,445,266	75,453,723
Financial expense	16.8	(12,276,644)	(16,596,613)
Earnings from equity investments recognised at equity	16.9	7,507,795	1,049,010
Pre-tax profit/(loss)		**(58,260,476)**	**(41,783,121)**
Income tax	16,10	27,823,648	21,078,995
Profit/(loss) for the year		**(30,436,828)**	**(20,704,126)**

Statement of comprehensive income

(Euro)	Year ended	
	31 December 2021	31 December 2020
Profit/(loss) for the year	**(30,436,828)**	**(20,704,126)**
Items that can be reclassified to the income statement:		
Profit/(loss) on cash flow hedge	3,153,744	3,162,384
Total	**3,153,744**	**3,162,384**
Items that cannot be reclassified to the income statement:		
Recalculation of defined-benefit plans	(9,197,425)	(1,168,243)
Total	**(9,197,425)**	**(1,168,243)**
Total profit/(loss) for the period	**(36,480,509)**	**(18,709,985)**

Statement of Cash Flows

(€/'000)	Note	Year ended	
		31 December 2021	31 December 2020
Pre-tax profit/(loss)		**(58,260)**	**(41,783)**
Adjustments for:			
Depreciation, amortisation and write-downs	16.5/16.6	317,799	308,479
Provisions and (issues) of personnel provisions and other provisions		84,528	90,201
Net financial charges (income)	16.8	(60,169)	(58,857)
Earnings from equity investments recognised at equity	16.9	(7,508)	(1,049)
Other non-monetary items		(4,799)	37
Cash flow generated by operating activities before changes in net working capital		**271,591**	**297,028**
Change in inventory		(6)	(9)
Change in trade receivables	12.2	25,457	(746)
Change in trade payables	15.1	5,347	(23,524)
Change in other assets and liabilities		101,270	(14,171)
Use of provisions for risks	14.4	(26,950)	(27,735)
Payment of employee benefits and to external provisions	14.3	(76,914)	(66,510)
Taxes paid		-	-
Net cash flow generated by operating activities		**299,795**	**164,333**
Investments in property, plant and equipment	11.1	(83,044)	(81,514)
Disposal of property, plant and equipment	11.1	8,117	279
Investments in intangible assets	11.3	(250,815)	(184,670)
Disposal of intangible assets	11.3	59	-
Equity investments	11.4	-	(71)
Dividends collected		70,063	72,065
Net interest collected		43	84
Change in financial assets	11.5/12.3	8,371	27,525
Net cash flow generated by investment activity		**(247,206)**	**(166,302)**
Long-term loans taken out	14.1	-	32
Long-term loan repayments	14.1/15.2	(5,006)	(360,013)
Increase (decrease) in short-term borrowings and other loans	15.2	1,910	232,226
Repayments of liabilities for leases	14.2	(15,547)	(16,139)
Net interest paid (*)		(2,800)	(7,011)
Net cash flow generated by financial activities		**(21,443)**	**(150,905)**
Change in cash and cash equivalents		**31,146**	**(152,874)**
Cash and cash equivalents at the beginning of the year	12.6	11,390	164,264
Cash and cash equivalents at the end of the year	12.6	**42,536**	**11,390**

(*) Referring to financial assets/liabilities.

Statement of changes in equity

(€/'000)	Share capital	Legal reserve	Other reserves	Retained earnings (losses)	Total Shareholders' equity
Balances as at 1 January 2020	**242,518**	**12,042**	**530,354**	**(71,887)**	**713,027**
Allocation of profit/loss	-	-	(35,028)	35,028	**-**
Profit/(loss) for the year	-	-	-	(20,704)	**(20,704)**
Statement of comprehensive income components	-	-	3,162	(1,168)	**1,994**
Total profit/(loss) for the year	**-**	**-**	**3,162**	**(21,872)**	**(18,710)**
Balances as at 31 December 2020	**242,518**	**12,042**	**498,488**	**(58,731)**	**694,317**
Allocation of profit/loss	-	-	(20,704)	20,704	**-**
Profit/(loss) for the year	-	-	-	(30,437)	**(30,437)**
Statement of comprehensive income components	-	-	3,154	(9,197)	**(6,043)**
Total profit/(loss) for the year	**-**	**-**	**3,154**	**(39,634)**	**(36,480)**
Balances as at 31 December 2021	**242,518**	**12,042**	**480,938**	**(77,661)**	**657,837**

Notes to the Separate Financial Statements as at 31 December 2021

1 General information

Rai Radiotelevisione italiana SpA (hereinafter "Rai", the "Company" or the "Parent Company") is a joint-stock company formed and domiciled in Italy, with registered office in Rome at Viale Mazzini 14, organised according to Italian law.

The Separate Financial Statements as at 31 December 2021 (hereinafter "Separate Financial Statements"), as described hereinafter, were prepared in compliance with the *International Financial Reporting Standards* ("IFRS").

With Prime Ministerial Decree of 28 April 2017 containing "Assignment of the radio, televisions and multimedia Public Service concession and approval of the annexed draft agreement" (hereinafter "Public Service"), Rai was established as the concessionaire of the radio, television and multimedia Public Service on an exclusive basis for a decade, starting from 30 April 2017 That role is performed by the Company and its subsidiaries (jointly the "Group").

On the strength of specific Italian and EU regulatory sources, the Parent Company is required to meet precise programming quality and quantity obligations that are described in detail in the Service Agreement (hereinafter the "Agreement") drawn up with the Ministry of Economic Development for the period 2018-2022, published in the Official Gazette on 7 March 2018.

The Agreement relates to the activity that Rai performs in order to carry out the public service and, in particular, the radio, television and multimedia services broadcast through the various platforms in all modes, the use of the necessary transmission capacity, the creation of editorial content, the provisions of technological services for the production and transmission of the signal using analogue and digital technology, and the preparation and management of control and monitoring systems.

The capital of the Company is respectively held by:
- the Ministry of Economy and Finance (99.5583%)
- SIAE Società Italiana Autori Editori (0.4417%)

The Separate Financial Statements are subject to auditing by the company PricewaterhouseCoopers SpA (hereinafter the "External Auditor") to which the Rai Ordinary General Meeting of Shareholders, upon the proposal put forward by the Board of Statutory Auditors, assigned the appointment for the financial years until 2023 on 10 March 2016, in consideration of Rai's acquisition of status of Public Interest Entity.

2 Preparation criteria

In view the provisions of Legislative Decree 38 of 28 February 2005, when preparing its Separate Financial Statements, the Company applies the *International Financial Reporting Standards* (hereinafter "IFRS" or "international accounting standards") issued by the *International Accounting Standards Board* (hereinafter "IASB") and adopted by the European Commission according to the procedure pursuant to Article 6 of (EC) Regulation 1606/2002 of the European Parliament and Council of 19 July 2002. IFRS herein refers to all international accounting standards ("IAS") and all interpretations of the '*International Financial Reporting Standard Interpretations Committee*("IFRIC"), previously called "*Standard Interpretations Committee*" (SIC). In preparing these Separate Financial Statements, the Company provided complete information, applying the IFRS consistently to the periods stated in these Separate Financial Statements.

The structure of the Separate Financial Statements that the Company has selected provides for:
- the items in the statement of financial position to be classified as current and non current;
- the items in the income statement to be classified by kind;
- the statement of comprehensive income to be presented separately to the income statement and indicate the economic result integrated with income and expenses which through specific IFRS provisions are recognised directly in shareholders' equity;

- the cash flow report to be prepared according to the "indirect method", rectifying the result (profit/loss before taxes) for the year of non monetary components; and
- the statement of changes to equity to present the total income (expenses) of the year, transactions with Shareholders and changes to equity.

This layout best reflects the elements that led to the earnings for the year, in addition to its financial and capital structure.

The Separate Financial Statements were drawn up applying the historical cost method, taking into account the value adjustments, where appropriate, with the exception of the items that according to the IFRS must be measured at fair value, as indicated in the valuation criteria and without prejudice to those cases where the IFRS provisions allow a different valuation criterion.

The Separate Financial Statements were prepared on a going concern basis since it is not believed that there are financial, operation or other type of ratios that might indicate critical issues regarding the Company's ability to meet its obligations in the foreseeable future, and more specifically in the next 12 months.

The description of the method applied by the Company to manage financial risks is contented in Note 7 "Management of financial risks".

The values presented in the tables in the statement of financial position, the income statement and the statement of comprehensive income are in Euro units; whereas the cash flow report, the statement of changes to equity and the Notes to the Separate Financial Statements, considering their importance, are in thousands of euro, unless indicated otherwise.

The most significant accounting standards and measurement criteria used in the preparation of the Separate Financial Statements, which are unchanged from those used in the preparation of the Separate Financial Statements for the year ended 31 December 2020, are described below.

3

Evaluation criteria

Assets

Property, plant and equipment
Property, plant and equipment are recognised according to the cost criteria and are entered at their purchase price or at cost of production including all directly allocated accessory charges necessary to make the assets ready for use. Property, plant and equipment cannot be revalued, not even when applying specific laws.

Costs for improvements, modernisation and transformation that increase the property, plant and equipment are recognised to assets when it is probable that they increase the future economic benefits expected from the use or sale of the asset.

Property, plant and equipment are amortised systematically at constant percentages during their useful economic-technical lifespan, intended as the estimate of the period in which the assets will be used by the company, period starting from the month use of the asset starts or could have started. When the property, plant and equipment consists of multiple significant components have different useful lives, depreciation is made for each component. The value to depreciate is represented by the book value reduced by the estimated net exit value at the end of its useful life. Land, even if purchased together with a building, works of art and property, plant and equipment held for sale are not subject to depreciation. Any amendments to the amortisation plan, resulting from a review of the useful life of the tangible asset, of the residual value or the way to obtain economic benefits from the asset, are recognised perspectively.

The estimated useful life of the main property, plant and equipment is the following:

	Useful life in years	
	Min	Max
Buildings	10	50
Plant and machinery	4	8
Industrial and commercial equipment	5.3	5.3
Other assets	4	8.3

The calculation of the service life related to costs for improvements, modernisation and transformation of leased assets also take into account the remaining duration of lease contracts.

Expenses for ordinary maintenance and repairs are recognised in the income statement in the year they are sustained.

Lease rights of use

Lease agreements correspond to contracts that grant the exclusive right to use an identified or identifiable good and which confer the substantive right to obtain all the economic benefits deriving from its use for a certain period of time in exchange for consideration. Contracts or elements of complex contracts that have such characteristics are recognised in the separate financial statements through the recognition in the statement of financial position of a liability consisting of the present value of the lease payments, as set out in the valuation criteria for lease liabilities. At the same time and as an entry balancing the recognition of the liability, the corresponding right of use is recorded under assets, amortised on a straight line basis over the duration of the lease contract or the related economic-technical useful life, if shorter. The lease term is the non-cancellable period for which the counterparty is entitled to use the underlying asset.

The following main types of contracts fall under this accounting method:
- property leases;
- car rentals.

Typically, contracts for the rental of buildings for industrial use provide for tacit renewals on expiry, which can be further renewed for the same term: Consequently, each renewal gives rise to a new right of use representative of the new (albeit tacit) agreement reached between the parties.

At the commencement date of the lease, the cost of the right-of-use asset shall comprise:
a) the amount of the initial measurement of the lease liability;
b) any lease payments made at or before the commencement date;
c) any initial direct costs (e.g., mediation costs);
d) in the presence of current obligations for the dismantling, removal of assets and recovery of sites, the registration value of costs estimated (actualised) to be sustained when the structures are abandoned, recognised as a balancing item to a specific provisions for non-current risks and charges.

The amount under a), recorded as a balancing entry to the lease liability item, recognises:
- fixed lease payments;
- variable lease payments that depend on an index or a rate (e.g., ISTAT adjustment index);
- the exercise price of a purchase option if it is reasonably certain that the option will be exercised;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

If the lease contract provides for the possibility to exercise the purchase option and there is reasonable certainty of exercising it, the right of use is recorded under property, plant and equipment in the corresponding class of assets and is amortised over the useful life of the asset.

The Company has availed itself of the option provided for by IFRS standards to recognise payments due for short-term leases (of no more than 12 months) and for leases for which the underlying asset is of modest value (approximately less than €5,000), as costs for services.

Intangible assets

Intangible assets concern the identifiable assets without physical consistency, controlled by the Company and able to generate future economic benefits, as well as the goodwill when acquired against payment. Identifiabiility is defined with reference to the possibility to distinguish the intangible asset acquired from goodwill. This requirement is normally met when:

- the intangible asset can be traced back to a legal or contractual right; or
- the asset is separable, meaning it can be assigned, transferred, rented or traded autonomously or as an integral part of other assets.

The Company's control consists in the right to enjoy future economic benefits arising from the asset and in the possibility to limit its access to others.

Intangible assets are recognised at purchase or production cost, including directly allocated accessory charges necessary to make the assets ready for use. Revaluations cannot be made, not even when applying specific laws.

The intangible assets having a defined useful life are systematically amortised along their useful life meant as the estimate of the period in which the assets will be used by the Company, and are broken down into:

a) Programmes: the costs for acquiring and producing programmes, made up of the external costs directly allocated to each production and the costs of the internal resources used for making single programmes, are represented according to the following criteria:
   1) Costs referred to television productions with repeated utility are capitalised under intangible assets and, if those productions are ready to be used at year end, they at amortised with constant percentages, starting from the month the right is ready or available, with attention for the duration of presumable future use. If, on the other hand, these productions with repeated usefulness are not yet usable at year-end, their costs are deferred as assets under development and payments on account.
      Taking into account the objective difficulties in identifying elements able to guarantee a correct correlation between revenue from advertising and licence fees and the amortisation of the rights, to which the indeterminable nature of the varied methods of exploitation is added, the useful life of the programmes with repeated usefulness is shown in the following table:

	Useful life in years
Drama	3
Documentary works	3
Exploitation rights of football library	4
Cartoons	5

      The costs referring to rights under concession for shorter durations are amortised on a straight-line basis corresponding to the period of availability. Should the rights have depleted the contractually available passages, the residual value is fully expensed;
   2) Costs referred to television productions to be used straight away are attributed to the income statement in a single year, which usually coincides with the one of use. More specifically:
      - News reporting, light entertainment, documentaries, classical music, prose and the entire radio production: the costs are recognised during the year in which they are incurred, which usually coincides with the one in which they are broadcast;
      - sports events: the costs are recognised in the year in which the event takes place.

b) Software user licences are depreciated in three years starting from the month they become available for use, generally coinciding with the months when use starts.

c) Trademarks are depreciated in ten years from when they are available for use, generally corresponding to the year in which use starts.

Goodwill and other intangible assets having an indefinite useful life are not amortised; the recoverability of their book value is checked at least once a year and in any case whenever events that lead to an assumption of impairment occur.

Impairment of non-financial assets

Non-financial assets are analysed on every reporting date in order to check whether there are indicators showing a loss in value. When events occur that lead to assuming a reduction in the value of non financial

assets, their recoverability is checked comparing the recognition value with the relative recoverable value represented by the higher between fair value, net of disposal expenses, and value in use. The value in use is calculated based on reasonable and demonstrable assumptions representing the best estimate of future economic conditions that will occur in the residual useful life of the asset, giving importance to the information coming from the outside. When the reasons why the write-downs took place no longer exist, the asset's value is restored and the rectification is recognised in the income statement as a revaluation (recovery of value). The impairment loss is reversed at the recoverable value or the book value before the impairment previously made and reduced by the amortisation quotas that would have been allocated if the impairment had not been made, whichever is the least.

Equity investments

Equity investments in subsidiaries are recognised at adjusted cost when there are impairments. These impairments are quantified based on the recoverable value determined with reference to the cash flows that the investee company will be able to prospectively generate. The positive difference, emerging at the time of purchase, between purchase cost and the shareholders' equity share at current values of the investee belonging to the Company is, therefore, included in the carrying amount of the investment. Any write-downs of positive difference are not restored in the subsequent periods, even if the conditions leading to the writedown cease to exist.

Equity investments in joint ventures and in associates are carried as Equity.

On applying the equity method, equity investments are initially recognised at purchase cost, attributing any difference between cost sustained and the interest share in the fair value of the identifiable net assets of the investee in a similar way to what is set forth in IFRS 3 "*Business Combinations*". The book value is then adjusted to take into account:

- the shareholder's portion of the economic results of the investee made following the date of acquisition; and
- the shareholder's portion of the other Statement of Comprehensive Income components of the investee.

The changes to shareholders' equity of an investee, other than the above, are recognised in the income statement when the substantially represent the effects of the sale of an interest share in the investee. The dividends that the investee distributes are recognised to reduce the book value of the equity investment. The equity method also considers the amendments provided for the consolidation process.

When there is objective evidence of impairment, the recoverability is checked by comparing the book value with the relevant recoverable value calculated adopting the criteria indicated in the section "Impairment of non-financial assets". When the reasons for impairment no longer apply, the equity investments' value is restored within the limits of the impairments applied, attributing the effect to the income statement.

The sale of equity investments that implies a loss of the joint control or the considerable influence on the investee causes recognition in the income statement:

- any capital gain/loss calculated as the difference between the consideration received and the corresponding fraction of the book value of the transferred equity investment;
- of the effect of the revaluation of any residual investment kept to align it with the relative fair value;
- of any values recognised in the other statement of comprehensive income components related to the investee for which reclassification to the income statement is foreseen.

The value of any investment kept, aligned with the relative fair value at the date joint control or considerable influence is lost, represents the new entry value, hence the reference value for the subsequent measurement based on measurement criteria applicable.

After an investment measured applying the equity method, or a share of that investment, is classified as held for sale as it meets the criteria for that classification, the investment, or investment share, is no longer measured by the equity method. Any shares of that investment not classified as held for sale are measured applying the equity method until disposal of the investment share held for sale has been concluded. Any residual share kept after the sale is measured based on the applicable valuation criteria.

The other investments, recognised in non-current assets as they are not held for negotiation, are measured at fair value with balancing entry to the income statement. When the investments are not listed on a regulated

market, where information available to measure fair value is not sufficient, it is felt that the cost represents an adequate estimate.

The shareholder's portion of any losses of the investee exceeding the book value of the equity investment is recognised in a special provisions to the extent in which the shareholder is committed to fulfilling legal or implicit obligations of the investee, or in any case to covering its losses.

Inventory
The final inventory of technical materials are recognised at purchase cost, calculated using the weighted average cost formula, adjusted in connection with market performance and the estimated non-uses tied to obsolescence and slow turnaround phenomena.

Trade receivables – Financial assets – Other assets
Trade receivables, financial and other assets, considering their contractual characteristics and the business model adopted to manage them, are classified under the following categories: (i) financial assets recognised at amortised cost; (ii) financial assets recognised at fair value with balancing entry in other comprehensive income; (iii) financial assets recognised at fair value with balancing entry in the income statement.

Trade receivables, financial and other assets, if they only generate contractual cash flows representing capital and interest and if managed with a business model whose goal is to hold the asset to collect the aforementioned flows, are initially recognised at fair value rectified by directly attributable transaction costs and then recognised applying the amortised cost criterion based on the effective interest rate method (that is the rate that makes the current value of cash flows expected and the recognition value equal, at the time of initial recognition), suitably rectified to take any impairments into account, by recognition in the provisions for write-down of receivables.

Trade receivables, financial and other assets with the aforementioned contractual characteristics, if managed applying a business model whose goal is both to hold the asset to collect its contractual flows represented by the return of capital and interest accrued and to realise the investment through a sale, are recognised after initial entry, at fair value with balancing entry in the other comprehensive income components.

Financial assets whose contractual cash flows do not represent payment solely of capital and interest, are recognised at fair value with balancing entry in the income statement except for derivative instruments used to hedge financial flows, recognised at fair value with balancing entry in the other comprehensive income statement components.

Trade receivables, financial and other assets are included in current assets, except for those with contractual maturity exceeding twelve months compared to the financial statement date, classified in non-current assets.

Impairment of financial assets
At each financial statement reference date, all financial assets that are not those recognised at fair value with balancing entry in the income statement are analysed to check whether there is objective evidence that an asset or group of financial assets has suffered or could suffer a loss in value based on the expected losses model.

The Company measures the expected losses on trade receivables considering their entire duration based on a weighted estimate of the probabilities that those losses could occur. For this purpose, the Company uses quantitative and qualitative information and analyses, based on historical experience, suitably integrated with forecasts on the expected evolution of circumstances. Losses are measured as the current value of all differences between financial flows due contractually and cash flows the Company expects to receive at the effective interest rate of the financial asset.

For assets that are not trade receivables (financial assets, other assets, liquid assets and equivalent means), if the credit risk (that is the risk of non compliance along the expected life of the financial instrument) has increased significantly from the date of initial recognition, the Company estimates losses over a time horizon corresponding to the duration of each financial instrument. For financial assets represented by debt securities attributed a low credit risk at the financial statement reference date, losses are estimated over a twelve months time horizon. The Company believes that a debt security has a low credit risk when its rating is equal to or higher than at least one of the following levels: Baa3 for Moody's, BBB- for Standard&Poor's and Fitch.

To calculate whether the credit risk of a financial asset that is not trade receivables has increased considerably following initial recognition, the Company uses all pertinent information, considered reasonable, that is adequately supported and available with no costs or excessive efforts needed.

Impairment losses related to financial assets are presented separately in the income statement.

If the amount of a loss in value of an asset previously recognised drops and that reduction can objectively be connected to an event that occurred after the loss in value was recognised, it is re-credited to the income statement.

Derecognition of financial assets and liabilities
Financial assets are derecognised when one of the following conditions is met:
- the contractual right to receive the cash flows from the asset has expired;
- the Company has essentially transferred all risks and benefits connected to the asset, transferring its rights to receive cash flows from the asset or taking on a contractual obligation to bestow cash flows received to one or more possible beneficiaries through a contract complying with IFRS 9 requirements (so-called pass through test);
- the Company has neither assigned nor basically retained all the risks and benefits connected with the financial asset, but has transferred control.

In the case of factoring transactions basically involving transfer of the risks and benefits connected with the receivables assigned to the factor (therefore the Company remains exposed to the risk of insolvency and/or delayed payment – so-called non-recourse factoring), the transaction is assimilated to the opening of a loan secured by the credit being assigned. In that circumstance, the receivable transferred is still presented in the statement of financial position until collected by the factor and, as a balancing entry to any advance received from the factor, a financial debt is recognised. The financial cost for factoring transactions is represented by interest on the amounts advanced entered in the income statement on an accrual basis and classified under financial expenses Commissions accruing on assignments are included among the financial expenses.

The financial liabilities are derecognised when they are extinguished, meaning when the contractual obligation is fulfilled, cancelled or barred.

Offsetting financial assets and financial liabilities
The Company offsets financial assets and liabilities if and only if:
- there is a legally exercisable right to offset the amounts recognised; and
- there is the intention to either offset on a net basis or to realise the asset and adjust the liability at the same time.

Cash and cash equivalents
Cash and cash equivalents comprise cash, demand deposits and financial assets with maturity originally equal to or less than three months, readily convertible into case and subject to a negligible risk of change in value. Elements included in cash and cash equivalents are recognised at fair value.

Collection operations are recorded by bank transaction date; the order date is also taken into account for payment transactions.

Liabilities

Financial liabilities - Trade payables - Other payables and liabilities
Loans and payables are recognised when the Company becomes part of the relative contractual clauses and are initially recognised at fair value rectified by the directly attributable transaction costs.

They are afterwards measured with the amortised cost criterion, using the effective interest rate method.

Lease liabilities
They represent the current value of payments due under lease contracts (as set out in the previous paragraph "Lease rights-of-use") and are recognised at the commencement date of the lease contract.

The current value of the payments due is calculated using the implicit lease interest rate or the marginal financing rate of the lessee applicable at the commencement date of the lease if the lease's implicit interest rate cannot be calculated readily. The marginal financing rate corresponds to the interest rate that would have been incurred to obtain a loan with a similar cash profile and the same collateral as the lease contract (so-called Incremental Borrowing Rate).

After the commencement date, the lease liability, measured using the amortised cost method, is increased to take into account the accrued interest expense and decreased as a result of payments made. It may also be restated to take into account any new valuations or changes to the lease agreement Where the changes relate to the lease term or the valuation of an option to purchase the underlying asset, the lease liability is restated using a revised discount rate at the date of the change.

Provisions for risks and charges

Provisions for risks and charges are those costs and expenses of a certain or probable nature and existence which, at the financial statements closing date are undetermined for amount and/or occurrence date. The allocations to these provisions are recognised when:

- the existence of a current, legal or implicit obligation arising from a past event is likely;
- fulfilment of the obligation being against payment is likely;
- the amount of the obligation can be reliably estimated.

Liabilities related to tax disputes and uncertain income tax treatment are allocated to income tax liabilities.

Provisions are recognised at the value represented the best estimate for the amount that the Company will reasonably pay to settle the obligation or to transfer it to third parties at the financial statements closing date. When the financial effect of time going by is significant and the payment dates for the obligations can be estimated reliably, the allocation is decided actualising expected cash flows considering the risks associated with the obligation. The provisions increase connected to time going by is recognised in the income statement under the items financial income or financial expense.

The provisions are periodically updated to reflect the changes in the estimates of costs, execution time and the discount rate; estimates reviewed are attributed to the same income statement item as the previous provisions. Provisions for risks and charges are actualised when it is possible to reasonably estimate when the monetary outflows will take place. When the liability regards property, plant and equipment (e.g. dismantling and restoration of sites), the changes in provisions estimate are recognised as a balancing entry for the asset to which they refer within the limits of the book values; any surplus is recognised in the income statement.

If it is expected that all the expenses (or a part of them) required to settle an obligation are repaid by third parties, the indemnity – when it is virtually certain – is recognised as a separate asset.

For contracts whose non-discretionary costs necessary for fulfilling the obligations undertaken are greater than the economic benefits expected to be obtainable from the contract (onerous contracts), the Company recognises a provisions equal to the cost necessary for the fulfilment and any compensation or sanction arising from non-fulfilment of the contract, whichever is the lesser.

The existence of contingent liabilities, represented by possible but not probable obligations arising from past events whose existence will be confirmed only when one or more uncertain future events not totally under the Company's control occur, or not occur, will not give rise to the recognition of liabilities recorded in the financial statements, but is explained in a specific note contained in the Separate Financial Statements.

Employee benefits

Taking into account their characteristics, benefits following employment are either "defined-contribution" plans or "defined-benefit" plans. In the defined-contribution plans, the Company's obligation limited to paying contributions to the State, to an estate or to a legally distinct entity is determined based on the contributions due. Costs related to those plans are recognised in the income statement based on the contribution made in the year. In the defined-benefit plans, on the other hand, the company's obligation is determined, separately for each plan, based on actuarial assumptions by estimating (in compliance with the projected unit credit method) the amount of the future benefits that the employees have accrued as at the date of reference. More specifically, the current value of the defined-benefits plans is calculated using a rate determined based on market performance as at the reporting date of the bonds of primary companies or, if there is no active market

in which they are traded, government bonds The liability is recognised on an accrual basis during the period the right accrues. The liability is measured by independent actuaries. If the assets servicing the plan exceed the current value of the relevant liability, the surplus is recognised as assets.

Net interest includes the component of return on assets servicing the plan and the cost for interest to be recognised in the income statement. Net interest is determined by applying the discount rate defined for the liabilities to the liabilities, net of any assets servicing the plan; The net interest defined-benefit plans is recognised in the income statement under financial income or financial expense.

Actuarial profits and losses resulting from actuarial recognition of the defined-benefit plans and the return of assets servicing the plan (net of any interest income) are recognised under the other statement of comprehensive income components For the other long-term benefits, actuarial profits and losses are recognised in the income statement. If a defined-benefits plan should be modified or a new plan introduced, any welfare cost linked to the supply of past labour is recognised in the income statement.

As for redundancy incentives, the liability and expenditure related to the termination benefits payable as a result of the termination of the employment, when the redundancy incentive is not included in a restructuring programme, are calculated when the Company is no longer entitled to withdraw the termination benefits payable as a result of the termination of the employment. Otherwise, if the termination of the employment occurs following a structured redundancy incentive plan that has been notified to the concerned employees, the liability and costs related to the employment are calculated on the financial year in which the employees have a valid expectation on the fact that the restructuring will occur within the terms defined. If those benefits are expected to be settled wholly within twelve months after the end of the period in which the benefits are recognised, the requirements for short-term employee benefits are applied, and if they are not expected to be settled wholly within twelve months after the end of the period, the entity shall apply the requirements for other long-term employee benefits.

Derivative financial instruments

A derivative is a financial instrument or another contract:

- whose value changes depending on the changes in an underlying parameter, such as interest rate, price of a note or goods, exchange rate in foreign currency, index of prices or rates, rating of a receivable or another variable;
- that requires a net initial investment equal to zero or less than what would be required for contracts with a response similar to the changes in market conditions;
- that is settled at a future date.

Derivatives are classified as financial assets or liabilities based on the positive or negative fair value and are classified as “held for trading” and recognised at fair value in the income statement, except for those designated as effective hedging instruments.

Derivatives are designated as hedging instruments when the ratio between the derivative and the hedged item is formally documented and the hedging effectiveness (periodically checked) is high. When derivatives hedge the risk of a change in cash flows of instruments being hedged (cash flow hedge: e.g. Hedging the variability of asset/liability cash flows due to exchange rates fluctuating), the changes in fair value of derivatives considered effective are initially recognised in the equity reserve for the other comprehensive income statement components (cash flow hedge reserve) and then attributed to the income statement consistent with the economic effects produced by the transaction hedged The changes to the fair value of derivatives that cannot be qualified as hedging are recognised in the income statement.

For currency options, the fair value suspended to the cash flow hedge reserve is formed by the intrinsic value and the time value. The intrinsic value is equal to the amount of the currency optioned (nominal value), multiplied by the difference between the exchange rate of the option exercised ant the market exchange rate at the time of measurement (e.g. end of year exchange rate). In cases where the exchange rate of the option exercised is off market – that is exercising it is not advantageous considering market conditions at the time of measurement – the intrinsic value is null. The time value is a value proportionate to option duration and comes from the difference between the option’s total fair value and the intrinsic value.

For the forward purchase of currency, the fair value suspended for cash flow hedge reserve is represented by the spot component, that is the amount of the currency purchased by the difference between the spot rate of

the forward purchase transaction and the market rate recognised on the measurement day.

Fair value measurement

Fair value measurement is performed and relative disclosure is prepared applying IFRS 13 "Measurement of fair value". Fair value is the price that would be received for the sale of an asset or that would be paid to transfer a liability during an ordinary transaction carried out by market operators, at the measurement date.

The measurement of fair value is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the main market; that is in the market where the most volume and transaction levels for the asset or liability take place Without a main market, one assumes that the transaction takes place in the most advantageous market to which the Company has access, that is the market susceptible to maximising the results of the transactions to sell the asset or to minimising the amount to pay to transfer the liability.

The fair value of an asset or liability is calculated considering the assumptions that market participants would use to define the price of the asset or liability, in the assumption that they act for the best economic interest. The market participants are informed independent buyers and sellers able to enter into a transaction for the asset or liability and motivated, but neither obliged nor induced, to make the transaction.

When measuring fair value, the Company considers the characteristics of specific assets or liabilities; in particular for the non-financial assets, the ability of a market operator to generate economic benefits by using the asset for its maximum and best use or selling it to another market operator able to use it for its maximum and best use Fair value measurements for assets and liabilities are performed using techniques suited to the circumstances and for which there is enough data available, maximising use of observable inputs.

Revenue

Revenues are recognised based on the following five steps:
1) identification of the contract with the customer;
2) identification of the performance obligations (i.e. the contractual commitments to transfer goods and/or services to the customer);
3) determination of the transaction price;
4) allocation of the transaction price to the performance obligations identified on the basis of the stand alone selling price of each good or service; and
5) recognition of the revenue when the relevant performance obligation is met.

When each contract is signed with customers, the Company, related to the goods or services promised, identifies as an obligation each promise to transfer goods, a service, a number of goods or services, or a distinct combination of goods and services to a customer.

Revenues are measured in a way that corresponds to the fair value of the fee due, including any variable components, where it is considered highly probable that they will not spill over into the future.

The Company recognises revenues due for each separate obligation when the control of services supplied, rights granted or goods sold is transferred to the purchaser.

Revenues are entered in the financial statements net of any discounts and rebates, payments made to customers which do not correspond to the purchase of distinct goods or services by the Company, and the estimate to customer returns.

The Company recognises a contractual asset or liability based on the fact that the service has already taken place but the relative fee still has to be received; or a contractual liability when, for fees already received obligations undertaken still have to be fulfilled.

Here below, please find a brief description of the recognition, measurement and valuation process applied for each of the main revenue flows identified.

TV licence fees
As described in Note 1 "General information", the Company performs, in order to exercise a Public Service, the activities established in the Contract. The fee for the service performed is represented by:
- ordinary licence fees, paid to the State, mainly by debiting the electricity bill, of the owners of a device that can receive the broadcasting signal and paid by the State, for its share, in ways established in the Contract in force in the months of January, May and September; and
- of special licence fees, paid to the Company directly by managers of a commercial activity that makes use of the Public Service available to the public through a device able to receive the broadcasting signal.

As the Company fulfils its obligation to provide a Public Service over time, the corresponding revenues from licence fees are recognised progressively as the broadcasting offer is transmitted.

Advertising
Contracts with advertisers establish that the Company, for a fee, undertakes to circulate the promotional messages of its customers on its multimedia channels The Company recognises the advertising revenues when the promotional messages are effectively transmitted also considering the fee reductions deemed highly probable.

Special services under convention
This type includes revenues calculated by agreements obliging the Company to provide activities established in the contract for the production, distribution and transmission of audio-visual content abroad to add value to the Italian language, culture and companies as well as the production and distribution of radio and TV transmissions, and audiovisual contents, intended for some linguistic minorities, as well as activities connected to the management of broadcasting licence fees.

The type of obligation, normally satisfied over time, means that the Company acknowledges the relative revenues during the period in which the obligation is fulfilled. Moreover, the fee due is normally commensurate to the duration of productions transmitted.

Sale of rights
Contracts selling the rights to exploit audio-visual works normally acknowledge the possibility for customers to use the works granted through different multimedia means, for a limited period of time or for a pre-defined number of passages, in set territorial areas.

User licences normally acknowledge licensees the right to access audio-visual works as they are when the licence is granted; therefore, recognition of the relative revenue takes place when the licensee is able to start exploiting the rights granted; the fee due is calculated as a fixed, non-refundable amount. However, when contracts foresee an amount calculated based on the results from the distribution of the right, the revenue is recognised when the results are achieved.

When rights sold have shares owned by third parties, the expense resulting from the share due to them is recognised as a reduction of revenues.

Distribution and sale of channels
Contracts for the distribution and sale of channels oblige making the contents of an entire programme available to customers, for a limited period and to be broadcast on platforms and in contractually defined territories.

The type of obligation taken, normally satisfied over time, implies recognition of the relative revenues over the period in which the obligation is fulfilled; regardless of whether the fee could have been quantified as fixed and have been definitely recognised in advance.

Public funding

Public funding, including non-monetary contributions measured at fair value, are recognised when it is reasonably certain they will be received and that the Company will comply with all conditions set for their allocation.

The benefit of a public loan at an interest rate lower than the market rate is treated as public funding. The

loan is initially recognised at fair value and the public funding is measured as a difference between the initial book value and the amount received. The loan is afterwards measured in compliance with the provisions established for financial liabilities.

Public funding in the year is recognised as a positive income statement component, under the item other revenue and income.

Public funding received for the purchase, construction or acquisition of fixed assets (tangible or intangible) is recognised to directly reduce the relevant purchase or production cost or is recognised as income in connection with the relevant useful life, based on the amortisation process of the assets subsidised.

Costs

Costs are recognised on an accrual basis when they concern services and goods purchased or consumed during the year or by systematic breakdown, or when their future usefulness cannot be identified.

Short-term lease rentals (lasting less than 12 months) and those whose underlying asset is of low value (approximately less than €5,000) are charged to the income statement over the duration of the contract.

The financial income and expenses are recognised in the income statement during the year in which they are accrued.

Exchange rate differences

Revenues and costs relating to transactions in a currency that is not the functional one are recorded at the current exchange rate of the day on which the transaction is recognised.

Monetary assets and liabilities stated in a currency other than the functional one are converted into the functional one at the current exchange rate at the financial statement reference date and are entered in the income statement. Monetary assets and liabilities stated in a currency other than the functional one recognised at cost are recorded at the initial recognition exchange rate; when measurement is at fair value or at the recoverable or collection value, the current exchange rate at the date that value is calculated is adopted.

Dividends

Dividends are recognised as at the date the General Meeting that establishes the right to receive payment passes the resolution except for when it is reasonably certain that the shares will be sold before the coupon date.

Dividends decided by the Shareholders' Meeting of the Company are entered as an equity movement in the year in which they are approved.

Income tax

Current taxes are recorded as current income tax liabilities net of paid advances or in the item current income tax assets when the net balance is a credit. Current taxes are measured by multiplying the estimated taxable income by the applicable tax rates. Both the estimate of taxable income and the tax rates used are based on tax legislation in force or substantially in force at the reference date.

Current taxes are recognised in the income statement, except for those related to items directly attributable to equity.

The item also includes an estimate of the charges that could burden the Company in relation to outstanding tax disputes or uncertain income tax treatment, recognised as a balancing entry to current or non-current income tax liabilities if the estimated time to resolve the dispute or the underlying uncertainty is over 12 months.

Deferred income tax assets and liabilities are calculated on the temporary differences between the asset values recognised and the matching values recognised for tax purposes, applying the rate in force as at the date on which the temporary difference will be paid, based on the rates expected as at the reporting date. A deferred tax liability is recorded for all taxable temporary differences, except for goodwill. Deferred tax assets on temporary differences, tax losses and credits not used are recognised if and when their recovery is probable foreseeing that positive taxable amounts can be achieved in future tax periods. When each year closes, a new measurement is made of whether deferred tax assets can be registered.

Deferred tax assets and liabilities are recognised in the income statement, except for those related to items directly attributable to equity.

As a result of applying regulations referring to the same tax authority, the deferred income tax assets and liabilities are offset if there is a legally exercisable right to offset the current tax assets with the current tax liabilities that will be generated at the time of their payment.

Deferred tax assets and deferred tax liabilities are classified under non-current assets and liabilities and are offset at the single tax jurisdiction level if referring to offsettable taxes. The offset balance, if receivable, is entered under deferred tax assets, if payable, under deferred tax liabilities.

Related parties

Related parties are those that share the same parent with Rai, the companies that control it directly or indirectly, are subsidiaries or are subject to joint control and those in which the Company holds an investment that means it exercises a considerable influence. The definition of related parties also includes entities that manage the benefit plans following the end of a working relationship solely for Company employees (indicated specifically in Note 17.4 "Relations with related parties") and key management personnel, that is those with powers and responsibilities, direct or indirect, for the planning, management, control of Company activities, including Directors.

In compliance with IAS 24 "Financial statement information on transactions with related parties", paragraph 26, Rai is exempted of information requirements pursuant to paragraph 18 (according to which the Company has to indicate the kind of relationship with the related party, as well as providing information on those transactions and on existing balances, including commitments, needed for users of financial statements to understand the potential effects of that relationship on the Separate Financial Statements) if relations with another entity that is a related party because the same government entity has control of both the entity drafting the financial statements and the other entity.

4 Use of estimates

Application of the IFRS for drawing up the Separate Financial Statements entails making accounting estimates that are often based on complex and/or subjective assessments and on past experience and assumptions considered reasonable and realistic in connection with the information known at the time of the estimate. The use of these estimates reflects on the book value of the assets and liabilities and on the disclosure concerning the contingent assets and liabilities as at the date of the Financial Statements, and on the amount of the revenues and costs in the accounting period represented. The actual results might differ from those estimated because of the uncertainty characterising the assumptions and conditions on which the estimates are based. Estimates and assumptions are reviewed periodically and the effects of each change are reflected in the income statement.

For better understanding of the Separate Financial Statements, the most significant estimates of the process of drafting the Separate Financial Statements because they involve making considerable recourse to subjective opinions, assumptions and estimates related to uncertain matters owing to their nature are provided below. The changes in the conditions at the root of adopted opinions and assumptions might have a large impact on the subsequent results.

Write-downs

Assets are written down when events or circumstances arising after their initial recognition lead one to believe that this value is not recoverable. To decide whether to depreciate or assess the item, the value in use is calculated based on reasonable and demonstrable assumptions representing the best estimate of future economic conditions that will occur in the residual useful life of the asset, giving importance to the information coming from the outside.

The decision of whether to proceed with its write-down and quantification depends on assessments made on the basis of reasonable and demonstrable assumptions representing the best estimate of the future economic conditions that will take place in the residual useful life of the asset while giving importance to the information coming from the outside. The write-down is calculated comparing the registration value with the relative recoverable value, represented by the highest between fair value, net of disposal expenses, and the value in use. The latter is determined by the use of the asset net the disposal charges and quantified in light of the information available at the time of the estimate on the basis of subjective opinions on the trend of future variables (such as prices, costs, demand growth rates).

Recovery of deferred taxes

The Separate Financial Statements include registration of deferred tax assets connected to the recognition of tax losses that can be used in subsequent tax periods, whose amount is subordinate to the recoverability calculated by achieving future taxable incomes that are sufficient to absorb the aforementioned tax losses or up to the deferred tax liability. Management is required to give important opinions in order to determine the amount of the deferred taxes that can be recognised based on the time frame and the amount of the future taxable income. If, in the future, the Company should not be able to fully or partially recover the deferred tax assets recorded in the financial statements, the relative rectification will be attributed to the income statement.

Employee benefits

A part of Company employees are registered with plans allocating benefits after employment has been terminated (such as employee severance pay plus supplementary pension schemes indicated in Note 14.3 "Employee benefits"). Quantification of the costs and liabilities associated with these plans is based on estimates made by actuaries, who use a combination of statistical-actuarial factors, including statistical data relating to past years and forecasts of future costs. Mortality and withdrawal rates, assumptions on the future evolution of discount rates, remuneration growth rates, inflation rates and the analysis of the trending index of healthcare costs are also considered as estimate components. What normally occurs is that when the balance of these liabilities is periodically measured, there are differences arising from, among other things, changes in the actuarial assumptions use, the difference between actuarial assumptions previously adopted and those that actually took place, and the different return on assets servicing the plan compared to what was considered in the net interest calculation. Measurement impacts are recognised in the comprehensive income statement for the defined benefit plans and in the income statement for the defined contribution plans.

Litigation

The Company may be respondent in several disputes concerning administrative, civil, tax and labour law matters. The nature of these disputes makes the final outcome of the matters objectively unforeseeable. Therefore, provisions were created to cover all significant liabilities for cases where it is felt that an unfavourable result is probable and it was possible to process a reasonable estimate of expenses resulting from any loss.

Dismantling and restoration of sites

The Company recognised liabilities regarding the obligations to dismantle property, plant and equipment and to restore several areas under operating lease agreements at the end of the period they are used. Estimating

future dismantling and restoration costs is a complex process and requires common sense and judgement in assessing liabilities to sustain many years later, and they are often not fully defined by laws, regulations or contractual clauses. The critical nature of the estimates of dismantling and restoration charges also arises (i) from posting these charges whose current value is initially recorded to increase the right of use to which they refer and as a balancing entry in the provisions for risks; and (ii) from the complexity and subjectivity of the valuation process to perform upon initial recognition and to update at least once a year in order to determine the discount rate to use.

Measuring the fair value of financial instruments

The fair value of listed financial instruments is calculated observing prices identifiable directly on the market, whereas for non-listed ones specific measurement techniques are applied that use the greatest number possible of observable market inputs. In the circumstances in which this is not possible, management estimates the inputs while taking into account characteristics of the instruments being measured. Changes in assumptions made to estimate input data could have effects on the fair value recognised for those instruments in the financial statements.

5

Recently-issued accounting principles

Accounting standards approved by the European Union but still not mandatorily applicable

- Regulation 2021/1080 issued by the European Commission on 28 June 2021 endorsed the documents "*Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets and the 2018-2020 Annual Improvement Cycle*". The documents contain changes limited to three standards as well as annual improvements and clarify the wording or correct oversights or conflicts between the requirements of the standards. The amendments to IFRS 3 "*Business Combinations*" update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments to IAS 16 "*Property, Plant and Equipment*" prohibit a company from deducting from the cost of property, plant and equipment income from the sale of items produced while the company is preparing the asset for its intended use. Income from sales and related costs shall be charged to the income statement. The amendments to IAS 37 "*Provisions, Contingent Liabilities and Contingent Assets*" specify which costs should be included in measuring whether a contract is a loss. The annual improvements make minor amendments to IFRS 1 "*First-time Adoption of International Financial Reporting Standards*", IFRS 9 "*Financial Instruments*", IAS 41 "*Agriculture*" and the illustrative examples in IFRS 16 "*Leases*".
  All the amendments are effective starting from the years beginning on or after 1 January 2022.

- Regulation no. 2021/2036 issued by the European Commission on 19 November 2021 approved the IFRS 17 '*Insurance Contracts*' published by IASB on 18 May 2017 and following amendments published on 25 June 2020. The principle provides a full approach for the accounting of insurance contracts and applies to the issued insurance contracts, and reassurance contracts issued or held, and investment contracts with discretionary participation features issued.

The IFRS 17 provisions and following amendments are effective starting from the financial years starting from or after 1 January 2023.

The Company assessed that above changes will have no significant impacts on the Financial Statements.

Accounting principles not yet approved by the European Union

- On 23 January 2020 and 15 July 2020, respectively, the IASB issued the documents "*Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current'* and "*Classification of Liabilities as Current or Non-current - Deferral of Effective Date*" to clarify the requirements for classifying liabilities as current or non-current. More specifically:
  - the amendments specify that the conditions existing at the end of the reporting period are those that must be used to determine whether there is a right to defer the settlement of a liability;

- management's expectations regarding events after the reporting period, for example in the event of a breach of a covenant or in the event of early settlement, are not material;
- the amendments clarify situations that are considered as the payment of a liability.

Due to the Covid-19 pandemic, the IASB proposed to defer the effective date of the document to 1 January 2023, to give companies more time to implement any classification changes resulting from the amendments.

- On 12 February 2021, the IASB issued the document "*Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies*" The amendments aim to provide guidance and examples to assist entities in applying a judgement of materiality in disclosing accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to disclosures about accounting policies.
  The amendments are effective for reporting periods beginning on or after 1 January 2023.

- On 12 February 2021, the IASB issued the document *Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*. Definition of Accounting Estimates".
  The amendments clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates, relevant because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally also applied retrospectively to past transactions and other past events.
  The amendments are effective starting from reporting periods beginning on or after 1 January 2023.

- On 7 May 2021, the IASB issued document "*Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*". The document addresses the uncertainty in practice about applying the exemption in paragraphs 15 and 24 of IAS 12 to transactions that give rise to both an asset and a liability on initial recognition and may result in temporary tax differences of the same amount. Under the proposed amendments, the exemption from initial recognition in IAS 12 would not apply to transactions that, when these occur, give rise to equal and offsetting amounts of taxable and deductible temporary differences.
  The amendments are effective starting from reporting periods beginning on or after 1 January 2023.

- On 9 December 2021 IASB issued the document '*Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information".* The narrow scope amendments address an important issue relating to accounting mismatches between insurance contract liabilities and financial assets arising from comparative information presented with the initial application of IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments.
  The amendments are effective starting from reporting periods beginning on or after 1 January 2023.

At present, the Company is analysing the principles specified and is assessing whether their adoption will have a significant impact on the financial statements.

6 Information by operating segment

IFRS 8 "*Operating Segments*" identifies the Operating Segment as a component of an entity: (i) that carries out activities able to generate flows of revenue and autonomous costs; (ii) whose operational results are periodically reviewed at the highest operational decision-making level, which coincides with the Company's Board of Directors, with the purpose of taking decisions on allocation of the resources and assessing their results; and (iii) for which separate economic-financial information is prepared. The Company has identified only one operating segment and the management information, prepared and periodically made available to the Board of Directors for the purposes referred to above, considers the activity carried out as an indistinct set; as a result, no information by operating segment is presented in the Separate Financial Statements. The information on the services carried out by the Company, the geographical area (nearly corresponding entirely to the territory of the Italian State) where it carries out its activity and their major users is provided in the pertinent Notes to these Separate Financial Statements to which the reader is therefore referred.

7 Financial risk management

The financial risks to which the Company is exposed are managed according to the approach and procedures defined within a specific policy These documents establish procedures, limits and tools for monitoring and minimisation of financial risk, with the objective of preserving corporate value.

The main risks identified by the Company are:
- market risk arising from exposure to fluctuations of interest rates and exchange rates connected with the financial assets and liabilities respectively owned/originated and assumed;
- credit risk arising from the possibility that one or more counterparties might be insolvent;
- liquidity risk arising from the Company's inability to obtain the financial resources necessary to meet short-term financial commitments.

7.1 Market risk

Market risk consists of the possibility that changes in the interest and exchange rates might negatively influence the value of the assets, liabilities or expected cash flows.

When managing market risk, the Company uses the following derivative instruments:
- Interest rate swap to hedge exposure to interest rate risk;
- Options and forward currency purchases to hedge exposure to exchange risk, also on behalf of Rai Cinema.

Details of derivatives outstanding as at the reporting date, compared with the situation at 31 December 2019, are shown in the table below; in both periods all positions referred to derivatives on the EUR/USD exchange rate to hedge Rai Cinema contracts.

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Non-current assets		
Receivables from the subsidiary Rai Cinema for currency-option derivative instruments	-	56
	-	**56**
Current assets		
Options on currency for Rai Cinema	168	-
Forward purchase of currency for Rai Cinema	36	-
Receivables from the subsidiary Rai Cinema for currency-option derivative instruments	5	214
Payables to the subsidiary Rai Cinema for forward currency purchase derivatives	12	-
	221	**214**
Non-current liabilities		
Options on currency for Rai Cinema	-	56
	-	**56**
Current liabilities		
Options on currency for Rai Cinema	5	214
Forward purchase of currency for Rai Cinema	12	-
Payables to the subsidiary Rai Cinema for currency-option derivative instruments	168	-
Receivables from the subsidiary Rai Cinema for forward currency purchase derivative instruments	36	-
	221	**214**

Based on the policy used, derivatives may be used solely to hedge financial flows; they may not be used speculatively.

Further information on recognition of derivatives in financial statements and on measurement of the relative fair value are provided in Note 3 "Measurement criteria - Liabilities - Financial derivatives", in Note 4 "Use of estimates - Measurement of the fair value of financial instruments" and Note 9 "Measurement of fair value".

As regards exchange rate derivatives, if any, the change to the spot forward purchase component (that is the change to spot exchange rates) and to exchange rate options are suspended, at the financial statement date, in the cash flow hedge reserve until recognition of the right or asset being hedged. The component linked to the time of forward purchase is registered in the income statement during the hedging duration.

For interest rate hedging transactions, the change in fair value is suspended in the cash flow hedge reserve and attributed to the income statement in the years in which the coupon or interest flow related to the hedged item occurs.

The following table illustrates the changes in the cash flow hedge reserve by category of financial instrument; in the financial statements under review, it is entirely attributable to past interest rate hedging transactions on the 2019-2024 bond.

(€/'000)	**Cash flow hedge reserve**
Balances as at 31 December 2020	**(12,382)**
Reclassification from OCI to financial expense	3,154
Balances as at 31 December 2021	**(9,228)**

Control of effectiveness

The effectiveness of hedging is decided when hedging starts and is re-examined periodically to check the economic ratio between the element hedged and the hedging instrument.

Effectiveness is formally proven with qualitative criteria related to the important terms (nominal amount, expiry, underlying, currency and reference rate) of the hedged element, aligned with the hedging instrument. In this situation, the hedging instrument's value evolves in the opposite direction to the element hedged and there is a clear economic ratio between the two.

The possible sources of ineffectiveness are identified in the following elements:
- significant changes in the amount and timing of payment of contracts in USD being hedged;
- significant changes in the credit risk of counterparts (rating).

The ratio between quantity of element hedged and the relative instrument designated to hedge it (hedge ratio) is always 1:1.

Interest rate risk

Interest rate risk originates from the possible increase in net financial expenses as a result of unfavourable changes in market rates on the variable rate financial positions. In order to limit this risk, corporate policy requires that the medium/long-term variable rate loans be converted to fixed rate for at least 50% by using derivative products, such as Interest Rate Swaps and options on rates.

Medium/long-term borrowings as at 31 December 2020 are entirely at fixed rate; therefore, the effects of the change in rates fall only on the short-term positions of a varying duration and sign during the year.

The sensitivity analysis was carried out on the unhedged and floating rate financial positions (excluding lease liabilities arising from the application of IFRS16), outstanding at 31 December, considering a shift in the curve of +/- 50 b.p.

(€/'000)	Interest rate change	Change in economic result before tax effect
Year ended 31 December 2021	**+50**	**(1,023)**
	-50	**1,023**
Year ended 31 December 2020	+50	(1,126)
	-50	1,126

Exchange rate risk

During 2021, Rai made payments in USD for approximately 7 million for various contracts (USD 4million in 2020), in addition to further payments in Swiss Francs and British Pounds for a total value of approximately €5 million. There are also inter company accounts denominated in USD for approximately 5 million with Rai Cinema and Rai Corporation.

Hedging transactions are not in place as at 31 December 2021 considering the limited commitments in foreign currency.

Exchange rate risk is managed starting from the date the trade commitment is signed, which may also be long-term, and has as an objective protecting the value in Euro of the commitments, as estimated at the time of the order or budget. The policy in force regulates their management in keeping with the international best practices, to minimise the risk. This is pursued through the active monitoring of exposure and implementation of hedging strategies by Rai, also on behalf of the subsidiaries and in particular of Rai Cinema. Rai Way instead has its own risk management policy and procedures. The mandates for carrying out hedging transactions are given hierarchically and progressively, with a minimum intervention percentage of 50% of the contractual amount in foreign currency.

The hedging strategies are carried out through derivative instruments - such as forward purchases and optional structures - without a financial speculation nature.

The breakdown of the assets and liabilities in currency other than the Euro is provided below:

(€/'000)	Year ended 31 December 2021		Year ended 31 December 2020	
	USD	Other foreign currencies	USD	Other foreign currencies
Trade receivables	-	-	-	-
Trade payables	(1,494)	(1,063)	(1,394)	(966)
Cash on hand	1,310	135	5,000	177
Current financial assets	-	3	-	3
Other non-current assets	7	86	7	83
Other current receivables and assets	-	4	-	3
Non-current lease liabilities	(34)	(240)	(163)	(502)
Current financial liabilities	(4,346)	-	(7,897)	-
Current lease liabilities	(169)	(287)	(215)	(161)
Other current payables and liabilities	(677)	(24)	(669)	(7)

Sensitivity analysis

As at 31 December 2020 and 31 December 2019 a sensitivity analysis was conducted on credit and debt positions in currency and on the availability of currency of a higher amount, both formed by items in USD. A symmetrical change of 10% of the exchange rate compared to the value present as at the reporting date, all other conditions being equal, was simulated.

Effects on the economic result, indicated in the following table, are mainly caused by the debit balance with the subsidiaries Rai Corporation and Rai Cinema, offset by the liquid assets in USD.

(€/'000)	Eur/USD exchange rate	Change Eur/USD exchange rate	Recalculated Eur/USD exchange rate	Change in economic result before tax effect
Year ended 31 December 2021	**1.1326**	**-10%**	**1.0193**	**(605)**
		+10%	**1.2459**	**495**
Year ended 31 December 2020	1.2271	-10%	1.1044	(592)
		+10%	1.3498	485

7.2 Credit risk

The theoretical exposure to credit risk for the Company mainly refers to the book value of the financial assets and trade receivables recognised.

As for the counterparty risk, trade partner assessment procedures are adopted for managing trade receivables. The analysis is conducted periodically on the situation of the past due items and may lead to the dunning of the parties affected by solvency problems. The lists of the past due items analysed are arranged by amount and customer, updated to the analysis date and show those situations demanding greater attention.

The corporate structure of the Company appointed to collect the credit initiates kindly reminder measures with the counterparties that are debtors of amounts relating to past-due items. If these activities do not result in collection of the sums, the structure starts up the expedient actions (warning letter, injunction, etc.) aimed at collecting the credit in agreement with the legal function after sending formal dunning letters to debtors. The allocations to the provisions for write-downs are made specifically on the credit positions having peculiar risk elements.

The Company measures the expected losses on trade receivables considering their entire duration based on a weighted estimate of the probabilities that those losses could occur. For this purpose, the Company uses its historical experience, suitably integrated with forecasts on the expected evolution of circumstances. If the conditions exist, losses are measured as the current value of all differences between the cash flows due contractually and cash flows the Group expects to receive discounted at the effective interest rate of the financial asset.

The analysis of the receivables by due date (before provisions for write-downs) is provided below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Invoices to be issued	**155,582**	**205,119**
Falling due	148,228	125,312
Expired from 0 to 90 days	1,243	1,202
Expired from 91 to 180 days	845	28
Expired over 180 days	17,619	17,518
Invoices issued	**167,935**	**144,060**
Total trade receivables	**323,517**	**349,179**

Credit risk on uses of funds is limited since corporate policy requires the use of low risk financial instruments and with counterparties having high ratings for the periods of cash surplus. Only time or demand deposits with bank counter parties having investment grade rating were used during 2020.

7.3 Liquidity risk

On the strength of specific contracts with the subsidiaries, with the sole exception of the subsidiary Rai Way, Rai manages Group financial resources through a cash-pooling system that involves daily transfer of the bank balances of the associates to the current accounts of the Parent, which grants the intercompany credit facilities needed for the operations of these companies. Rai Way has autonomous treasury and financial resources from the listing date.

The Company's medium/long-term financial structure mainly consisted of a €300 million bond issued in December 2019 and maturing in December 2024 (for further details, see Note 14.1 "Non-current financial liabilities and current portions of non-current financial liabilities").

In consideration of the significant fluctuation of the infra-annual indebtedness connected with the periodic settlement of the licence fees by the Ministry of Economy and Finance, the Company has uncommitted bank credit facilities for about €420 million and revolving line with a pool of banks totalling €320 million maturing in December 2023.

The new revolving line, €130 million of which used as at 31 December 2020, requires that the following Consolidated Balance Sheet parameters/ratios be met:

- net financial debt (adjusted for receivables from the State for licence fees, financial items relating to Rai Way and liabilities resulting from application of IFRS 16 for operating leases)/Net equity ≤2.

This ratio was fully met as at the reporting date, posted at 1.30.

The cash situation is constantly monitored with a financial forecasting process that highlights any financial critical issues considerably in advance so that expedient measures can be taken.

The following table includes the analysis by due date of the financial liabilities as at 31 December 2021 and 31 December 2020. The balances presented are non-discounted contractual amounts, except for the currency derivatives, for which the amounts shown are at their fair value since this is indicative of the effect on the cash flows during the specific period.

The various expiry periods are determined based on the period between the financial statements reference date and when the bonds expire.

(€/'000)	Year ended 31 December 2021				Year ended 31 December 2020			
	< 1 year	2-5 years	> 5 year	Total	< 1 year	2-5 years	> 5 year	Total
Trade payables and other liabilities:								
Trade payables	543,627	-	-	**543,627**	538,281	-	-	**538,281**
Other payables and liabilities	378,366	901	733	**380,000**	393,701	979	899	**395,579**
Medium/long-term financial liabilities:								
Medium/long-term loans	6	7	-	**13**	5,059	13	-	**5,072**
Bonds	4,125	308,250	-	**312,375**	4,125	312,375	-	**316,500**
Short-term financial liabilities:								
Due to banks	196,648	-	-	**196,648**	227,097	-	-	**227,097**
Due to subsidiaries (negative c/a balances)	176,957	-	-	**176,957**	144,599	-	-	**144,599**
Derivative instruments:								
Derivative instruments on exchange rates to third parties	17	-	-	**17**	214	56	-	**270**
Derivative instruments on intercompany exchange rates	204	-	-	**204**	-	-	-	**-**

With regard to lease liabilities, the breakdown of the value recorded in the balance sheet by maturity date is shown in Note 14.2 "Lease liabilities".

8 Capital risk management

The Company's objectives in managing capital are inspired by preservation of the ability to continue guaranteeing optimum capital strength also through the ongoing improvement of operational and financial efficiency. The Company pursues the objective of retaining an adequate level of capitalisation that allows it realise a return and to access outside sources of funding. The Company constantly monitors the evolution of the indebtedness level in proportion to shareholders' equity. Specifically, the ratio between equity and the total of comprehensive liabilities including Shareholders' Equity is seen in the following table:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Shareholders' equity	657,837	694,317
Total shareholders' equity and liabilities	2,922,232	2,994,078
Ratio	*22.5%*	*23.2%*

The net financial position of the Company for the periods under review is shown in Note 19.2 "Net financial position".

9 Fair value measurement

The financial instruments at fair value are made up of hedging derivatives measured with a financial model that uses the most popular and accepted market formulas (net current value for forward currency purchasing transactions and application of the Black&Scholes formula for the options), in addition to the following input data given by the provider Reuters: ECB spot exchange rates, Euribor and IRS rate curves, volatility and credit spreads of the various bank counterparties and of the securities issued by the Italian Government. The fair value of the derivative instruments represents the net position between assets and liabilities. For more information on the derivative instruments (assets and liabilities), please refer to Notes no. 12.3 "Current financial assets" and 15.2 "Current financial liabilities".

All the instruments present as at 31 December 2021 and 31 December 2020 have been valued according to the Level 2 methodology: use of parameters observable on the market (e.g. for the derivatives, the exchange rates recorded by the Bank of Italy, market rate curves, volatility provided by Reuters, credit spreads calculated on the basis of the *credit default swaps*, etc.) different from the Level 1 listed prices.

10

Reconciliation between classes of financial assets and financial liabilities and types of financial assets and financial liabilities

To complete disclosure on financial risks, the reconciliation between classes of financial assets and liabilities and types of financial assets and liabilities identified based on IFRS 7 requirements is provided below:

(€/'000)	Year ended 31 December 2021				
	Assets and liabilities at amortised cost	Financial assets and liabilities at fair value with balancing entry in profit or loss	Financial assets and liabilities measured at fair value with balancing entry in other comprehensive income	Total financial assets and liabilities	Notes (*)
Assets					
Trade receivables	307,198	-	-	307,198	12.2
Current financial assets	126,968	221	-	127,189	12.3
Cash and cash equivalents	42,536	-	-	42,536	12.6
Non-current financial assets	2,730	-	-	2,730	11.5
Equity investments in other companies (**)	-	977	-	977	11.4
Total financial assets	**479,432**	**1,198**	**-**	**480,630**	
Liabilities					
Trade payables	(543,627)	-	-	(543,627)	15.1
Current financial liabilities	(373,611)	(221)	-	(373,832)	15.2
Current lease liabilities	(14,383)	-	-	(14,383)	14.2
Non-current financial liabilities	(299,338)	-	-	(299,338)	14.1
Non-current lease liabilities	(30,861)	-	-	(30,861)	14.2
Total financial liabilities	**(1,261,820)**	**(221)**	**-**	**(1,262,041)**	

(*) The figures provided below indicate the paragraphs within the Notes in which the assets and liabilities shown are described in detail.
(**) When the investments are not listed on a regulated market, where information available to measure fair value is not sufficient, it is felt that the cost represents an adequate estimate.

(€/'000)	Year ended 31 December 2020				
	Assets and liabilities at amortised cost	Financial assets and liabilities at fair value with balancing entry in the income statement	Financial assets and liabilities measured at fair value with balancing entry in other comprehensive income	Total financial assets and liabilities	Notes (*)
Assets					
Trade receivables	332,912	-	-	332,912	12.2
Current financial assets	138,279	-	-	138,279	12.3
Cash and cash equivalents	11,390	-	-	11,390	12.6
Non-current financial assets	473	56	-	529	11.5
Equity investments in other companies (**)	-	977	-	977	11.4
Total financial assets	**483,054**	**1,033**	**-**	**484,087**	
Liabilities					
Trade payables	(538,281)	-	-	(538,281)	15.1
Current financial liabilities	(376,916)	-	-	(376,916)	15.2
Current lease liabilities	(15,944)	-	-	(15,944)	14.2
Non-current financial liabilities	(299,122)	(56)	-	(299,178)	14.1
Non-current lease liabilities	(40,014)	-	-	(40,014)	14.2
Total financial liabilities	**(1,270,277)**	**(56)**	**-**	**(1,270,333)**	

(*) The figures provided below indicate the paragraphs within the Notes in which the assets and liabilities shown are described in detail.
(**) When the investments are not listed on a regulated market, where information available to measure fair value is not sufficient, it is felt that the cost represents an adequate estimate.

11.1 Property, plant and equipment

Property, plant and equipment, which amounted to €905,261 thousand (€898,970 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Cost	370,114	487,913	1,516,974	74,922	121,752	53,399	**2,625,074**
Accumulated depreciation	-	(194,835)	(1,367,878)	(68,019)	(95,372)	-	**(1,726,104)**
Balances as at 31 December 2020	**370,114**	**293,078**	**149,096**	**6,903**	**26,380**	**53,399**	**898,970**
Change in the year							
Increases and capitalisation	-	5,262	27,190	2,093	4,452	44,047	**83,044**
Disposals (1)	(3,171)	(35)	(63)	(1)	(48)	(1)	**(3,319)**
Reclassifications (2)	-	5,482	27,594	211	2,269	(35,556)	**-**
Transfers (3)	-	-	461	(487)	-	-	**(26)**
Amortisation and depreciation	-	(13,168)	(51,112)	(2,246)	(6,882)	-	**(73,408)**
Balances as at 31 December 2021	**366,943**	**290,619**	**153,166**	**6,473**	**26,171**	**61,889**	**905,261**
broken down as follows:							
Cost	*366,943*	*498,471*	*1,537,747*	*75,666*	*111,840*	*61,889*	***2,652,556***
Accumulated depreciation	-	*(207,852)*	*(1,384,581)*	*(69,193)*	*(85,669)*	-	***(1,747,295)***
Detail:							
(1) Cost	(3,171)	(186)	(34,746)	(704)	(16,642)	(1)	**(55,450)**
Accumulated depreciation	-	151	34,683	703	16,594	-	**52,131**
	(3,171)	**(35)**	**(63)**	**(1)**	**(48)**	**(1)**	**(3,319)**
(2) Cost	-	5,482	27,594	211	2,269	(35,556)	**-**
Accumulated amortisation	-	-	-	-	-	-	**-**
	-	**5,482**	**27,594**	**211**	**2,269**	**(35,556)**	**-**
(3) Cost	-	-	735	(856)	9	-	**(112)**
Accumulated depreciation	-	-	(274)	369	(9)	-	**86**
	-	**-**	**461**	**(487)**	**-**	**-**	**(26)**

Investments in the year amounting to €83,044 thousand (€81,514 thousand in 2020) fall within the scope of the modernisation and technological development initiatives that the Company initiated.

The amount of the existing contractual commitments for the purchase of property, plant and equipment is specified in Note 17.2 "Commitments".

11.2 Lease right of use

Lease rights of use, which amounted to €44,791 thousand (€55,502 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Land and Buildings	Other assets	Total
Cost	74,331	8,236	**82,567**
Accumulated amortisation	(22,798)	(4,267)	**(27,065)**
Balances as at 31 December 2020	**51,533**	**3,969**	**55,502**
Change in the year			
Increases	5,206	1,076	**6,282**
Reductions (1)	(1,086)	(41)	**(1,127)**
Amortisation and depreciation	(13,201)	(2,665)	**(15,866)**
Balances as at 31 December 2021	**42,452**	**2,339**	**44,791**
broken down as follows:			
Cost (2)	*74,040*	*6,955*	***80,995***
Accumulated depreciation (2)	*(31,588)*	*(4,616)*	***(36,204)***
Detail:			
(1) Cost	(1,106)	(52)	**(1,158)**
Accumulated depreciation	20	11	**31**
	(1,086)	**(41)**	**(1,127)**
(2) Amounts net of totally amortised assets, amounting to:	**4,391**	**2,305**	**6,696**

Investments, amounting to €6,282 thousand (€17,665 thousand in 2020), refer mainly to property rental contracts or contracts for the rental of transport vehicles that entered into effect during the period.

The value of costs for short-term leases and leases of low-value assets is reported in Note 16.3 "Costs for the purchase of consumables, costs for services and other costs".

Income from the subleasing of assets led to the recognition of a right of use indicated in Note 16.2 "Other revenues and income"

During the year, the Company did not benefit from any suspension of payments due in respect of leases granted as a direct consequence of the Covid-19 pandemic and falling within the scope of the amendment to IFRS 16 *"Covid-19-Related Rent Concessions in force starting from 30 June 2021"*.

11.3 Intangible assets

Intangible assets, which amounted to €400,215 thousand (€377,637 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Programmes	Software	Other rights	Assets under construction and payments on account	Total
Cost (1)	648,945	27,580	200	186,314	**863,039**
Accumulated depreciation (1)	(367,465)	(11,829)	(100)	-	**(379,394)**
Provisions for write-downs	(72,396)	-	(100)	(33,512)	**(106,008)**
Balances as at 31 December 2020	**209,084**	**15,751**	**-**	**152,802**	**377,637**
Change in the year					
Increases and capitalisation	135,874	3,744	-	111,197	**250,815**
Disposals/Value recoveries	-	-	-	(60)	**(60)**
Reclassifications (2)	81,257	2,790	-	(84,047)	**-**
Transfers (3)	-	26	-	-	**26**
Write-downs (4)	(53,127)	-	-	(21,209)	**(74,336)**
Use of provisions for write-downs	53,407	-	67	-	**53,474**
Amortisation and depreciation	(198,275)	(8,999)	(67)	-	**(207,341)**
Balances as at 31 December 2021	**228,220**	**13,312**	**-**	**158,683**	**400,215**
broken down as follows:					
Cost (5)	*647,658*	*27,329*	*200*	*212,465*	***887,652***
Accumulated depreciation (5)	*(347,009)*	*(14,017)*	*(167)*	*-*	***(361,193)***
Provisions for write-downs	*(72,429)*	*-*	*(33)*	*(53,782)*	***(126,244)***
Detail:					
(1) Amounts net of totally amortised assets, equal to:	**183,586**	**10,693**	**-**	**-**	**194,279**
(2) Cost	81,570	2,790	-	(84,360)	**-**
Provisions for write-downs	(313)	-	-	313	**-**
	81,257	**2,790**	**-**	**(84,047)**	**-**
(3) Cost	-	112	-	-	**112**
Accumulated depreciation	-	(86)	-	-	**(86)**
	-	**26**	**-**	**-**	**26**
(4) Cost	-	-	-	(626)	**(626)**
Provisions for write-downs	(53,127)	-	-	(20,583)	**(73,710)**
	(53,127)	**-**	**-**	**(21,209)**	**(74,336)**
(5) Values net of fully depreciated assets, equal to:	**218,731**	**6,897**	**-**	**-**	**225,628**

Investments, which amounted to €250,815 thousand (€184,670 thousand in 2020) mainly refer to dramas for €210,899 thousand and cartoons for €16,936 thousand.

The amount of assets under development and payments on account refers to programmes for €139,841 thousand, software for €10,311 thousand, the acquisition of use rights for DVB-T2 frequency for €7,900 thousand and other rights for €631 thousand.

The write-downs recognised during the year amounted to €74,336 thousand, and were performed in order to adjust the assets to their estimated recoverable value.

The amount of the existing contractual commitments for the purchase of intangible assets is specified in Note 17.2 "Commitments"

11.4 Equity investments

Equity investments, which amounted to €918,831 thousand (€923,926 thousand as at 31 December 2020), are broken down as follows:

Interests in subsidiaries

(€/'000)	Year ended as at 31 December 2020			Change in the year	Year ended as at 31 December 2021			
	Cost	Write-downs	Carrying amount	Write-downs	Cost	Write-downs	Carrying amount	
Rai Cinema SpA	267,848	-	267,848	-	267,848	-	267,848	
Rai Com SpA	107,156	-	107,156	-	107,156	-	107,156	
Rai Corporation in liquidation	2,891	(2,891)	-	-	2,891	(2,891)	-	(a)
Rai Pubblicità SpA	31,082	-	31,082	-	31,082	-	31,082	
Rai Way SpA	506,260	-	506,260	-	506,260	-	506,260	
Total equity investments in subsidiaries	**915,237**	**(2,891)**	**912,346**	**-**	**915,237**	**(2,891)**	**912,346**	

(a) The balance sheet deficit of €4,017 thousand is covered by provisions for charges of an equal amount.

- **Rai Cinema SpA** (100% Rai): the share capital, €200,000 thousand, consists of 38,759,690 shares of the nominal value of €5.16 each. The equity investment was recorded at a value of €267,848 thousand. In 2021, a dividend of €14,008 thousand was paid from the 2020 result recorded in financial income.

- **Rai Com SpA** (100% Rai): the share capital, €10,320 thousand, consists of 2,000,000 shares of the nominal value of €5.16 each The equity investment was recorded at a value of €107,156 thousand. In 2021, a dividend of €3,444 thousand was paid from the 2020 result recorded in financial income.

- **Rai Corporation in liquidation** (100% Rai): the share capital, which is $500,000.00, consists of 50,000 shares of a unit face value of $10.00 each. At 31 December 2021, the company's shareholders' equity, at the exchange rate in effect on 31 December 2021, was negative by €4,287 thousand. The balance sheet deficit was allocated to a specific provision for charges.

- **Rai Pubblicità SpA** (100% Rai): the share capital amounts to €10,000 thousand and consists of 100,000 shares of the nominal value of €100.00 each. The equity investment was recorded at a value of €31,082 thousand. In 2021, a dividend of €3,891 thousand was paid from the 2020 result recorded in financial income.

- **Rai Way SpA** (64.971% Rai): the share capital amounts to €70,176 thousand, and is divided into 272,000,000 ordinary shares without indication of face value. The equity investment was recorded at a value of €506,260 thousand. In 2021, a dividend of €64,007 thousand was paid out. The amount due to Rai, amounting to €42,148 thousand, was posted under financial income.

Equity investments in joint ventures and associates

(€/'000)	Year ended 31 December 2020			Change in the year		Year ended 31 December 2021		
	Cost	Adjustment to shareholders' equity	Carrying amount	Profit/(loss)	Decrease due to dividends	Cost	Adjustment to shareholders' equity	Carrying amount
Joint venture:								
San Marino RTV SpA	258	1,238	1,496	34	-	258	1,272	1,530
Tivù Srl	483	2,314	2,797	6,847	(2,059)	483	7,102	7,585
Associates:								
Audiradio Srl in liquidation	1,428	(1,428)	-	-	-	-	-	-
Auditel Srl	10	1,099	1,109	228	-	10	1,327	1,337
Euronews SA	850	(850)	-	-	-	850	(850)	-
Player Editori Radio Srl	1	17	18	6	-	1	23	24
Tavolo Editori Radio Srl	1	87	88	39	-	1	126	127
Total equity investments in joint ventures and associates	**3,031**	**2,477**	**5,508**	**7,154**	**(2,059)**	**1,603**	**9,000**	**10,603**

- **Audiradio Srl in liquidation** (27% Rai): during 2021, the liquidation procedure of the company was completed without resulting in additional charges for the shareholders. On 10 January 2022, the company was removed from the Company Register. The shareholding was therefore reduced to zero.

- **Auditel Srl** (33% Rai): the share capital amounts to €300 thousand . The equity investment was recognised for the value of €1,337 thousand, corresponding to the percentage concerning Rai on the shareholders' equity of the company posted in the Financial Statements as at 31 December 2021. Following the profit attained by the company in 2021 which amounted to €692 thousand, the equity investment was revalued for the portion concerning Rai, which came to €228 thousand.

- **Euronews - Société Anonyme** (2.52% Rai): the share capital, €32,860 thousand, consists of 2,190,678 shares of the nominal value of €15.00 each The gross value of the equity investment, amounting to €850 thousand, was fully written down based on the latest approved financial statements as at 31 December 2020, which showed a negative shareholders' equity of €13,677 thousand. Given the impossibility, for Rai, to provide the company additional financial support and the decision to be no longer part of the shareholders - expressed to the Euronews management during 2021, the equity deficit share referred to the 2020 financial statements, and equal to €345 thousand allocated to the provision for charges, was released.

- **Player Editori Radio Srl** (13.9% Rai): the share capital, €10 thousand, is divided between national radio publishers (70%, of which Rai 13.9%) and local ones (30%). In relation to the positive result recorded by the company in 2020, equal to €33 thousand, a revaluation was recorded for Rai's share equal to €6 thousand. The equity investment was recognised at a value of €24 thousand, corresponding to Rai's share of the company's shareholders' equity at 31 December 2021.

- **San Marino RTV SpA** (50% Rai): the company, incorporated in 1991 with joint shares of Rai and E.RA.S ("Ente di Radiodiffusione Sammarinese") pursuant to Law 99 of 9 April 1990 ratifying the radio and television collaboration agreement between the Italian Republic and the Republic of San Marino, has a share capital of €516 thousand, made up of 1,000 shares of a nominal value of €516.46 each. In relation to the negative result recorded by the company in 2021, equal to €67 thousand, a write-down was recorded for Rai's share equal to €34 thousand. The equity investment was recognised at a value of €1,530 thousand, corresponding to Rai's share of the company's shareholders' equity calculated on the Company's net capital as of 31 December 2021.

- **Tavolo Editori Radio Srl** (13.9% Rai): the share capital, €160 thousand, is divided between national publishers (70%, of which Rai 13.9%) and local ones (30%). In relation to the positive result recorded by the company in 2021, equal to €279 thousand, a revaluation was recorded for Rai's share equal to €39 thousand. The equity investment was recognised at a value of €127 thousand, corresponding to Rai's share of the company's shareholders' equity at 31 December 2021.

- **Tivù Srl** (48.16% Rai): the share capital of €1,002 thousand was subscribed by Rai and R.T.I. - Reti Televisive Italiane SpA - with equal shares of 48.16% from TI Media - Telecom Italia Media SpA - with a 3.5% share and two associations - FRT and Aeranti Corallo - having 0.09% share, respectively. In 2021, the distribution of an ordinary dividend of €3,276 thousand and an extraordinary dividend of €1,000 thousand was resolved. The total amount due to Rai, amounting to €1,660 thousand, was recorded as a reduction in the book value of the equity investment. In relation to the positive result recorded by the company in 2021, equal to €14,218 thousand, the equity investment was revalued for Rai's share in the amount of 6,847 thousand. The equity investment was recognised at a value of €7,585 thousand, corresponding to Rai's hare of the company's shareholders' equity.

Equity investments in others companies

(€/'000)	Year ended as at 31 December 2020			Change in the year	Year ended as at 31 December 2021		
	Cost	Write-downs	Carrying amount	Acquisitions	Cost	Write-downs	Carrying amount
Almaviva SpA	324	-	324	-	324	-	324
Banca di Credito Cooperativo di Roma	1	-	1	-	1	-	1
International Multimedia University Umbria Srl in bankruptcy proceedings	52	(52)	-	-	52	(52)	-
Istituto della Enciclopedia Italiana Treccani SpA	784	(132)	652	-	784	(132)	652
Total equity investments in other companies	**1,161**	**(184)**	**977**	**-**	**1,161**	**(184)**	**977**

- **Almaviva – The Italian Innovation Company SpA** (0.83% Rai): the book value of the equity investment, 324 thousand, remained unchanged compared to the previous year. The share capital, which is €154,899 thousand, is represented by 107,567,301 ordinary shares and by 47,331,761 special shares, both of the face value of €1.00 each. Over 2021, two distributions of dividends for accumulated reserves were resolved for a total amount of €20,350 thousand. The total amount - equal to €165 thousand - to be allocated to Rai, was calculated under the item financial income.

- **Banca di Credito Cooperativo di Roma Scpa** (company with variable capital, with the percentage held by Rai insignificant): was recognised for a value of €1 thousand, i.e., the amount paid for the acquisition of 100 shares.

- **International Multimedia University Umbria Srl in bankruptcy proceedings** (1.533% Rai): the book value of the equity investment was totally written down since there is no longer certainty of recovering the amounts paid in.

- **Istituto della Enciclopedia Italiana Treccani SpA** (0.83% Rai): the equity investment was recognised for a gross value of €784 thousand, written down for €132 thousand as a result of the losses incurred by the company in previous years. Share capital is now represented by 70,724,105 shares of a nominal value of €1.00 each.

11.5 Non-current financial assets

Non-current financial assets, which amounted to €529 thousand (€3,298 thousand as at 31 December 2019), break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Securities	2,459	-
Other financial assets (non-current deferrals)	206	421
Financial receivables from employees	65	52
Receivables from the subsidiary Rai Cinema for derivative instruments	-	56
Total non-current financial assets	**2,730**	**529**

The item securities is equal to €2,459 thousand (nil value as at 31 December 2028), and it is entirely made up of Government bonds maturing in June 2027 securing the special services under convention with the Government.

Other non-current financial assets of €206 thousand (€421 thousand as at 31 December 2020) refer to the deferral of the non-current portion of commission relating to a five-year revolving line with a pool of banks, maturing in December 2023, for a total of €320 million.

Expiration of the current and non-current financial assets is broken down as shown below:

(€/'000)	Year ended 31 December 2021			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Receivables from subsidiaries - c/a transactions	120,674	-	-	**120,674**
Tied current accounts	4,591	-	-	**4,591**
Receivables from joint ventures - c/a San Marino RTV SpA	1,430	-	-	**1,430**
Assets for derivatives taken out on behalf of Rai Cinema	204	-	-	**204**
Financial receivables from employees	48	65	-	**113**
Receivables from the subsidiary Rai Cinema for derivative instruments	17	-	-	**17**
Securities	-	-	2,459	**2,459**
Other financial assets	225	206	-	**431**
Total financial assets	**127,189**	**271**	**2,459**	**129,919**

(€/'000)	Year ended 31 December 2020			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Receivables from subsidiaries - c/a transactions	130,245	-	-	**130,245**
Receivables from joint ventures - c/a San Marino RTV SpA	801	-	-	**801**
Tied current accounts	4,218	-	-	**4,218**
Securities	2,261	-	-	**2,261**
Receivables from the subsidiary Rai Cinema for derivative instruments	214	56	-	**270**
Financial receivables from employees	50	52	-	**102**
Other financial assets	490	421	-	**911**
Total financial assets	**138,279**	**529**	**-**	**138,808**

The short-term portion of the financial assets, which amounted to €127,189 thousand, is included in the current components described in Note 12.3 "Current financial assets".

Information on risks hedged and on hedging policies is disclosed in Note 7.1 "Market risk".

11.6 Deferred tax assets

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Deferred tax assets eligible for offset	115,302	115,224
Deferred tax liabilities eligible for offset	(154,900)	(157,564)
Net deferred tax liabilities	**(39,598)**	**(42,340)**

As at 31 December 2021 and 31 December 2020, the net balance of Deferred tax assets and Deferred tax liabilities shows a negative amount, so is posted in the liabilities of the Financial Position. Please refer to Note 14.5 "Deferred tax liabilities" for the relevant analyses.

Income taxes are reported in Note 16.10 "Income tax".

11.7 Other non-current assets

Other non-current assets, which amounted to €3,213 thousand (€4,215 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Advances for trade initiatives	8,140	8,555
Advances for sports events	6,860	7,251
Amounts committed to cautionary deposit with third parties	1,704	1,635
Receivables from personnel	530	823
– Provisions for write-down of other non-current assets	(14,021)	(14,049)
Total other non-current assets	**3,213**	**4,215**

The items above basically regard non-current portions of assets described in Note 12.5 "Other current receivables and assets" to which reference is made.

The provisions for write-down of other non-current assets, which amounted to €14,021 thousand (€14,049 thousand as at 31 December 2020), is broken down below.

(€/'000)	Balances as at 31 December 2020	Provisions	Assets g/c	Absorption in income statement	Balances as at 31 December 2021
Provisions for write-down of advances for sports events	(6,129)	(80)	-	-	(6,209)
Provisions for write-down of advances for trade initiatives	(7,770)	(273)	335	46	(7,662)
Provisions for write-down of other non-current assets	(150)	-	-	-	(150)
Total provisions for writedown of other non-current assets	**(14,049)**	**(353)**	**335**	**46**	**(14,021)**

12.1 Inventory

Inventory, net of its provisions for write-downs, amounted to €106 thousand (€100 thousand as at 31 December 2020), and is broken down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Inventory	10,822	11,882
– Provisions for write-down of inventory	(10,716)	(11,782)
Total inventory	**106**	**100**

The final inventory of technical materials refers to stock and spare parts for maintenance and the use of technical capital equipment similar to consumables since their utility is depleted over a period that is usually no longer than 12 months.

12.2 Trade receivables

Trade receivables, which amounted to €332,912 thousand (€307,198 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Trade:		
Italian Tax Revenue Office for services under agreement	12,000	20,000
Government for performance of service contract obligations - Law 145/2018	-	38,462
Other receivables	20,085	17,115
– Provisions for write-downs of trade receivables	(14,719)	(14,728)
Subsidiaries:		
Receivables	291,054	273,394
– Provisions for write-downs for the subsidiary Rai Com SpA	(1,600)	(1,539)
Joint ventures and associates	378	208
Total trade receivables	**307,198**	**332,912**

Receivables, excluding the provisions for write-downs, from subsidiaries and from joint ventures and associates refer to:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Subsidiaries:		
Rai Cinema SpA	2,029	1,644
Rai Com SpA	108,593	90,204
Rai Pubblicità SpA	173,883	176,003
Rai Way SpA	4,949	4,004
Subsidiaries:	**289,454**	**271,855**
Joint ventures and associates		
San Marino RTV SpA	266	60
Tivù Srl	112	148
Receivables from joint ventures and associates	**378**	**208**

The breakdown of trade receivables by geographical area shows the predominance of the domestic market.

Receivables from the Italian Tax Revenue Office for services under agreement amounted to €12,000 thousand for the management of ordinary license fees (€4,000 thousand for each period) for the years 2019, 2020 and 2021.

The other receivables are recognised for a nominal value of €20,085 thousand and are for the sale of rights and for services of other kinds.

Receivables from related parties are specified in Note 17.4 "Transactions with Related Parties".

Trade receivables are shown net of the provisions for write-downs of €16,319 thousand (€16,267 thousand as at 31 December 2020) as detailed below:

(€/'000)	Balances as at 31 December 2020	Provisions	Drawdowns	Absorption to the income statement	Balances as at 31 December 2021
Provision for write-downs of trade receivables	(14,728)	-	-	9	(14,719)
Provisions for write-downs of trade receivables from subsidiary Rai Com	(1,539)	(265)	204	-	(1,600)
Total bad debt provisions - trade	**(16,267)**	**(265)**	**204**	**9**	**(16,319)**

As at 31 December 2019, there were no receivables in a currency other than the Euro, as specified in Note 7.1 "Market risk".

12.3 Current financial assets

Current financial assets amounted to €127,189 thousand (€138,279 thousand at 31 December 2020). The breakdown of the item and the comparison with the previous year are shown below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Receivables from subsidiaries - c/a transactions	120,674	130,245
Tied current accounts	4,591	4,218
Receivables from joint ventures - c/a San Marino RTV	1,430	801
Assets for derivatives taken out on behalf of Rai Cinema	204	-
Financial receivables from employees	48	50
Receivables from the subsidiary Rai Cinema for derivative instruments	17	214
Securities	-	2,261
Other current financial assets	225	490
Total current financial assets	**127,189**	**138,279**

The receivables from subsidiaries - c/a transactions break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Receivables from subsidiaries - c/a transactions		
Rai Cinema SpA	120,674	122,164
Rai Pubblicità SpA	-	8,081
Receivables from subsidiaries - c/a transactions	**120,674**	**130,245**

Tied current accounts, which came to €4,519 thousand (€4,218 thousand as at 31 December 2020) refer to amounts seized on current accounts due to litigation in progress.

The fair value of derivative instruments was calculated considering valuation models largely used in the financial field and the market parameters as at the reporting date, as better specified in Note 9 "Fair value measurement". Derivative instruments recognised at fair value, are broken down below as regards their assets component, including the current and non-current portions:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Assets for derivatives taken out on behalf of Rai Cinema	204	-
Receivables from the subsidiary Rai Cinema for derivative instruments	17	214
Total derivative financial instruments – current portion	**221**	**214**
Receivables from the subsidiary Rai Cinema for derivative instruments	-	56
Total derivative financial instruments – non-current portion	**-**	**56**
Total Derivative financial instruments	**221**	**270**

Financial derivative assets, recorded at fair value, as at 31 December 2021 related to the current portion of receivables from the subsidiary Rai Cinema, equal to €17 thousand (€214 thousand as at 31 December 2020) and the derivatives from third parties equal to €240 thousand (nil value as at 31 December 2020), implemented thorough the mandate entrusted to Rai Cinema and reflected in the inter company calculation of financial debt towards the Parent Company. The non-current portion is nil (€56 thousand as at 31 December 2020).

Information on risks hedged and on hedging policies is disclosed in Note 7.1 "Market risk".

12.4 Current income tax assets

Current income tax receivables, which totalled €723 thousand (€17,762 thousand as at 31 December 2020), are specified as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
IRES requested as refund for IRAP deductibility for employee expense and similar	79	16,824
Deductions on assignments to foreign companies	882	2,032
– Provisions for write-downs of current income tax assets	(238)	(1,094)
IRES receivable	**723**	**17,762**
IRAP receivable	**-**	**-**
Total current income tax assets	**723**	**17,762**

Current income tax assets are shown net of the provisions for write-downs of €238 thousand (€1,904 thousand as at 31 December 2020) related to withheld taxes on income risking recoverability.

(€/'000)	Balances as at 31 December 2020	Absorption to the income statement	Balances as at 31 December 2021
Provisions for write-downs of current income tax assets	**(1,094)**	**856**	**(238)**

The taxes are commented in Note 16.10 "Income taxes".

12.5 Other current receivables and assets

Other current receivables and assets, which totalled €164,344 thousand (€237,951 thousand as at 31 December 2020) break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Advances for sports events	99,727	123,888
Receivables from subsidiaries	31,058	38,462
Receivables from personnel	8,231	8,510
Receivables from entities, companies, bodies and others	7,371	11,820
Advances to suppliers, collaborators and agents	7,087	20,159
Receivables from social security and welfare institutions	3,772	3,112
Other tax receivables	1,633	506
Advances for commercial initiatives	335	-
Receivables for subsidies and grants from the Government, EU and other public entities	301	392
Other receivables (current deferrals)	9,405	35,231
– Provision for write-downs of other current receivables and assets	(4,576)	(4,129)
Total other current receivables and assets	**164,344**	**237,951**

The breakdown of receivables from subsidiaries is as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Receivables from subsidiaries		
Rai Cinema SpA	2,882	6,685
Rai Com SpA	2,809	-
Rai Pubblicità SpA	4,045	10,637
Rai Way SpA	21,322	21,140
Receivables from subsidiaries	**31,058**	**38,462**

It is also specified that:

- the receivables from social security and welfare institutions refer to advances disbursed against contributions due for artistic collaborations and other reasons;
- the receivables from subsidiaries consist of the contribution of the companies to the tax consolidation and the receivables coming from the Group VAT system (please refer to Note 17.4 "Transactions with Related Parties");
- the receivables from personnel relate to various cases, detailed below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Labour disputes	2,798	2,538
Travel expenses	2,156	1,709
Production expense advances	757	1,376
Others	2,520	2,887
Receivables from personnel	**8,231**	**8,510**

- other tax receivables break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
VAT refund requested	1,440	382
Other tax receivables	193	124
Total other tax receivables	**1,633**	**506**

The provisions for write-down of other current receivables and assets, which amounted to €4,576 thousand (€4,129 thousand as at 31 December 2020), is broken down below:

(€/'000)	Balances as at 31 December 2020	Provisions	Uses and other assets g/c	Absorption in income statement	Balances as at 31 December 2021
Provision for write-downs of other current receivables and assets	**(4,129)**	**(245)**	**(206)**	**4**	**(4,576)**

Considering the short period of time elapsing between when the receivable arises and its due date, it is estimated that there are no significant differences between the book value of the trade receivables, other receivables and current financial assets and their respective fair values.

12.6 Cash and cash equivalents

Cash and cash equivalents, which amounted to €45,536 thousand (€11,390 thousand as at 31 December 2020), are broken down into the following items:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Bank and postal deposits	42,272	11,158
Cash and securities in hand	264	232
Total cash and cash equivalents	**42,536**	**11,390**

Bank and postal deposits amounted to €42,272 thousand (€11,158 thousand as at 31 December 20120 and represent the money at-call or short-term liquid assets resulting from deposit or current accounts with banks, financial institutions and with the postal administration.

Cash and equivalents amounted to €264 thousand (€232 thousand as at 31 December 2020) and include the liquidity represented by cash in the company's coffers as at 31 December 2021.

The Company's cash on hand is shown in the following table by currency as at 31 December 2021 and as at 31 December 2020:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Cash on hand in Euro	41,091	6,213
Cash on hand in USD	1,310	5,000
Cash on hand in other currencies	135	177
Total cash and cash equivalents	**42,536**	**11,390**

Here below is the breakdown of shareholders' equity:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Share capital	**242,518**	**242,518**
Legal reserve	**12,042**	**12,042**
IFRS first-time adoption reserve – restricted	451,664	458,155
IFRS first-time adoption reserve – free	38,502	52,715
Cash flow hedge reserve	(9,228)	(12,382)
Total other reserves	**480,938**	**498,488**
Actuarial reserves for employee benefits	(43,886)	(34,689)
Losses carried forward	(3,338)	(3,338)
Profit (Loss) for the year	(30,437)	(20,704)
Total carried forward	**(77,661)**	**(58,731)**
Total shareholders' equity	**657,837**	**694,317**

Shareholders' equity – Possibilities for distribution

(€/'000)	Amount	Possible uses (*)	Free amount	Distributions in the last three years	
				To cover losses	For other reasons
Share capital	**242,518**				
Legal reserve	**12,042**	**2**	**12,042**		
IFRS first-time adoption reserve – restricted	451,664	1 - 4	451,664		
IFRS first-time adoption reserve – free	38,502	1 - 2 - 3	38,502	80,280	-
Cash flow hedge reserve	(9,228)		(9,228)		
Restricted valuation reserve for equity investments	-	1 - 2	-	319	-
Free valuation reserve for equity investments	-	1 - 2 - 3	-	1,237	-
Others	-	1 - 2 - 3	-	7,749	-
Total other reserves	**480,938**				
Actuarial reserves for employee benefits	(43,886)		(43,886)		
Losses carried forward	(3,338)		(3,338)		
Loss in the year	(30,437)		(30,437)		
Total shareholders' equity	**657,837**		**415,319**	**89,585**	**-**
Restricted amount:					
Legal reserve			(12,042)		
IFRS first-time adoption reserve – restricted			(451,664)		
Total free reserves			**-**		

(*) Legend:
1 for capital increase
2 to cover losses
3 for distribution to shareholders
4 to cover losses – in which case, profits may not be distributed until losses are fully covered, unless a corresponding capital reduction is approved by resolution adopted by the Extraordinary Shareholders' Meeting – Article 7(6) of Legislative Decree 38 of 28.02.2005.

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Shareholders' equity

Share capital

As at 31 December 2020, the share capital consisted of 242,518,100 ordinary shares with a unit par value of €1.00. The share capital, fully subscribed and paid up, is held by:

- the Ministry of Economy and Finance (MEF) for a total of 241,447,000 shares, equal to 99.5583%; and
- Società Italiana Autori Editori (SIAE) for a total of 1,071,100 shares, equal to 0.4417% of the share capital.

Legal reserve

The legal reserve amounted to €12,042 thousand.

Other reserves and retained earnings (losses) carried forward

Other Reserves, which amounted to €480,938 thousand (€498,488 thousand as at 31 December 2020), are broken down as follows:

- the IFRS first-time adoption reserve totalled €490,166 thousand (€510,870 thousand as at 31 December 2020) and is carried as an addition to shareholders' equity. The reserve is divided to show the amounts that have been freed since the creation of the reserve:
  - IFRS first-time adoption reserve – restricted, totalling €451,664 thousand;
  - IFRS first-time adoption reserve – free, totalling €38,502 thousand;
- the cash flow hedge reserve recognised as a reduction of shareholders' equity, for €9,228 thousand (€12,382 thousand as at 31 December 2020), refers to the portion deriving from the closure (in December 2020) of the interest rate hedges, activated in 2017, having met the condition for which they were activated, i.e. the issue of the bond loan maturing in December 2024. This reserve is charged to the income statement over the life of the loan by recognising financial interest, the effects of which are neutralized (without considering the tax component) through comprehensive income.

Losses carried forward, for €77,661 thousand (€58,731 thousand as at 31 December 2020), including the loss for the year, break down as follows:

- losses from actuarial reserves for employee benefits, recognised for €43,886 thousand; the change compared to 31 December 2020 (€34,689 thousand) had negative effects on the comprehensive income statement for €9197 thousand;
- losses carried forward, registered in the year 2019 related to first adoption of the standards IFRS 9 and 15, amount to €3,338 thousand;
- loss for the year totalling €30,437 thousand.

14

Non-current liabilities

14.1 Non-current financial liabilities and current portions of non-current financial liabilities

Non-current financial liabilities, including current portions, totalled €299,344 thousand (€304,184 thousand as at 31 December 2020). The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021			Year ended 31 December 2020		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds	299,331	-	**299,331**	299,109	-	**299,109**
M/L-term payables to banks	7	6	**13**	13	5,006	**5,019**
Liabilities for foreign exchange hedging derivatives for Rai Cinema	-	-	**-**	56	-	**56**
Total	**299,338**	**6**	**299,344**	**299,178**	**5,006**	**304,184**

Following the early repayment in March 2021 of the loan granted in December 2012 by the European Investment Bank (hereinafter 'EIB') for the residual portion of €5,000 thousand for the digital terrestrial

implementation project, financial liabilities mainly consisted of a bond loan with a notional amount of €300,000 thousand as of 31 December 2021. There is also a subsidised loan of an insignificant amount granted following the participation in a public tender issued by the then Ministry of Education, University and Research - MIUR.

The *senior unsecured* bond issued by Rai in December 2019 and listed on the Dublin Stock Exchange, was subscribed to by Italian and international institutional investors, has a nominal rate of 1.375%, maturity in December 2024 and contains the usual covenants for issues with investment grade rating, including:

- a negative pledge prohibiting the granting of guarantees on other bond issues by the Issuer or its "significant subsidiaries", unless the same guarantees are extended to existing bondholders;
- a cross-default provisions, whereby in the event of default on debt totalling more than €50 million by the Issuer or its "significant subsidiaries", bondholders may declare default on the bond;
- change of Control clause permitting bondholders to exercise a put option at par if the Ministry of Economy and Finance ceases to hold the majority of voting rights exercisable at Ordinary and Extraordinary Shareholders' Meetings of Rai.

On 15 June 2020, Moody's published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with negative outlook.

The final due date of financial liabilities held (current and non-current) is shown in the following table:

(€/'000)	Year ended 31 December 2021			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Bonds	-	299,331	-	**299,331**
Payables to subsidiaries – current account positions	176,957	-	-	**176,957**
Payables to the subsidiary Rai Cinema for derivative instruments	204	-	-	**204**
M/L-term payables to banks	6	7	-	**13**
Short-term payables to banks	196,648	-	-	**196,648**
Liabilities for derivatives taken out on behalf of Rai Cinema	17	-	-	**17**
Total	**373,832**	**299,338**	**-**	**673,170**

(€/'000)	Year ended 31 December 2020			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Bonds	-	299,109	-	299,109
Payables to subsidiaries – current account positions	144,599	-	-	144,599
M/L-term payables to banks	5,006	13	-	5,019
Short-term payables to banks	227,097	-	-	227,097
Liabilities for derivatives taken out on behalf of Rai Cinema	214	56	-	270
Total	**376,916**	**299,178**	**-**	**676,094**

All medium/long-term debt is held at fixed interest rates.

In compliance with accounting standards, the fair value of significant financial liabilities not recorded in the financial statements according to this criterion was also measured, using the bond issued by the Company in 2019, maturing in December 2024: the fair value as at 31 December 2021 is measured at the market price, including accrued interest, at that date, which was equal to 102,4538.

(€/'000)	Year ended 31 December 2021		Year ended 31 December 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Bond issue €300 million - maturity 04/12/2024	299,331	307,361	299,109	309,651
EIB Loan	-	-	5,000	5,054

14.2 Lease liabilities

Non-current lease liabilities, including the current portion, amounted to €45,244 thousand (€55,958 thousand as of 31 December 2020), and related entirely to operating leases. An analysis is provided below:

(€/'000)	Year ended 31 December 2021			Year ended 31 December 2020		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Operating lease liabilities	30,861	14,383	**45,244**	40,014	15,944	**55,958**
Total	**30,861**	**14,383**	**45,244**	**40,014**	**15,944**	**55,958**

The value of current lease liabilities is represented solely by the current portion of non-current lease liabilities, as short-term asset leases are recognised in the income statement under the item costs for the purchase of consumables, costs for services and other costs.

The value of cash outflows from leases in the year was €15,714 thousand, plus interest of €501 thousand.

Interest expense accrued on lease liabilities is detailed in Note 16.8 "Financial income and expenses," to which reference should be made.

The due dates lease liabilities (current and non-current) are shown below:

(€/'000)	Year ended 31 December 2021			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Operating lease liabilities	14,383	25,918	4,943	**45,244**
Total	**14,383**	**25,918**	**4,943**	**45,244**

(€/'000)	Year ended 31 December 2020			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Operating lease liabilities	15,944	35,622	4,392	**55,958**
Total	**15,944**	**35,622**	**4,392**	**55,958**

14.3 Employee benefits

Employee benefits, which amounted to €351,054 thousand (€379,135 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Provisions for employee severance pay	172,770	187,027
Provisions for supplementary pension benefits	101,809	109,284
Provisions in lieu of the former fixed indemnity for journalists	62,770	68,758
Health insurance fund for Rai senior managers (FASDIR)	13,433	13,728
Others	272	338
Total employee benefits	**351,054**	**379,135**

The provisions for employee severance pay, governed by Article 2120 of the Italian Civil Code, shows the liability, as estimated using actuarial techniques, for benefits payable to employees upon the termination of their employment. The termination benefit is calculated on the basis of the remuneration paid for service under the employment contract, revalued until the time of termination. As a result of legislative changes introduced starting from 1 January 2007, the accruing employee severance pay is allocated, according

to the choice made by each employee, to pension funds or to the treasury fund established at INPS. This implies that the liability related to the employee severance pay accrued before 1 January 2007 continues to represent a defined benefit plan to be measured according to actuarial techniques, while a portion of the accruing severance pay is classified as a defined contribution plan since the Company's obligation ends with the payment of contributions to the pension fund or to INPS.

The provisions for supplementary pension benefits shows the estimated liability held by the Company for supplementary pension benefits payable to former employees who, upon termination of employment, opted for the supplementary pension scheme envisaged under trade union agreements previously in place. More specifically, former employees and their family members are entitled to supplementary pension benefits with respect to those paid through the mandatory general pension scheme. Those supplementary pensions are in turn paid directly by the funds, delegated management of the supplementary pensions of Rai personnel since 1989, C.RAI.P.I. (Supplementary Pension Scheme of Rai employees, hereinafter "Craipi") for former middle managers, office staff and workers, and F.I.P.D. RAI (supplementary pension provisions of Rai managers, hereinafter "Fipdrai") for former senior managers. In brief, the main terms and conditions of the supplementary pension benefits are: (i) supplementary pension benefits may be paid as a survivor's pension, at the applicable rates for claimants provided by laws in force governing mandatory pension schemes; (ii) supplementary pension benefits will be subject to variations on the basis of changes in the beneficiary's family, applied at the same rates applicable to pension benefits paid under the mandatory general pension scheme; (iii) supplementary pension benefits paid will not be reduced in the event of increases in the pension benefits paid under the mandatory general pension scheme; (iv) the amount of the benefits due to beneficiaries will be revalued annually on the basis of INPS coefficients.

The provisions replacing the former fixed indemnity for journalists includes the estimate of the sum to be paid to employee journalists who, as at 31 December 2018 have at least 15 years seniority for severance indemnity purposes, when the working relationship ceases for: (i) dismissal for having reached pension requirement levels; (ii) resignation after at least 15 years in the Company; (iii) termination through death of the journalist when survivors have the right to a pension. That sum, calculated in compliance with the R.A.L. in force at the time of termination, with a maximum level of €85 thousand absorbs, for all purposes, indemnity in lieu of notice. The provisions also includes the estimate of the sum to be paid as at 31 December 2018 to journalists with severance indemnity in the company of between 10 and 15 years, when the working relationship is terminated for resignation, excluding resignation pursuant to articles 8, 22, 24 and 32 of CNLG, for having reached age limits and for demise. That sum, unlike the former, will be paid in addition to the indemnity in lieu of notice established by law.

The health insurance fund for Rai senior managers ("Fasdir") was established in 1980 to provide supplementary health insurance to all senior managers in service, retired senior managers and the survivors of former senior managers, as entitled and registered with Fasdir as members, as well as their family members. FASDIR is funded by annual membership fees charged to members and by contributions paid by the Company (annual per capita contribution for each senior manager in service and a supplementary annual contribution covering all retired senior managers). Historically, the annual supplementary contribution paid in to FASDIR by Rai for retired senior managers was used by the fund to cover the deficit that formed each year. However, given that there is no legal duty, but only a constructive obligation, for Rai to cover any future deficits in the fund, and that the Company does not have access to all the information, owned by the fund, necessary to measure, using actuarial techniques, the potential liability towards Fasdir, it was decided to estimate the liability considering the average annual contributions paid in to the fund, multiplied by the average residual life of the retired senior managers at the valuation date, which as at 31 December 2021 was found to be 12 years.

Provisions for employee benefits measured using actuarial techniques break down as follows:

(€/'000)	Year ended 31 December 2021					Year ended 31 December 2020				
	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits
Present value of the liability at the start of the year	**187,027**	**109,284**	**68,758**	**13,728**	**338**	**198,289**	**119,851**	**68,721**	**13,699**	**364**
Current cost of defined benefit plans	-	-	-	-	13	-	-	-	-	1
Current cost of defined contribution plans	40,098	-	-	725	-	40,173	-	-	1,040	-
Interest expense	299	261	175	74	-	1,195	776	344	82	-
Actuarial gains/(losses) resulting from changes in demographic assumptions	-	-	-	-	-	-	-	-	-	-
Actuarial gains/losses resulting from changes in financial assumptions	2,480	2,612	(501)	-	-	1,676	1,136	2,763	-	-
Actuarial gains/(losses) from past experience	5,602	(788)	(208)	-	-	(1,966)	(2,368)	(73)	-	-
Cost of past benefits and (gains)/losses on settlement	-	-	(2,045)	-	-	-	-	(177)	-	-
Benefits paid	(22,653)	(9,560)	(3,409)	(1,094)	(79)	(12,193)	(10,111)	(2,820)	(1,093)	(27)
Transfers to external funds for defined contribution plans	(40,132)	-	-	-	-	(40,291)	-	-	-	-
Other movements	49	-	-	-	-	144	-	-	-	-
Present value of the liability at the end of the year	**172,770**	**101,809**	**62,770**	**13,433**	**272**	**187,027**	**109,284**	**68,758**	**13,728**	**338**

Costs for employee benefits, as measured using actuarial assumptions and recognised in the income statement, break down as follows:

(€/'000)	Year ended 31 December 2021					Year ended 31 December 2020				
	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits
Current cost of defined benefit plans	-	-	-	-	**(13)**	-	-	-	-	(1)
Current cost of defined contribution plans	(40,098)	-	-	(725)	-	(40,173)	-	-	(1,040)	-
Cost of past benefits and (gains)/losses on settlement	-	-	2,045	-	-	-	-	177	-	-
Interest expense on the liability	(299)	(261)	(175)	(74)	-	(1,195)	(776)	(344)	(82)	-
Total	**(40,397)**	**(261)**	**1,870**	**(799)**	**(13)**	**(41,368)**	**(776)**	**(167)**	**(1,122)**	**(1)**
of which recognised as labour cost	(40,098)	-	2,045	(725)	(13)	(40,173)	-	177	(1,040)	(1)
of which recognised in financial expense	(299)	(261)	(175)	(74)	-	(1,195)	(776)	(344)	(82)	-

Costs for defined benefit plans recognised in other comprehensive income components break down as follows:

(€/'000)	Year ended 31 December 2021					Year ended 31 December 2020				
	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits
Revaluations:										
– Actuarial gains/(losses) resulting from changes in demographic assumptions	-	-	-	-	-	-	-	-	-	-
– Actuarial gains/(losses) resulting from changes in financial assumptions	(2,480)	(2,612)	501	-	-	(1,676)	(1,136)	(2,763)	-	-
– Actuarial gains/(losses) from past experience	(5,602)	788	208	-	-	1,966	2,368	73	-	-
Total	**(8,082)**	**(1,824)**	**709**	**-**	**-**	**290**	**1,232**	**(2,690)**	**-**	**-**

The main actuarial assumptions adopted are reported below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Financial assumptions:		
Average discount rate (1):		
– Provisions for employee severance pay	0.61%	0.17%
– Provisions for supplementary pension benefits for former employees	0.69%	0.23%
– Provisions for supplementary pension benefits for former senior managers	0.73%	0.27%
– Provisions in lieu of the former fixed indemnity for journalists	0.47%	0.07%
Inflation rate:		
– Provisions for employee severance pay	1.75%	0.80%
– Provisions for supplementary pension benefits	1.75%	0.80%
– Provisions in lieu of the former fixed indemnity for journalists	1.75%	0.80%
Expected rate of growth in remuneration/benefits (2):		
– Provisions for employee severance pay	2.81%	2.10%
– Provisions for supplementary pension benefits	1.40%	0.64%
– Provisions in lieu of the former fixed indemnity for journalists	2.30%	2.30%
Demographic assumptions		
Maximum retirement age:		
– Provisions for employee severance pay	As per law	As per law
– Provisions for supplementary pension benefits	-	-
– Provisions in lieu of the former fixed indemnity for journalists	As per law	As per law
Mortality tables:		
– Provisions for employee severance pay	SI 2016 revised	SI 2016 revised
– Provisions for supplementary pension benefits	AS62	AS62
– Provisions in lieu of the former fixed indemnity for journalists	SI 2016 revised	SI 2016 revised
Disability tables:		
– Provisions for employee severance pay	INPS tables by age and gender	INPS tables by age and gender
– Provisions for supplementary pension benefits	-	-
– Provisions in lieu of the former fixed indemnity for journalists	-	-
Average annual employee leaving rate:		
– Provisions for employee severance pay	9.20%	8.70%
– Provisions for supplementary pension benefits	-	-
– Provisions in lieu of the former fixed indemnity for journalists	9.10%	8.50%
Annual probability of advance requests:		
– Provisions for employee severance pay	1.50%	1.50%
– Provisions for supplementary pension benefits	-	-
– Provisions in lieu of the former fixed indemnity for journalists	-	-

(1) Measured as the weighted average of the Eur Composite AA December 2020 interest rate curve for 31 December 2020 and Eur Composite AA 2019 for 31 December 2019.
(2) Including inflation.

The effects of a reasonably possible change in the discount rate for the year as at 31 December 2021 and as at 31 December 2020 are shown below:

Provisions for employee severance pay - sensitivity analysis

(€/'000)	Sensitivity	Year ended 31 December 2021	Year ended 31 December 2020
Discount rate	+0.50%	169,106	182,840
	-0.50%	176,564	189,376

Provisions for supplementary pension benefits - sensitivity analysis

(€/'000)	Sensitivity	Year ended 31 December 2021	Year ended 31 December 2020
Discount rate	+0.50%	97,761	104,856
	-0.50%	106,184	114,073

Provisions in lieu of the former fixed indemnity for journalists - sensitivity analysis

(€/'000)	Sensitivity	Year ended 31 December 2021	Year ended 31 December 2020
Discount rate	+0.50%	61,403	65,979
	-0.50%	64,099	71,537

Expected future payments under defined benefit plans for employees are as follows:

(€/'000)	Provisions in lieu of former fixed indemnity for journalists	Employee severance pay	Provisions for supplementary pension benefits	
			Former employees	Former senior managers
Expected payments as at 31.12.2022	7,177	25,548	5,291	3,818
Expected payments as at 31.12.2023	5,015	16,562	5,052	3,620
Expected payments as at 31.12.2024	5,695	13,929	4,802	3,421
Expected payments as at 31.12.2025	5,994	13,671	4,544	3,219
Expected payments as at 31.12.2026	4,830	12,173	4,276	3,017
Payments planned from 01.01.2027 and subsequent years	34,602	98,700	38,044	29,790

14.4 Provisions for non-current risks and charges

Provisions for non-current risks and charges, which amounted to €202,097 thousand (€183,289 thousand as at 31 December 2020), are broken down as follows:

(€/'000)	Balances as at 31 December 2020	Provisions	Drawdowns	Reversals	Balances as at 31 December 2021
Provisions for legal disputes	56,700	8,945	(6,745)	-	58,900
Provisions for accrued remuneration costs	33,977	18,965	(13,766)	(2,632)	36,544
Provisions for building renovation and refurbishment	24,000	1,004	(1,004)	-	24,000
Provision for user rights to digital television frequencies contributions	10,210	10,210	-	-	20,420
Provisions for the risk of recourse on bad debts by the concessionaires Rai Pubblicità and Rai Com	5,425	109	(112)	(81)	5,341
Provision for write-downs of surplus investments	4,371	370	-	(354)	4,387
Provisions for dismantling and restoration costs	4,200	27	(49)	(65)	4,113
ISC and ICM provisions Agents	709	22	(6)	(54)	671
Other provisions	43,697	9,727	(5,268)	(435)	47,721
Total provisions for risks and charges	**183,289**	**49,379**	**(26,950)**	**(3,621)**	**202,097**

Provisions for legal disputes, totalling €58,900 thousand, show the prudential, forecasted estimate of charges for pending lawsuits in which the Company is involved in various ways. Specifically, the figure includes €33,900 thousand in provisions for civil, administrative and criminal litigation (including legal costs) and €25,000 thousand in provisions for labour law disputes.

Provisions for accrued remuneration costs, totalling €36,544 thousand, include the overall costs estimated in relation to employment contracts in place.

Provisions for building renovation and refurbishment, totalling €24,000 thousand, include the estimated costs the Company expects to incur primarily in relation to the removal of asbestos containing materials present in buildings owned. The constructive obligation to proceed with the refurbishment and renovation of the buildings is connected with Company's expression of intent to perform such work, as expressed on several occasions in negotiations with trade unions.

The provision for user rights to digital television frequencies contributions, amounting to €20,420 thousand, was set aside pending the issue of the decree that will determine the amount to be paid for the year 2020.

Provisions for the risk of recourse on bad debts by the concessionaires Rai Pubblicità and Rai Com, totalling €5,341 thousand, refer to the charges associated with the retrocession of income already recognised by the Company in the event that the concessionaires do not collect on the related receivables.

The provisions for write-down of the surplus investment refers almost all to the capital deficit recognised in the financial statements of Rai Corporation, as illustrated in Note 11.4 "Investments", to be referred to.

Provisions for dismantling and restoration costs, totalling €4,113 thousand, include the estimated costs for the dismantling and removal of installations and modifications and the restoration of premises rented by the Company under operating leases which require the lessee to restore the rented premises to their original condition at the end of the lease (where the lease will not be renewed).

ISC (supplementary customer indemnities) and ICM (meritocratic customer indemnities) provisions for agents, totalling €671 thousand, refer to amounts payable to agents upon termination of agency agreements for reasons not attributable to the agent. The provisions are based on estimates that take into consideration the historic data of the Company and growth in the customer portfolio or in business volumes with customers already in portfolio.

Other provisions comprise numerous provisions, set aside to cover specific liabilities related to existing situations whose existence is certain, whose amount or date of occurrence is uncertain, or whose occurrence is contingent on future events whose occurrence is considered probable.

14.5 Deferred tax liabilities

Deferred tax liabilities of €39,598 thousand are shown net of deferred tax assets eligible for offset amounting to €115,302 thousand. The net balance as at 31 December 2020 recorded deferred tax liabilities of €42,340 thousand.

The nature of the temporary differences that gave rise to deferred tax liabilities and the deferred tax assets eligible for offset is reported in the table below:

(€/'000)	Balances as at 31 December 2020	Changes		Balances as at 31 December 2021
		Income statement	Balance sheet	
Statutory/tax differences on property, plant and equipment	(150,866)	2,719	-	(148,147)
Neutralisation currency valuations	(6)	6	-	-
Taxable difference equity investments	(6,692)	(61)	-	(6,753)
Deferred tax liabilities eligible for offset	**(157,564)**	**2,664**	**-**	**(154,900)**
Negative taxable income	115,224	25,698	(25,620)	115,302
Deferred tax assets eligible for offset	**115,224**	**25,698**	**(25,620)**	**115,302**
Net deferred tax liabilities	**(42,340)**	**28,362**	**(25,620)**	**(39,598)**

Deferred tax assets were recognised when their future recoverability was considered reasonably certain.

Deferred tax assets on tax losses carried forward totalled €115,302 thousand: It is probable that they will be used to offset the taxable earnings of Group companies that participate in the tax consolidation arrangement and the deferred tax liability carried through to the income statement.

14.6 Other non-current payables and liabilities

Other non-current payables and liabilities, entirely relating to items denominated in Euros, amounted to €1,634 thousand (€1,878 thousand as at 31 December 2020), referred entirely to deferred income related to the contribution recognised as an economic measure of a compensatory nature for the release of radio links in the 3.6-3.8 GHz bands. Please refer to note no. 15.1 "Trade payables and other current payables and liabilities".

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Deferrals grants for release of radio links	1,575	1,878
Deferred income on the contribution for capital equipment under Law 160/2019	59	-
Total other non-current payables and liabilities	**1,634**	**1,878**

Payables to related parties are reported in Note 17.4 “Transactions with related parties”.

15

Current liabilities

15.1 Trade payables and other current payables and liabilities

Trade payables and other current payables and liabilities amounted to a total €921,993 thousand (€931,982 thousand as at 31 December 2020). The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Trade payables	462,222	454,340
Trade payables to subsidiaries	80,144	83,185
Trade payables from joint ventures and associates	1,261	756
Total trade payables	**543,627**	**538,281**
Payables to personnel	171,481	171,614
Payables to social security and welfare institutions	57,436	73,120
Other tax payables	37,094	40,835
Other payables from subsidiaries	4,706	5,757
Other payables accruing for assessments	4,141	5,306
Other payables	4,556	4,950
Advances:		
– Ordinary licence fees	87,808	87,181
– Other advances	2,995	1,210
Accruals for fees and interest	393	329
Deferrals:		
– Adjustment to advertising revenues	2,311	1,848
– Licence fees	5,110	621
– Grants for release of radio links	303	312
– Instrumental Investments Bonus	26	-
– Grants for the switch-over to digital terrestrial	-	549
– Other deferrals	6	69
Total other current payables and liabilities	**378,366**	**393,701**
Total trade payables and other current payables and liabilities	**921,993**	**931,982**

The breakdown of trade payables and other payables to subsidiaries, joint ventures and associates is shown in the following tables:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Subsidiaries:		
Rai Cinema SpA	16,494	16,311
Rai Com SpA	6,450	11,124
Rai Pubblicità SpA	187	143
Rai Way SpA	57,013	55,607
Trade payables to subsidiaries	**80,144**	**83,185**

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Joint ventures and associates		
Auditel Srl	467	353
Tivù Srl	794	403
Trade payables from joint ventures and associates	**1,261**	**756**

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Subsidiaries:		
Rai Cinema SpA	520	1,429
Rai Com SpA	-	650
Rai Pubblicità SpA	1,312	1,128
Rai Way SpA	2,874	2,550
Other payables from subsidiaries	**4,706**	**5,757**

Payables to personnel totalled €171,481 thousand (€171,614 thousand as at 31 December 2020). The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Untaken paid annual leave	54,131	60,268
Untaken time in lieu	45,264	47,261
Salary assessment	44,577	46,422
Redundancy incentives	26,543	16,064
Others	966	1,599
Payables to personnel	**171,481**	**171,614**

Payables to social security and welfare institutions totalled €57,436 thousand (€73,120 thousand as at 31 December 2020). The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Payables to INPS	23,964	24,416
Payables to INPGI	13,917	13,902
Payables to supplementary pension funds for personnel	8,925	24,345
Contributions on assessed salaries	8,813	8,636
Payables to CASAGIT	1,501	1,489
Other payables	316	332
Payables to social security and welfare institutions	**57,436**	**73,120**

Other tax payables show taxes payable to the Inland Revenue other than current income tax. The item breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Group VAT payables	3,109	7,768
Suspended VAT payables	998	998
Withholding tax on salaries and wages for employees and contractors, substitution tax and other withholdings	32,987	32,069
Total other tax payables	**37,094**	**40,835**

Deferrals include the grant for the release of radio links, recognised for €312 thousand, related to the economic compensation measure granted to Rai in 2020, pursuant to the MISE-MEF interministerial decree of 4 September 2019, for the investment expenses made by the subsidiary Rai Way, remunerated under the service agreement, for the release of radio links in the 3.6-3.8 GHz bands. The grant was recognised in profit or loss of each financial year in relation to the portion of amortisation that would have been recorded if the investment had been made by Rai, taking as reference the amortisation plan provided by Rai Way.

Total payables due in currencies other than the euro are reported in Note 7.1 "Market risk".

Payables to related parties are reported in Note 17.4 "Transactions with related parties".

15.2 Current financial liabilities

Current financial liabilities totalled €373,832 thousand (€376,916thousand as at 31 December 2020). The breakdown is shown in the table below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Short-term payables to banks	196,648	227,097
Payables to subsidiaries – current account positions	176,957	144,599
Payables to the subsidiary Rai Cinema for derivative instruments	204	-
Liabilities for derivatives taken out on behalf of Rai Cinema	17	214
M/L-term payables to banks (current portion)	6	5,006
Total current financial liabilities	**373,832**	**376,916**

Short-term payables to banks amounted to €196,648 thousand (227,097 as at 31 December 2020) and consisted of €70,000 thousand for the drawdowns of the revolving line and the remainder of uncommitted bank loans.

The breakdown by company of payables to subsidiaries - current account positions is shown in the following table:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Rai Cinema SpA	1,200	4,943
Rai Com SpA	156,394	136,252
Rai Corporation in liquidation	3,147	2,954
Rai Pubblicità SpA	15,871	-
Rai Way SpA	345	450
Payables to subsidiaries – current account positions	**176,957**	**144,599**

The current portion of non-current financial liabilities is reported and explained in Note 14.1 "Non-current financial liabilities and current positions of non-current financial liabilities".

Derivative instruments recognised at fair value, are broken down below in the liability component, including the current and non-current portions:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Liabilities for derivatives taken out on behalf of Rai Cinema	17	214
Payables to the subsidiary Rai Cinema for derivative instruments	204	-
Total derivative financial instruments – current portion	**221**	**214**
Liabilities for derivatives taken out on behalf of Rai Cinema	-	56
Total derivative financial instruments – non-current portion	**-**	**56**
Total Derivative financial instruments	**221**	**270**

Derivative financial liabilities, recorded at fair value, at 31 December 2021 related to the current portion of receivables due from the subsidiary Rai Cinema, amounting to €204 thousand (nil value at 31 December 2020) and to the current portion of derivatives due from third parties amounting to €17 thousand (€214 thousand at 31 December 2020), activated by virtue of the mandate granted by Rai Cinema and reflected through inter company accounts in the financial payable to the subsidiary itself. The non-current portion is nil (€56 thousand at 31 December 2020).

Information on risks hedged and on hedging policies is disclosed in Note 7.1 "Market risk".

15.3 Current income tax assets

Current income tax liabilities totalled €29,605 thousand (€29,085 thousand as at 31 December 2020), and refer entirely to payables for IRES from the Group's tax consolidation.

On this point please note that the Company has opted for a Group taxation scheme under which the obligations connected with the settlement and payment of IRES tax on companies scoped into the tax consolidation arrangement have been transferred to the Group. Procedures for consolidating Group taxable income are governed by a specific agreement between the Parent Company and its subsidiaries, as described in Note 17.4 "Transactions with related parties - Tax consolidation".

Income taxes are reported in Note 16.10 "Income tax".

16.1 Revenue from sales and services

The main items are analysed below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
TV licence fees	1,819,769	1,726,085
Advertising	590,169	501,189
Other revenue	76,421	111,090
Total revenue from sales and services	**2,486,359**	**2,338,364**

The breakdown of revenue by geographical area shows that most revenue is from the domestic market.

TV licence fees

Licence fees, amounting to €1,819,769 thousand (€1,726,085 thousand in 2020), break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Licence fees for the year – household licences	1,714,314	1,636,728
Licence fees for the year – special licences	80,196	61,010
Licence fees collected by enforcement order	11,698	15,447
Licence fees for prior years – household licences	13,561	13,223
Licence fees redemption	-	(323)
Total TV licence fees	**1,819,769**	**1,726,085**

In determining the amount of the licence fees for the period for private users, the information and data made available with reference to the current collection methods were used, taking into account the provisions of Law no. 178 of 30 December 2020 "State Budget estimates for the financial year 2021 and multi-year budget for the three-year period 2021-2023" published in the Official Gazette no. 322 of 30 December 2020.

This law repealed the 5% reduction in the amounts to be paid to RAI to cover the cost of providing the Public Service, and the so-called "extra revenue", to be paid to RAI in the amount of 67% for 2016 and 50% for the years from 2017 to 2020, determined by any additional revenue with respect to the amount provided for in the State Budget for 2016

It also provided that the revenue from the radio and TV licence fee, as from 1 January 2021, should be used for the following purposes:

- €110 million per year to the Fund for pluralism and innovation in information set up in the budget of the Ministry of Economy and Finance;
- for the remainder, to RAI, without prejudice to the amounts of licence fee revenue already allocated by current legislation for specific purposes.

The current collection methods were introduced by Law 208 of 28 December 2015 (the "2016 Stability Law"), which provided, in Article 1 (152 et seq.), for TV licence fees for household licences to be charged, as of 1 January 2016, directly in power bills issued by electricity companies, under a separately detailed item.

That law introduced, in an effort to overcome evasion, the mechanism by which if a household has a utility account for power supply to a registered home address, then it can be presumed that the household is in possession of a television set. That presumption of the possession of a television set may only be overturned by a statutory declaration made in accordance with the Consolidation Law as per Presidential Decree 445 of 28 December 2000. False statements are punishable by law and may entail criminal liability.

Law No. 145 of 30 December 2018 confirmed the amount of €90 due for the Rai licence fee for private use on a permanent basis.

In the calculation of the amount of the fees for the period for special utilities, consideration was given to the amount, equal to €43,005 thousand, recognised to the Company in connection with the 'Sostegni' Legislative Decree no. 41 of 22 March 2021, converted with amendments by Law no. 69 of 21 May 2021 to cover the charge resulting from the full payment exemption for the year 2021 of the special radio and television subscription license fee for accommodation facilities and the supply and consumption of beverages in public premises or premises open to the public, including similar activities carried out by third sector entities.

In relation to the amounts reported above:
- TV licence fees collected by enforcement order refer to licence fees, levied under an enforcement order addressed to households with overdue payments;
- licence fees for prior years – household licences related to 2020 fees which became known in the year 2021, as they were paid to the State during the year and determined in relation to the procedures in force in the previous period (extra revenue).

The separate annual accounts, designed to ensure proportionality between the costs incurred by Rai for the performance of the Public Service activities entrusted to it and the resources from licence fees and certified by an auditor chosen on the basis of a public procedure supervised by the Regulatory Authority, show a lack of public funding for the period 2005-2019 amounting to approximately €2.5 billion. The separate annual accounts for 2020 are being prepared.

Advertising

Advertising revenues, for €590,169 thousand (€501,189 thousand in 2020), break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Television advertising on general-interest channels:		
– *commercial*	*309,236*	*278,919*
– *promotions , sponsorships and special initiatives*	*184,085*	*135,904*
– *product placement and branded content*	*6,086*	*5,514*
Television advertising on specialist channels	55,449	50,279
Radio advertising	20,781	20,883
Web advertising	16,148	10,963
Other advertising	18	63
Share due to third parties	(1,981)	(1,601)
Contingencies	347	265
Total advertising	**590,169**	**501,189**

Other revenue

Other revenue from sales and services, for €76,421 thousand (€111,090 thousand in 2020), break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Special services under agreement	39,011	38,202
Sundry services, mainly for institutional purposes	11,961	5,997
Distribution and sale of channels	11,264	10,731
Sale of rights	10,288	10,016
Transfer of patent rights of use	1,113	884
Production and facility services	416	65
Home video distribution	160	150
Agreements with telephone service providers	20	105
Grant for the development of digital programming under article 1 (para. 101) of Law 145/18	-	38,462
Other	415	1,008
Share due to third parties	(244)	(337)
Contingencies	2,017	5,807
Total other revenue	**76,421**	**111,090**

16.2 Other revenue and income

Other revenue and income, for €30,274 thousand (€23,243 thousand in 2020), break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Other income from investees	17,468	17,378
Capital gains on the transfer of tangible assets	4,949	-
Income from operating subleasing from Group companies	1,745	1,781
Operating grants	1,191	1,182
Compensation for damages	232	271
Cost recoveries and expense refunds	31	559
Income from real estate investments	227	235
Other	4,403	1,761
Contingencies	28	76
Total other revenue and income	**30,274**	**23,243**

The breakdown of other income from investees by counterparty is shown in the table below. As reported in Note 17.4 "Transactions with related parties", such income is connected with agreements for the provisions of services by Rai.

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Rai Cinema SpA	3,492	3,322
Rai Com SpA	2,418	2,394
Rai Pubblicità SpA	2,095	1,979
Rai Way SpA	9,456	9,676
Tavolo Editori Radio Srl	7	7
Total other income from investees	**17,468**	**17,378**

16.3 Costs for the purchase of consumables, costs for services and other costs

Costs for the purchase of consumables, costs for services and other costs totalled €1,374,931 thousand (€1,229,341 thousand in 2020). The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Purchases of consumables	9,995	10,841
Costs for services	1,320,168	1,171,520
Other costs	44,768	46,980
Total costs for the purchase of consumables, services and other costs	**1,374,931**	**1,229,341**

Purchases of consumables totalled €9,995 thousand (€10,841 thousand in 2020). The breakdown is shown in the table below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Sundry production materials	3,288	3,058
Purchase of fuel and oil	1,834	1,467
Sundry non-production materials	2,048	3,545
Technical inventories	360	351
Changes in inventory	(7)	(9)
Other materials	2,505	2,443
Contingencies	(33)	(14)
Purchases of consumables	**9,995**	**10,841**

The breakdown of costs for services is shown in the table below. The item totalled €1,320,168 thousand (€1,171,520 thousand in 2020), net of discounts and rebates obtained. It includes, inter alia, emoluments, indemnities of office and expense refunds paid to Directors, for a total of €884 thousand, and to Statutory Auditors, for a total of €153 thousand.

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Recording rights	247,409	112,720
Purchase of showings	235,918	273,414
Signal broadcast and transmission – RAI Way	216,471	211,577
Programme production services	193,653	177,830
Freelance services	112,246	112,216
Rights of use	105,756	101,685
IT system documentation and assistance services	54,192	53,185
Maintenance, repairs, transport and similar	36,018	32,553
Rentals, leases and service component of lease contracts	24,047	20,601
Daily allowances, travel expenses and accessory costs for personnel	22,824	17,407
Other outsourced services	89,715	77,176
Recovery of expenses	(2,073)	(2,187)
Contingencies	(16,008)	(16,657)
Costs for services	**1,320,168**	**1,171,520**

In accordance with Article 2427, no. 16-*bis*, of the Civil Code, please note that fees accruing to the period ended 31 December 2021 for services provided by the Independent Auditor for the annual auditing of

accounts, for other auditing services, including auditing of the half-year financial report and for non-auditing services amounted to €173 thousand, €24 thousand and €88 thousand, respectively.

Other costs amounted to €44,768 thousand (€46,980 thousand in 2020) and break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
User rights to digital television frequencies and other fees and contributions	10,860	10,853
Other indirect taxes and other duties	8,405	8,507
TASI / IMU	8,374	8,356
Contributions to control authorities	5,027	4,738
Membership fees	3,010	3,351
Prizes and winnings	2,948	4,310
Newspaper, magazines, books and publications	1,670	1,673
Losses on disposals	150	37
Others	4,668	6,465
Contingencies	(344)	(1,310)
Other costs	**44,768**	**46,980**

16.4 HR expenses

HR expenses, which amounted to €937,389 thousand (€917,169 thousand in 2020), break down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Salaries and social security costs	872,937	859,987
Employee severance pay	40,098	40,173
Pensions and similar obligations	11,821	12,153
Others	8,191	8,488
HR expenses	**933,047**	**920,801**
Costs for redundancy incentives	26,742	16,064
Recovery of expenses	(5,764)	(5,612)
Capitalised HR expenses	(13,661)	(12,826)
Others HR expenses	**7,317**	**(2,374)**
Contingencies and releases of provisions	**(2,975)**	**(1,258)**
Total HR expenses	**937,389**	**917,169**

The item includes €40,836 thousand of charges for defined contribution plans and €2,045 thousand of income from defined benefit plans, net of past benefits, as reported in Note 14.3 "Employee benefits".

The Company applies four Collective Bargaining Agreements, respectively the CCL for labour for middle managers, office staff and workers, the CCL for orchestra musicians, the national Bargaining Agreements for Journalists, applied in Rai in compliance with the method in a "Convention extended the CNLG to Rai" and the relative Addendum Agreement with Usigrai for journalist personnel, the CCNL for managers of companies producing goods and services and the relative Addendum Agreement between Rai and ADRai.

With respect to those agreements, we report that:

- the collective bargaining agreement for middle managers, office staff and workers was renewed, by agreement made on 09 March 2022, for the period 2019–2022;
- the collective bargaining agreement for orchestra musicians was renewed, by agreement on 28 June 2018, for the three-year period 2014-2016 and, on an exceptional basis, for 2017 and 2018;
- for journalist staff, on 13 March 2018 Rai and Unindustria Roma signed a Agreement for the Extension of the National Collective Bargaining Agreement for Journalists to Rai, with the Rai journalists trade union, Usigrai and the National Press Federation, FNSI. The Rai–Usigrai Addendum Agreement expired on 31 December 2013;
- for personnel employed as senior managers, the collective bargaining agreement for the period 1/1/2019-31/12/2023 is still in force, while the Rai–ADRai Addendum Agreement for the period 2017-2019 was renewed on 6 July 2018.

The average number of Company employees is shown below by employment category:

	Year ended 31 December 2021			Year ended 31 December 2020		
	Permanent employees (Average no.) (1)	Temporary employees (average no.)	Total	Permanent employees (Average no.) (1)	Temporary employees (average no.)	Total
Senior managers (2)	243	-	**243**	254	-	**254**
Middle managers	1,249	-	**1,249**	1,326	-	**1,326**
Journalists (3)	1,907	133	**2,040**	1,848	52	**1,900**
Office staff (4)	6,944	28	**6,972**	6,940	40	**6,980**
Workers	812	2	**814**	861	3	**864**
Orchestra players	118	1	**119**	115	1	**116**
Total	**11,273**	**164**	**11,437**	**11,344**	**96**	**11,440**

(1) Of which apprentices 409 394
(2) Of which senior staff with temporary contracts 3 4
(3) Including executive staff
(4) Administrative, technical, editorial and production personnel; this category includes outpatient general practitioners.

The average number of employees was calculated as the arithmetic mean of the daily number of employees over the reporting period, weighted to account for part-time employees. The average number of employees includes personnel on permanent and fixed-term employees.

16.5 Impairment of financial assets

This item recognises impairment losses (including recoveries) of financial assets, which include all assets of a contractual origin that give right to receiving cash flows (including trade receivables).

The item, equal to €256 thousand (€5,481 thousand in 2020) refers to the provisions detailed below, already illustrated in Note 12.2 "Trade receivables", to which reference should be made.

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Trade receivables	(9)	5,380
Receivables from the subsidiary Rai Com SpA	265	101
Total impairment of financial assets	**256**	**5,481**

16.6 Depreciation, amortisation and other write-downs

Depreciation, amortisation and other write-downs totalled €317,543 thousand (€302,998thousand in 2020). The figure breaks down as follow:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Amortisation and depreciation		
Property, plant and equipment		
Buildings	13,169	12,484
Plant and machinery	51,112	49,193
Industrial and commercial equipment	2,246	2,189
Other assets	6,881	6,616
Total depreciation of property, plant and equipment	**73,408**	**70,482**
Lease rights of use		
Buildings	13,201	13,461
Other assets	2,665	2,779
Total amortisation and depreciation of lease rights of use	**15,866**	**16,240**
Intangible assets		
Programmes	144,868	148,849
Software	8,999	9,314
Trademarks	-	1
Total amortisation of intangible assets	**153,867**	**158,164**
Total amortisation and depreciation	**243,141**	**244,886**
Other write-downs		
Programmes under amortisation	53,127	50,486
Programmes in progress	21,159	1,797
Other intangible assets	50	-
Equity investments recognised at cost	370	(355)
Other non-current receivables and assets	307	4,518
Current income tax receivables	(856)	366
Other current receivables and assets	245	1,300
Total other write-downs	**74,402**	**58,112**
Total depreciation, amortisation and other write-downs	**317,543**	**302,998**

16.7 Provisions

The item, recognising provisions for risks and charges and any risks not classifiable under specific income statement items, shows net provisions for €12,451 thousand (€8,307 thousand in 2020), caused by provisions for €12,576 thousand, offset by releases for €125 thousand.

16.8 Financial income and expenses

Net financial income, which amounted to €60,169 thousand (€58,857 thousand in 2020), breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Financial income		
Dividends	68,004	70,404
Interest income from subsidiaries	2,480	4,230
Interest income on receivables v/Treasury	1,655	-
Foreign exchange gains realised	212	550
Gains from currency valuation	54	201
Interest income from joint ventures – San Marino RTV	21	17
Interest on securities	6	3
Interest income from banks	2	16
Others	12	33
Total financial income	**72,446**	**75,454**
Financial expense		
Interest expense on bonds	(7,501)	(10,003)
Interest on employee benefit liabilities	(809)	(2,397)
Interest expense on lease contracts	(693)	(787)
Interest expense due to banks	(496)	(707)
Foreign exchange losses realised	(376)	(255)
Foreign exchange losses	(182)	(175)
Interest expense due to subsidiaries	-	(4)
Others	(2,220)	(2,269)
Total financial expense	**(12,277)**	**(16,597)**
Net financial income (expense)	**60,169**	**58,857**

Breakdown of dividends:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Rai Cinema SpA	18,356	14,008
Rai Com SpA	3,444	7,191
Rai Pubblicità SpA	3,891	8,047
Rai Way SpA	42,148	41,158
Almaviva SpA	165	-
Total dividends	**68,004**	**70,404**

16.9 Earnings from investments recognised at equity

Earnings from equity investments recognised at equity amounted to a positive €7,508 thousand (€1,049 thousand in 2020). The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Audiradio Srl in liquidation	9	-
Auditel Srl	228	212
Euronews SA	345	(440)
Player Editori Radio Srl	6	13
San Marino RTV SpA	34	(342)
Tavolo Editori Radio Srl	39	28
Tivù Srl	6,847	1,578
Total effect of recognition under the equity method	**7,508**	**1,049**

The breakdown of the change in equity investments recognised under the equity method is reported in Note 11.4 "Equity investments".

16.10 Income tax

Income taxes payable totalled a positive €27,823 thousand (€21,079 thousand in 2020) due to the effect of deferred tax assets and liabilities. The figure breaks down as follows:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
IRES	-	-
IRAP	-	-
Total current taxes	**-**	**-**
Deferred tax liabilities	2,664	1,890
Deferred tax assets	25,698	19,429
Total deferred taxes	**28,362**	**21,319**
Direct taxes from previous years	**(539)**	**(240)**
Total income taxes	**27,823**	**21,079**

The difference between the theoretical tax rate and the effective tax rate is shown below:

(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
Loss before tax	(58,260)	(41,783)
IRES tax rate	24.00%	24.00%
Theoretical tax gain	13,982	10,028
Tax differences	13,841	11,051
IRAP	-	-
Total income taxes	**27,823**	**21,079**

The item tax differences shows the difference between the IRES tax expense booked and the theoretical expense resulting from the application of the current IRES tax rate (24%) to earnings before tax.

That difference is the result of the application of the corporate income tax rules contained in the Italian Income Tax Code, which produces differences in declared profits of both a permanent nature (such as: IMU property tax, vehicle costs and participation exemptions on dividends carried in the income statement) and

of temporary nature (such as: depreciation and amortisation charges, write-downs of intangible assets, employee benefits, allocations and drawdowns/releases of provisions).

17.1 Guarantees

Other guarantees given, which amounted to €5,616 thousand (€20,502 thousand as at 31 December 2020), break down as follows:

(€/'000)	Year ended 31 December 2021		
	Personal guarantees Sureties	Collateral	Total
Subsidiaries	3,382	-	**3,382**
Others	-	2,234	**2,234**
Total	**3,382**	**2,234**	**5,616**

(€/'000)	Year ended 31 December 2020		
	Personal guarantees Sureties	Collateral	Total
Subsidiaries	18,268	-	**18,268**
Others	-	2,234	**2,234**
Total	**18,268**	**2,234**	**20,502**

Guarantees given included the assumption of payment obligations to the Tax Authorities, as security for the early repayment of the VAT surplus of €2,443 thousand (€17,157 thousand as at 31 December 2020) in favour of subsidiaries.

The Company also recognised €61,474 thousand of guarantees provided by third parties (€71,823 thousand as at 31 December 2020) on own commercial and financial obligations; the most significant include:

- guarantee in favour of the Ministry of Economic Development to secure prize competitions;
- guarantee to take part in the call for tender launched by the Ministry of Economic Development to provide additional broadcasting capacity;
- guarantees in connection with the acquisition of the broadcasting rights for the qualification and final stages of the 2022 Football World Cup.

There are also guarantees received from banks and insurance companies, provided in the interest of suppliers, for a total value of €230,056 thousand (€ 225,023 thousand as of 31 December 2020), related to the supply of works, goods and services to Rai.

17.2 Commitments

The main commitments, including long-term commitments, connected with products or with technological development and modernisation initiatives and in place at the reporting date are reported in the table below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Sports broadcasting rights	118.0	122.3
Investments in drama and cartoons	128.4	127.6
Rights and services for the production of programmes	28.8	34.8
Technical investments	58.0	56.9
Total commitments	**333.2**	**341.6**

17.3 Contingent liabilities

The Company is a party to civil, administrative, labour law and social security lawsuits connected with its ordinary business activities.

Civil and administrative litigation involving the Company is primarily connected with the production and public broadcasting of radio and television programmes. Almost all civil litigation concerns claims for damages, mostly related to defamation and infringement of personality rights and violation of copyright law. As part of administrative proceedings, damages are usually claimed in procurement disputes where, however, the claim for damages in kind is only made in the alternative, the main claim being for the annulment of the tender documents and in some cases the taking over of the contract.

In relation to labour law and social security matters, the Company is a party to a certain number of lawsuits, mainly concerning claims for reinstatement, applications for investigations into the alleged use of fictitious intermediaries in the procurement of labour, applications for higher level employment grades and categories, compensation claims for alleged demotion and alleged non-fulfilment of social security obligations under employment contracts or collective bargaining agreements.

If, on the basis of analyses conducted on such kinds of litigation:
- information is available, at the time of preparation of the financial statements, suggesting it is likely that a liability will arise;
- and the amount of the liability can be reasonably estimated, considering the *petition made* by the applicant,

then a relative liability is recognised through the allocation of provisions for legal disputes.

Note 14.4 "Provisions for non-current risks and charges" details provisions made for that occurrence.

On the basis of information currently available, the Company believes that provisions for risks are adequate.

17.4 Transactions with related parties

Transactions between the Company and related parties are reported below; as identified on the basis of the criteria provided by IAS 24 "*Disclosures on transactions with related parties*" for the years ended 31 December 2021 and 31 December 2020 .

The Company has dealings mainly of a commercial and financial nature with the following related parties:
- Rai Cinema;
- Rai Com;
- Rai Corporation;
- Rai Pubblicità;
- Rai Way;
- Key management personnel ("Senior Management");
- other associates and joint ventures with which the Company has an interest as indicated in Note 11.4 "Equity investments"; companies under the control or joint control of Senior Management and bodies that manage benefit plans after the work relationship ends and solely for Rai Group employees ("Other related parties").

Although related party transactions are conducted at arm's length, there is no guarantee that if those transactions were negotiated and pursued with or between third parties, the relative contracts, and the transactions themselves, would stipulate the same terms and conditions.

"Senior management" means key management personnel with the power and direct or indirect responsibility for the planning, management and control of Company business, including therein the members of the Board of Directors of the Company. For information on emoluments paid to statutory auditors, see Note 16.3 "Costs for the purchase of consumables, costs for services and other costs".

The following table details the balance sheet totals as at 31 December 2021 and as at 31 December 2020 of the transactions between the Company and related parties in the years ended 31 December 2021 and 31 December 2020:

(€/'000)	Subsidiaries	Senior Management	Other related parties	Total
Lease rights of use				
as at 31 December 2021	383	-	-	**383**
as at 31 December 2020	444	-	-	**444**
Non-current financial assets				
as at 31 December 2021	-	-	-	**-**
as at 31 December 2020	56	-	-	**56**
Current financial assets				
as at 31 December 2021	120,691	-	1,430	**122,121**
as at 31 December 2020	130,460	-	801	**131,261**
Trade receivables				
as at 31 December 2021	289,454	-	378	**289,832**
as at 31 December 2020	271,856	-	209	**272,065**
Other current receivables and assets				
as at 31 December 2021	31,813	-	-	**31,813**
as at 31 December 2020	38,461	-	-	**38,461**
Non-current lease liabilities				
as at 31 December 2021	(323)	-	-	**(323)**
as at 31 December 2020	(387)	-	-	**(387)**
Employee benefits				
as at 31 December 2021	-	(4,821)	(13,433)	**(18,254)**
as at 31 December 2020	-	(4,354)	(13,728)	**(18,082)**
Current financial liabilities				
as at 31 December 2021	(177,161)	-	-	**(177,161)**
as at 31 December 2020	(144,599)	-	-	**(144,599)**
Current lease liabilities				
as at 31 December 2021	(76)	-	-	**(76)**
as at 31 December 2020	(71)	-	-	**(71)**
Trade payables				
as at 31 December 2021	(80,144)	-	(1,261)	**(81,405)**
as at 31 December 2020	(83,186)	-	(756)	**(83,942)**
Other current payables and liabilities				
as at 31 December 2021	(7,349)	(6,009)	16	**(13,342)**
as at 31 December 2020	(8,700)	(6,630)	(15,407)	**(30,737)**

The following table details the income effects of transactions between the Company and related parties conducted in the years ended 31 December 2021 and 31 December 2020:

(€/'000)	Subsidiaries	Senior Management	Other related parties	Total
Revenue from sales and services				
as at 31 December 2021	658,238	-	853	**659,091**
as at 31 December 2020	562,340	-	622	**562,962**
Other revenue and income				
as at 31 December 2021	20,724	-	26	**20,750**
as at 31 December 2020	20,079	-	26	**20,105**
Costs for services				
as at 31 December 2021	(459,572)	(1,068)	(12,197)	**(472,837)**
as at 31 December 2020	(494,668)	(1,085)	(11,395)	**(507,148)**
Other costs				
as at 31 December 2021	(333)	-	-	**(333)**
as at 31 December 2020	(332)	-	-	**(332)**
HR expenses				
as at 31 December 2021	4,476	(18,586)	(11,771)	**(25,881)**
as at 31 December 2020	4,659	(17,900)	(11,786)	**(25,027)**
Impairment of financial assets				
as at 31 December 2021	265	-	-	**265**
as at 31 December 2020	(101)	-	-	**(101)**
Depreciation, amortisation and write-downs				
as at 31 December 2021	(65)	-	-	**(65)**
as at 31 December 2020	(49)	-	-	**(49)**
Financial income				
as at 31 December 2021	70,320	-	21	**70,341**
as at 31 December 2020	74,634	-	17	**74,651**
Financial expense				
as at 31 December 2021	(7)	-	-	**(7)**
as at 31 December 2020	(8)	-	(29)	**(37)**

Reported below is a description of the main agreements in place between Rai and the subsidiaries, associates and joint ventures identified above.

Agreements for the provisions of services to Rai

Rai Pubblicità

Rai has an advertising concession agreement in place with Rai Pubblicità, under which the latter has an exclusive concession for the sale of advertising space on radio and general-interest television channels, on free-to-air specialist digital and satellite channels, on the teletext service, on the Rai domain and on other minor media.

Rai Com

Rai has granted a mandate without power of representation to Rai Com for:

- the sale of user licenses for television, radio and cinema use, for audiovisual use (meaning for example

licences for use on home video and commercial video), and for multimedia use, including interactive multimedia, and derivative rights;
- the management of negotiations for framework agreements and/or conventions with central and local, national and international, public and private bodies and institutions;
- the acquisition and/or production of musical and theatre pieces, including: classical music, prose works and music editions;
- the implementation and/or management of phone interaction and/or interactive initiatives;
- the negotiation, outlining, formalisation and/or management of sports library contracts, including therein the implementation and/or management of all commercial initiatives contemplated by such contracts;
- the provision of technical facilities and the execution of commercial agreements designed to raise the value of non-production premises available to Rai (Palazzo Labia);
- the negotiation, outlining, formalisation and/or management of other partnership agreements with third-party enterprises of a commercial nature and for commercial purposes; and
- operations for the international sale of Rai channels.

In addition, Rai awarded a mandate with representation concerning:
- the management of ticketing services;
- the design, development, definition, stipulation and/or management of projects aimed at Rai's participation in Italian and European calls for tenders for non-repayable or subsidised loans.

Rai Cinema

A specific agreement is in place with Rai Cinema under which the latter has committed to providing Rai with exclusive access to a catalogue of free-to-air showings of audiovisual works acquired in any way by Rai Cinema, whereas Rai has the obligation to purchase exclusively from Rai Cinema the broadcasting rights to showings of free-to-air audiovisual works.

Rai Way

A Service Agreement is in place between Rai Way and Rai, under which Rai has outsourced to Rai Way, on an exclusive basis, a series of services that enable Rai to:
- control transmission and broadcasting, in Italy and around the world, over the MUX assigned to it under applicable law; and
- control the fulfilment of its Public Service obligations.

The service agreement also envisages, and governs, the possibility for the parties to negotiate in the future, in the event of new needs for Rai, the provisions of additional services, including services for the development of new electronic communications and telecommunications networks, as well as new broadcasting standards and technologies.

Agreements of a financial nature

With the exception of Rai Way, which following its public listing became fully independent financially, a centralised treasury management agreement is in place between Rai and its subsidiaries, involving a bank cash-pooling programme aimed at ensuring coverage of cash needs and the optimisation of cash flow.

In order to hedge the currency risk to which the subsidiary Rai Cinema is exposed, the latter has granted a mandate to Rai to trade foreign currency and financial instruments on its account, in accordance with the operational methods set out in Group policies.

With reference to Rai Way, other agreements in place consist of:
- an intercompany current account agreement, the purpose of which is to provide Rai with the funding needed to settle reciprocal credit and debit positions connected with certain residual payment services envisaged under the service agreement through which Rai has outsourced services to Rai Way;
- a mandate agreement authorising Rai to perform payments and collections connected with the settlement of intercompany accounts payable and receivable, primarily in the context of the netting, through Rai,

of credit and debit positions between Group companies, excluding there from payments for services provided under the service agreement in place and hedging transactions.

Agreements for the provisions of services to Rai

Rai provides a series of services to select subsidiaries under specific service agreements concerning, in particular, administrative services, real estate services, IT services, testing services and dubbing services.

Tax consolidation arrangement

The Rai Group has a national tax consolidation arrangement in place for IRES tax purposes, as permitted under Articles 117 et seq. of the Italian Income Tax Code and governed by Ministerial Decree of 9 June 2004.

As of the 2017 tax year, the option to join the arrangement will be tacitly renewed without the need for notification.

The tax and equity arrangements between the participating companies are governed by a specific agreement made between the parties, which is updated in the light of relative legislative amendments applicable under the agreement.

As a result of the national tax consolidation arrangement, Rai held a credit from the participating companies totalling €29,573 thousand as at 31 December 2021.

Group VAT offsetting

The Company has adopted the procedure contemplated by Ministerial Decree of 13 December 1979, providing implementing rules for the provisions of Article 73, last paragraph, of Presidential Decree 633 of 26 October 1972, for the offsetting of Group VAT.

The option to apply the Group VAT procedure is valid for one year and was exercised by Rai and all its Italian subsidiaries until 31 December 2021. Statutory and financial relationships under the procedure are governed by a specific agreement between the parties.

Other related parties

Dealings with other related parties are mainly of a commercial and financial nature. The most significant include the following agreements:

Auditel

Auditel Srl provides television audience share measurement and data publication services, including also digital devices.

Player Editori Radio

An agreement is in place providing for the granting of a license to Rai to use a unified platform, developed and made available by Player Editori Radio, which allows aggregating radio content using an IP protocol for subsequent provisions to shareholders and third parties.

San Marino RTV

An intercompany current account agreement is in place with the Company, under which debits and credits resulting from economic and financial transactions between the parties are transferred to an intercompany current account. Rai has also established a credit facility for €1,400 thousand that the company can use for overdrafts from ordinary management. The credit facility is 50% counter-guaranteed by ERAS (the San Marino radio broadcasting body).

Moreover, an agreement for the transfer of broadcasting capacity has been arranged to broadcast San Marino RTV programmes across Italy;

In addition, under a radio and television broadcasting agreement between the government of San Marino and the Italian government/Prime Minister's Office, a fixed annual contribution is made to San Marino RTV through Rai Com.

Tavolo Editori Radio Srl

Auditel Srl provides television audience share measurement and data publication services, including also digital devices.

Tivù

Service agreements are in place, under which:

- Rai: provides EPG (*Electronic Program Guide*) processing and management services and editorial and advisory services, as well as satellite transmission capacity to enable the offer of EPG services;
- Tivù provides an EPG service for the digital terrestrial and satellite platforms, a key encryption service, smart card supply and management, user assistance services for issued related to the TivùSat platform and to promote the digital terrestrial and satellite platform TivùSat.

18 Events following the balance sheet date

Reduction of the shareholding in Rai Way

The Decree of the President of the Council of Ministers of 17 February 2022 "Regulations for the reduction of Rai SpA's shareholding in Rai Way SpA", established the possibility for Rai to reduce its shareholding in Rai Way's capital up to the limit of 30%, as a result of one or more extraordinary transactions, including one or more merger transactions, and disposals carried out through sales methods and techniques in use on the markets, including the, single or joint, use of a public offering and direct negotiation.

In case of extraordinary operations, Rai shall ensure the definition of appropriate management and governance agreements and, in order to guarantee the maximum diffusion of shareholders, the maintenance of the listing of Rai Way shares or the company resulting from the operation shall be ensured.

In the event of a public invitation, to favour the participation of Rai Group employees in the offer, forms of incentive may be provided for the same, also taking into account market practice and previous privatisation operations, in terms of shares of the offer reserved and/or price and/or financing modalities.

In case of private negotiations, Rai shall ensure transparent and non-discriminatory competitive procedures.

The completion of the above transactions is conditional on obtaining the necessary authorisations from the guarantee and supervisory authorities, without prejudice to the provisions of Legislative Decree no. 21 of 15 March 2012, and relevant implementing regulations.

19.1 Equity investments held by Rai in subsidiaries, joint ventures and associates

The following table sums up information on Companies Rai has investments in.

(Values as at 31 December 2021)	Registered office	No. shares/ units held	Nominal value (Euro)	Share capital (in €/'000)	Shareholders' equity (in €/'000)	Profit (loss) (in €/'000)	Equity interest held %	Carrying amount (in €/'000)
Subsidiaries								
Rai Cinema SpA	Rome	38,759,690	5.16	200,000	278,174	14,467	100.00%	267,848
Rai Com SpA	Rome	2,000,000	5.16	10,320	112,850	6,695	100.00%	107,156
Rai Corporation in liquidation	New York (USA)	50,000	10.00 (1)	500 (2)	(4,387) (3)	(35) (4)	100,00%	- (5)
Rai Pubblicità SpA	Turin	100,000	100.00	10,000	39,849	10,361	100.00%	31,082
Rai Way SpA	Rome	176,721,110	- (6)	70,176	165,917	65,384	64.971%	506,260
								912,346
Joint ventures and associates								
Auditel Srl	Milan	1	99,000.00	300	4,052	692	33.00%	1,337 (7)
Euronews SA	Lyon (F)	55,271	15.00	32,860	(13,677)	(17,618)	2.52%	-
Player Editori Radio Srl	Milan	1	1,390.00	10	172	33	13.90%	24
San Marino RTV SpA	S. Marino (RSM)	500	516.46	516	3,059	67	50.00%	1,530
Tavolo Editori Radio Srl	Milan	1	1,390.00	160	915	279	13.90%	127
Tivù Srl	Rome	1	482,500.00	1,002	15,749	14,218	48.16%	7,585
								10,603

(1) Values in USD
(2) Values in USD/'000
(3) USD -4,969,077 at the exchange rate of 31 December 2021 of EUR/USD 1.1326.
(4) USD -39,220 at the exchange rate of 31 December 2021 of EUR/USD 1.1326.
(5) The balance sheet deficit of €4,387 thousand is covered by provisions for charges of an equal amount.
(6) Ordinary shares with no stated par value.
(7) Balance as of 31 December 2020, latest version available

19.2 Net Financial Debt

The following is the Company's Net Financial Indebtedness, determined in accordance with the provisions of paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, No. 32-382-1138 of 4 March 2021 (Guidelines on disclosure requirements under the EU Regulation 2017/1129, so called 'Prospectus Regulation'):

	(€/'000)	Year ended 31 December 2021	Year ended 31 December 2020
A.	Cash	42,541	11,390
B.	Cash equivalents	-	-
C.	Other current financial assets (*)	127,190	138,278
D.	**Liquidity (A + B + C)**	**169,731**	**149,668**
E.	**Current financial debt**	**(388,209)**	**(387,853)**
F.	Current part of non-current financial debt	(6)	(5,006)
G.	**Current financial debt (E+F)**	**(388,215)**	**(392,859)**
H.	**Net current financial debt (G - D)**	**(218,484)**	**(243,191)**
I.	Non-current financial debt	(30,868)	(40,083)
J.	Debt instruments	(299,332)	(299,110)
K.	Commercial debt and other non-current debts	-	-
L.	**Non-current financial debt (I+J+K)**	**(330,200)**	**(339,193)**
M.	**Total financial debt (H + L)**	**(548,684)**	**(582,384)**
	of which: operating lease liabilities	(45,244)	(55,959)
	Net financial debt excluding liabilities for operating leases	**(503,440)**	**(526,425)**
(*)	It includes financial assets for derivative hedging instruments for an amount equal to:	204	-

19.3 Law 124 of 4 August 2017 transparency in the public contributions system

Related to the information obligations introduced by article 1 of Law 124 of 4 August 2017, considering the novelties introduced by article 35 of Decree Law no. 34/2019 (so-called "Growth Decree"), please note the following.

Grants received (art. 1, paragraph 125)

For the purposes of this disclosure, no sums have been collected in year 2021 that fall within IAS 20 'Accounting of public contributions and disclosure on public assistance' scope of application.

Contributions made (art. 1, paragraph 126)

The following table includes sums paid in 2021 con for donation purposes, for the cases with a value per entity contributed that is higher or equal to €10 thousand, showing the beneficiary entity.

Entity	Grant paid in 2021	Amount (€/'000)
Terre des Hommes Italia Foundation	Prizes donated to charity	832
National institute for infectious diseases Lazzaro Spallanzani	Prizes donated to charity	807
FIA - Fondazione Italiana per l'Autismo (Italian Autism Foundation)	Prizes allocated to charities	522
Cesvi Participation Foundation and NGO	Prizes donated to charity	519
Centro Astalli	Prizes donated to charity	371
Progetto Arca onlus Foundation	Prizes donated to charity	58
Mission Bambini Onlus Foundation	Prizes donated to charity	54
Telethon Foundation	Prizes donated to charity	54
Università degli Studi di Perugia	Scholarship	40
Sant'Egidio Community Agap onlus	Prizes donated to charity	35
AIRC Foundation for Cancer Research	Prizes donated to charity	30
Sos Villaggi Bambini Onlus	Prizes donated to charity	30
Association "Associazione amici di Roberto Morrione"	Roberto Morrione Prize	26
Comunità Amore e Libertà Onlus	Prizes donated to charity	22

20 Climate change

As for the ESMA disclosure of 29 October 2021 called 'Annual Public Statement of the European Common Enforcement Priorities' for the 2021 financial disclosure, the Company, as for the assets provided under its corporate object - and following internal analyses, has not identified relevant effects in terms of climate change, directly or indirectly connected to corporate operations.

21 Resolution proposal

The Board of Directors proposes:

- to approve the draft Separate Financial Statements of Rai SpA, prepared in accordance with international accounting standards and consisting of the statement of financial position, the income statement, the statement of comprehensive income, the cash flow statement, the statement of changes in shareholders' equity and the notes to the financial statements, which show a loss for the year of €20,704,126.42, together with the Report on Operations;
- to cover the loss for the year of €20,704,126.42 through the use of the reserve for first-time adoption of IFRS - free.

Certification pursuant to article 154-*bis* of Legislative Decree no. 58/98

The undersigned Carlo Fuortes, in the capacity as Chief Executive Officer, and Marco Brancadoro, in the capacity as Manager in charge of drawing up the corporate accounting documents of RAI Radiotelevisione italiana SpA, also taking into account the provisions of Article 154-*bis*, paragraphs 3 and 4 of Italian Legislative Decree No. 58 of 24 February 1998, hereby attest:

- the adequacy in relation to the characteristics of the Company; and
- the actual application

of administrative and accounting procedures in preparing the Separate Financial Statements as at 31 December 2021 during the 2021 financial year.

The administrative and accounting procedures and operating practices in place have been applied in a manner consistent with the internal administrative and accounting control system to ensure the achievement of the objectives required by the applicable regulatory framework.

It is also attested that:

- the Separate Financial Statements as at 31 December 2021 of RAI Radiotelevisione italiana SpA:
  a) have been prepared in accordance with International Financial Reporting Standards endorsed by the European Union pursuant to EC Regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  b) correspond to the entries in the books and accounting records;
  c) are suitable to provide a true and fair representation of the equity, economic and financial position of the issuer.
- the Report on Operations includes a reliable analysis of the trends and results of operations, as well as the situation of the issuer, together with a description of the main risks and uncertainties to which they are exposed.

Rome, 11 May 2022

Carlo Fuortes
Chief Executive Officer

Marco Brancadoro
Manager in charge of drawing up the corporate accounting documents

Board of Statutory Auditors' Report

BOARD OF STATUTORY AUDITORS' REPORT
ON THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021
OF RAI Radiotelevisione Italiana S.P.A.
AND
ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021 OF THE RAI GROUP

PURSUANT TO ARTICLE 2429, SECOND PARAGRAPH, OF THE ITALIAN CIVIL CODE

To the Board of Statutory Auditors of RAI Radiotelevisione italiana S.p.A.

RAI S.p.A. FINANCIAL STATEMENTS AS AT 31 DECEMBER 2021

Dear Shareholders,
we want to state in advance that the Board of Statutory Auditors, along with the other corporate bodies of the Parent Company, endures regular monitoring of the correct implementation of corporate Governance principles. The Board monitors compliance with the law and the Articles of Association; moreover, it checks compliance with the standards of correct administration and, more specifically, the adequacy of the organisational, administrative, and accounting system adopted by Rai S.p.A. and its functioning.
Given that Rai S.p.A. is qualified as a Public Interest Entity (PIE), the Board of Statutory Auditors of the Parent Company also has the mandate of 'Committee for Internal Control and Financial Audit' as defined under Article 19 of Italian Legislative Decree No. 39/2010, performing supervisory functions on the financial reporting process, the effectiveness of the internal control system, the internal review process and risk management, the statutory audit, and the independence of the Company in charge of performing the statutory audit, in particular relating to the services - provided by the Company subject to the statutory audit.
The Board notes the appointment of the new Board of Directors of Rai S.p.A. on 15 July 2021.
The project related to the financial year ended 31 December 2021 of RAI S.p.A., here presented to Your attention, has been approved by the Board of Directors during the meeting held on 11 May 2022.
During the financial year 2021, the Board has carried out the supervisory activity in fulfilling the obligations set out by law for the Board of Statutory Auditors, also considering the conduct rules recommended by by Italy's Association of Chartered Accountants, the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili.

As for the activity performed, we disclose the following.
Sufficient information was obtained on the general management trend and its expected evolution, as well as on relevant operations – either in size or nature – carried out by the Company.
The operations performed were made in compliance with the law and the Company's Articles of Association. Their implementation was not in conflict with the resolutions approved by the Shareholders' Meeting or, in any way, detrimental to the integrity of the company asset.
No specific observations related to the adequacy of the Company's organisational system, the adequacy of the administrative and accounting system, or its reliability in reporting management events have emerged.
Over the financial year 2021 and after closing, the Board of Statutory Auditors has not detected any atypical and/or uncommon operations with third and/or related parties. Ordinary operations, carried out under the market conditions and with the companies belonging to the Group and related parties, show consistency with the interest of the Company.
Among the relevant events that occurred after the closing of the financial statements, the Board of Statutory Auditors notes an investigation launched by the Judiciary against a Manager of the Procurement area for alleged offences in relation to service procurement. In this regard, the Company has adopted preliminary measures, including firing the manager.
The Company in charge of carrying out the statutory audit, PRICEWATERHOUSECOOPERS S.p.A., issued the Report defined under Article 14 of Italian Legislative Decree No.39 of 27 January 2010 and Article 10 of EU Regulation No. 537 of 16 April 2014 on RAI S.p.A. financial statements as at 31 December 2021, with positive opinion, and without requests of information and reservations on the compliance of the IFRS adopted by the European Union and the capacity of the financial statements to clearly and reliably report the asset and financial situation, the economic outturn and the cash flows of the Company. The Report also states that the Report on Operations and the information on corporate governance and assets are in line with the Financial Statements of RAI S.p.A. as at 31 December 2021.
On 7 June 2022, the Company in charge of carrying out the statutory audit also issued its Report on the consolidated financial statements as at 31 December 2021 of the RAI Group, from which no remarks or requests for information emerged.
With reference to the supervisory activity on the independence of the Company entrusted with the statutory audit, the Board of Statutory Auditors - acting as Committee for Internal Control and Financial Audit - points out that in the Additional Report issued pursuant to Article 11 of the Regulation EU) 537/2014, PRICEWATERHOUSECOOPERS S.p.A.

confirmed, pursuant to Article 6, para. 2), let. *a)* of the Regulation EU) No. 537/2014, its independence.
Based on the documents and information received, the Board considers that there is nothing to underline regarding the independence of PRICEWATERHOUSECOOPERS S.p.A.
During the financial year 2021 and after the closing of the financial statements, no reports have been lodged to the Board of Statutory Auditors under Article 2408 of the Italian Civil Code.
No actions were needed concerning omissions of the administrative body under Article 2406 of the Italian Civil Code.
No reports have been lodged under Article 2409, para. 7 of the Italian Civil Code.
During the financial year 2021, the Board of Statutory Auditors met 16 times. The minutes of the said meetings are transcribed in the relevant register.
Moreover, the Board has taken part in 25 Board of Directors' meetings.
The meetings mentioned above were performed in compliance with the laws, regulations, and rules governing their functioning. The meetings complied with the obligation of regular information to the Board of Directors and the Board of Statutory Auditors defined under Article 2381 of the Italian Civil Code.
The Board of Statutory Auditors has acknowledged and monitored the adequacy of the Company's internal control system and the statutory audit, the effectiveness of the internal control and risk management system, and the internal review of financial reporting. The Board of Statutory Auditors has also monitored the statutory audit and verified the independence of the auditing company pursuant to Articles 10, 10-*bis*, 10-*ter*, 10-*quarter* and 17 of Italian Legislative Decree No. 39/2010 and Article 6 of Regulation (EU) No. 537/2014.
The monitoring activity was also conducted through (*i*) the information collected during the regular meetings with the Internal Audit Directorate; (*ii*) the examination of corporate documents, and the disclosure collected during the regular meetings held with the Company appointed to carry out legal auditing; (*iii*) the information provided by the Supervisory Body established according to Italian Legislative Decree No. 231/2001; (*iv*) regular participation to the Board of Directors meetings; (*v*) informative elements collected by the officers in charge of corporate functions.
In conclusion, over 2021, the Company has adopted the following measures on governance and risk management and control:

- Establish and update 2021/2023 Three-Year Corruption Prevention Plan (25 March 2021).

Moreover, the Integrated Risk Assessment project has continued aiming at reaching an overview of corporate (compliance and operational) risk, increasing process effectiveness and efficacy, and tackling corruption and illegal phenomena, as well as any other offence defined under the scope of Italian Legislative Decree 231/2001.

The information related to the RAI Group sustainability based on the provisions of Italian Legislative Decree No. 254 of 30 December 2016 is reported in a separate document (Sustainability Report/DNF) approved by the Board of Directors on 11 May 2022.

The Board of Statutory Auditors has also acknowledged and monitored the adequacy of the Company's organisational structure and its functioning, falling within its competence, by collecting information from those in charge of Corporate Functions, holding meetings, and exchanging information with the Company in charge of carrying out the statutory audit. Meetings were also held with the Boards of Statutory Auditors of the Subsidiaries, from which no significant elements emerged to be covered in this report.

With specific reference to the monitoring of organisational and procedural elements carried out according to Italian Legislative Decree No. 231 of 2001, the Board of Statutory Auditors notes that he had received adequate disclosure on the activities carried out during the financial year 2021 and that no observations have emerged.

The Board of Statutory Auditors has assessed and monitored the administrative and accounting adequacy and the reliability to correctly report management events through *(i)* the information collected during the regular meetings with the Internal Audit Directorate; *(ii)* the examination of corporate documents, and the disclosure collected during the regular meetings held with the Company appointed to carry out legal auditing; *(iii)* the information provided by the Supervisory Body established according to Italian Legislative Decree No. 231/2001; *(iv)* regular participation to the Board of Directors meetings; *(v)* informative elements collected by the officers in charge of corporate functions.

Considering the monitoring activity performed, the Board respects that the administrative and accounting system is basically sound and reliable to represent the management events correctly.

During the financial year, the Board of Statutory Auditors has held regular meetings with the representatives of the Company in charge of carrying out the statutory audit to exchange relevant data and information, including to comply with the obligation to monitor the statutory audit of annual and consolidated accounts.

Based on the information received by the Company appointed to carry out the statutory audit, no facts, circumstances, or irregular conduct have emerged that need to be reported in this Report.

No relevant events to be reported in this Report have emerged from the monitoring and control activity carried out by the Board of Statutory Auditors.

Having examined the draft budget for the financial year ended 31 December 2021, the Board of Statutory Auditors notes the following:

a) we verified compliance between the events and information acknowledged and the financial statements, and after having fulfilled our duties, we have no comments in this regard;

b) given that the Board of Statutory Auditors is not in charge of carrying out an analytical check on the financial statements content, we supervised the financial statements' structure, organisation, compliance with the law and reference accounting principles, and we have no observations in this regard;

c) we also monitored the application of legal provisions on the Report on Operations drafting procedure and the consistency of such document with the information collected during the monitoring activity. There are no comments in this regard;

d) As far as we know, the Directors have not departed from Article 2423, para. 4 of the Italian Civil Code in preparing the financial statements.

It should be recalled that the financial year of RAI S.p.A ended 31 December 2021 recorded a loss of EUR 30,436,828. Please refer to the notes attached to the financial statements for further details.

* * *

To conclude, having acknowledged the financial statements as at 31 December 2021 and the disclosure provided by the directors and considering the findings presented by the Company appointed to carry out the statutory audit, the Board of Statutory Auditors has no objections to presenting the resolution proposal related to RAI S.p.A. draft budget on the financial year ended 31 December 2021, as presented by the Board of Directors to the Shareholders' Meeting.

Rome, 07/06/2022

THE BOARD OF STATUTORY AUDITORS

Mr. Carmine di Nuzzo	Chairman
Mrs. Maria Teresa Mazzitelli	Standing Auditor
Mr. Giovanni Ciuffarella	Standing Auditor

Independent Auditor's Report

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the Shareholders of
RAI - Radiotelevisione Italiana SpA

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of RAI – Radiotelevisione Italiana SpA ("the Company"), which comprise the balance sheet as of 31 December 2021, the income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of the RAI – Radiotelevisione Italiana SpA as of 31 December 2021, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia).
Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of this report. We are independent of RAI – Radiotelevisione Italiana SpA (the Company) pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Evaluation of the recoverability of investments in programmes *"Evaluation criteria" paragraphs "Intangible assets" and "Impairment of non-financial assets" and Note 11.3 "Intangible assets" of the separate financial statements as at 31 December 2021.* The item "Intangible assets" of the separate financial statements of RAI – Radiotelevisione Italiana SpA as at 31 December 2021 includes programmes totalling Euro 368.1 million (of which Euro 139.8 million as intangible assets under development), which account for 92 per cent of the intangible assets as of said date. Starting from the moment programmes are declared to be ready for use or from the date of efficacy of related rights, if acquired, they are systematically amortised on a straight-line basis over the assets' maximum useful life of 5 years. Such duration represents the estimate made by the Company's management in order to relate amortisation to revenue from core business. The recoverability of investments in programmes is verified by the Company's management at least at each year-end. If events are identified which lead to presume an impairment loss of programmes, their recoverability is verified by comparing the book value with the corresponding recoverable amount, determined on the basis of the assumptions made by the Company's management about their future use. The evaluation of the recoverability of investments in programmes represented a key matter in our audit strategy given the significance of this item in the separate financial statements as at 31 December 2021, its direct correlation with the company business, as well as the degree of complexity characterising the estimates adopted by the Company's management.	As part of our audit, we mainly performed the following procedures aimed at verifying the evaluations made by the Company's management with reference to investments in programmes: i) discussions with the management of RAI – Radiotelevisione Italiana SpA regarding its conclusions on the existence of possible impairment losses in the item "programmes"; ii) analysis of the assumptions made by the Company's management underlying the identification of the impairment losses in programmes and of the reasonability of the related write-downs performed by the Company's management; iii) analysis and understanding of the system of internal control over the programme cycle; identification and validation of the operation and efficacy of the relevant controls under this process; iv) comparative analysis and examination by discussions with the corporate functions about the most significant differences compared with the previous year values and review of documents, on a sample basis, regarding the increases and decreases in the item "programmes"; v) review, on a sample basis, of the useful life estimated by the Company's management based on the previous years' evidence and the actual possibility of use and, in the circumstances, the possibility to re-broadcast programmes in the future, as well as checking, on a sample basis, the accurate and consistent determination of the amortisation quotas charged to the income statement; vi) verification of the accuracy and completeness of the disclosures provided in the notes to the separate

financial statements.

Responsibilities of the Directors and the Board of Statutory Auditors for the Separate Financial Statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the ability of RAI – Radiotelevisione Italiana SpA to continue as a going concern and, in preparing the separate financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the separate financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate RAI – Radiotelevisione Italiana SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the financial reporting process of RAI – Radiotelevisione Italiana SpA.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the separate financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the separate financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No. 537/2014

On 10 March 2016, the shareholders of RAI - Radiotelevisione Italiana SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2015 to 31 December 2023.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/2010 and Article 123-bis, paragraph 4, of Legislative Decree No. 58/1998

The directors of RAI – Radiotelevisione Italiana SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of RAI – Radiotelevisione Italiana SpA as of 31 December 2021, including their consistency with the relevant separate financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/1998, with the separate financial statements of RAI – Radiotelevisione Italiana SpA as of 31 December 2021 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the separate financial statements of RAI – Radiotelevisione Italiana SpA as of 31 December 2021 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Rome, 7 June 2022

PricewaterhouseCoopers SpA

Signed by

Luigi Necci
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers. We have not examined the translation of the financial statements referred to in this report.

Consolidated Financial Statements

as at 31 December 2021

Analysis of the condolidated results and performance of economic and financial management of the financial year 2021

Reclassified statements

Income statement

(€/million)	Financial Year 2021	Financial Year 2020	Change
Revenue	**2,687.7**	**2,508.7**	**179.0**
External costs net of major sports events	*(911.3)*	*(864.8)*	*(46.5)*
Major sports events	*(133.5)*	*0.0*	*(133.5)*
External costs	(1,044.8)	(864.8)	(180.0)
HR expenses	(1,038.6)	(1,014.2)	(24.4)
EBITDA	**604.3**	**629.7**	**(25.4)**
Depreciation, amortisation and write-downs	(580.4)	(590.0)	9.6
Provisions	(13.2)	(8.7)	(4.5)
EBIT	**10.7**	**31.0**	**(20.3)**
Net financial expense	(11.1)	(16.6)	5.5
Equity investments measured using the equity method	7.5	1.1	6.4
Pre-tax profit/(loss)	**7.1**	**15.5**	**(8.4)**
Income tax	(7.1)	(15.5)	8.4
Profit/(loss) for the year	**0.0**	**0.0**	**0.0**
of which attributable to minority interests	22.6	22.0	0.6
Other comprehensive income	(6.8)	2.2	(9.0)
Total profit/(loss) for the year	**(6.8)**	**2.2**	**(9.0)**
of which attributable to minority interests	22.4	22.0	0.4

Capital structure

(€/million)	31 December 2021	31 December 2020	Change
Fixed assets	2,142.8	2,061.5	81.3
Net working capital	(618.5)	(467.3)	(151.2)
Provisions for risks and charges	(239.1)	(217.7)	(21.4)
Employee benefits	(368.9)	(398.4)	29.5
Net invested capital	**916.3**	**978.1**	**(61.8)**
Equity	**343.2**	**371.7**	**(28.5)**
Net financial debt excluding operating lease liabilities	498.7	523.4	(24.7)
Operating lease liabilities	74.4	83.0	(8.6)
Net financial debt	**573.1**	**606.4**	**(33.3)**
	916.3	**978.1**	**(61.8)**

The consolidated financial statements of 2021 ends in line with the year 2020 with a balanced net profit.

Some summary information on the main items of the income statement and capital structure is provided below, along with the reasons for the most significant variances compared to the figures of the previous period.

Income statement

Revenue

This is made up of licence fees, advertising proceeds and other trade revenue, totalling €2,687.7 million, up by €179.0 million (+7.1%).

Revenue

(€/million)	Financial Year 2021	Financial Year 2020	Change
TV licence fees	1,819.8	1,726.1	93.7
Advertising	681.9	577.9	104.0
Other revenue	186.0	204.7	(18.7)
Total	**2,687.7**	**2,508.7**	**179.0**

TV licence fees

TV licence fees equal to €1,819.8 million and highlighted in the following report, record an increase of €93.7 million (+5.4%) compared to 2020.

TV licence fees

(€/million)	Financial Year 2021	Financial Year 2020	Change
Licence fees for the year – household licences	1,702.8	1,624.8	78.0
Ordinary licence fee exemptions	11.5	11.9	(0.4)
Licence fees for the year - ordinary	**1,714.3**	**1,636.7**	**77.6**
Licence fees for the year – special licences	80.1	60.9	19.2
Special licence fee exemptions	0.1	0.2	(0.1)
Licence fees for the year – special	**80.2**	**61.1**	**19.1**
Licence fees collected by enforcement order - ordinary licence fees collected by the Government in the period	9.2	12.1	(2.9)
Licence fees collected by enforcement order – special licences	2.5	3.3	(0.8)
Licence fees collected by enforcement order	**11.7**	**15.4**	**(3.7)**
License fees from previous years - household licences	**13.6**	**13.2**	**0.4**
Licence fee refunds	**0.0**	**(0.3)**	**0.3**
Total	**1,819.8**	**1,726.1**	**93.7**

The increase in this item, which mainly relates to the licence fees for the period from private customers (+€78.0 million) and, to a lesser extent, to the special licence fees for the period (+€19.2 million), was largely due to the entry into force of the following regulatory measures.

For licence fees for the period, Law No. 178 of 30 December 2020 provided, with effect from 1 January 2021:

- the abrogation of the 5% reduction in the amounts to be paid to RAI to cover the cost of providing the Public Service and of the so-called 'extra revenue', determined by the higher revenues with respect to those

provided for in the State Budget for 2016;
- that €110 million per year of the revenue paid for radio and TV licence fees be allocated to the Fund for pluralism and innovation in information, set up in the budget of the Ministry for the Economy and Finance, and the remainder to RAI, without prejudice to the sums of licence fee revenue already allocated by current legislation for specific purposes.

For special licences for the period, Decree-Law no. 41 of 22 March 2021 established:
- full exemption from payment of the special radio and television licence fees for 2021 for accommodation facilities as well as for the supply and consumption of beverages in public establishments or premises open to the public, including similar activities carried out by third sector entities;
- the allocation of a sum equal to €83 million in order to grant to the interested parties a tax credit equal to 100% of any payment of the licence fee made before the entry into force of the decree, or to provide for the transfer to RAI of the sums corresponding to the lower revenues claimed by the Company.

Advertising

After year 2020, characterised by a drop of 15.3% in the advertising market compared to the previous year, mainly due to the Covid-19 pandemic, in 2021 the situation almost got back to normality.

The positive variation in advertising investments compared to year 2020, also depended on major sporting events (the Olympic Games and the European Football Championship) that had been postponed the previous year.

The advertising market showed an overall +13.5% investment growth across all media. More specifically, TV shows +14.4% increase in investments; Radio +10.4%; Internet (Digital), FCP scope, +17.6% (+15.1% considering OTT - Search, Social, Classified etc.). The figures related to Cinema cannot be compared to the previous financial years, as movie theatres have been closed over the previous two years.

In this context, Rai Group's advertising revenues, equal to €681.9 million, detailed in the table below, also thanks to the contribution of the European Football Championship ratings, increased by €89.0 million compared to 2021 (+18.0%).

Advertising

(€/million)	Financial Year 2021	Financial Year 2020	Change
Television advertising on general-interest channels:			
– commercial	352.1	316.4	35.7
– promotions, sponsorships and other initiatives	216.9	160.8	56.1
	569.0	**477.2**	**91.8**
Television advertising on specialist channels	63.3	56.9	6.4
Radio advertising	23.6	23.8	(0.2)
Cinema advertising	1.3	1.2	0.1
Web advertising	26.5	19.2	7.3
Other advertising	0.9	2.1	(1.2)
Share due to third parties	(3.1)	(2.8)	(0.3)
Contingencies	0.4	0.3	0.1
Total	**681.9**	**577.9**	**104.0**

Other revenue

Equal to € 186.0 million, this item shows a contraction of €18.7 million (-9.1%) compared to 2020 due to the absence of the contribution granted by the government for the fulfilment of obligations under the Service Agreement including those for the development of digital programming, established for the years 2019 and 2020 by Law no. 145 of 30 December 2018, equal to €38.5 million and the reduction of the items Film

Distribution and Home video related to the continuation of the pandemic.

This reduction was partly offset by growth in the following items:
- marketing of rights and music publishers (+8.1% €/million) resulting from agreements to reassign of the exploitation rights of football clubs library, production of matches and marketing of VOD broadcasting rights;
- different service, mainly for institutional purposes (+6.8 €/million) for the recovery of assets connected to agreements with the Public Administration which contracted in 2020 due to the pandemic;
- capital gains (+5.0 €/million) mainly resulting from the transfer of the via Cernaia building complex in Turin; and
- for grants related to income (+4.7 €/million) recognised on the cinema product.

A breakdown of this item is shown in the table below.

Other revenue

(€/million)	Financial Year 2021	Financial Year 2020	Change
Special services under agreement	45.2	44.3	0.9
Fulfilment of service contract obligations and digital programming development - Law 145/2018	0.0	38.5	(38.5)
Sale of music rights and editions	63.4	55.3	8.1
Film and home video distribution	6.3	14.4	(8.1)
Distribution and sale of channels	13.3	12.8	0.5
Fees for hosting plant and equipment	28.7	29.6	(0.9)
Sundry services, mainly for institutional purposes	14.3	7.5	6.8
Signal diffusion services, rental of circuits, radio links and connections	2.5	2.9	(0.4)
Interactive telephone	0.0	0.1	(0.1)
Gains	5.0	0.0	5.0
Operating grants	10.1	5.4	4.7
Other	11.1	8.9	2.2
Share of sales due to third parties	(20.0)	(23.3)	3.3
Contingencies	6.1	8.3	(2.2)
Total	**186.0**	**204.7**	**(18.7)**

As a result of the above trends, advertising as a percentage of total revenue increased by 2.4 percentage points compared to 2020, to the detriment of licence fees (-1.1 percentage points) and other revenue (-1.3 percentage points), as shown in the table below.

Percent of revenue

	Financial Year 2021	Financial Year 2020
TV licence fees	67.7%	68.8%
Advertising	25.4%	23.0%
Other revenue	6.9%	8.2%
Total	**100.0%**	**100.0%**

Operating costs

These are made up of external costs and HR expenses, meaning both internal and external costs pertaining to the Group's ordinary business except for those concerning financial management.

The item totals €2,083.4 million, up by €204.4 million (+10.9%) compared to 2020. The reasons for this are illustrated below.

External costs

These amounted to €1.044.8 million and included the purchases of goods and the supply of services necessary to produce programmes of immediate use (purchases of consumables, external services, artistic collaboration agreements, etc.), the sports event recording rights, copyrights, operating costs and other management-related costs (indirect taxes, contributions payable to the control authorities, etc.).

This item increased by €180.0 million (+20.8%) due to the resumption of production activities, which, in 2020, were severely limited by regulatory measures to contain the health emergency caused by Covid-19, and the European Football Championship and Summer Olympics Games that were postponed to 2021, recording an expenditure of €133.5 million.

The table below shows that the majority of this increase is related to recording rights (+€135.0 million compared to the previous financial year). Among the latter, €125.0 million are calculated from the entitlement to the rights of the major sporting events mentioned above.

External costs

(€/million)	Financial Year 2021	Financial Year 2020	Change
Purchases of materials	**11.9**	**12.3**	**(0.4)**
Costs for services			
Freelance services	115.5	116.0	(0.5)
Services for programme acquisition and production	205.7	188.2	17.5
Daily allowances, travel expenses and accessory costs for personnel	25.6	19.3	6.3
Maintenance, repairs, transport and similar	44.2	40.0	4.2
IT system documentation and assistance services	58.5	56.8	1.7
Other outsourced services (telephone, supply services, cleaning, postal, insurance etc.)	147.4	132.5	14.9
Leases and rentals	50.8	50.2	0.6
Recording rights (mainly Sports broadcasting rights)	249.5	114.5	135.0
Rights of use	107.0	102.7	4.3
Recovery of expenses	(8.2)	(5.5)	(2.7)
Contingencies	(13.1)	(14.6)	1.5
	982.9	**800.1**	**182.8**
Other costs			
Administrative fees and rights for use of frequencies	10.9	10.9	0.0
Prizes and winnings	2.9	4.3	(1.4)
Fee to control authorities	5.7	5.4	0.3
TASI / IMU tax	9.4	9.4	0.0
Other indirect taxes and other duties	10.9	10.9	0.0
Newspaper, magazines, books and publications	1.7	1.7	0.0
Membership fees	3.4	3.7	(0.3)
Losses on disposals	0.3	0.3	0.0
Others	5.0	6.9	(1.9)
Contingencies	(0.2)	(1.1)	0.9
	50.0	**52.4**	**(2.4)**
Total	**1,044.8**	**864.8**	**180.0**

HR expenses

This item amounts to €1,038.6 million, up by €24.4 million (+2.4%) compared to the figure reported in the previous financial statements. This increase is basically connected to that of redundancy incentives (+12.4 €/million) and employment charges and social security payments (+13 €/million).

HR expenses

(€/million)	Financial Year 2021	Financial Year 2020	Change
Salaries and social security costs	965.4	949.0	16.4
Employee severance pay provisions	44.4	44.4	0.0
Pensions and similar obligations	13.4	13.7	(0.3)
Others	10.1	9.8	0.3
	1,033.3	**1,016.9**	**16.4**
Redundancy incentives	30.7	18.3	12.4
Recovery of expenses	(2.1)	(1.1)	(1.0)
Capitalised HR expenses	(19.0)	(18.0)	(1.0)
Contingencies	(4.3)	(1.9)	(2.4)
	5.3	**(2.7)**	**8.0**
Total	**1,038.6**	**1,014.2**	**24.4**

As for the item Redundancy incentives, the €12.4 million increase is connected to the extraordinary measure for voluntary redundancy incentives for executives, employees, workers, journalists and managers equal to €27.1 million and issued in 2021. The resources affected by this measure are expected to leave the company during 2022.

As for the item Salaries and social security, the €16.4 million increase results from a natural growth linked to automatic contractual mechanisms and the variable component of labour cost (overtime and raises), which, in 2020 had shown a contraction connected to the measures implemented to tackle the pandemic (remote working, review of production models, etc.). Additional increases resulted from the retention of atypical personnel within the scope of agreements ratified with trade unions on corporate policies.

The incremental impacts related to these phenomena were only partially offset by the positive effects of management actions aimed at containing cost dynamics.

The **average number of employees** in service during the period, including temporary staff, was 12,662, up by 34 compared to 31 December 2020; in detail, there was an increase of 80 units in permanent staff and a decrease of 79 units in temporary staff.

The **staff employed** as of 31 December 2021 is equal to 12,751 units, 12,584 of which have a permanent contract and 167 a fixed-term contract.

As for the staff under permanent contract, we recorded a drop of 65 units compared to 2020, due to the leave of 538 resources - of which 235 subject to redundancy incentive - and 473 new hires - 183 of which will sign a permanent contract and 152 being part of the so-called Atypical Staff and previously working under self-employment contracts that have been permanently employed in implementation of the Framework Agreement on Active Policies of 13/12/2018, 97 hired with apprenticeship contracts, and 3 for litigations.

As for the staff hired under a fixed-term contract, this year recorded a reduction equal to 19 units compared to 2020. In this regard, during the financial year, 81 journalists - including those who applied for the TgR (regional news) public call for tenders - have been hired.

EBITDA

In connection with the changes stated above, the EBITDA is positive with a total of €604.3 million, down €25.4 million compared to 31 December 2020.

Depreciation, amortisation and write-downs

The balance of the item, equal to €580.4 million, records a reduction of €9.6 million (-1.6%) compared to 2020 related to depreciation, amortisation and write-downs of current and non-current assets as shown in the table below.

Depreciation, amortisation and write-downs

(€/million)	Financial Year 2021	Financial Year 2020	Change
Amortisation and depreciation			
Of programmes			
Drama	225.1	253.2	(28.1)
Film	95.0	95.0	0.0
Cartoons	16.0	15.0	1.0
Sports Libraries	2.4	2.2	0.2
Others	3.2	3.1	0.1
	341.7	**368.5**	**(26.8)**
Of property, plant and equipment			
Buildings	14.6	13.7	0.9
Plant and machinery	84.8	79.1	5.7
Industrial and commercial equipment	3.5	3.5	0.0
Other assets	7.2	7.0	0.2
	110.1	**103.3**	**6.8**
Of real estate investments	**0.2**	**0.2**	**0.0**
Of intangible assets			
Software	14.1	13.0	1.1
Other rights	0.2	0.2	0.0
	14.3	**13.2**	**1.1**
Lease rights of use			
Land and Buildings	21.2	21.4	(0.2)
Other assets	3.5	3.5	0.0
	24.7	**24.9**	**(0.2)**
Total amortisation and depreciation	**491.0**	**510.1**	**(19.1)**
Write-downs (write-backs)			
Of intangible assets			
Programmes under amortisation	63.2	60.8	2.4
Programmes in progress	1.6	3.2	(1.6)
Sports Libraries	20.8	0.2	20.6
Other	0.1	0.0	0.1
	85.7	**64.2**	**21.5**
Of other non-current assets			
Minimums guaranteed on commercial activities	2.2	5.0	(2.8)
Other non-current assets	0.1	0.1	0.0
	2.3	**5.1**	**(2.8)**
Of trade receivables and other current assets			
Trade receivables	2.1	8.9	(6.8)
Current income tax receivables	(0.9)	0.4	(1.3)
Other receivables	0.2	1.3	(1.1)
	1.4	**10.6**	**(9.2)**
Total write-downs	**89.4**	**79.9**	**9.5**
Total depreciation, amortisation and other write-downs	**580.4**	**590.0**	**(9.6)**

Provisions

The item, which recognises the provisions for risks and charges and any uses not classifiable in specific items of profit or loss, shows a negative balance of €13.2 million (negative for €8.7 million in 2020) caused by provisions for €10.1 million and by uses of provisions set aside in previous years and now in excess by €1.6 million.

EBIT

The trends in revenues and costs illustrated above resulted in a positive EBIT of €10.7 million, with a €20.3 million reduction compared to financial year 2020.

Net financial expense

The item, as detailed in the following table, was negative by €11.1 million (€16.6 million in 2020) and shows the economic effects arising from recognition of the actuarial interest for employee benefits and financial management effects, such as interest income/expense from banks and bondholders, exchange rate charges/gains and interest expense on lease contracts as a result of the adoption of the accounting standard IFRS 16.

Financial income and expenses

(€/million)	Financial Year 2021	Financial Year 2020	Change
Net interest expense net with banks and other lenders	(0.8)	(0.8)	0.0
Interest expense on bonds	(7.5)	(10.0)	2.5
Interest on employee benefit liabilities	(0.8)	(2.5)	1.7
Interest expense on lease contracts	(1.2)	(1.2)	0.0
Net exchange rate income	(0.5)	0.5	(1.0)
Others	(0.3)	(2.6)	2.3
Net financial expense	**(11.1)**	**(16.6)**	**5.5**

The most significant variances compared to the previous year concern:

- lower interest on bonds for €2.5 million, resulting from the simultaneous presence in the first half of 2020 of the new bond issue of 4 December 2019 with the 2015 issue redeemed in May 2020.
- Reduction of bond interests for benefits provided to the employees equal to €1.7 million due to the reduction of the interest rate in the actuarial valuation;
- €2.3 million reduction of other net income for interest income recognised by the Treasury for the reimbursement of IRES (corporate tax) resulting from the deductibility of IRAP (regional tax) from the cost of labour.

The average cost of loans, consisting of uncommitted credit, revolving and term lines, as well as bonds maturing in December 2024, is 1.9% (2.1% in 2020)

Earnings from equity investments recognised at equity

The item, resulting from the valuation of associates and joint ventures using the equity method, recorded a positive balance of €7.5 million, an improvement compared to 2020 (positive balance of €6.4 million) determined by the investment in Tivù Srl.

Income tax

This item presented a negative value of €7.1 million (€15.5 million in 2020) and is due to the balance between current and deferred taxes, as itemised in the following table:

Income tax

(€/million)	Financial Year 2021	Financial Year 2020	Change
IRES	(30.4)	(30.3)	(0.1)
IRAP	(6.4)	(6.2)	(0.2)
Deferred tax liabilities	3.0	1.9	1.1
Deferred tax assets	26.3	18.6	7.7
Direct taxes from previous years and others	0.4	0.5	(0.1)
Total	**(7.1)**	**(15.5)**	**8.4**

Earnings performance in the year resulted in taxable results for Group companies, for which a total of €30.4 million for IRES and €6.4 million for IRAP was set aside.

Deferred tax liabilities had a positive effect on the income statement of €3.0 million due to the re-entry of the temporary differences recognised in the previous years.

Deferred tax assets had a positive effect on income of €26.3 million due mainly to the recognition of the tax loss of the Parent Company in the period, which was offset by the income brought in by the Group companies during tax consolidation.

Capital structure

Fixed assets

This item amounted to €2,142.8 million, up by €81.3 million compared to 31 December 2020.

A breakdown of this item is shown in the table below:

Fixed assets

(€/million)	31 December 2021	31 December 2020	Change
Property, plant and equipment	1,155.6	1,105.9	49.7
Lease rights of use	73.0	82.8	(9.8)
Assets in programmes	847.4	825.3	22.1
Long-term investments	14.6	7.8	6.8
Others	52.2	39.7	12.5
Total	**2,142.8**	**2,061.5**	**81.3**

Property, plant and equipment, explained in detail in the table below, increased by €49.7 million.

Property, plant and equipment

(€/million)	31 December 2021	31 December 2020	Change
Land	379.1	382.1	(3.0)
Buildings	317.2	319.3	(2.1)
Plant and machinery	302.9	290.2	12.7
Industrial and commercial equipment	11.0	11.3	(0.3)
Other assets	27.0	27.2	(0.2)
Assets under construction and payments on account	118.4	75.8	42.6
Total	**1,155.6**	**1,105.9**	**49.7**

Lease rights of use amounted to €73.0 million, down €9.8 million compared to 31 December 2020.

Lease rights of use

(€/million)	31 December 2021	31 December 2020	Change
Land and Buildings	69.8	77.6	(7.8)
Other assets	3.2	5.2	(2.0)
Total	**73.0**	**82.8**	**(9.8)**

Assets in programmes, up by €22.1 million compared to 31 December 2020, and explained in detail in the table below, mostly refer to the Drama and Film genres, on which, as shown below, most investments in the period were concentrated.

Assets in programmes

(€/million)	31 December 2021	31 December 2020	Change
Drama	425.5	408.2	17.3
Film	319.3	298.6	20.7
Cartoons	53.2	48.3	4.9
Sports Libraries	35.8	58.9	(23.1)
Other	13.6	11.3	2.3
Total	**847.4**	**825.3**	**22.1**

Financial fixed assets, consisting of shareholdings and other financial assets with expiration after 12 months, record +€6.8 million increase mainly resulting from the change in value of related companies as calculated with the equity method, and from the purchase of fixed-rate investments to secure corporate bonds expiring after 12 months.

The item is broken down in detail in the table below.

Long-term investments

(€/million)	31 December 2021	31 December 2020	Change
Equity investments in non-consolidated subsidiaries			
Sogepotel Srl in liquidation	0.0	0.5	(0.5)
	0.0	**0.5**	**(0.5)**
Equity investments in associates and joint ventures			
Auditel Srl	1.4	1.1	0.3
San Marino RTV SpA	1.5	1.5	0.0
Tavolo Editori Radio Srl	0.1	0.1	0.0
Tivù Srl	7.6	2.8	4.8
	10.6	**5.5**	**5.1**
Other equity investments	1.0	1.0	0.0
Fixed-income securities	2.5	0.0	2.5
Derivative financial instruments	0.1	0.0	0.1
Other	0.4	0.8	(0.4)
Total	**14.6**	**7.8**	**6.8**

Other assets, explained in detail in the table below, increased by €12.5 million, mainly for the usage rights of technical DVB-T2 frequency, purchased against payment during the financial year and by the software. The growth in the item Goodwill refers to an acquisition, carried out by Rai Way, of a business unit working in the provision of infrastructure services in a broadcasting station.

Other fixed assets

(€/million)	31 December 2021	31 December 2020	Change
Software	35.5	31.3	4.2
Goodwill	5.8	5.1	0.7
Sud Engineering customer portfolio	2.4	2.6	(0.2)
DVB-T2 Frequency Purchase	7.9	0.0	7.9
Commercial rights with football clubs	0.6	0.7	(0.1)
Total	**52.2**	**39.7**	**12.5**

Investments for the period amounted to €657.9 million, up €91.8 million (+16.2%) compared to 2020.

In detail, the following table shows:

- greater investments in programmes for €74.4 million (+19.8%) mainly referring to the drama genre;
- higher technical investments for €37.6 million (+24.6%), of which €26.1 million refer to property, plant and equipment, €7.9 million to the acquisition of rights to use DVB-T2 frequencies, €3.0 million to software and €0.7 million to the aforementioned goodwill;
- lower investments in lease rights of use for €20.2 million (-54.9%), which in 2020 were more substantial in relation to the renewal of lease contracts for certain company premises located in Rome.

Technical

(€/million)	Financial Year 2021	Financial Year 2020	Change
Drama	306.1	251.2	54.9
Film	116.6	102.2	14.4
Other Programmes	28.3	23.2	5.1
Total investments in programmes	**451.0**	**376.6**	**74.4**
Property, plant and equipment	163.5	137.4	26.1
Software	18.2	15.2	3.0
Others	8.6	0.1	8.5
Total technical investments	**190.3**	**152.7**	**37.6**
Investments in lease rights of use	**16.6**	**36.8**	**(20.2)**
Total investments	**657.9**	**566.1**	**91.8**

Net working capital

Net working capital

(€/million)	31 December 2021	31 December 2020	Change
Inventories	1.6	1.7	(0.1)
Trade receivables	375.4	422.3	(46.9)
Other receivables	155.7	241.7	(86.0)
Trade payables	(686.1)	(653.0)	(33.1)
Other payables	(437.1)	(448.2)	11.1
Assets (Liabilities) for deferred taxes	(28.0)	(31.8)	3.8
Total	**(618.5)**	**(467.3)**	**(151.2)**

The most significant changes compared to 31 December 2020 regard the following items:

- **trade receivables**, down by €46.9 million due to minor credit positions from customers;
- **Other receivables** down by €86.0 million for the net reduction of active advances and deferrals for future sporting events, and the collection of tax receivables;
- **Commercial debts** recording +€33.1 million for major receivables from suppliers;
- **other debts** recording a reduction of €11.1 million for minor payables to social security institutions.

Provisions for risks and charges

Provisions for risks and charges, amounting to €239.1 million, recorded an increase of €21.4 million compared to 31 December 2020 mainly due to the provision by the Parent Company for the contribution for the rights of use of television digital technology frequencies for the year 2021, allocated pending the issuance of the decree that will determine the amount to be paid and for provisions related to personnel management.

Employee benefits

Employee benefits, amounting to €368.9 million, decreased by €29.5 million compared to 31 December 2020 due to payments to beneficiaries and to actuarial valuation elements related to financial and demographic assumptions detailed in the specific paragraph of the Notes to the consolidated financial statements.

The table below shows the details of the provisions and relevant changes compared to 31 December 2020.

Employee benefits

(€/million)	31 December 2021	31 December 2020	Change
Employee severance pay	(189.4)	(205.0)	15.6
Supplementary company pension provisions	(102.3)	(109.8)	7.5
Provisions in lieu of the former fixed indemnity for journalists	(62.8)	(68.8)	6.0
FASDIR assistance provision for the retired	(13.5)	(13.8)	0.3
Other	(0.9)	(1.0)	0.1
Total	**(368.9)**	**(398.4)**	**29.5**

Net financial position

The net financial position determined in accordance with the criteria established by ESMA, summarised in the table below, was negative at €573.1 million, an improvement of €33.3 million compared to 31 December 2020.

Net of liabilities for operating leases, financial debt amounted to €498.7 million, an improvement of €24.7 million compared to 31 December 2020.

Net financial position

(€/million)	31 December 2021	31 December 2020	Change
Cash and cash equivalents	59.8	15.5	44.3
Other current financial assets			
Securities	0.0	2.3	(2.3)
Blocked bank deposits	4.6	4.2	0.4
Receivables from associates	1.4	0.8	0.6
Derivative hedging instruments	0.2	0.0	0.2
Other financial receivables	0.5	0.7	(0.2)
	6.7	**8.0**	**(1.3)**
Current financial debt			
Due to banks	(196.7)	(232.2)	35.5
Payables to other financing entities	(0.1)	(0.1)	0.0
Derivative hedging instruments	0.0	(0.2)	0.2
Lease liabilities	(24.1)	(23.0)	(1.1)
Other financial debt	(0.1)	(0.1)	0.0
	(221.0)	**(255.6)**	**34.6**
Non-current financial debt			
Bond issues	(299.3)	(299.1)	(0.2)
Due to banks	(69.0)	(15.1)	(53.9)
Derivative hedging instruments	0.0	(0.1)	0.1
Lease liabilities	(50.3)	(60.0)	9.7
	(418.6)	**(374.3)**	**(44.3)**
Net financial debt	**(573.1)**	**(606.4)**	**33.3**
of which: operating lease liabilities	*(74.4)*	*(83.0)*	*8.6*
Financial debt excluding operating lease liabilities	**(498.7)**	**(523.4)**	**24.7**

More specifically, an increase in cash and a reduction in the current financial debt were recorded compared to the previous financial year, partly offset by the growth in non-current financial debt resulting from the term load line of Rai Way, that was exploited for €69 million (€15 million as of 31 December 2020) to cover investment needs deriving from the refarming of frequency for digital terrestrial television.

The cash flow of the financial year, recording a positive trend equal to €24.7 million, is the result of several components, including the economic recovery and subsequent growth of the advertising market among the most relevant.

In this framework, the net cash flows from Rai Pubblicità (advertising) recorded an increase of approximately €110 million compared to the previous year. In addition, we record a flow increase from ordinary license fees equal to approximately €80 million, following the elimination of the 5% withholding tax (Law no. 178 of 30 December 2020) and extraordinary license fees, as provided under the 'Sostegni' Legislative Decree no. 41 of 22 March 2021, along with the collection of previous receivables from the Government for more than €50 million.

Thanks to these resources, we could fund a relevant investment plan on radio and television production to cover the expenditure for advances related to the 2022 Football World Cup and implement staff rejuvenation without increasing the overall indebtedness.

The average financial position (excluding liabilities for operating leases and assets/liabilities for derivatives) amounts to a negative €326 million (-€291 million in 2020), worsening by €35 million in relation to an improving financial profile in the last part of the financial year.

On 15 June 2021, Moody's published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with negative outlook.

The analysis conducted based on capital and financial structure ratios pointed out that:

- the net invested capital coverage ratio, which is the ratio between net invested capital (net of the licence fee receivables) and equity, was 2.67 (2.63 as at 31 December 2020);
- the financial debt coverage ratio, which is the ratio between net financial debt (net of the licence fee receivables and liabilities resulting from application of IFRS 16 for operating leases) and equity, was 1.45 (1.41 as at 31 December 2020);
- the liquid funds ratio, which is the ratio between current assets (inventories, working capital net of licence fee receivables, cash and cash equivalents and financial receivables) and current liabilities (working capital liabilities and financial payables net of liabilities resulting from application of IFRS 16 for operating leases) was 0.44 (0.50 as at 31 December 2020).

As for the covenants on loans, the following should be noted:

- The revolving line, having a pool of banks equal to €320 million and ratified by the Parent Company, requires compliance with a parametric/asset index on the consolidated financial statements lower or equal to 2.0, as defined by the ratio between net financial debt, adjusted for receivables due from the Government for licence fees, financial assets related to Rai Way and liabilities resulting from the application of the IFRS16 for operating leasing and net worth; this parameter is fully complied with, equalling to 1.30;
- The funding ratified by Rai Way for a total usable amount equal to €170 million requires compliance with an index lower or equal to 3.75 defined by the ratio between the Net financial position and the EBITDA, and widely complied with.

The financial risks to which the Company is exposed are monitored with appropriate IT and statistical tools. A policy regulates financial management according to best practices, with the aim or preserving the company's value through a stance adverse to risk, pursued with active monitoring of exposure and implementation of expedient hedging strategies, also on behalf of the Group companies (except for Rai Way).

Detailed information on the financial risks is provided in the specific section of the Notes to the separate financial statements, to which the reader is referred.

Financial statements of the Rai Group

Consolidated statement of financial position

(€/million)	Note	Year ended	
		31 December 2021	31 December 2020
Property, plant and equipment	12.1	1,153.1	1,103.2
Real estate investments	12.2	2.5	2.7
Lease rights of use	12.3	73.0	82.8
Intangible assets	12.4	899.6	865.0
Equity investments	12.5	11.6	7.0
Non-current financial assets	12.6	3.0	0.8
Deferred tax assets	12.7	-	-
Other non-current assets	12.8	12.0	13.8
Total non-current assets		**2,154.8**	**2,075.3**
Inventory	13.1	1.6	1.7
Trade receivables	13.2	369.6	417.9
Current financial assets	13.3	6.7	8.0
Current income tax assets	13.4	2.1	18.1
Other current receivables and assets	13.5	147.4	214.2
Cash and cash equivalents	13.6	59.8	15.5
Total current assets		**587.2**	**675.4**
Total assets		**2,742.0**	**2,750.7**
Share capital		242.5	242.5
Reserves		115.7	134.5
Retained earnings (losses)		(72.2)	(61.9)
Total Group shareholders' equity		**286.0**	**315.1**
Third-party capital and reserves		34.9	34.7
Third-party retained earnings (losses)		22.3	21.9
Total shareholders' equity attributable to minority interests		**57.2**	**56.6**
Total shareholders' equity	14	**343.2**	**371.7**
Non-current financial liabilities	15.1	368.3	314.3
Non-current lease liabilities	15.2	50.3	60.0
Employee benefits	15.3	368.9	398.4
Provisions for non-current risks and charges	15.4	239.1	217.6
Deferred tax liabilities	15.5	28.0	31.8
Other non-current payables and liabilities	15.6	1.6	1.9
Total non-current liabilities		**1,056.2**	**1,024.0**
Trade payables	16.1	686.1	653.0
Provisions for non-current risks and charges		-	0.1
Current financial liabilities	16.2	196.9	232.6
Current lease liabilities	15.2	24.1	23.0
Current income tax liabilities	16.3	30.5	30.0
Other current payables and liabilities	16.1	405.0	416.3
Total current liabilities		**1,342.6**	**1,355.0**
Total liabilities		**2,398.8**	**2,379.0**
Total shareholders' equity and liabilities		**2,742.0**	**2,750.7**

Consolidated income statement

(€/million)	Note	Year ended	
		31 December 2021	31 December 2020
Revenue from sales and services	17.1	2,665.1	2,498.9
Other revenue and income	17.2	22.6	9.8
Total revenue		**2,687.7**	**2,508.7**
Costs for the purchase of consumables	17.3	(11.9)	(12.3)
Costs for services	17.3	(982.9)	(800.1)
Other costs	17.3	(50.0)	(52.4)
HR expenses	17.4	(1,038.6)	(1,014.2)
Impairment of financial assets	17.5	(2.1)	(8.9)
Depreciation, amortisation and write-downs	17.6	(578.3)	(581.1)
Provisions	17.7	(13.2)	(8.7)
Total costs		**(2,677.0)**	**(2,477.7)**
EBIT		**10.7**	**31.0**
Financial income	17.8	3.2	1.7
Financial expense	17.8	(14.3)	(18.3)
Earnings from investments recognised at equity	17.9	7.5	1.1
Pre-tax profit/(loss)		**7.1**	**15.5**
Income tax	17,10	(7.1)	(15.5)
Profit/(loss) for the year		**0.0**	**0.0**
of which attributable:			
– *to the Group*		*(22.6)*	*(22.0)*
– *to minority interests*		*22.6*	*22.0*

Consolidated statement of comprehensive income

(€/million)	Year ended	
	31 December 2021	31 December 2020
Profit/(loss) for the year	**0.0**	**0.0**
Items that can be reclassified to the income statement:		
Profit/(loss) on cash flow hedge	3.4	3.0
Conversion of balances with currency that is not the Euro	(0.3)	0.4
Total	**3.1**	**3.4**
Items that cannot be reclassified to the income statement:		
Recalculation of defined-benefit plans	(9.9)	(1.2)
Total	**(9.9)**	**(1.2)**
Total profit/(loss) for the year	**(6.8)**	**2.2**
of which attributable:		
– *to the Group*	*(29.2)*	*(19.8)*
– *to minority interests*	*22.4*	*22.0*

Consolidated Cash Flow Statement

(€/million)	Note	Year ended	
		31 December 2021	31 December 2020
Pre-tax profit/(loss)		**7.1**	**15.5**
Adjustments for:			
Depreciation, amortisation and write-downs	17.5 - 17.6	580.4	590.0
Provisions and (issues) to personnel provisions and other provisions	17.7	96.8	102.0
Net financial charges (income)	17.8	11.1	16.6
Earnings from equity investments recognised at equity	17.9	(7.5)	(1.1)
Other non-monetary items		(4.7)	0.3
Cash flow generated by operating activities before changes in net working capital		**683.2**	**723.3**
Change in inventory	13.1	0.1	(0.2)
Change in trade receivables	13.2	44.8	16.3
Change in trade payables	16.1	33.1	(38.2)
Change in other assets/liabilities		67.4	(44.8)
Use of provisions for risks	15.4	(32.7)	(35.1)
Payment of employee benefits	15.3	(83.6)	(72.8)
Taxes paid		(5.3)	(4.8)
Net cash flow generated by operating activities		**707.0**	**543.7**
Investments in property, plant and equipment and real estate investments	12,1 - 12,2	(163.5)	(137.4)
Disposal of property, plant and equipment and real estate investments	12,1 - 12,2	8.1	0.3
Investments in intangible assets	12.4	(477.8)	(391.9)
Disposal of intangible assets	12.4	1.6	1.1
Equity investments	12.5	-	(0.6)
Disinvestments of shares		0.5	-
Purchase of Rai Way treasury shares	14	-	(20.0)
Dividends collected		2.3	1.7
Interest collected		0.2	0.2
Change in financial assets	12,6 - 13,3	(1.3)	-
Net cash flow generated by operating activities		**(629.9)**	**(546.6)**
Long-term loans taken out	15.1	54.0	15.0
Long-term loan repayments	15.1	(5.2)	(360.2)
Repayments of liabilities for leases	15.2	(23.3)	(24.1)
(Decrease)/increase in short-term borrowings and other loans)	16.2	(30.4)	227.1
Interest paid (1)		(6.0)	(11.8)
Dividends distributed		(21.9)	(22.2)
Net cash flow generated by financial activities		**(32.8)**	**(176.2)**
Change in cash and cash equivalents		**44.3**	**(179.1)**
Cash and cash equivalents at the beginning of the year	13.6	15.5	194.6
Cash and cash equivalents at the end of the year	13.6	**59.8**	**15.5**

(1) Referring to financial interest.

Statement of changes in consolidated equity

(€/million)	Share capital	Legal reserve	Other reserves	Retained earnings (losses)	Group shareholders' equity	Non-controlling interests	Total Shareholders' equity (note 14)
Balances as at 1 January 2020	**242.5**	**12.0**	**153.4**	**(60.8)**	**347.1**	**64.6**	**411.7**
Allocation of profit/loss	**-**	**-**	**(22.1)**	**22.1**	**-**	**-**	**-**
Distribution of dividends	-	-	-	-	-	(22.2)	(22.2)
Purchase of Rai Way treasury shares	-	-	(12.2)	-	(12.2)	(7.8)	(20.0)
Transactions with shareholders	**-**	**-**	**(12.2)**	**-**	**(12.2)**	**(30.0)**	**(42.2)**
Profit/(loss) for the year	-	-	-	(22.0)	(22.0)	22.0	-
Statement of comprehensive income components	-	-	3.4	(1.2)	2.2	-	2.2
Total profit/(loss) for the year	**-**	**-**	**3.4**	**(23.2)**	**(19.8)**	**22.0**	**2.2**
Balances as at 31 December 2020	**242.5**	**12.0**	**122.5**	**(61.9)**	**315.1**	**56.6**	**371.7**
Allocation of profit/loss	**-**	**-**	**(22.0)**	**22.0**	**-**	**-**	**-**
Distribution of dividends	-	-	-	-	-	(21.9)	(21.9)
Reserve for stock option plan	-	-	0.1	-	0.1	0.1	0.2
Transactions with shareholders	**-**	**-**	**0.1**	**-**	**0.1**	**(21.8)**	**(21.7)**
Profit/(loss) for the year	-	-	-	(22.6)	(22.6)	22.6	-
Statement of comprehensive income components	-	-	3.1	(9.7)	6.6	(0.2)	(6.8)
Total profit/(loss) for the year	**-**	**-**	**3.1**	**(32.3)**	**(29.2)**	**22.4**	**(6.8)**
Balances as at 31 December 2021	**242.5**	**12.0**	**103.7**	**(72.2)**	**286.0**	**57.2**	**343.2**

Notes to the Consolidated Financial Statements as at 31 December 2021

1 General information

Rai Radiotelevisione italiana SpA (hereinafter "Rai", the "Company" or the "Parent Company") is a joint-stock company formed and domiciled in Italy, with registered office in Rome at Viale Mazzini 14, organised according to Italian law.

The Consolidated Financial Statements as at 31 December 2021 (hereinafter "Consolidated Financial Statements"), as described hereinafter, were prepared in compliance with *the International Financial Reporting Standards* ("IFRS").

With Prime Ministerial Decree of 28 April 2017 containing "Assignment of the radio, televisions and multimedia Public Service concession and approval of the annexed draft agreement" (hereinafter "Public Service"), Rai was established as the concessionaire of the radio, television and multimedia Public Service on an exclusive basis for a decade, starting from 30 April 2017. That role is performed by the Company and its subsidiaries (jointly the "Group").

On the strength of specific Italian and EU regulatory sources, the Parent Company is required to meet precise programming quality and quantity obligations that are described in detail in the Service Agreement (hereinafter the "Agreement") drawn up with the Ministry of Economic Development for the period 2018-2022, published in the Official Gazette on 7 March 2018.

The Agreement relates to the activity that Rai performs in order to carry out the public service and, in particular, the radio, television and multimedia services broadcast through the various platforms in all modes, the use of the necessary transmission capacity, the creation of editorial content, the provisions of technological services for the production and transmission of the signal using analogue and digital technology, and the preparation and management of control and monitoring systems.

The capital of the Company is respectively held by:
- the Ministry of Economy and Finance (99.5583%)
- SIAE Società Italiana Autori Editori (0.4417%).

The Consolidated Financial Statements are audited by the company PricewaterhouseCoopers SpA (hereinafter the "External Auditor") to which the Rai Ordinary General Meeting of Shareholders, upon the proposal put forward by the Board of Statutory Auditors, assigned the appointment for the financial years until 2023 on 10 March 2016, in consideration of Rai's acquisition of status as a Public Interest Entity.

2 Drafting criteria

In connection with the provisions of Legislative Decree 38 of 28 February 2005, in preparing its Consolidated Financial Statements, the Company applies the *International Financial Reporting Standards* (hereinafter "IFRS" or "international accounting standards") issued by the *International Accounting Standards Board* (hereinafter IASB) and adopted by the European Commission according to the procedure pursuant to Art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council of 19 July 2002. IFRS herein refers to all international accounting standards ("IAS") and all interpretations of the *International Financial Reporting Standard Interpretations Committee* ("IFRIC"), previously called "*Standard Interpretations Committee*" ("SIC"). In preparing these Separate Financial Statements, the Company provided complete information, applying the IFRS consistently to the periods stated in these Consolidated Financial Statements.

The structure of the Consolidated Financial Statements of the Group provides for:
- the items of the consolidated statement of financial position being classified as current and non-current;
- the items of the consolidated income statement being classified by type;
- the consolidated Statement of Comprehensive Income being presented separately from the consolidated Income Statement and indicating the integrated economic result of the income and charges that are directly recognised in Shareholders' Equity pursuant to the IFRS;
- the consolidated cash flow statement being prepared according to the "indirect method", adjusting the

result (pre-tax profit/loss) of the year of the non-monetary components; and
- the consolidated Statement of Changes in Equity showing the total income (charges) of the year, transactions with shareholders and the other changes in Shareholders' Equity.

This layout best reflects the elements that led to the Group's earnings for the year, in addition to its financial and capital structure.

The Consolidated Financial Statements were drawn up applying the historical cost method, taking into account the value adjustments, where appropriate, with the exception of the items that according to the IFRS must be measured at fair value, as indicated in the valuation criteria and without prejudice to those cases where the IFRS provisions allow a different valuation criterion.

The Consolidated Financial Statements were prepared on a going concern basis since it is not believed that there are financial, operation or other type of ratios that might indicate critical issues regarding the Group's ability to meet its obligations in the foreseeable future, and more specifically in the next 12 months.

The description of the methods through which the Group manages its financial risks is contained in Note 8 below regarding "Management of financial risks".

Values of items in the financial statements and relative notes, considering their importance, are expressed in millions of €, unless indicated otherwise.

3

Principles of consolidation

The Consolidated Financial Statements were prepared using financial statements for the year of the Company and its subsidiaries drafted in compliance with the IFRS. Please note that all Group companies close their financial years as at 31 December.

The companies included in consolidation as at 31 December 2021 and 31 December 2020 are detailed in Note 21 "Appendix", an essential part of the Consolidated Financial Statements. The same annex includes any change to the consolidation area that occurred in the period.

It is clarified that, on 20 December 2021, Sogepotel - a company wholly owned by Rai Way, Shareholders' Meeting approved the final liquidation balance and allocation plan; it also implemented the legal measures required to lodge the company in the Business Registry and remove the company on 25 February 2022, and any other administrative and tax requirement.

Although Rai Way formally held a controlling interest in Sogepotel, taking into account the purposes of the financial statements enshrined in international accounting standards, in particular in IAS 1 and the Framework issued by the IASB in which the concepts of relevance and materiality of the financial statements and the aforementioned characteristics of Sogepotel are recalled - including with reference to the values reported in the financial statements, there were no elements that make it necessary to include them in the consolidation area in 2020.

Subsidiaries

An investor controls an investee when it is exposed, or has the right to take part, in the variability of the relative economic returns and can exercise its decision-making power on the subsidiary's relevant activities in order to influence those returns. Presence of control occurs each time facts and circumstances indicate a variation to one or more elements qualifying control.

The assets and liabilities, expenses and income of subsidiaries are fully included in the Consolidated Financial Statements from the date on which the Parent Company takes direct or indirect control (or through one or more subsidiaries) and until the date on which that control terminates. The book value of the investments is eliminated with the corresponding shareholders' equity fraction. The portions of shareholder's equity and total profit attributable to third parties are entered in the specific consolidated shareholders' equity and total consolidated income Statement items.

For shareholdings acquired after control is assumed (purchase of third-party equity interests), any positive difference between purchase cost and the corresponding fraction of shareholders' equity acquired is entered in the Group's shareholders' equity. Similarly, effects resulting from the sale of minority shares without loss of control are entered in the consolidated shareholders' equity.

Diversely, the sale of shares involving loss of control resulting in the following being recognised in the consolidated income statement:

- any capital gain/loss calculated as the difference between the consideration received and the corresponding fraction of the consolidated shareholders' equity sold;
- the effect of the revaluation of any residual investment kept to align it with the relative fair value;
- any values entered in other consolidated comprehensive income related to the former subsidiary for which a turnaround to the Income statement is foreseen, or when the turnaround to the consolidated income statement is not foreseen to profits (losses) carried forward.

The value of any equity investment retained, aligned with its fair value at the date control was lost, is the new book value of the equity investment; thus the value of reference for the subsequent valuation of equity investments according to the applicable valuation criteria.

Business combinations

Business combinations are entered in compliance with IFRS 3 "*Business combinations*", applying the so-called acquisition method. The combination consideration is calculated at the date control is assumed and is the fair value of assets transferred, liabilities sustained, and of any capital instrument issued by the purchaser. The potential consideration is entered at fair value at the acquisition date. Subsequent changes in the fair value of the potential consideration, of which the amount and payment are dependent on future events, classified as a financial instrument in accordance with IFRS 9, are recognised in the consolidated income statement or consolidated shareholders' equity as other consolidated comprehensive income. Potential considerations that do not come under application of IFRS 9 are valued based on the specific IFRS/IAS of reference. Potential considerations classified as capital instrument are not remeasured; so, consequently, regulation is accounted for under consolidated shareholders' equity. Costs attributable directly to the transactions are entered in the consolidated income statement, when sustained.

On the date control is acquired, the shareholders' equity of investee companies is calculated attributing their fair value at the acquisition data to the single asset and liability (including contingent liabilities) elements identifiable, except where IFRS 3 establishes otherwise. Any residual difference from the purchase cost, if positive, is entered in the asset item intangible assets as goodwill (hereinafter also 'goodwill'); if negative, it is recognised in the consolidated profit or loss as income for the period.

If full control is not acquired, the shareholders' equity portion of the third-party equity interest is calculated based on the effective portion of the current values attributed to the assets and liabilities at the control assumption date, excluding any goodwill attributable to them (so-called partial goodwill method); alternatively, the entire amount of goodwill generated by the acquisition is entered thus also considering the portion attributable to third party equity interest (so-called full goodwill method in this latter case, the third party equity interest is expressed at its fair value. in the latter case, non-controlling interests are expressed at their fair value. The choice of how to calculate the goodwill (partial goodwill method or full goodwill method) is applied selectively for each business combination transaction.

If control is assumed by subsequent steps, the purchase cost is calculated summing the fair value of the equity investment previously held in the entity acquired and the amount paid for the further share. Any difference between the fair value of the equity investment previously held and the relative entry value is attributed to the consolidated income statement. When control is assumed, any amounts previously entered in other comprehensive income are attributed to the consolidated income statement or to another consolidated shareholders' equity item, if reclassification to the consolidated income statement is not foreseen.

When calculation of assets and liabilities is performed provisionally, it must be concluded within 12 months of the acquisition date; considering solely information related to facts and circumstances existing at the acquisition date. In the financial year when the above-mentioned calculation is finalised, values entered provisionally are backdated.

Interest in agreements and joint control

Joint control only exists when, on a contractual basis, for decisions related to the agreement's important activities, the unanimous consent of all parties sharing control is required. Joint control agreements can be divided into two categories:

- joint ventures, that is joint control agreements where parties holding joint control claim rights to the agreement's net assets; and
- joint operations, that is joint control agreements where parties have rights to assets and obligations related to agreement liabilities.

Investments in joint ventures are measured applying the equity method, as described in Note 4 "Measurement criteria"; whereas joint operations are measured recognising, line by line in the Consolidated Financial Statements, the asset/liability and revenue/costs portions based on effective rights and obligations resulting from contractual agreements.

Equity investments in associates

An associate company is one in which the Group exercises a considerable influence, intended as the power to take part over deciding financial and management choices without having control or joint control. Equity investments in associates are recognised under the equity method as indicated in Note 4 "Measurement criteria".

Infra-group transactions

The profits from transactions between consolidated companies are eliminated as are the receivables, payables, income and expenses, guarantees, commitments and risks between consolidated companies. Profits not earned with companies measured applying the equity method are eliminated for the Group's share. In both cases, infra-group losses are not eliminated when the represent an effective lesser value of the asset transferred.

Conversion of balances with currency that is not the Euro

The financial statements of companies operating in non-Euro areas, as the Euro is the Group currency, and the functional currency of the Parent Company and its subsidiaries except for Rai Corporation (in liquidation) (hereinafter "Rai Corporation"), are converted into Euro applying the exchange rates of the date the financial year is closed to equity assets and liabilities, historical exchange rates to equity items and average exchange rates of the year to income statement items.

The exchange rate differences from conversion of financial statements of the companies operating in non-Euro areas, resulting from application of the different rates for assets and liabilities, for shareholders' equity and income statement, are entered under the equity item "Other reserves" as reserve for exchange rate differences from conversion for the Group part and, if needed, under the item "Shareholders' equity attributable to minority interests" for that of third parties. The exchange rate difference reserve is recognised in the consolidated income statement when the investee is no longer a subsidiary. In those circumstances, the reserve is recognised in the consolidated income statement under the items "financial income" or "financial expenses". With partial disposal, without losing control, the exchange rate difference related to the equity portion disposed of is attributed to equity interests attributable to non-controlling interests. If the investee should no longer be controlled and it should be qualified as a joint venture or associate, the conversion reserve is incorporated into the measurement applying the equity method.

Financial statements used for the conversion of Rai Corporation are those expressed in US Dollars (USD).

4

Measurement criteria

The most significant accounting standards and measurement criteria used in the preparation of the Consolidated Financial Statements, which are unchanged from those used in the preparation of the Consolidated Financial Statements for the year ended 31 December 2020, are described below.

Assets

Property, plant and equipment

Property, plant and equipment are recognised according to the cost criteria and are entered at their purchase price or at cost of production including all directly allocated accessory charges necessary to make the assets ready for use. Property, plant and equipment cannot be revalued, not even when applying specific laws.

Costs for improvements, modernisation and transformation that increase the property, plant and equipment are recognised to assets when it is probable that they increase the future economic benefits expected from the use or sale of the asset.

Property, plant and equipment are amortised systematically at constant percentages during their useful economic-technical lifespan, intended as the estimate of the period in which the assets will be used by the company, period starting from the month use of the asset starts or could have started. When the property, plant and equipment consists of multiple significant components have different useful lives, depreciation is made for each component. The value to depreciate is represented by the book value reduced by the estimated net exit value at the end of its useful life. Land, even if purchased together with a building, works of art and property, plant and equipment held for sale are not subject to depreciation. Any amendments to the amortisation plan, resulting from a review of the useful life of the tangible asset, of the residual value or the way to obtain economic benefits from the asset, are recognised perspectively.

The estimated useful life of the main property, plant and equipment is the following:

	Useful life in years	
	Min	Max
Buildings	6	50
Plant and machinery	4	14
Industrial and commercial equipment	5	7
Other assets	4	8.3

The calculation of the service life related to costs for improvements, modernisation and transformation of leased assets also takes into account the remaining duration of lease contracts.

The routine maintenance and repair costs are recognised to the consolidated income statement in the year in which they are incurred.

Real estate investments

Real estate investments include properties owned by the Group through which to earn rents and/or for appreciation of capital invested and are entered in accounts applying the same rules illustrated in the paragraph on “Property, plant and equipment”.

Real estate investments are eliminated from accounts when they are sold or are written-down when no future economic benefit is expected through their use of disposal. Any profit or loss, calculated as the difference between net consideration resulting from disposal and the net book value of assets eliminated and entered in the consolidated income statement.

When events occurring lead to an assumption of impairment of the real estate investments, their recoverability is checked by comparing the book value with the relevant recoverable value, represented by the fair value net of disposal charges or the value in use, whichever is greater.

Useful life is considered as 33 years.

Lease rights of use

Lease agreements correspond to contracts that grant the exclusive right to use an identified or identifiable good and which confer the substantive right to obtain all the economic benefits deriving from its use for a certain period of time in exchange for consideration. Contracts or elements of complex contracts that have such characteristics are recognised in the consolidated financial statements through the recognition in the statement of financial position of a liability consisting of the present value of the lease payments, as set out in the valuation criteria for lease liabilities. At the same time and as an entry balancing the recognition of the liability, the corresponding right of use is recorded under assets, amortised on a straight line basis over the duration of the lease contract or the related economic-technical useful life, if shorter. The lease term is the non-cancellable period for which the counterparty is entitled to use the underlying asset.

Mainly the following types of contracts entered into by the Group fall under this accounting method:
- property leases;
- car rentals;
- office equipment rental.

Typically, contracts for the rental of buildings for industrial use provide for tacit renewals on expiry, which can be further renewed for the same term: Consequently, each renewal gives rise to a new right of use representative of the new (albeit tacit) agreement reached between the parties.

At the commencement date of the lease, the cost of the right-of-use asset shall comprise:
a) the amount of the initial measurement of the lease liability;
b) any lease payments made at or before the commencement date;
c) any initial direct costs (e.g., mediation costs);
d) in the presence of current obligations for the dismantling, removal of assets and recovery of sites, the registration value of costs estimated (actualised) to be sustained when the structures are abandoned, recognised as a balancing item to a specific provisions for non-current risks and charges.

The amount under a), recorded as a balancing entry to the lease liability item, recognises:
- fixed lease payments;
- variable lease payments that depend on an index or a rate (e.g., ISTAT adjustment index);
- the exercise price of a purchase option if it is reasonably certain that the option will be exercised;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

If the lease contract provides for the possibility to exercise the purchase option and there is reasonable certainty of exercising it, the right of use is recorded under property, plant and equipment in the corresponding class of assets and is amortised over the useful life of the asset.

The Group has availed itself of the option provided for by IFRS standards to recognise payments due for short-term leases (of no more than 12 months) and for leases for which the underlying asset is of modest value (approximately less than €5,000), as costs for services.

Intangible assets

Intangible assets concern the identifiable assets without physical consistency, controlled by the Group and able to generate future economic benefits, as well as the goodwill when acquired against payment. Identifiability is defined with reference to the possibility to distinguish the intangible asset acquired from goodwill. This requirement is normally met when:
- the intangible asset can be traced back to a legal or contractual right; or
- the asset is separable, meaning it can be assigned, transferred, rented or traded autonomously or as an integral part of other assets.

The Group's control consists in the right to enjoy future economic benefits arising from the asset and in the possibility to limit its access to others.

Intangible assets are recognised at purchase or production cost, including directly allocated accessory charges necessary to make the assets ready for use. Revaluations cannot be made, not even when applying specific laws.

The intangible assets having a defined useful life are systematically amortised during their useful life meant as the estimate of the period in which the assets will be used by the Group, and are broken down into:

a) Programmes – Audiovisual Works: the costs for acquiring and producing TV programmes, of audiovisual, cinema and multimedia works, made up of the external costs directly allocated to each production and the costs of the internal resources used to make single programmes, are represented according to the following criteria:

1) costs referring to television productions with repeat utility and with contractual rights exceeding 12 months are capitalised as intangible assets and, if these productions are ready for use at year-end, are amortised on a straight-line basis, starting from the month they are ready or the right becomes available, with regard to the duration of their expected useful life. If, on the other hand, these productions with repeat utility are not yet usable at year-end or rights become available in the future, their costs are deferred as work in progress and payments on account.

   Taking into account the objective difficulties in identifying elements able to guarantee a correct correlation between revenue from advertising and licence fees and the amortisation of the rights, to which the indeterminable nature of the varied methods of exploitation is added, the useful life of the programmes and audiovisual works with repeated usefulness is shown in the following table:

	Useful life in years
Rights to use pay TV, video on demand and similar relative to films and series acquired by Rai Cinema	1.5
Drama produced	3
Documentary works	3
Rights other than free-to-air TV, pay TV, video on demand and the like related to films and series acquired by Rai Cinema	3
Exploitation rights of football library	4
Cartoons	5
Free TV rights related to films and series acquired by Rai Cinema	5
"Full rights", i.e. products for which Rai Cinema has purchased the full chain of rights (film, television, home video, etc.)	7

   The costs referring to rights under concession for shorter durations are amortised on a straight-line basis corresponding to the period of availability. Should the rights have depleted the contractually available passages, the residual value is fully expensed;

2) The costs referring to television productions intended for immediate use are posted to the income statement in a single year, which usually coincides with that of use or the start of the concession. More specifically:
   - News reporting, light entertainment, documentaries, classical music, prose and the entire radio production: the costs are recognised during the year in which they are incurred, which usually coincides with the one in which they are broadcast.
   - Sports events: the costs are recognised in the year in which the event takes place.

b) Software user licences are depreciated in three years starting from the month they become available for use, generally coinciding with the months when use starts.

c) Trademarks are depreciated in ten years from when they are available for use, generally corresponding to the year in which use starts.

Goodwill and other intangible assets having an indefinite useful life are not amortised; the recoverability of their book value is checked at least once a year and in any case whenever events that lead to an assumption of impairment occur.

Impairment of non-financial assets

The non-financial assets are analysed on every reporting date in order to check whether there are indicators showing a loss in value. When events occur that lead to assuming a reduction in the value of non financial assets, their recoverability is checked comparing the recognition value with the relative recoverable value represented by the higher between fair value, net of disposal expenses, and value in use. The value in use is calculated based on reasonable and demonstrable assumptions representing the best estimate of future economic conditions that will occur in the residual useful life of the asset, giving importance to the information coming from the outside. When the reasons why the write-downs took place no longer exist, the asset's value is restored and the rectification is recognised in the consolidated income statement as a revaluation

(recovery of value). The impairment loss is reversed at the recoverable value or the book value before the impairment previously made and reduced by the amortisation quotas that would have been allocated if the impairment had not been made, whichever is the least.

Equity investments
Equity investments in joint ventures and in associates are carried at equity.

On applying the equity method, equity investments are initially recognised at purchase cost, attributing any difference between the cost sustained and the interest share in the fair value of the identifiable net assets of the investee in a similar way to what is set forth in IFRS 3 "*Business Combinations*". The book value is then adjusted to take into account:
- the shareholder's portion of the economic results of the investee made following the date of acquisition; and
- the shareholder's portion of the other Statement of Comprehensive Income components of the investee.

The changes in shareholders' equity of an investee other than those specified above are recognised to the consolidated income statement when they represent, in substance, the effects of a transfer of a shareholding in the investee. The dividends that the investee distributes are recognised to reduce the book value of the equity investment. To apply the equity method, adjustments foreseen for the consolidation process are considered.

When there is objective evidence of impairment, the recoverability is checked by comparing the book value with the relevant recoverable value calculated adopting the criteria indicated in the section "Impairment of non-financial assets". When the reasons for the write-downs cease to exist, the value of the equity investments is restored within the limits of the write-downs made with the effect recognised to the consolidated income statement.

The transfer of shareholdings entailing loss of joint control or significant influence over the investee causes the following to be recognised to the consolidated income statement:
- any capital gain/loss calculated as the difference between the consideration received and the corresponding fraction of the book value of the transferred equity investment;
- of the effect of the revaluation of any residual investment kept to align it with the relative fair value;
- any amounts recognised in other consolidated comprehensive income relating to the investee for which reclassification to the consolidated income statement is required.

The value of any investment kept, aligned with the relative fair value at the date joint control or considerable influence is lost, represents the new entry value, hence the reference value for the subsequent measurement based on measurement criteria applicable.

After an investment measured applying the equity method, or a share of that investment, is classified as held for sale as it meets the criteria for that classification, the investment, or investment share, is no longer measured by the equity method. Any shares of that investment not classified as held for sale are measured applying the equity method until disposal of the investment share held for sale has been concluded. Any residual share kept after the sale is measured based on the applicable valuation criteria.

The other investments, recognised in non-current assets as they are not held for negotiation, are measured at fair value with balancing entry to the consolidated income statement. When the investments are not listed on a regulated market, where information available to measure fair value is not sufficient, it is felt that the cost represents an adequate estimate.

The shareholder's portion of any losses of the investee exceeding the book value of the equity investment is recognised in a special provisions to the extent in which the shareholder is committed to fulfilling legal or implicit obligations of the investee, or in any case to covering its losses.

Inventory
The final inventory of technical materials are recognised at purchase cost, calculated using the weighted average cost formula, adjusted in connection with market performance and the estimated non-uses tied to obsolescence and slow turnaround phenomena. The final inventory of goods (magazines and books and home videos) to be resold is recognised at purchase cost, calculated using the weighted average cost formula, or at presumed collection value resulting from market performance, if lower.

Contract work in progress, typically related to adjustment of the transmission and broadcasting network, are measured based on costs sustained related to work progress, calculated applying the cost to cost method.

Trade receivables – Financial assets – Other assets
Trade receivables, financial and other assets, considering their contractual characteristics and the business model adopted to manage them, are classified under the following categories: (i) financial assets recognised at amortised cost; (ii) financial assets recognised at fair value with balancing entry in other consolidated comprehensive income; (iii) financial assets recognised at fair value with balancing entry in the consolidated income statement.

Trade receivables, financial and other assets, if they only generate contractual cash flows representing capital and interest and if managed with a business model whose goal is to hold the asset to collect the aforementioned flows, are initially recognised at fair value rectified by directly attributable transaction costs and then recognised applying the amortised cost criterion based on the effective interest rate method (that is the rate that makes the current value of cash flows expected and the recognition value equal, at the time of initial recognition), suitably rectified to take any impairments into account, by recognition in the provisions for write-down of receivables.

Trade receivables, financial and other assets with the aforementioned contractual characteristics, if managed applying a business model whose goal is both to hold the asset to collect its contractual flows represented by the return of capital and interest accrued and to realise the investment through a sale, are recognised after initial entry, at fair value with balancing entry in other consolidated comprehensive income.

Financial assets whose contractual cash flows do not represent payment solely of capital and interest, are recognised at fair value with balancing entry in the consolidated income statement except for derivative instruments used to hedge financial flows, recognised at fair value with balancing entry in other consolidated comprehensive income.

Trade receivables, financial and other assets are included in current assets, except for those with contractual maturity exceeding twelve months compared to the financial statement date, classified in non-current assets.

Impairment of financial assets
At each reporting date, all financial assets that are not those recognised at fair value with balancing entry in the consolidated income statement are analysed to check whether there is objective evidence that an asset or group of financial assets has suffered or could suffer a loss in value based on the expected losses model.

The Group measures the expected losses on trade receivables considering their entire duration based on a weighted estimate of the probabilities that those losses could occur. For this purpose, the Group uses quantitative and qualitative information and analyses, based on historical experience, suitably integrated with forecasts on the expected evolution of circumstances. Losses are measured as the current value of all differences between financial flows due contractually and cash flows the Group expects to receive at the effective interest rate of the financial asset.

For assets that are not trade receivables (financial assets, other assets, cash and cash equivalents), if the credit risk (that is the risk of non compliance along the expected life of the financial instrument) has increased significantly from the date of initial recognition, the Group estimates losses over a time horizon corresponding to the duration of each financial instrument. For financial assets represented by debt securities attributed a low credit risk at the financial statement reference date, losses are estimated over a twelve months time horizon. The Group believes that a debt security has a low credit risk when its rating is equal to or higher than at least one of the following levels: Baa3 for Moody's, BBB- for Standard&Poor's and Fitch.

To calculate whether the credit risk of a financial asset other than trade receivables has increased considerably following initial recognition, the Group uses all pertinent information, considered reasonable, that is adequately supported and available with no costs or excessive efforts needed.

Impairment losses related to financial assets are presented separately in the consolidated income statement.

If the amount of an impairment of an asset recognised in the past decreases, and the decrease can be

objectively connected with an event that occurred after recognition of the impairment, it is charged back to the consolidated income statement.

Derecognition of financial assets and liabilities
Financial assets are derecognised when one of the following conditions is met:
- the contractual right to receive the cash flows from the asset has expired;
- the Group has essentially transferred all risks and benefits connected to the asset, transferring its rights to receive cash flows from the asset or taking on a contractual obligation to bestow cash flows received to one or more possible beneficiaries through a contract complying with IFRS 9 requirements (so-called pass through test);
- the Group has neither assigned nor basically retained all the risks and benefits connected with the financial asset, but has transferred control.

In the case of factoring transactions basically involving transfer of the risks and benefits connected with the receivables assigned to the factor (therefore the Group remains exposed to the risk of insolvency and/or delayed payment – so-called non-recourse factoring), the transaction is assimilated to the opening of a loan secured by the credit being assigned. In this circumstance, the assigned credit is still represented in the consolidated financial position until the factor collects it and, as a balancing entry of the advance, if any, obtained by the factor, a financial payable is recognised. The financial cost for factoring transactions is represented by interest on the amounts advanced entered in the consolidated income statement pursuant to the accrual principle, and are classified under financial expenses. Commissions accruing on assignments are included among the financial expenses.

The financial liabilities are derecognised when they are extinguished, meaning when the contractual obligation is fulfilled, cancelled or barred.

Offsetting financial assets and financial liabilities
The Group offsets financial assets and liabilities if and only if:
- there is a legally exercisable right to offset the amounts recognised; and
- there is the intention to either offset on a net basis or to realise the asset and adjust the liability at the same time.

Cash and cash equivalents
Cash and cash equivalents comprise cash, demand deposits and financial assets with maturity originally equal to or less than three months, readily convertible into case and subject to a negligible risk of change in value. Elements included in cash and cash equivalents are recognised at fair value.

Collection operations are recorded by bank transaction date; the order date is also taken into account for payment transactions.

Liabilities

Financial liabilities - Trade payables - Other payables and liabilities
Loans and payables are recognised when the Group becomes part of the relative contractual clauses and are initially recognised at fair value rectified by the directly attributable transaction costs.

They are afterwards measured with the amortised cost criterion, using the effective interest rate method.

Lease liabilities
They represent the current value of payments due under lease contracts (as set out in the previous paragraph "Lease rights-of-use") and are recognised at the commencement date of the lease contract.

The current value of the payments due is calculated using the implicit lease interest rate or the marginal financing rate of the lessee applicable at the commencement date of the lease if the lease's implicit interest rate cannot be calculated readily. The marginal financing rate corresponds to the interest rate that would have been incurred to obtain a loan with a similar cash profile and the same collateral as the lease contract (so-called Incremental Borrowing Rate).

After the commencement date, the lease liability, measured using the amortised cost method, is increased to take into account the accrued interest expense and decreased as a result of payments made. It may also be restated to take into account any new valuations or changes to the lease agreement Where the changes relate to the lease term or the valuation of an option to purchase the underlying asset, the lease liability is restated using a revised discount rate at the date of the change.

Provisions for risks and charges

Provisions for risks and charges are those costs and expenses of a certain or probable nature and existence which, at the financial statements closing date are undetermined for amount and/or occurrence date. The allocations to these provisions are recognised when:

- the existence of a current, legal or implicit obligation arising from a past event is likely;
- fulfilment of the obligation being against payment is likely;
- the amount of the obligation can be reliably estimated.

Liabilities related to tax disputes and uncertain income tax treatment are allocated to income tax liabilities.

Provisions are recognised at the value represented the best estimate for the amount that the Group will reasonably pay to settle the obligation or to transfer it to third parties at the financial statements closing date. When the financial effect of time going by is significant and the payment dates for the obligations can be estimated reliably, the allocation is decided actualising expected cash flows considering the risks associated with the obligation. The increase in the provisions connected with the passing of time is recognised to the income statement under the items “Financial income” or “Financial expense”.

The provisions are periodically updated to reflect the changes in the estimates of costs, execution time and the discount rate; estimates reviewed are attributed to the same income statement item as the previous provisions. Provisions for risks and charges are actualised when it is possible to reasonably estimate when the monetary outflows will take place. When the liability regards property, plant and equipment (e.g. dismantling and restoration of sites), the changes in provisions estimate are recognised as a balancing entry for the asset to which they refer within the limits of the book values; any surplus is recognised in the consolidated income statement.

If it is expected that all the expenses (or a part of them) required to settle an obligation are repaid by third parties, the indemnity – when it is virtually certain – is recognised as a separate asset.

For contracts whose non-discretionary costs necessary for fulfilling the obligations undertaken are greater than the economic benefits expected to be obtainable from the contract (onerous contracts), the Group recognises a provision equal to the cost necessary for the fulfilment and any compensation or sanction arising from non-fulfilment of the contract, whichever is the lesser.

The existence of contingent liabilities, represented by possible but not probable obligations arising from past events whose existence will be confirmed only when one or more uncertain future events not totally under the company’s control occur, or not occur, will not give rise to the recognition of liabilities recorded in the financial statements, but is explained in a specific note contained in the Consolidated Financial Statements.

Employee benefits

Taking into account their characteristics, benefits following employment are either “defined-contribution” plans or “defined-benefit” plans. In the defined-contribution plans, the Company’s obligation limited to paying contributions to the State, to an estate or to a legally distinct entity is determined based on the contributions due. Costs related to those plans are recognised in the consolidated income statement based on the contribution made in the year. In the defined-benefit plans, on the other hand, the company’s obligation is determined, separately for each plan, based on actuarial assumptions by estimating (in compliance with the projected unit credit method) the amount of the future benefits that the employees have accrued as at the date of reference. More specifically, the current value of the defined-benefits plans is calculated using a rate determined based on market performance as at the reporting date of the bonds of primary companies or, if there is no active market in which they are traded, government bonds The liability is recognised on an accrual basis during the period the right accrues. The liability is measured by independent actuaries. If the assets servicing the plan exceed the current value of the relevant liability, the surplus is recognised as assets.

Net interest includes the component of return on assets servicing the plan and the cost for interest to be recognised in the income statement. Net interest is determined by applying the discount rate defined for

the liabilities to the liabilities, net of any assets servicing the plan; Net interest of defined-benefits plans is recognised to the consolidated income statement as "Financial income" or "Financial expenses".

The actuarial gains and losses arising from the actuarial assessment of the defined-benefits plans and the return on assets servicing the plan (net of their interest income) are recognised as other components of the consolidated statement of comprehensive income. The actuarial gains and losses for the other long-term benefits are recognised to the consolidated income statement. If a defined-benefits plan is changed, or if a new plan is introduced, the pension cost, if any, related to past service is recognised to the consolidated income statement.

As for redundancy incentives, the liability and expenditure related to the termination benefits payable as a result of the termination of the employment, when the redundancy incentive is not included in a restructuring programme, are calculated when the Company is no longer entitled to withdraw the termination benefits payable as a result of the termination of the employment. Otherwise, if the termination of the employment occurs following a structured redundancy incentive plan that has been notified to the concerned employees, the liability and costs related to the employment are calculated on the financial year in which the employees have a valid expectation on the fact that the restructuring will occur within the terms defined. If those benefits are expected to be settled wholly within twelve months after the end of the period in which the benefits are recognised, the requirements for short-term employee benefits are applied, and if they are not expected to be settled wholly within twelve months after the end of the period, the entity shall apply the requirements for other long-term employee benefits.

Derivative financial instruments

A derivative is a financial instrument or another contract:

- whose value changes depending on the changes in an underlying parameter, such as interest rate, price of a note or goods, exchange rate in foreign currency, index of prices or rates, rating of a receivable or another variable;
- that requires a net initial investment equal to zero or less than what would be required for contracts with a response similar to the changes in market conditions;
- that is settled at a future date.

Derivatives are classified as financial assets or liabilities based on the positive or negative fair value and are classified as "held for trading" and recognised at fair value in the consolidated income statement, except for those designated as effective hedging instruments.

Derivatives are designated as hedging instruments when the ratio between the derivative and the hedged item is formally documented and the hedging effectiveness (periodically checked) is high. When derivatives hedge the risk of a change in cash flows of instruments being hedged (cash flow hedge; e.g., hedging the variability of asset/liability cash flows due to exchange rates fluctuating), the changes in fair value of derivatives considered effective are initially recognised in the consolidated equity reserve for the other consolidated comprehensive income statement components (cash flow hedge reserve) and then attributed to the consolidated income statement consistent with the economic effects produced by the transaction hedged. The changes to the fair value of derivatives that cannot be qualified as hedging are recognised in the consolidated income statement.

For currency options, the fair value suspended to the cash flow hedge reserve is formed by the intrinsic value and the time value. The intrinsic value is equal to the amount of the currency optioned (nominal value), multiplied by the difference between the exchange rate of the option exercised ant the market exchange rate at the time of measurement (e.g. end of year exchange rate). In cases where the exchange rate of the option exercised is off market – that is exercising it is not advantageous considering market conditions at the time of measurement – the intrinsic value is null. The time value is a value proportionate to option duration and comes from the difference between the option's total fair value and the intrinsic value.

For the forward purchase of currency, the fair value suspended for cash flow hedge reserve is represented by the spot component, that is the amount of the currency purchased by the difference between the spot rate of the forward purchase transaction and the market rate recognised on the measurement day.

Fair value measurement

Fair value measurement is performed and relative disclosure is prepared applying IFRS 13 "*Measurement of fair value*". Fair value is the price that would be received for the sale of an asset or that would be paid to transfer a liability during an ordinary transaction carried out by market operators, at the measurement date.

The measurement of fair value is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the main market; that is in the market where the most volume and transaction levels for the asset or liability take place Without a main market, one assumes that the transaction takes place in the most advantageous market to which the Group has access, that is the market susceptible to maximising the results of the transactions to sell the asset or to minimising the amount to pay to transfer the liability.

The fair value of an asset or liability is calculated considering the assumptions that market participants would use to define the price of the asset or liability, in the assumption that they act for the best economic interest. The market participants are informed independent buyers and sellers able to enter into a transaction for the asset or liability and motivated, but neither obliged nor induced, to make the transaction.

When measuring fair value, the Group considers the characteristics of specific assets and liabilities; in particular for the non-financial assets, the ability of a market operator to generate economic benefits by using the asset to its maximum and best use or selling it to another market operator able to use it to its maximum and best use. Fair value measurements for assets and liabilities are performed using techniques suited to the circumstances and for which there is enough data available, maximising use of observable inputs.

Revenue

Revenues are recognised based on the following five steps:
1) identification of the contract with the customer;
2) identification of the performance obligations (i.e. the contractual commitments to transfer goods and/or services to the customer);
3) determination of the transaction price;
4) allocation of the transaction price to the performance obligations identified on the basis of the stand alone selling price of each good or service; and
5) recognition of the revenue when the relevant performance obligation is met.

When each contract is signed with customers, the Group, related to the goods or services promised, identifies as an obligation each promise to transfer goods, a service, a number of goods or services, or a distinct combination of goods and services to a customer.

Revenues are measured in a way that corresponds to the fair value of the fee due, including any variable components, where it is considered highly probable that they will not spill over into the future.

The Group recognises revenues due for each separate obligation when the control of services supplied, rights granted or goods sold is transferred to the purchaser.

Revenues are entered in the consolidated financial statements net of any discounts and rebates, payments made to customers which do not correspond to the purchase of distinct goods or services by the Group, and the estimate to customer returns.

The Group recognises a contractual asset or liability based on the fact that the service has already taken place but the relative fee still has to be received; or a contractual liability when, for fees already received, obligations undertaken still have to be fulfilled.

Here below, please find a brief description of the recognition, measurement and valuation process applied for each of the main revenue flows identified.

TV licence fees
As described in Note 1 "General information", the Parent Company performs, in order to exercise a Public Service, the activities established in the Contract. The fee for the service performed is represented by The

fee for the service performed is represented by:

- ordinary licence fees, paid to the State, mainly by debiting the electricity bill, of the owners of a device that can receive the broadcasting signal and paid by the State, for its share, in ways established in the Contract in force in the months of January, May and September; and
- of special licence fees, paid to the Parent Company directly by managers of a commercial activity that makes use of the Public Service available to the public through a device able to receive the broadcasting signal.

As the Parent Company fulfils its obligation to provide a Public Service over time, the corresponding revenues from licence fees are recognised progressively as the broadcasting offer is transmitted.

Advertising

Contracts with advertisers establish that the Parent Company, for a fee, undertakes to circulate the promotional messages of its customers on its multimedia channels. The Group recognises the advertising revenues when the promotional messages are effectively transmitted also considering the fee reductions deemed highly probable.

Special services under convention

This type includes revenues calculated by agreements obliging the Parent Company to provide activities established in the contract for the production, distribution and transmission of audio-visual content abroad to add value to the Italian language, culture and companies as well as the production and distribution of radio and TV transmissions, and audio-visual contents, intended for some linguistic minorities, as well as activities connected to the management of broadcasting licence fees.

The type of obligation, normally satisfied over time, means that the Group acknowledges the relative revenues during the period in which the obligation is fulfilled. Moreover, the fee due is normally commensurate to the duration of productions transmitted.

Sale of music rights and editions

Contracts selling the rights to exploit audio-visual works and music editions normally acknowledge the possibility for customers to use the works granted through different multimedia means, for a limited period of time or for a pre-defined number of passages, in set territorial areas.

User licences normally acknowledge licensees the right to access audio-visual works and music editions as they are when the licence is granted; therefore, recognition of the relative revenue takes place when the licensee is able to start exploiting the rights granted, the consideration due is calculated as a fixed, non-refundable amount. However, when contracts foresee an amount calculated based on the results from the distribution of the right, the revenue is recognised when the results are achieved.

When rights sold have shares owned by third parties, the expense resulting from the share due to them is recognised as a reduction of revenues.

Film and home video distribution

Cinema distribution contracts require material necessary for broadcasting films to be made available to cinema operators for a certain period of time. In exchange, the Group is entitled to receive consideration, which is usually variable and commensurate with the number of tickets sold and the percentage agreed on in the contract for commission on cinema takings. Sometimes, a guaranteed minimum is established (if exceeded, additional income based on ticket sales, is provided), or instead a fixed consideration. The Group recognises revenues associated with film distribution in keeping with the type of contract: (i) for contracts with a guaranteed minimum or fixed consideration, it recognises revenues at the time when control of the material necessary for broadcasting films is transferred to operators, complying with the principle of accrual; (ii) for contracts with a variable consideration, it recognises revenues as tickets are sold and the consideration is accrued.

In the case of contracts for the home video distribution of audiovisual works, the Group usually distributes, on a sale or return basis, DVDs and Blu Ray Discs to its customers, for sale to the public. The Group therefore accrues the right to the consideration for the sale of the aforementioned goods, when the goods are sold to the customer and on an accrual basis.

Generally both types of contracts require operators or retailers (or the chains they belong to) to charge the Group for costs relative to promotional activities carried out at cinemas, sales outlets or in their immediate vicinity. As these activities, in most cases, are not separate from film and home video distribution, the Group records the expense directly deducting it from the consideration accrued, therefore recognising its revenues net of sums deducted for this reason.

Distribution and sale of channels
Contracts for the distribution and sale of channels oblige making the contents of an entire programme available to customers, for a limited period and to be broadcast on platforms and in contractually defined territories.

The type of obligation taken, normally satisfied over time, implies recognition of the relative revenues over the period in which the obligation is fulfilled; regardless of whether the fee could have been quantified as fixed and have been definitely recognised in advance

Fees for hosting plant and equipment
Revenues from services for hosting plants and equipment are recognised when the customer obtains access to the sites where the plants and equipment are to be located. These revenues are recognised over the entire duration of the hosting contract, therefore regardless of the time-related distribution of the consideration.

Public funding

Public funding, including non-monetary grants measured at fair value, are recognised when it is reasonably certain they will be received and that the Group will comply with all conditions set for their allocation.

The benefit of a public loan at an interest rate lower than the market rate is treated as public funding. The loan is initially recognised at fair value and the public funding is measured as a difference between the initial book value and the amount received. The loan is afterwards measured in compliance with the provisions established for financial liabilities.

Public contributions to the year are presented as a positive component in the consolidated income statement, under the item other revenue and income.

Public funding received for the purchase, construction or acquisition of fixed assets (tangible or intangible) is recognised to directly reduce the relevant purchase or production cost or is recognised as income in connection with the relevant useful life, based on the amortisation process of the assets subsidised.

Costs

Costs are recognised on an accrual basis when they concern services and goods purchased or consumed during the year or by systematic breakdown, or when their future usefulness cannot be identified.

Short-term lease rentals (lasting less than 12 months) and those whose underlying asset is of low value (approximately less than €5,000) are charged to the consolidated income statement over the duration of the contract.

Financial income and expenses are recognised to the consolidated income statement during the year in which they accrued.

Exchange rate differences

Revenues and costs relating to transactions in a currency that is not the functional one are recorded at the current exchange rate of the day on which the transaction is recognised.

Monetary assets and liabilities in a currency other than the functional one are converted into the functional currency applying the current exchange rate as at the reporting date of the consolidated financial statements

with the effect charged to the consolidated income statement. Monetary assets and liabilities stated in a currency other than the functional one recognised at cost are recorded at the initial recognition exchange rate; when measurement is at fair value or at the recoverable or collection value, the current exchange rate at the date that value is calculated is adopted.

Dividends

Dividends are recognised as at the date the General Meeting that establishes the right to receive payment passes the resolution except for when it is reasonably certain that the shares will be sold before the coupon date.

The dividends resolved by the Annual Shareholders' Meeting are represented as a change in consolidated shareholders' equity in the year in which they are approved.

Income tax

Current taxes are recorded as current income tax liabilities net of paid advances or in the item current income tax assets when the net balance is a credit. Current taxes are measured by multiplying the estimated taxable income by the applicable tax rates. Both the estimate of taxable income and the tax rates used are based on tax legislation in force or substantially in force at the reference date.

Current taxes are recognised in the consolidated income statement, except for those concerning items directly chargeable to the consolidated shareholders' equity.

The item also includes an estimate of the charges that could burden the Group in relation to outstanding tax disputes or uncertain income tax treatment, recognised as a balancing entry to current or non-current income tax liabilities if the estimated time to resolve the dispute or the underlying uncertainty is over 12 months.

Deferred income tax assets and liabilities are calculated on the temporary differences between the asset values recognised and the matching values recognised for tax purposes, applying the rate in force as at the date on which the temporary difference will be paid, based on the rates expected as at the reporting date. A deferred tax liability is recorded for all taxable temporary differences, except for goodwill. Deferred tax assets on the temporary differences, tax losses and tax credits not used are recognised if and when their recovery is likely in expectation that they might realise positive taxable amounts for the individual Group companies in future tax periods. When each year closes, a new measurement is made of whether deferred tax assets can be registered.

Deferred income tax assets and liabilities are recognised in the consolidated income statement, except for those concerning items directly chargeable to the consolidated shareholders' equity.

As a result of applying regulations referring to the same tax authority, the deferred income tax assets and liabilities are offset if there is a legally exercisable right to offset the current tax assets with the current tax liabilities that will be generated at the time of their payment.

Deferred tax assets and deferred tax liabilities are classified under non-current assets and liabilities and are offset at the single tax jurisdiction level if referring to offsettable taxes. The offset balance, if receivable, is entered under deferred tax assets, if payable, under deferred tax liabilities.

Related parties

Related parties are those that share the same parent company with Rai, the companies that control it directly or indirectly, are subsidiaries, or are subject to joint control of the Parent Company and those in which it holds an equity investment such as to be able to exercise considerable influence. The definition of related parties also includes entities that manage the benefit plans following the end of a working relationship solely for Company or Group employees (indicated specifically in Note 18.4 "Transactions with related parties") and key management personnel, that is those with powers and responsibilities, direct or indirect, for the planning, management, control of Rai's and subsidiaries' activities, including Directors.

In compliance with IAS 24 "*Related party disclosures*", paragraph 26, Rai is exempted from the disclosure requirements under paragraph 18 (according to which the Company must indicate the type of relationship with the related party, in addition to providing information on said transactions and on the existing balances, including the commitments necessary for the users of the financial statements to comprehend the potential effects of this relationship on the consolidated financial statements) in the case of relations with another entity that is a related party because the same government entity has control over both the entity drawing up the financial statements and another entity.

5 Use of estimates

Application of the IFRS for drawing up the Consolidated Financial Statements entails making accounting estimates that are often based on complex and/or subjective assessments and on past experience and assumptions considered reasonable and realistic in connection with the information known at the time of the estimate. The use of these estimates reflects on the book value of the assets and liabilities and on the disclosure concerning the contingent assets and liabilities as at the date of the Financial Statements, and on the amount of the revenues and costs in the accounting period represented. The actual results might differ from those estimated because of the uncertainty characterising the assumptions and conditions on which the estimates are based. The estimates and assumptions are periodically reviewed and the effects of every change are reflected in the consolidated income statement.

For better understanding of the Consolidated Financial Statements, the most significant estimates of the process of drafting the Consolidated Financial Statements because they involve making considerable recourse to subjective opinions, assumptions and estimates related to themes uncertain owing to their nature are provided below . The changes in the conditions at the root of adopted opinions and assumptions might have a large impact on the subsequent results.

Write-downs

Assets are written down when events or circumstances arising after their initial recognition lead one to believe that this value is not recoverable. To decide whether to depreciate or assess the item, the value in use is calculated based on reasonable and demonstrable assumptions representing the best estimate of future economic conditions that will occur in the residual useful life of the asset, giving importance to the information coming from the outside.

The decision of whether to proceed with its write-down and quantification depends on assessments made on the basis of reasonable and demonstrable assumptions representing the best estimate of the future economic conditions that will take place in the residual useful life of the asset while giving importance to the information coming from the outside. The write-down is calculated comparing the registration value with the relative recoverable value, represented by the highest between fair value, net of disposal expenses, and the value in use. The latter is determined by the use of the asset net the disposal charges and quantified in light of the information available at the time of the estimate on the basis of subjective opinions on the trend of future variables (such as prices, costs, demand growth rates).

Recovery of deferred taxes

Deferred tax assets are recognised in the Consolidated Financial Statements, mainly connected with recognition of tax losses that can be used in subsequent tax periods and as deferred tax deductible income components, for an amount that is highly likely to be recovered in future years. The amount of the above mentioned deferred taxes is subordinate to the recoverability determined by attaining future taxable income which is sufficient to absorb the aforesaid tax losses or up to the total amount of the deferred tax liabilities. Management is required to give important opinions in order to determine the amount of the deferred taxes that can be recognised based on the time frame and the amount of the future taxable income. If in the future the individual Group companies should be unable to recover all or part of the deferred taxes recorded in the financial statements, the relevant adjustment will be charged to the consolidated income statement.

Employee benefits

Some Group employees are registered with plans that disburse benefits after termination of employment (such as the provisions for employee severance pay and the supplementary pension funds specified in Note 15.3 "Employee benefits"). Quantification of the costs and liabilities associated with these plans is based on estimates made by actuaries, who use a combination of statistical-actuarial factors, including statistical data relating to past years and forecasts of future costs. Mortality and withdrawal rates, assumptions on the future evolution of discount rates, remuneration growth rates, inflation rates and the analysis of the trending index of healthcare costs are also considered as estimate components. What normally occurs is that when the balance of these liabilities is periodically measured, there are differences arising from, among other things, changes in the actuarial assumptions use, the difference between actuarial assumptions previously adopted and those that actually took place, and the different return on assets servicing the plan compared to what was considered in the net interest calculation. The impacts of the new measurements are recognised in the consolidated statement of comprehensive income for the defined-benefit plans and in the consolidated income statement for the defined-contribution plans.

Litigation

The Group may be respondent in several disputes concerning administrative, civil, tax and labour law matters. The nature of these disputes makes the final outcome of the matters objectively unforeseeable. Therefore, provisions were created to cover all significant liabilities for cases where it is felt that an unfavourable result is probable and it was possible to process a reasonable estimate of expenses resulting from any loss.

Dismantling and restoration of sites

The Group recognised liabilities regarding the obligations to dismantle property, plant and equipment and to restore several areas under operating lease agreements at the end of the period they are used in. Estimating future dismantling and restoration costs is a complex process and requires common sense and judgement in assessing liabilities to sustain many years later, and they are often not fully defined by laws, regulations or contractual clauses. The critical nature of the estimates of dismantling and restoration charges also arises (i) from posting these charges whose current value is initially recorded to increase the right of use to which they refer and as a balancing entry in the provisions for risks; and (ii) from the complexity and subjectivity of the valuation process to perform upon initial recognition and to update at least once a year in order to determine the discount rate to use.

Measuring the fair value of financial instruments

The fair value of listed financial instruments is calculated observing prices identifiable directly on the market, whereas for non-listed ones specific measurement techniques are applied that use the greatest number possible of observable market inputs. In the circumstances in which this is not possible, management estimates the inputs while taking into account characteristics of the instruments being measured. Changes in assumptions made to estimate input data could have effects on the fair value recognised for those instruments in the financial statements.

Accounting standards approved by the European Union but still not obligatorily applicable

6

Recently issued accounting standards

- Regulation 2021/1080 issued by the European Commission on 28 June 2021 endorsed the documents *"Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets and the 2018-2020 Annual Improvement Cycle"*. The documents contain changes limited to three standards as well as annual improvements and clarify the wording or correct oversights or conflicts between the requirements of the standards. The amendments to IFRS 3 *"Business Combinations"* update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments to IAS 16 "*Property, Plant and Equipment*" prohibit a company from deducting from the cost of property, plant and

equipment income from the sale of items produced while the company is preparing the asset for its intended use. Income from sales and related costs shall be charged to the income statement. The amendments to IAS 37 "*Provisions, Contingent Liabilities and Contingent Assets*" specify which costs should be included in measuring whether a contract is a loss. The annual improvements make minor amendments to IFRS 1 "*First-time Adoption of International Financial Reporting Standards*", IFRS 9 "*Financial Instruments*", IAS 41 "*Agriculture*" and the illustrative examples in IFRS 16 "*Leases*".
All the amendments are effective starting from the years beginning on or after 1 January 2022.

- Regulation no. 2021/2036 issued by the European Commission on 19 November 2021 approved the IFRS 17 *Insurance Contracts*' published by IASB on 18 May 2017 and following amendments published on 25 June 2020. The principle provides a full approach for the accounting of insurance contracts and applies to the issued insurance contracts, and reassurance contracts issued or held, and investment contracts with discretionary participation features issued.
  The provisions of IFRS 17 are effective starting from years beginning on or after 1 January 2023.
  The Group assessed that above changes will have no significant impacts on the Consolidated Financial Statements.

Accounting principles not yet approved by the European Union

- On 23 January 2020 and 15 July 2020, respectively, the IASB issued *"Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current"* and the document *"Classification of Liabilities as Current or Non-current - Deferral of Effective Date"* to clarify the requirements for classifying liabilities as current or non-current. More specifically:
  - the amendments specify that the conditions existing at the end of the reporting period are those that must be used to determine whether there is a right to defer the settlement of a liability;
  - management's expectations regarding events after the reporting period, for example in the event of a breach of a covenant or in the event of early settlement, are not material;
  - the amendments clarify situations that are considered as the payment of a liability.

  Due to the Covid-19 pandemic, the IASB proposed to defer the effective date of the document to 1 January 2023, to give companies more time to implement any classification changes resulting from the amendments.
- On 12 February 2021, the IASB issued the document "*Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies".* The objective of the amendments is to provide guidance and examples to assist entities in applying a judgement of materiality in disclosing accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to disclosures about accounting policies.
  The amendments are effective for reporting periods beginning on or after 1 January 2023.
- On 12 February 2021, the IASB issued the document *Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*". The amendments clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates, relevant because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally also applied retrospectively to past transactions and other past events.
  The amendments are effective starting from reporting periods beginning on or after 1 January 2023.
- On 7 May 2021, the IASB issued document "*Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction".* The document addresses the uncertainty in practice about applying the exemption in paragraphs 15 and 24 of IAS 12 to transactions that give rise to both an asset and a liability on initial recognition and may result in temporary tax differences of the same amount. Under the proposed amendments, the exemption from initial recognition in IAS 12 would not apply to transactions that, when these occur, give rise to equal and offsetting amounts of taxable and deductible temporary differences.
  The amendments are effective starting from reporting periods beginning on or after 1 January 2023.
- On 9 December 2021 IASB issued the document 'Amendments to IFRS 17 *Insurance contracts*: *Initial Application of IFRS 17 and IFRS 9 – Comparative Information".* The narrow scope amendments address an important issue relating to accounting mismatches between insurance contract liabilities and financial assets arising from comparative information presented with the initial application of IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments.
  The amendments are effective starting from reporting periods beginning on or after 1 January 2023.

At present, the Group is analysing the principles specified and is assessing whether their adoption will have a significant impact on its consolidated financial statements.

7 Information by operating segment

IFRS 8 "*Operating Segments*" identifies the Operating Segment as a component of an entity: (i) that carries out activities able to generate flows of revenue and autonomous costs; (ii) whose operational results are periodically reviewed at the highest operational decision-making level, which for the Group coincides with the Parent Company's Board of Directors, with the purpose of taking decisions on allocation of the resources and assessing their results; and (iii) for which separate economic-financial information is prepared. The Group has identified only one operating segment and the management information, prepared and periodically made available to the Parent Company's Board of Directors for the purposes referred to above, considers the activity carried out by the Group as an indistinct set; as a result, no information by operating segment is presented in the Consolidated Financial Statements. The information on the services carried out by the Group, the geographical area (which for the Group nearly corresponds entirely to the territory of the Italian State) where it carries out its activity and its major users are provided in the pertinent Notes to these Consolidated Financial Statements to which the reader is therefore referred.

8 Financial risk management

The financial risks to which the Group is exposed are managed according to the approach and the procedures defined within a specific policy issued by the Parent Company and also applied to subsidiaries, except for Rai Way which, following listing, adopted its own policy; moreover the same as the Rai one. Those documents establish procedures, limits and tools for the monitoring and minimisation of financial risk to preserve the corporate value of the Group and of entities belonging to it.

The main risks identified by the Group are:
- market risk arising from exposure to fluctuations of interest rates and exchange rates connected with the financial assets and liabilities respectively owned/originated and assumed;
- credit risk arising from the possibility that one or more counterparties might be insolvent;
- liquidity risk arising from the Group's inability to obtain the financial resources needed to meet short-term financial commitments.

8.1 Market risk

Market risk consists of the possibility that changes in the interest and exchange rates might negatively influence the value of the assets, liabilities or expected cash flows.

When managing market risk, the Group uses the following derivative instruments:
- Interest rate swap to hedge exposure to interest rate risk;
- Forward currency purchase options to hedge exposure to the exchange risk.

Details of derivatives outstanding as at the reporting date, compared with the situation at 31 December 2020, are shown in the table below, valued at fair value;

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Non-current financial assets		
Rate Options	0.1	-
	0.1	**-**
Current financial assets		
Options on currencies	0.2	-
	0.2	**-**
Non-current financial liabilities		
Options on currencies	-	0.1
	-	**0.1**
Current financial liabilities		
Options on currencies	-	0.2
	-	**0.2**

Based on the policies adopted, derivatives may be used solely to hedge financial flows; use for speculative purposes is not permitted.

Further information on recognition of derivatives in financial statements and on measurement of the relative fair value are provided in Note 4 “Measurement criteria - Liabilities - Financial derivatives”, in Note 5 “Use of estimates - Measurement of the fair value of financial instruments” and Note 10 “Measurement of fair value”.

As regards exchange rate derivatives, the change to the spot forward purchase component (or the spot exchange rate between the date of purchase and 31.12) and the overall fair value of exchange rate options are suspended, at the financial statement date, in the cash flow hedge reserve until recognition of the right or asset being hedged. The component linked to the time of forward purchase is registered in the income statement during the hedging duration.

For interest rate hedging transactions, the change in fair value is suspended in the cash flow hedge reserve and attributed to the income statement in the years in which the coupon or interest flow related to the hedged item occurs.

The following table illustrates movements of the cash flow hedge provisions separately by financial instrument category:

(€/million)	Cash flow hedge reserve		
	Options on currencies	Interest rate swaps	Total Cash flow hedge reserve
Year ended 31 December 2020	**(0.1)**	**(12.4)**	**(12.5)**
Change in fair value (**)	0.2	-	0.2
Reclassification to the value of the acquired right (not in OCI)	0.1	-	0.1
Reclassification from OCI to financial expense	-	3.2	3.2
Deferred taxes	(0.1)	-	(0.1)
Year ended 31 December 2021	**0.1**	**(9.2)**	**(9.1)**

(*) Includes the time value recognised as at 31 December 2021 for a non-significant value in millions of Euro.
(**) Intrinsic value for options on currencies and the spot component for forward purchases.

Control of effectiveness

The effectiveness of hedging is decided when hedging starts and is re-examined periodically to check the economic ratio between the element hedged and the hedging instrument.

Effectiveness is formally proven with qualitative criteria related to the important terms (nominal amount, expiry, underlying, currency and reference rate) of the hedged element, aligned with the hedging instrument. Given the above, the hedging instrument's value evolves in the opposite direction to the element hedged and there is a clear economic ratio between the two.

The possible sources of ineffectiveness are identified in the following elements:
- significant changes in the amount and timing of payment of contracts hedged against exchange or interest rates;
- significant changes in the credit risk of counterparts (rating).

The ratio between quantity of element hedged and the relative instrument designated to hedge it (hedge ratio) is always 1:1.

Interest rate risk

Interest rate risk originates from the possible increase in net financial expenses as a result of unfavourable changes in market rates on the variable rate financial positions. In order to limit this risk, corporate policies require that the medium/long-term variable rate loans be converted to fixed rate for at least 50% by using derivative products, such as interest rate swaps and options on rates.

As at 31 December 2021, the medium/long-term borrowings of the Parent Company are all at fixed rates; therefore, the effects of the changes in rates fall only on the short-term positions of a varying duration and sign during the year.

In October 2020, the associate Rai Way concluded a new loan contract for a total of €170 million (€50 million for the Revolving Line and €120 million for the Term Line) with a 3-year duration, at a floating rate, the latter exploited for €69 million as of 31 December 2021. On 29 December 2021, Rai Way ratified an Interest Rate Cap contract to cover the risk of increase in the Euribor rates over 0.0% applying to a notional amount of €34.5 million and expiring on 27 October 2023.

A summary of the financial effects resulting from the said contract as of 31 December 2021 is reported below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
	Rate Option	Rate Option
Book value	0.1	-
Notional amount in €	34.5	-
Maturity of transactions	Oct-23	-
Hedge ratio	1:1	-
Change in fair value of the hedging instrument	-	-
Change in value of the hedged item	-	-
Cap Rate on Euribor (6 months)	0.0%	-

Sensitivity analysis

The sensitivity analysis was carried out on the unhedged and floating rate financial positions (excluding lease liabilities arising from the application of IFRS16), outstanding at 31 December, considering a shift in the curve of +/- 50 b.p.

(€/million)	Interest rate change	Change in economic result before tax effect
Year ended 31 December 2021	**+50 b.p.**	**(0.8)**
	-50	**0.8**
Year ended 31 December 2020	**+50**	**(1.1)**
	-50 b.p.	**1.1**

Exchange rate risk

The Group's exchange risk mainly consists of exposure in USD originating from the purchase of film and TV rights by Rai Cinema SpA (hereinafter "Rai Cinema"). During 2021, these commitments generated payments for about USD 94 million (USD 95 million in 2020). Further exposure currencies, with split disbursements and of a modest amount all in all, are to the Swiss Franc and British Sterling totalling approximately €8 million.

As at 31 December 2021 hedging transactions were only active for Rai Cinema.

Exchange rate risk is managed starting from the date the trade commitment is signed, which may also be long-term, and has as an objective protecting the value in Euro of the commitments, as estimated at the time of the order (or budget). The current policy regulates the management of exchange rate risk in keeping with international best practices, the aim being to minimise risk, pursued through the active monitoring of exposure and the adoption of hedging strategies. The mandates for carrying out hedging transactions are given hierarchically and progressively, with a minimum intervention percentage of 50% of the contractual amount in foreign currency.

The breakdown of the assets and liabilities in currency other than the Euro is provided below:

(€/million)	Year ended 31 December 2021		Year ended 31 December 2020	
	USD	Other foreign currencies	USD	Other foreign currencies
Trade receivables	3.6	1.0	4.8	1.2
Trade payables	(5.5)	(2.2)	(9.4)	(2.0)
Cash on hand	1.4	0.1	5.0	0.2
Other non-current assets	-	0.1	-	0.1
Other current receivables and assets	0.1	-	0.1	-
Non-current lease liabilities	-	(0.2)	(0.2)	(0.5)
Current lease liabilities	(0.2)	(0.3)	(0.2)	(0.2)
Other current payables and liabilities	(0.7)	-	-	-

(*) Amount hedged by derivatives and foreign currency deposits for a nominal value of USD 1.6 million as at 31 December 2021 and USD 1.4 million as at 31 December 2020.

Here below is a table summing up the financial effects of hedging instruments in place as at 31 December 2021, for invoices, assessments or binding commitments of Rai Cinema:

(€/million)	Year ended 31 December 2021		Year ended 31 December 2020	
	Options on currencies	Forward purchases of currencies	Options on currencies	Forward purchases of currencies
Book value	0.2	-	(0.3)	-
Notional amount in USD	9.7	10.9	6.0	-
Maturity of transactions	Mar. 22-Oct. 22	Mar. 22-Jun. 22	Mar. 21-Oct. 22	-
Hedge ratio	1:1	1:1	1:1	-
Change in fair value of the hedging instrument (*)	0.2	-	(0.2)	-
Change in value of the hedged item	(0.2)	-	0.2	-
Average weighted exchange rate for the year	1.15	1.14	1.16	-

(*) Intrinsic value for options on currencies and the spot component for forward purchases.

Sensitivity analysis

As explained above, exposure to the exchange rate risk is significant only for the EUR/USD exchange rate. Therefore, a sensitivity analysis as at 31 December 2021 and as at 31 December 2020 was conducted on credit and debt positions in currency, non-hedged credit and debt positions, on derivatives hedging commitments for contracts already signed and on available cash in foreign currency. A symmetrical change of 10% of the exchange rate compared to the value present as at the reporting date, all other conditions being equal, was simulated. The effects on the economic result, found in the following table, are determined by the net positions not hedged by the exchange risk; whereas the cash flow hedge reserve includes the effective portion of hedging on commitments already undertaken but with no impact on equity in the Consolidated Financial Statements, and is only referred to the subsidiary Rai Cinema.

(€/million)	EUR/USD exchange rate	Change EUR/USD exchange rate	Recalculated EUR/USD exchange rate	Change in economic result before tax effect	Change Cash flow hedge reserve
Year ended 31 December 2021	**1.1326**	**-10%**	**1.0193**	**-0.3**	**1.8**
		+10%	**1.2459**	**0.3**	**-1.4**
Year ended 31 December 2020	**1.2271**	**-10%**	**1.1044**	**-0.2**	**0.4**
		+10%	**1.3498**	**0.1**	**-0.4**

8.2 Credit risk

The theoretical exposure to the credit risk for the Group mainly refers to the book value of the financial assets and trade receivables recognised in the Consolidated Financial Statements.

As for the counterparty risk, trade partner assessment procedures are adopted for managing trade receivables. The analysis is conducted periodically on the situation of the past due items and may lead to the dunning of the parties affected by solvency problems. The lists of the past due items analysed are arranged by amount and customer, updated to the analysis date and show those situations demanding greater attention.

The corporate functions of the single companies in charge of debt collection start with polite reminders with the counterparties that are debtors of amounts relating to past-due items. If these activities do not result in collection of the sums, the functions start in agreement with the respective legal functions (warning letter, injunction, etc.) actions to collect the credit after sending formal dunning letters to debtors. The allocations to the provisions for write-downs are made specifically on the credit positions having peculiar risk elements.

Finally, the Group measures the expected losses on trade receivables considering their entire duration based on a weighted estimate of the probabilities that those losses could occur. To this end, the Group uses historical experience, suitably integrated with forecasts on the expected evolution of circumstances. if the conditions exist, losses are measured as the current value of all differences between the cash flows due contractually and cash flows the Group expects to receive discounted at the effective interest rate of the financial asset.

The analysis of the receivables by due date (before provisions for write-downs) is provided below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Invoices to be issued	**102.3**	**156.1**
Falling due	189.8	186.9
Expired from 0 to 90 days	77.6	75.7
Expired from 91 to 180 days	9.9	6.4
Expired over 180 days	44.2	46.2
Invoices issued	**321.5**	**315.2**
Total trade receivables	**423.8**	**471.3**

Credit risk on uses of funds is limited since corporate policy requires the use of low risk financial instruments and with counterparties having high ratings for the periods of cash surplus. Only time or demand deposits with bank counterparties having investment grade rating were used during 2021.

8.3 Liquidity risk

On the strength of a central treasury contract, with the sole exception of the subsidiary Rai Way, Rai manages the Group financial resources through a cash-pooling system that involves daily transfer of the bank balances of the associates to the current accounts of the Parent, which grants the inter company credit facilities needed for the operations of these companies.

Following the early repayment of the financing issued in December 2021 by the EIB to finance the implementation of terrestrial digital television for remaining €5 million and made in March 2021 by the Parent Company, the Group long-term financial structure as of 31 December mainly consists of:

- a €300 million 5-year bond issued in December 2019 (for further details, see Note 15.1 "Non-current financial liabilities and current portions of non-current financial liabilities");
- Rai Way 3-year €170 million syndicated loan signed in October 2020, divided into a term credit line, of a maximum of €120 million, and a revolving credit line of €50 million, usable in multiple tranches. At the reporting date the loan was used only for €69 million from the term credit line.

In consideration of the significant fluctuation of the infra-annual indebtedness connected with the periodic settlement of the licence fees by the Ministry of Economy and Finance, the Parent Company has uncommitted bank credit facilities for about €420 million and revolving line with a pool of banks totalling €320 million maturing in December 2023.

The new Rai revolving line, €70 million of which used as at 31 December 2021, requires that the following Consolidated Balance Sheet parameters/ratios be met:

- net financial debt (adjusted for receivables from the State for licence fees, financial items relating to Rai Way and liabilities resulting from application of IFRS 16 for operating leases)/Net equity ≤2.

This ratio was fully met as at the reporting date, posted at 1.30.

The financial covenant provided for by Rai Way's loan contract, based on the financial statements of the subsidiary (ratio between Net Financial Position and EBITDA <= 3.75) is largely met.

The cash situation is constantly monitored with a financial forecasting process that highlights any financial critical issues considerably in advance so that expedient measures can be taken.

The following table includes the analysis by due date of the financial liabilities as at 31 December 2021 and 31 December 2020. The balances presented are non-discounted contractual amounts, except for the currency derivatives, for which the amounts shown are at their fair value since this is indicative of the effect on the cash flows during the specific period.

The various expiry periods are determined based on the period between the financial statements reference date and when the bonds expire.

(€/million)	Year ended 31 December 2021				Year ended 31 December 2020			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Trade payables and other liabilities:								
Trade payables	686.1	-	-	**686.1**	653.0	-	-	**653.0**
Other payables and liabilities	405.0	0.9	0.7	**406.6**	416.3	1.0	0.9	**418.2**
Medium/long-term financial liabilities:								
Medium/long-term loans	0.6	69.5	-	**70.1**	5.2	15.1	-	**20.3**
Bonds	4.1	308.3	-	**312.4**	4.1	312.4	-	**316.5**
Short-term financial liabilities:								
Due to banks	196.7	-	-	**196.7**	227.1	-	-	**227.1**
Other current financial liabilities	0.1	-	-	**0.1**	0.1	-	-	**0.1**
Derivative instruments:								
Currency derivatives	-	-	-	**-**	0.2	0.1	-	**0.3**

With regard to lease liabilities, the breakdown of the value recorded in the balance sheet by maturity date is shown in Note 15.2 "Lease liabilities".

9 Management of capital risk

The Group capital management objectives are inspired by preservation of the ability to continue guaranteeing optimum capital strength, including through the ongoing improvement of operational and financial efficiency. The Group pursues the objective of retaining an adequate level of capitalisation that allows it to realise a profit and to access external sources of funding. The Group constantly monitors the evolution of the indebtedness level related to Shareholders' Equity. Specifically, the ratio between equity and the total of comprehensive liabilities including Shareholders' Equity is seen in the following table:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Shareholders' equity	343.2	371.7
Total shareholders' equity and liabilities	2,742.0	2,750.7
	12.5%	*13.5%*

The net consolidated financial position of the Group for the periods under review is shown in Note 21.2 "Consolidated net financial position".

10 Fair value measurement

The financial instruments at fair value recorded in the financial statements are made up of hedging derivatives measured with a financial model that uses the most popular and accepted market formulas (net current value for forward currency purchasing transactions and application of the Black&Scholes formula for the options), in addition to the following input data given by the provider Reuters: ECB spot exchange rates, Euribor and IRS rate curves, volatility and credit spreads of the various bank counterparties and, for Rai, of the securities issued by the Italian Government. The fair value of the derivative instruments represents the net position between assets and liabilities.

The values of the financial instruments classified based on a hierarchy of levels reflecting the significance of the inputs used for calculation (IFRS 13 "*Fair value measurement*") are provided below:

- Level 1: listed price (active market) - the data used in the measurements are represented by prices listed on markets in which assets and liabilities identical to those being measured are traded;
- Level 2: use of parameters observable on the market (e.g. for the derivatives, the exchange rates recorded

by the Bank of Italy, market rate curves, volatility provided by Reuters, credit spreads calculated on the basis of the credit default swaps, etc.) different from the Level 1 listed prices. 1;

- Level 3: use of parameters not observable on the market (internal assumptions, for example, cash flows, spreads adjusted for risk, etc.)

All the instruments present as at 31 December 2021 and 31 December 2020 have been valued according to the Level 2 methodology.

(€/million)	Year ended 31 December 2021		
	Level 1	Level 2	Level 3
Derivatives on exchange rates	-	0.2	-
Derivatives on exchange rates	-	0.1	-

(€/million)	Year ended 31 December 2020		
	Level 1	Level 2	Level 3
Derivatives on exchange rates	-	(0.3)	-

For more information on the derivative instruments (assets and liabilities), please refer to Notes no. 13.3 "Current financial assets" and 16.2 "Current financial liabilities".

11 Reconciliation between the classes of financial assets

To complete disclosure on financial risks, the reconciliation between classes of financial assets and liabilities and types of financial assets and liabilities identified based on IFRS 7 requirements is provided below:

(€/million)	Year ended 31 December 2021				
	Assets and liabilities at amortised cost	Financial assets and liabilities at fair value with balancing entry in the income statement	Financial assets and liabilities measured at fair value with balancing entry in other comprehensive income	Total financial assets and liabilities	Notes (***)
Assets					
Trade receivables (*)	375.4	-	-	375.4	12.8 - 13.2
Current financial assets	6.5	-	0.2	6.7	13.3
Cash and cash equivalents	59.8	-	-	59.8	13.6
Non-current financial assets	2.9	0.1	-	3.0	12.6
Equity investments in other companies (**)	-	1.0	-	1.0	12.5
Total financial assets	**444.6**	**1.1**	**0.2**	**445.9**	
Liabilities					
Trade payables	(686.1)	-	-	(686.1)	16.1
Current financial liabilities	(196.9)	-	-	(196.9)	16.2
Current lease liabilities	(24.1)	-	-	(24.1)	15.2
Non-current financial liabilities	(368.3)	-	-	(368.3)	15.1
Non-current lease liabilities	(50.3)	-	-	(50.3)	15.2
Total financial liabilities	**(1,325.7)**	**-**	**-**	**(1,325.7)**	

(€/million)	Year ended 31 December 2020				
	Assets and liabilities at amortised cost	Financial assets liabilities at fair value with balancing entry in the income statement	Financial assets and liabilities measured at fair value with balancing entry in other comprehensive income	Total financial assets and liabilities	Notes (***)
Assets					
Trade receivables (*)	422.3	-	-	422.3	12.8 - 13.2
Current financial assets	8.0	-	-	8.0	13.3
Cash and cash equivalents	15.5	-	-	15.5	13.6
Non-current financial assets	0.8	-	-	0.8	12.6
Equity investments in other companies (**)	-	1.0	-	1.0	12.5
Total financial assets	**446.6**	**1.0**	**-**	**447.6**	
Liabilities					
Trade payables	(653.0)	-	-	(653.0)	16.1
Current financial liabilities	(232.4)	(0.1)	(0.1)	(232.6)	16.2
Current lease liabilities	(23.0)	-	-	(23.0)	15.2
Non-current financial liabilities	(314.2)	-	(0.1)	(314.3)	15.1
Non-current lease liabilities	(60.0)	-	-	(60.0)	15.2
Total financial liabilities	**(1,282.6)**	**(0.1)**	**(0.2)**	**(1,282.9)**	

(*) The item includes the value of the trade receivables allocated to other non-current assets.
(**) When the investments are not listed on a regulated market, where information available to measure fair value is not sufficient, it is felt that the cost represents an adequate estimate.
(***) The figures provided below indicate the paragraphs within the Notes in which the assets and liabilities shown are described in detail.

12

Non-current assets

12.1 Property, plant and equipment

Property, plant and equipment, which amounted to €1,153.1 million (€1,103.2 million as at 31 December 2020), are broken down as follows:

(€/million)	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Cost	382.1	614.4	2,300.1	105.8	128.7	75.8	**3,606.9**
Accumulated depreciation	-	(297.8)	(2,009.9)	(94.5)	(101.5)	-	**(2,503.7)**
Balance as at 31.12.2020	**382.1**	**316.6**	**290.2**	**11.3**	**27.2**	**75.8**	**1,103.2**
Change in the year							
Increases and capitalisation	0.2	6.8	58.1	3.1	4.6	90.7	**163.5**
Disposals (1)	(3.2)	(0.1)	(0.1)	-	(0.1)	-	**(3.5)**
Reclassifications (2)	-	6.0	39.5	0.1	2.5	(48.1)	**-**
Amortisation and depreciation	-	(14.6)	(84.8)	(3.5)	(7.2)	-	**(110.1)**
Balance as at 31.12.2021	**379.1**	**314.7**	**302.9**	**11.0**	**27.0**	**118.4**	**1,153.1**
broken down as follows:							
Cost	*379.1*	*626.7*	*2,356.4*	*107.9*	*118.9*	*118.4*	***3,707.4***
Accumulated depreciation	-	*(312.0)*	*(2,053.5)*	*(96.9)*	*(91.9)*	-	***(2,554.3)***
Detail:							
(1) Of which:							
Cost	(3.2)	(0.5)	(41.5)	(0.8)	(16.9)	-	**(62.9)**
Accumulated depreciation	-	0.4	41.4	0.8	16.8	-	**59.4**
	(3.2)	**(0.1)**	**(0.1)**	**-**	**(0.1)**	**-**	**(3.5)**
(2) Reclassifications broken down as follows:							
Cost	-	6.0	39.7	(0.2)	2.5	(48.1)	**(0.1)**
Accumulated depreciation	-	-	(0.2)	0.3	-	-	**0.1**
	-	**6.0**	**39.5**	**0.1**	**2.5**	**(48.1)**	**-**

Investments for the year, which amounted to €163.5 million (€137.4 million in 2020), fall within the scope of the modernisation and technological development initiatives that the Group implemented.

The amount of the existing contractual commitments for the purchase of property, plant and equipment is specified in Note 18.2 "Commitments".

12.2 Real estate investments

Real estate investments amount to €2.5 million (€2.7 million as at 31 December 2020) and concern some property, owned by Rai Pubblicità SpA (hereinafter "Rai Pubblicità"), leased to third parties, for which rent is received totalling €1.7 million in the year ended 31 December 2021 (€1.7 million as at December 2020). Real estate investments break down as follows:

(€/million)	Buildings
Cost	7.2
Accumulated depreciation	(4.5)
Balance as at 31.12.2020	**2.7**
Change in the year	
Amortisation and depreciation	(0.2)
Balance as at 31.12.2021	**2.5**
broken down as follows:	
Cost	*7.2*
Accumulated depreciation	*(4.7)*

In 2021, no investments or disposals took place, the change in the period therefore refers to the entire depreciation charge.

Based on the latest estimates, the market value as at 31 December 2021 of the buildings entered under real estate investments ranges between €25.2 million and €30.6 million.

12.3 Lease right of use

Lease rights of use, which amounted to €73,0 thousand (€82,8 thousand as at 31 December 2020), are broken down as follows:

(€/million)	Land and Buildings	Other assets	Total
Cost	113.7	10.7	**124.4**
Accumulated depreciation	(36.1)	(5.5)	**(41.6)**
Balance as at 31.12.2020	**77.6**	**5.2**	**82.8**
Change in the year			
Increases	14.9	1.7	**16.6**
Reductions (1)	(1.5)	(0.2)	**(1.7)**
Amortisation and depreciation	(21.2)	(3.5)	**(24.7)**
Balance as at 31.12.2021	**69.8**	**3.2**	**73.0**
broken down as follows:			
Cost (2)	*122.6*	*9.8*	***132.4***
Accumulated depreciation (2)	*(52.8)*	*(6.6)*	***(59.4)***
Detail:			
(1) of which:			
Cost	(1.6)	(0.2)	**(1.8)**
Accumulated depreciation	0.1	-	**0.1**
	(1.5)	**(0.2)**	**(1.7)**
(2) Amounts net of totally amortised assets, amounting to:			
Cost	(4.4)	(2.4)	**(6.8)**
Accumulated depreciation	4.4	2.4	**6.8**
	-	**-**	**-**

Investments in the year, amounting to €16.6 million (€36.8 million in 2020), refer mainly to property rental contracts or contracts for the rental of transport vehicles that entered into effect during the period.

The value of costs for short-term leases and leases of low-value assets is reported in Note 17.3 "Costs for the purchase of consumables, costs for services and other costs".

Income from the subleasing of assets that led to the recognition of a right of use is reported for a non-significant amount in €/million under the item other revenue and income.

During the year, the Group did not benefit from any suspension of payments due in respect of leases granted as a direct consequence of the Covid-19 pandemic and falling within the scope of the amendment to IFRS 16 *"Covid-19-Related Rent Concessions after 30 June 2021"*.

12.4 Intangible assets

Intangible assets, which amounted to €899.6 million (€865.0 million as at 31 December 2020), are broken down as follows:

(€/million)	Programmes	Software	Goodwill	Other intangible assets	Assets under construction and payments on account	Total
Cost	1,370.8	40.4	5.1	3.5	317.1	**1,736.9**
Provisions for write-downs	(82.7)	-	-	(0.1)	(35.2)	**(118.0)**
Accumulated depreciation	(737.2)	(15.8)	-	(0.9)	-	**(753.9)**
Balance as at 31.12.2020	**550.9**	**24.6**	**5.1**	**2.5**	**281.9**	**865.0**
Change in the year						
Increases and capitalisation	276.0	7.7	0.7	-	193.4	**477.8**
Disposals (1)	-	-	-	-	(1.5)	**(1.5)**
Reclassifications (2)	162.3	4.1	-	-	(166.4)	**-**
Write-downs	(63.4)	-	-	-	(22.3)	**(85.7)**
Amortisation (3)	(341.7)	(14.1)	-	(0.2)	-	**(356.0)**
Balance as at 31.12.2021	**584.1**	**22.3**	**5.8**	**2.3**	**285.1**	**899.6**
broken down as follows (4):						
Cost	*1,382.9*	*43.1*	*5.8*	*3.5*	*338.9*	***1,774.2***
Provisions for write-downs	*(83.7)*	-	-	-	*(53.8)*	***(137.5)***
Accumulated depreciation	*(715.1)*	*(20.8)*	-	*(1.2)*	-	***(737.1)***
Detail:						
(1) of which:						
Cost	**-**	**-**		**-**	**(1.5)**	**(1.5)**
(2) Reclassifications broken down as follows:						
Cost	**162.3**	**4.1**	**-**	**-**	**(166.4)**	**-**
(3) Net of use of the provisions for write-downs for:						
Provisions for write-downs	62.4	-	-	0.1	-	**62.5**
Accumulated depreciation	(62.4)	-	-	(0.1)	-	**(62.5)**
	-	**-**	**-**	**-**	**-**	**-**
(4) Amounts net of assets amortised in full at year end and, for work in progress, net of assets eliminated, amounting to:						
Cost	(426.2)	(9.1)	-	-	(3.7)	**(439.0)**
Provisions for write-downs	-	-	-	-	3.7	**3.7**
Accumulated depreciation	426.2	9.1	-	-	-	**435.3**
	-	**-**	**-**	**-**	**-**	**-**

Investments, which amounted to €477.8 million (€391.9 million as at 2020) mainly refer to Dramas for €306.1 million and films for €116.6 million.

The amount of assets under development and payments on account refers to programmes for €263.3 million, software for €13.2 million, the acquisition of use rights for DVB-T2 frequency for €7.9 million, and other rights for €0.7 million.

The write-downs recognised during the year amounted to €85.7 million, and were performed in order to adjust the assets to their estimated recoverable value.

The amount of the existing contractual commitments for the purchase of intangible assets is specified in Note 18.2 "Commitments".

12.5 Equity investments

Equity investments, which amounted to €11.6 million (€7.0 million as at 31 December 2020), are broken down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Equity investments in non-consolidated subsidiaries	**-**	**0.5**
Joint ventures	9.1	4.3
Associates	1.5	1.2
Equity investments in associates and joint ventures	**10.6**	**5.5**
Equity investments in other companies	**1.0**	**1.0**
Total equity investments	**11.6**	**7.0**

Non-consolidated equity investments in subsidiaries were zeroed following the completion of the liquidation procedure on the Sogepotel Srl company owned by Rai Way. Please refer to Note 3 "Principles of Consolidation" for further details.

Here below are the movements of investments measured using the equity method:

(€/million)	Year ended 31 December 2020			Change in the year			Year ended 31 December 2021		
	Cost	Adjustment to shareholders' equity	Carrying amount	Acquisitions/ Transfers	Profit/(loss)	Decrease due to dividends	Cost	Adjustment to shareholders' equity	Carrying amount
Joint venture:									
San Marino RTV SpA	0.3	1.2	1.5	-	-	-	0.3	1.2	1.5
Tivù Srl	0.5	2.3	2.8	-	6.9	(2.1)	0.5	7.1	7.6
Associates									
Audiradio Srl in liquidation	1.4	(1.4)	-	-	-	-	-	-	-
Auditel Srl	-	1.1	1.1	-	0.3	-	-	1.4	1.4
Euronews SA	0.9	(0.9)	-	-	-	-	0.9	(0.9)	-
Player Editori Radio Srl	-	-	-	-	-	-	-	-	-
Tavolo Editori Radio Srl	-	0.1	0.1	-	-	-	-	0.1	0.1
Total equity investments in joint ventures and associates	**3.1**	**2.4**	**5.5**	**-**	**7.2**	**(2.1)**	**1.7**	**8.9**	**10.6**

Investments in joint ventures concern:

- **San Marino RTV SpA** (50% Rai): the company, incorporated in 1991 with joint shares of Rai and E.RA.S ("Ente di Radiodiffusione Sammarinese") pursuant to Law 99 of 9 April 1990 ratifying the radio and television collaboration agreement between the Italian Republic and the Republic of San Marino, has a share capital of €0.5 million, made up of 1,000 shares of a nominal value of €516.46 each. Related to the positive result achieved by the company in 2021, the investment was recalculated for a non-significant amount, to adjust it to the value of €1.5 million corresponding to the Rai share of the company's shareholders equity.
- **Tivù Srl** (48.16% Rai): the share capital of €1,002 thousand was subscribed by Rai and R.T.I. - Reti Televisive Italiane SpA - with equal shares of 48.16% and by other shareholders for the remaining part. In 2021, the distribution of an ordinary dividend of €3.3 million and an extraordinary dividend of €1.0 million was resolved. The total amount due to Rai, amounting to €2.1 million, was recorded as a reduction in the book value of the equity investment. In relation to the positive result recorded by the company in 2021, equal to €14.2 million, the equity investment was revalued for Rai's share in the amount of €6.9 million. The equity investment is, therefore, recognised at a value of €7.6 million, corresponding to Rai's share of the company's shareholders' net equity as at 31 December 2021.

Equity investments in associates concern:

- **Audiradio Srl in liquidation** (27% Rai): during 2021, the liquidation procedure of the company was completed without resulting in additional charges for the shareholders. On 10 January 2022, the company was removed from the Company Register. The shareholding was therefore reduced to zero.
- **Auditel Srl** (33% Rai): the share capital amounts to €0.3 million. The equity investment was recognised for the value of €1.4 million, corresponding to the percentage concerning Rai on the shareholders' equity of the company posted in the Financial Statements as at 31 December 2021. Following the profit attained by the company in 2021 which amounted to €0.7 million, the equity investment was revalued for the portion concerning Rai, which came to €0.3 million.
- **Euronews - Société Anonyme** (2.52% Rai): the share capital, €32,9 thousand, consists of 2,190,678 shares of the nominal value of €15.00 each. The gross value of the equity investment, amounting to €0.9 million, was fully written down based on the latest approved financial statements as at 31 December 2020, which showed a negative shareholders' equity of €13.7 million. Given the impossibility, for Rai, to provide the company additional financial support and the decision to be no longer part of the shareholders - expressed to the Euronews management during 2021, the equity deficit share referred to the 2020 financial statements, and equal to €0.3 million allocated to the provision for charges, was released.
- **Player Editori Radio Srl** (13.9% Rai): the share capital, €10 thousand, is divided between national radio publishers (70%, of which Rai 13.9%) and local ones (30%). Following the profit attained by the company in 2021, for a non-significant value in millions of Euro, a revaluation for the portion concerning Rai was recognised. The equity investment was recognised for a non-significant value in millions of Euro, which corresponds to Rai's portion of the company's shareholders' equity as at 31 December 2021.
- **Tavolo Editori Radio Srl** (13.9% Rai): the share capital, €0.2 million, is divided between national publishers (70%, of which Rai 13.9%) and local ones (30%). In relation to the positive result recorded by the company in 2021, equal to €0.3 million, a revaluation was recorded for Rai's share equal to a non-significant value in €/million. The equity investment was recognised at a value of €0.1 million, corresponding to Rai's share of the company's shareholders' equity at 31 December 2021.

Below are the changes in the investments in other companies:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Almaviva SpA	0.3	0.3
Istituto dell'Enciclopedia Italiana Treccani SpA	0.8	0.8
Others (1)	0.1	0.1
Gross value	**1.2**	**1.2**
Provisions for the write-down of equity investments in other companies	(0.2)	(0.2)
Total equity investments in other companies	**1.0**	**1.0**

(1) Banca di Credito Cooperativo di Roma Scpa, International Multimedia University Umbria Srl in liquidation and Immobiliare Editori Giornali Srl.

Equity investments in other companies concern:

- **Almaviva – The Italian Innovation Company SpA** (0.83% Rai): the book value of the equity investment, 0.3 million, remained unchanged compared to the previous year. The share capital, which is €154,9 million, is represented by 107,567,301 ordinary shares and by 47,331,764 special shares, both of the face value of €1.00 each. Over 2021, two distributions of dividends for accumulated reserves were resolved for a total amount of €20,4 million. The total amount - equal to €0.2 million - to be allocated to Rai, was calculated under the item financial income.
- **Istituto della Enciclopedia Italiana Treccani SpA** (0.83% Rai): the equity investment was recognised for a gross value of €0.8 million, written down for €0.1 million as a result of the losses incurred by the company in previous years. Share capital is now represented by 75,555,021 shares of a nominal value of €1.00 each.
- **Banca di Credito Cooperativo di Roma Scpa**(company with variable capital, with the percentage held by Rai insignificant): was recognised for a value of €1 thousand, i.e., the amount paid for the acquisition of 100 shares.
- **Immobiliare Editori Giornali Srl** (1.75% Rai Com): the equity investment, recognised in the financial statements of Rai Com SpA (hereinafter "Rai Com"), for an insignificant value in millions of Euro, comprised 23,815 shares against payment and 4,306 shares without a consideration for a total of 28,121 shares of a nominal value of €0.51 out of a total of 1,608,000 shares composing the share capital.
- **International Multimedia University Umbria Srl in bankruptcy proceedings** (1.533% Rai): the investment value was written down in full as it is no longer certain that the amounts paid can be recovered.

12.6 Non-current financial assets

Non-current financial assets, which amounted to €3.0 million (€0.8 million as at 31 December 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Financial receivables from personnel	0.1	-
Securities	2.5	-
Derivative financial instruments	0.1	-
Other non-current financial assets	0.3	0.8
Total non-current financial assets	**3.0**	**0.8**

The item 'securities' is equal to €2.5 million (nil value as at 31 December 2020), and it is entirely made up of Government bonds maturing in June 2027 securing the Service Agreement and the special services to be agreed with the Government.

The item derivative financial instruments, equal to €0.1 million (nil value as of 31 December 2020), includes the fair value related to the cap option purchased by Rai Way on 29 December 2021 to cover for the risk of increase in Euribor interest rates. For further details please refer to Note no. 8 'Financial Risk Management'.

Other non-current financial assets amounting to €0.3 million (€0.8 million as at 31 December 2020) refer to the deferrals of non-current shares of fees related to credit lines signed by Rai and Rai Way.

Expiration of the current and non-current financial assets is broken down as shown below:

(€/million)	Year ended 31 December 2021			
	< 1 year	1-5 years	> 5 years	Total
Financial receivables from personnel	-	0.1	-	**0.1**
Securities	-	2.5	-	**2.5**
Receivables from joint ventures and associates	1.4	-	-	**1.4**
Derivative financial instruments	0.2	0.1	-	**0.3**
Blocked bank deposits	4.6	-	-	**4.6**
Other financial assets	0.5	0.3	-	**0.8**
Total current and non-current financial assets	**6.7**	**3.0**	**-**	**9.7**

(€/million)	Year ended 31 December 2020			
	< 1 year	1-5 years	> 5 year	Total
Securities	2.3	-	-	**2.3**
Receivables from joint ventures and associates	0.8	-	-	**0.8**
Blocked bank deposits	4.2	-	-	**4.2**
Other financial assets	0.7	0.8	-	**1.5**
Total current and non-current financial assets	**8.0**	**0.8**	**-**	**8.8**

The short-term portion of the financial assets, which amounted to €6.7 million, is included in the current components described in Note 13.3 "Current financial assets".

Information on risks hedged and on hedging policies is disclosed in Note 8.1 "Market risk".

12.7 Deferred tax assets

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Deferred tax assets eligible for offset	122.7	121.9
Deferred tax liabilities eligible for offset	(150.7)	(153.7)
Net deferred tax liabilities	**(28.0)**	**(31.8)**

As at 31 December 2021, at 31 December 2020 the net balance of deferred tax assets and deferred tax liabilities shows a negative amount, so is posted in the liabilities of the consolidated statement of financial position. Please refer to Note 15.5 "Deferred tax liabilities" for the relevant analyses.

Income taxes are reported in Note 17.10 "Income tax".

12.8 Other non-current assets

Other non-current assets, which amounted to €13.8 million (€16.7 million as at 31 December 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Advances for sports events	6.9	7.2
Advances for trade initiatives	17.9	18.1
Non-current portion of trade receivables	5.8	4.4
Receivables from personnel	0.5	0.8
Amounts committed to cautionary deposit with third parties	2.3	2.3
Other non-current receivables	0.8	1.6
– Provisions for write-down of other non-current assets	(22.2)	(20.6)
Total other non-current assets	**12.0**	**13.8**

Other non-current receivables refer to the non-current portion of the substitute tax arising from tax relief for the merger deficit generated by the merger through incorporation of the company Sud Engineering into Rai Way occurred in 2017. The current portion equal to €0.1 million was recognised under the current income tax receivables as explained in Note 13.4. "Current income tax assets".

The remaining items above substantially relate to non-current portions of assets described in notes 13.2 "Trade receivables" and 13.5 "Other receivables and current assets", to which reference should be made.

The provisions for write-down of other non-current assets, which amounted to €22.2 million (€20.6 million as at 31 December 2020), is broken down below:

(€/million)	Year ended 31 December 2020	Provisions	Drawdowns	Reversals	Reclassifications (*)	Year ended 31 December 2021
Provisions for write-down of advances for trade initiatives	(14.3)	(2.3)	0.4	0.1	0.3	(15.8)
Provision for write-down of advances for sports events	(6.1)	(0.1)	-	-	-	(6.2)
Provisions for write-down of other non-current assets	(0.2)	-	-	-	-	(0.2)
Total provisions for writedown of other non-current assets	**(20.6)**	**(2.4)**	**0.4**	**0.1**	**0.3**	**(22.2)**

(*) Write-down provision for other receivables and current assets.

13

Current assets

13.1 Inventory

Inventory, net of its provisions for write-downs, amounted to €1.6 million (€1.7 million as at 31 December 2020), and is broken down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Technical materials	11.4	12.5
– Provisions for write-down of technical materials	(10.7)	(11.8)
Contract work in progress	0.2	0.2
Finished products and goods	0.7	0.8
Total inventory	**1.6**	**1.7**

The final inventory of technical materials, equal to €0.7 million net of the provision for write-down (€0.7 million as at 31 December 2020), refers to stock and spare parts for maintenance and the use of technical capital equipment similar to consumables since their utility is depleted over a period that usually is no longer than 12 months.

Contract work in progress, equal to €0.2 million (unvaried compared to 31 December 2020), refers to costs sustained to develop the Isoradio network, entered in the financial statements of the subsidiary Rai Way.

Final inventory of finished products and goods, equal to €0.7 million (€0.8 million as at 31 December 2020), mainly concern inventories related to magazines and books and home video distribution.

13.2 Trade receivables

Trade receivables, which amounted to €369.6 million (€417.9 million as at 31 December 2020), are broken down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Trade:		
Government and other public bodies for services under the agreement	66.7	71.3
Government for performance of service agreement obligations - Law 145/2018	-	38.5
Other receivables	356.6	361.2
– Provisions for write-downs of trade receivables	(54.2)	(53.4)
Joint ventures and associates	**0.5**	**0.3**
Total trade receivables	**369.6**	**417.9**

Receivables from joint ventures and associates refer to:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
San Marino RTV SpA	0.3	0.1
Tivù Srl	0.2	0.2
Total trade receivables from joint ventures and associates	**0.5**	**0.3**

The breakdown of trade receivables by geographical area shows the predominance of the domestic market.

The nominal value of receivables from the Government and other public bodies for services under agreement, equal to €66.7 million (€71.3 million as at 31 December 2020), refers to:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Prime Minister's Office:		
Operating grants to be paid to San Marino RTV	4.9	2.9
Radio, television and multimedia offer for abroad	6.7	6.7
Broadcasts from Trieste in Slovenian	11.9	11.5
Radio and TV broadcasts in French for the Valle d'Aosta Autonomous Region	2.1	2.1
Radio and television broadcasts in Sardinia for the Autonomous Region of Sardinia	1.0	0.3
Revenue Office:		
Management of ordinary TV licence fees	12.0	20.0
Regions and Provinces:		
Autonomous Province of Bolzano: broadcast of radio and TV programs in German and Ladin in the autonomous province of Bolzano	19.2	19.2
Autonomous Region of Valle d'Aosta: management of equipment for the TV reception of programmes from the French cultural area	8.9	8.6
Total receivables from the Government and other public bodies for services under the agreement	**66.7**	**71.3**

Receivables from related parties are specified in Note 18.4 "Transactions with Related Parties".

Trade receivables are shown net of the provisions for write-downs of €54.2 million (€49.0 million as at 31 December 2020), with movements itemised below:

(€/million)	Year ended 31 December 2020	Provisions	Drawdowns	Reversals	Year ended 31 December 2021
Provisions for write-downs of trade receivables	**(53.4)**	**(2.6)**	**1.3**	**0.5**	**(54.2)**

Receivables in foreign currency amount to €4.6 million (€6.0 million as at 31 December 2020) as indicated in Note 8.1 "Market risk".

13.3 Current financial assets

Current financial assets amounted to €6.7 million (€8.0 million at 31 December 2020). The breakdown of the item and the comparison with the previous year are shown below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Joint ventures and associates	1.4	0.8
Securities	-	2.3
Derivative financial instruments	0.2	-
Blocked bank deposits	4.6	4.2
Other current financial assets	0.5	0.7
Total current financial assets	**6.7**	**8.0**

Receivables from joint ventures and associates as at 31 December 2021 and 31 December 2020 refer to San Marino RTV.

The item Securities (equal to €2.3 million as at 31 December 2020) is reset at zero, as it recognises the government bonds securing the Service Agreement and other special services agreed with the Government.

Blocked bank deposits, which came to €4.6 million (€4.2 million as at 31 December 2020) refer to amounts seized on current accounts due to litigation in progress.

Derivative instruments recognised at fair value, are broken down below as regards their assets component, including the current and non-current portions:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Currency hedging derivatives	0.2	-
Total derivative financial instruments – current portion	**0.2**	**-**
Currency hedging derivatives	0.1	-
Total derivative financial instruments – non-current portion	**0.1**	**-**
Total derivative financial instruments	**0.3**	**-**

The fair value of derivative instruments was calculated considering valuation models largely used in the financial field and the market parameters as at the reporting date, as better specified in Note 10 "Fair value measurement".

The cash-flow hedge transactions on changes for €0.2 million (nil value as of 31 December 2020), are related to the hedging of contracts for the purchase of television and cinema rights by Rai Cinema in USD, as implemented by the Parent Company in execution of a mandate granted by the subsidiary. No non-current portions are recognised.

The recognition of the effects on the income statement and the realisation of the cash flows of the hedged contracts are expected in a timeframe ending in the fourth quarter of 2022.

None of the operations previously qualified as hedging has lost this requirement over 2021.

Information on risks hedged and on hedging policies is disclosed in Note 8.1 "Market risk".

13.4 Current income tax assets

Current income tax assets, which amounted to €2.1 million (€18.1 million as at 31 December 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
IRES refund requested	0.1	16.8
Withheld taxes	0.8	2.1
Total IRES	**0.9**	**18.9**
IRAP	**1.3**	**0.2**
Advance for substitute tax on goodwill	**0.1**	**0.1**
Provisions for write-downs of current income tax assets	**(0.2)**	**(1.1)**
Total current income tax assets	**2.1**	**18.1**

Current income tax assets are shown net of the provisions for write-downs of €0.2 million (€1.1 million as at 31 December 2020) related to withheld taxes on income risking recoverability.

(€/million)	Year ended 31 December 2020	Provisions	Reversals	Year ended 31 December 2021
Provisions for write-downs of current income tax assets	**(1.1)**	**-**	**0.9**	**(0.2)**

The IRAP receivable, amounting to €1.3 million (€0.2 million as at 31 December 2020) refers to the IRAP advances paid to tax authorities due in the period and in previous periods.

The advance on the substitute tax for goodwill refers to the recognition of the current portion of the substitute tax arising from tax relief for the merger deficit generated by the merger through incorporation of the company Sud Engineering into Rai Way in 2017. The non-current portion equal to €0.8 million was recognised under other non-current assets as explained in Note 12.8. "Other non-current assets".

The taxes are commented in Note 17.10 "Income taxes".

13.5 Other current receivables and assets

Other current receivables and assets, which totalled €147.4 million (€214.2 million as at 31 December 2020) break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Advances for sports events	99.7	123.9
Advances for trade initiatives	0.3	-
Advances to suppliers, collaborators and agents	9.7	23.0
Receivables from social security and welfare institutions	4.0	3.4
Other tax receivables	2.8	1.2
Receivables from personnel	8.6	8.9
Receivables from entities, companies, bodies and others	16.2	20.2
Receivables for subsidies and grants from the Government, EU and other public entities	0.3	0.4
Other receivables	10.6	37.6
– Provision for write-downs of other current receivables and assets	(4.8)	(4.4)
Total other current receivables and assets	**147.4**	**214.2**

Please note that:
- advances for sports events refer to sums paid for the acquisition of rights to future sports' events.
- the receivables from social security and welfare institutions refer to advances disbursed against contributions due for artistic collaborations and other reasons;
- receivables from personnel are mainly referred to receivables from labour disputes, to advances for travel expenses and for production expenses.

Other tax receivables break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
VAT refund requested	1.9	0.8
Other	0.9	0.4
Total other tax receivables	**2.8**	**1.2**

The provisions for write-down of other current receivables and assets, which amounted to €4.8 thousand (€4.4 thousand as at 31 December 2020), is broken down below:

(€/million)	Year ended 31 December 2020	Provisions	Drawdowns	Reversals	Reclassifications (2)	Year ended 31 December 2021
Provision for write-downs of other current receivables and assets	**(4.4)**	**(0.2)**	**0.1**	**-**	**(0.3)**	**(4.8)**

(*) From provisions for write-downs other non-current assets.

Considering the short period of time elapsing between when the receivable arises and its due date, it is estimated that there are no significant differences between the book value of the trade receivables, other receivables and current financial assets and their respective fair values.

13.6 Cash and cash equivalents

Cash and cash equivalents, which amounted to €59.8 million (€15.5 million as at 31 December 2020), are broken down into the following items:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Bank and postal deposits	59.5	15.2
Cash and securities in hand	0.3	0.3
Total cash and cash equivalents	**59.8**	**15.5**

Bank and postal deposits amounted to €59.5 million (€15.2 million as at 31 December 2020) and represent the money at-call or short-term liquid assets resulting from deposit or current accounts with banks, financial institutions and with the postal administration.

Cash and equivalents amounted to €0.3 million (unvaried as at 31 December 2020) and include the liquidity represented by cash in the company's coffers as at 31 December 2021.

The Company's liquid assets are shown in the following table by currency as at 31 December 2021 and as at 31 December 2020:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Cash on hand in Euro	58.4	10.3
Cash on hand in USD	1.3	5.0
Cash on hand in other currencies	0.1	0.2
Total cash and cash equivalents	**59.8**	**15.5**

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Shareholders' equity

Reported below is the breakdown of shareholders' equity, attributable to the Group and minority interests:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Share capital	**242.5**	**242.5**
Legal reserve	**12.0**	**12.0**
IFRS first-time adoption reserve	(139.0)	(118.3)
Translation difference reserve	0.6	0.9
Cash flow hedge reserve	(9.1)	(12.5)
Reserve for stock option plan	0.2	-
Other reserves	251.0	252.4
Total other reserves	**103.7**	**122.5**
Actuarial reserves for employee benefits	(46.3)	(36.6)
Retained earnings (losses)	(3.3)	(3.3)
Profit (Loss) for the year	(22.6)	(22.0)
Total retained earnings (losses carried forward)	**(72.2)**	**(61.9)**
Total Group shareholders' equity	**286.0**	**315.1**
Third-party capital and reserves	34.9	34.7
Third-party retained earnings (losses)	22.3	21.9
Total shareholders' equity attributable to minority interests	**57.2**	**56.6**
Total shareholders' equity	**343.2**	**371.7**

Third-party equity interests

The profit/(loss) for the year and the shareholders' equity of third party equity interest refer to the subsidiary Rai Way, with Rai holding a 64.971% share.

Share capital

As at 31 December 2021, the share capital consisted of 242,518,100 ordinary shares with a unit par value of €1.00. The share capital, fully subscribed and paid up, is held by:

- the Ministry of Economy and Finance (MEF) for a total of 241,447,000 shares, equal to 99.5583%; and
- Società Italiana Autori Editori (SIAE) for a total of 1,071,100 shares, equal to 0.4417% of the share capital.

Legal reserve

The legal reserve amounted to €12,0 million.

Other reserves and retained earnings (losses) carried forward

The other reserves, for €103.7 million (€122.5 million as at 31 December 2020) and losses carried forward, for €72.2 million (€61.9 million as at 31 December 2020) are broken down as shown below.

The reserve for stock plan consists of reserves allocated to the long-term incentive plan for the free transfer of Rai Way ordinary shares to the executives of the company awarded by reaching specific performance objectives.

15

Non-current liabilities

15.1 Non-current financial liabilities and current portions of non-current financial liabilities

Non-current financial liabilities, including current portions, total €368.4 million (€319.5 million as at 31 December 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021			Year ended 31 December 2020		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds	299.3	-	**299.3**	299.1	-	**299.1**
M/L-term payables to banks	69.0	0.1	**69.1**	15.1	5.1	**20.2**
Derivative financial instruments	-	-	**-**	0.1	-	**0.1**
M/L-term payables to other lenders	-	-	**-**	-	0.1	**0.1**
Total non-current financial liabilities and current portions of current financial liabilities	**368.3**	**0.1**	**368.4**	**314.3**	**5.2**	**319.5**

Non-current financial liabilities, including current shares, record an increase of €48.9 million compared to 31 December 2020, mainly due to Rai Way's exploitation of additional €54 million from the Term banking liquidity line; an opposite trend is recorded by the anticipated repayment of the EIB amortising loan for €5 million granted to Rai to develop a digital terrestrial television infrastructure.

Medium-long term payables therefore were mainly composed as at 31 December 2021 of:

- Rai bond issue with a notional amount of €300 million maturing in December 2024;
- subsidised loan - of insignificant amount - granted to Rai in January 2020, following participation in a public tender issued by the then Ministry of Education, University and Research - MIUR to develop an industrial research, development and training project called "La Città Educante";
- €69 million credit line exploited and granted to Rai Way by a bank syndicate;
- medium-long term credit lines granted to Rai Way by Mediocredito Centrale and Cassa Depositi e Prestiti for a total amount of €0.1 million.

The *senior unsecured* bond of nominal €300 million issued by Rai in December 2019 and listed on Euronext Dublin, is fully subscribed to by national and international institutional investors, has a nominal rate of 1.375%, maturity in December 2024 and contains the usual covenants for issues with investment grade rating, including:

- a negative pledge prohibiting the granting of guarantees on other bond issues by the Issuer or its "significant subsidiaries", unless the same guarantees are extended to existing bondholders;
- A cross-default provisions, whereby in the event of default on debt totalling more than €50 million by the Issuer or its "significant subsidiaries", bondholders may declare default on the bond;
- a change of control clause permitting bondholders to exercise a put option at par if the Ministry of the Economy and Finance ceases to hold the majority of voting rights exercisable at ordinary and extraordinary shareholders' meetings of Rai.

On 15 June 2021, Moody's published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with negative outlook.

Derivative financial instruments, inscribed to the fair value, under liabilities, and including current and non-current share, are not relevant in terms of amount in €/million (€0.3 million as of 31 December 2020), and are reported below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Currency hedging derivatives	-	0.2
Total derivative financial instruments – current portion	**-**	**0.2**
Currency hedging derivatives	-	0.1
Total derivative financial instruments – non-current portion	**-**	**0.1**
Total derivative financial instruments	**-**	**0.3**

Information on risks hedged and on hedging policies is disclosed in Note 8.1 "Market risk".

The final due date of financial liabilities held (current and non-current) is shown in the following table:

(€/million)	Year ended 31 December 2021			
	< 1 year	1-5 years	> 5 years	Total
Bonds	-	299.3	-	299.3
M/L-term payables to banks	0.1	69.0	-	69.1
Short-term payables to banks	196.7	-	-	196.7
Other financial liabilities	0.1	-	-	0.1
Total current and non-current financial assets	**196.9**	**368.3**	**-**	**565.2**

(€/million)	Year ended 31 December 2020			
	< 1 year	1-5 years	< 5 year	Total
Bonds	-	299.1	-	299.1
M/L-term payables to banks	5.1	15.1	-	20.2
Short-term payables to banks	227.1	-	-	227.1
M/L-term payables to other lenders	0.1	-	-	0.1
Derivative financial instruments	0.2	0.1	-	0.3
Other financial liabilities	0.1	-	-	0.1
Total current and non-current financial assets	**232.6**	**314.3**	**-**	**546.9**

In compliance with accounting standards, the fair value of significant financial liabilities not recorded in the financial statements according to this criterion was measured, using the following parameters:

- bond issued by the Company in 2019, maturing in December 2024: the fair value as at 31 December 2021, amounting to 102.4538, was measured at the market price, including accrued interest;
- Rai Way loan: the fair value estimate of the portion used at 31 December 2022 is expected to be close to the nominal value.

(€/million)	Year ended 31 December 2021		Year ended 31 December 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Rai - €300 million Bond issue - maturity 04.12.2024	299.3	307.4	299.1	309.7
EIB loan to Rai	-	-	5.0	5.1
Rai Way - Syndicated loan	69.0	69.0	15.0	15.0

15.2 Lease liabilities

Non-current financial liabilities, including current portions, total €74.4 million (€83.0 million as at 31 December 2020) fully refer to operating leases and are analysed as follows:

(€/million)	Year ended 31 December 2021			Year ended 31 December 2020		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Liabilities for operating lease contracts	50.3	24.1	**74.4**	60.0	23.0	**83.0**
Total lease liabilities	**50.3**	**24.1**	**74.4**	**60.0**	**23.0**	**83.0**

The value of current lease liabilities is represented solely by the current portion of non-current lease liabilities, as short-term asset leases are recognised in the income statement under the item costs for the purchase of consumables, costs for services and other costs.

The value of cash outflows from leases in the year was €23,3 million, plus interest of €1.1 million.

Interest expense accrued on lease liabilities is detailed in Note 17.8 "Financial income and expenses," to which reference should be made.

The due dates lease liabilities (current and non-current) are shown below:

(€/million)	Year ended 31 December 2021				Year ended 31 December 2020			
	< 1 year	1-5 years	> 5 years	Total	< 1 year	1-5 years	> 5 years	Total
Liabilities for operating lease contracts	24.1	41.6	8.7	**74.4**	23.0	51.9	8.1	**83.0**
Total lease liabilities	**24.1**	**41.6**	**8.7**	**74.4**	**23.0**	**51.9**	**8.1**	**83.0**

15.3 Employee benefits

Employee benefits totalled €368.9 million (€398.4 million as at 31 December 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Provisions for employee severance pay	189.4	205.0
Provisions for supplementary pension benefits	102.3	109.8
Provisions in lieu of the former fixed indemnity for journalists	62.8	68.8
Health insurance fund for Rai senior managers (FASDIR)	13.5	13.8
Seniority bonuses	0.6	0.6
Others	0.3	0.4
Total employee benefits	**368.9**	**398.4**

The provisions for employee severance pay, governed by Article 2120 of the Italian Civil Code, shows the liability, as estimated using actuarial techniques, for benefits payable to employees upon the termination of their employment. The termination benefit is calculated on the basis of the remuneration paid for service under the employment contract, revalued until the time of termination. As a result of legislative changes introduced starting from 1 January 2007, the accruing employee severance pay is allocated, according to the choice made by each employee, to pension funds or to the treasury fund established at INPS. This implies that the liability related to the employee severance pay accrued before 1 January 2007 continues to represent a defined benefit plan to be measured according to actuarial techniques, while a portion of the accruing severance pay is classified as a defined contribution plan since the Company's obligation ends with the payment of contributions to the pension fund or to INPS.

The provisions for supplementary pension benefits shows the estimated liability held by the Group for supplementary pension benefits payable to former employees who, upon termination of employment, opted for the supplementary pension scheme envisaged under trade union agreements previously in place. More specifically, former employees and their family members are entitled to supplementary pension benefits with respect to those paid through the mandatory general pension scheme. Those supplementary pensions are in turn paid directly by the funds, delegated management of the supplementary pensions of Rai personnel since 1989, C.RAI.P.I. (Supplementary Pension Scheme of Rai employees, hereinafter "Craipi") for former middle managers, office staff and workers, and F.I.P.D.RAI (supplementary pension provisions of Rai managers, hereinafter "Fipdrai") for former senior managers. In brief, the main terms and conditions of the supplementary pension benefits are: : (i) supplementary pension benefits may be paid as a survivor's pension, at the applicable rates for claimants provided by laws in force governing mandatory pension schemes; (ii) supplementary pension benefits will be subject to variations on the basis of changes in the beneficiary's family, applied at the same rates applicable to pension benefits paid under the mandatory general pension scheme; (iii) supplementary pension benefits paid will not be reduced in the event of increases in the pension benefits paid under the mandatory general pension scheme; (iv) the amount of the benefits due to beneficiaries will be revalued annually on the basis of INPS coefficients.

The provisions replacing the former fixed indemnity for journalists includes the estimate of the sum to be paid to employee journalists who, as at 31 December 2018 have at least 15 years seniority for severance indemnity purposes, when the working relationship ceases for: (i) dismissal for having reached pension requirement levels; (ii) resignation after at least 15 years in the Company; (iii) termination through death of the journalist when survivors have the right to a pension. That sum, calculated in compliance with the R.A.L. in force at the time of termination, with a maximum level of €85 thousand absorbs, for all purposes, indemnity in lieu of notice. The provisions also includes the estimate of the sum to be paid as at 31 December 2018 to journalists with severance indemnity in the company of between 10 and 15 years, when the working relationship is terminated for resignation, excluding resignation pursuant to articles 8, 22, 24 and 32 of CNLG, for having reached age limits and for demise. That sum, unlike the former, will be paid in addition to the indemnity in lieu of notice established by law.

The health insurance fund for Rai senior managers ("Fasdir") was established in 1980 to provide supplementary health insurance to all Group senior managers in service, retired senior managers and the survivors of former senior managers, as entitled and registered with Fasdir as members, as well as their family members. FASDIR is funded by annual membership fees charged to members and by contributions paid by the Company (annual per capita contribution for each senior manager in service and a supplementary annual contribution covering all retired senior managers). Historically, the annual supplementary contribution paid in to FASDIR by Rai for retired senior managers was used by the fund to cover the deficit that formed each year. However, given that there is no legal duty, but only a constructive obligation, for Rai to cover any future deficits in the fund, and that the Parent Company does not have access to all the information, owned by the fund, necessary to measure, using actuarial techniques, the potential liability towards FASDIR, it was decided to estimate the liability considering the average annual contributions paid in by the Group to the fund, multiplied by the average residual life of the retired senior managers at the valuation date, which as at 31 December 2021 was found to be 12 years.

Seniority bonuses, established by Rai Pubblicità, are benefits paid in money on reaching a period of service in the Company. Those bonuses are included in the long term benefits plan.

Provisions for employee benefits measured using actuarial techniques break down as follows:

(€/million)	Year ended 31 December 2021					Year ended 31 December 2020				
	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits
Present value of the liability at the start of the year	**205.0**	**109.8**	**68.8**	**13.8**	**1.0**	**218.2**	**120.3**	**68.7**	**13.8**	**1.0**
Current cost of defined benefit plans	-	-	-	-	0.1	-	-	-	-	0.1
Current cost of defined contribution plans	44.4	-	-	0.7	-	44.4	-	-	1.0	-
Interest expense	0.3	0.3	0.1	0.1	-	1.3	0.8	0.4	0.1	-
Revaluations:										
– Actuarial gains/(losses) resulting from changes in financial assumptions	2.7	2.6	(0.5)	-	-	1.8	1.2	2.8	-	-
– Actuarial gains/(losses) from past experience	6.2	(0.8)	(0.2)	-	-	(2.1)	(2.4)	(0.1)	-	-
Cost of past benefits and (gains)/losses on settlement	-	-	(2.0)	-	-	-	-	(0.2)	-	-
Benefits paid	(24.8)	(9.6)	(3.4)	(1.1)	(0.2)	(14.2)	(10.1)	(2.8)	(1.1)	(0.1)
Transfers to external funds for defined contribution plans	(44.5)	-	-	-	-	(44.5)	-	-	-	-
Other movements	0.1	-	-	-	-	0.1	-	-	-	-
Present value of the liability at the end of the year	**189.4**	**102.3**	**62.8**	**13.5**	**0.9**	**205.0**	**109.8**	**68.8**	**13.8**	**1.0**

Costs for employee benefits, as measured using actuarial assumptions and recognised in the consolidated income statement, break down as follows:

(€/million)	Year ended 31 December 2021					Year ended 31 December 2020				
	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits
Current cost of defined benefit plans	-	-	-	-	(0.1)	-	-	-	-	(0.1)
Current cost of defined contribution plans	(44.4)	-	-	(0.7)	-	(44.4)	-	-	(1.0)	-
Cost of past benefits and (gains)/losses on settlement	-	-	2.0	-	-	-	-	0.2	-	-
Interest expense	(0.3)	(0.3)	(0.1)	(0.1)	-	(1.3)	(0.8)	(0.4)	(0.1)	-
Total	**(44.7)**	**(0.3)**	**1.9**	**(0.8)**	**(0.1)**	**(45.7)**	**(0.8)**	**(0.2)**	**(1.1)**	**(0.1)**

Costs for defined benefit plans recognised in other comprehensive income break down as follows:

(€/million)	Year ended 31 December 2021					Year ended 31 December 2020				
	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Other benefits
Revaluations:										
– Actuarial gains/(losses) resulting from changes in financial assumptions	(2.7)	(2.6)	0.5	-	-	(1.8)	(1.2)	(2.8)	-	-
– Actuarial gains/(losses) from past experience	(6.2)	0.8	0.2	-	-	2.1	2.4	0.1	-	-
Total	**(8.9)**	**(1.8)**	**0.7**	**-**	**-**	**0.3**	**1.2**	**(2.7)**	**-**	**-**

The main actuarial assumptions adopted are reported below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Financial assumptions:		
Average discount rate (1)	0.47% to 0.82%	0.07% to 0.35%
Inflation rate	1.75%	0.80%
Expected rate of growth in remuneration/benefits (2)	1.40% to 2.81%	0.64% to 2.30%
Demographic assumptions		
Maximum retirement age:	As per law	As per law
Mortality tables:		
– Provisions for employee severance pay	SI 2016 revised	SI 2016 revised
– Provisions for supplementary pension benefits	AS62	AS62
– Provisions in lieu of the former fixed indemnity for journalists	SI 2016 revised	SI 2016 revised
Disability tables:		
– Provisions for employee severance pay	INPS tables by age and gender	INPS tables by age and gender
– Provisions for supplementary pension benefits	-	-
– Provisions in lieu of the former fixed indemnity for journalists	-	-
Average annual employee leaving rate:	5.80% to 9.20%	4.75% to 8.80%
Annual probability of advance requests:	1.50%	1.50%

(1) Measured as the weighted average of the Eur Composite AA December 2021 interest rate curve for 31 December 2021 and Eur Composite AA 2020 for 31 December 2020.
(2) Including inflation.

The effects of a reasonably possible change in the discount rate at the end of the year closed as at 31 December 2021 and as at 31 December 2020 are shown below:

(€/million)	Sensitivity	Year ended 31 December 2021				Year ended 31 December 2020			
		Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists	FASDIR
Discount rate	+0.50%	185.3	98.2	61.4	-	200.5	105.3	66.0	-
	-0.50%	193.6	106.7	64.1	-	207.7	114.6	71.5	-

Expected future payments under defined benefit plans for employees are as follows:

(€/million)	Employee severance pay	Supplementary pension	Provisions in lieu of the former fixed indemnity for journalists
Expected payments as at 31.12.2022	27.7	9.1	7.2
Expected payments as at 31.12.2023	17.5	8.7	5.0
Expected payments as at 31.12.2024	14.7	8.3	5.7
Expected payments as at 31.12.2025	15.1	7.8	6.0
Expected payments as at 31.12.2026	13.4	7.3	4.8
Payments planned from 01.01.2027 and subsequent years	109.6	68.2	34.6

15.4 Provisions for non-current risks and charges

Provisions for non-current risks and charges, which amounted to €239,1 million (€217,6 million as at 31 December 2020), are broken down as follows:

(€/million)	Year ended 31 December 2020	Provisions	Drawdowns	Reversals	Conversion differences	Other movements	Year ended 31 December 2021
Provisions for legal disputes	65.2	9.8	(6.9)	(0.4)	0.6	-	68.3
Provisions for accrued remuneration costs	40.5	24.1	(17.2)	(3.5)	-	-	43.9
Provisions for building renovation and refurbishment	24.0	1.0	(1.0)	-	-	-	24.0
Provisions for dismantling and restoration costs	14.9	0.2	-	(0.1)	-	-	15.0
Provision for user rights to digital television frequencies contributions	10.2	10.2	-	-	-	-	20.4
ISC and ICM provisions Agents	2.5	0.3	(0.1)	(0.1)	-	-	2.6
Provisions for default interest payment risks	0.6	-	-	-	-	-	0.6
Provisions for licence fee refunds	0.3	-	(0.1)	-	-	-	0.2
Provisions for disputes over leases	0.8	-	(0.7)	-	-	-	0.1
Provisions for write-downs of surplus investments	0.3	-	-	(0.3)	-	-	-
Other provisions	58.3	14.2	(6.7)	(1.9)	-	0.1	64.0
Total provisions for risks and charges	**217.6**	**59.8**	**(32.7)**	**(6.3)**	**0.6**	**0.1**	**239.1**

Provisions for legal disputes, totalling €68.3 million, show the prudential and forecast estimate of charges for pending lawsuits in which the Group is involved in various ways. Specifically, the figure includes (amounts inclusive of legal costs) provisions for civil, administrative and criminal litigation for €35.1 million, and €33.2 million in provisions for labour law disputes.

Provisions for accrued remuneration costs, totalling €43.9 million, include the overall costs estimated in relation to employment contracts in place.

Provisions for building renovation and refurbishment, totalling €24.0 million, include the estimated costs expected to be incurred primarily in relation to the removal of structures containing asbestos present in buildings owned. The constructive obligation to proceed with the refurbishment and renovation of the buildings is connected with Parent Company's expression of intent to perform such work, as expressed on several occasions in negotiations with trade unions.

Provisions for dismantling and restoration costs, totalling €150 million, include the estimated costs for the dismantling and removal of installations and modifications and the restoration of premises rented by the Company under operating leases which require the lessee to restore the rented premises to their original condition at the end of the lease (where the lease will not be renewed).

The provision for user rights to digital television frequencies contributions, amounting to €20.4 million, is set aside pending the issue of the decree that will determine the amount to be paid for the years 2020 and 2021.

ISC (supplementary customer indemnities) and ICM (meritocratic customer indemnities) provisions for agents, totalling €2.6 million, refer to amounts payable to agents upon termination of agency agreements for reasons not attributable to the agent. The provisions are based on estimates that take into consideration the historic data of the Company and growth in the customer portfolio or in business volumes with customers already in portfolio.

The provisions for write-down of the surplus investment refers almost all to the Group's capital deficit recognised in the financial statements of Euronews as at 31 December 2020, has been totally absorbed as illustrated in Note 12.5 "Investments", to be referred to.

Other provisions comprise numerous provisions, set aside to cover specific liabilities related to existing situations whose existence is certain, whose amount or date of occurrence is uncertain, or whose occurrence is contingent on future events whose occurrence is considered probable.

15.5 Deferred tax liabilities

Deferred tax liabilities of €28.0 million are shown net of deferred tax assets eligible for offset amounting to €122.7 million. The net balance as at 31 December 2020 recorded deferred tax liabilities of €31.8 million.

The nature of the temporary differences that gave rise to deferred tax liabilities and the deferred tax assets eligible for offset is reported in the table below:

(€/million)	Year ended 31 December 2020	Changes			Year ended 31 December 2021
		Income statement	Other comprehensive income	Balance sheet	
Statutory/tax differences on property, plant and equipment	(151.4)	3.2	-	-	(148.2)
Other equity investments	(1.7)	(0.1)	-	-	(1.8)
Deferred taxes on consolidation adjustments	(0.4)	(0.2)	-	-	(0.6)
Other	(0.2)	0.1	-	-	(0.1)
Deferred tax liabilities	**(153.7)**	**3.0**	**-**	-	**(150.7)**
Negative taxable income	115.2	25.7	-	(25.6)	115.3
Write-downs of programmes	0.9	(0.1)	-	-	0.8
Statutory/tax difference on programmes	0.1	-	-	-	0.1
Employee benefits	0.5	-	0.1	-	0.6
Estimate of provisions recovered	3.5	0.8	-	-	4.3
Deferred taxes on consolidation adjustments	1.2	(0.1)	-	-	1.1
Currency and interest-rate derivatives	0.1	-	(0.1)	-	-
Other	0.4	-	-	0.1	0.5
Deferred tax assets eligible for offset	**121.9**	**26.3**	**-**	**(25.5)**	**122.7**
Net deferred tax liabilities	**(31.8)**	**29.3**	**-**	**(25.5)**	**(28.0)**

Deferred tax assets were recognised when their future recoverability was considered reasonably certain.

Changes in other comprehensive income essentially consisted of tax assets recognised under shareholders' equity and referred to the tax effect on the redetermining of cash flow hedging instruments recognised under hedge accounting rules and employees benefits.

Deferred tax assets on tax losses carried forward totalled €115.3 million: It is probable that they will be used to offset the taxable earnings of Group companies that participate in the tax consolidation arrangement and the deferred tax liability carried through to the consolidated income statement.

15.6 Other non-current payables and liabilities

Other non-current payables and liabilities, relating to items denominated in Euros, amounted to €1.6 million (€1.9 million as at 31 December 2020), referred entirely to deferred income related to the contribution recognised as an economic measure of a compensatory nature for the release of radio links in the 3.6-3.8 GHz bands. Please refer to note no. 16.1 "Trade payables and other current payables and liabilities" for further information regarding this contribution.

Payables to related parties are reported in Note 18.4 "Transactions with related parties".

16

Current liabilities

16.1 Trade payables and other current payables and liabilities

Trade payables and other current payables and liabilities amounted to a total €1,091.1 million (€1,069.3 million as at 31 December 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Trade payables to suppliers	679.9	649.3
Trade payables to joint ventures and associates	6.2	3.7
Total trade payables	**686.1**	**653.0**
Payables to personnel	184.5	182.5
Payables to social security and welfare institutions	63.0	79.6
Other tax payables	41.8	44.9
Other payables for assessments	4.5	4.9
Advances:		
– Ordinary licence fees	87.8	87.2
– Other advances	8.9	6.7
Deferrals:		
– Advertising	2.6	2.1
– Licence fees	5.1	0.6
– Grants for the switch-over to digital terrestrial	-	0.6
Grants for release of radio links	0.3	0.3
– Other deferrals	0.7	0.9
Accruals	0.4	0.3
Other payables	5.4	5.7
Total other current payables and liabilities	**405.0**	**416.3**
Total trade payables and other current payables and liabilities	**1,091.1**	**1,069.3**

Trade payables to joint ventures and associates refer to:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Auditel Srl	0.5	0.4
San Marino RTV SpA	4.9	2.9
Tivù Srl	0.8	0.4
Total trade receivables from joint ventures and associates	**6.2**	**3.7**

Payables to personnel totalled €184.5 million (€182.5 million as at 31 December 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Untaken paid annual leave	57.6	63.9
Untaken time in lieu	45.5	47.5
Salary assessment	50.3	51.7
Redundancy incentives	30.1	17.8
Others	1.0	1.6
Total payables to personnel	**184.5**	**182.5**

Payables to social security and welfare institutions totalled €63.0 million (€79.6 million as at 31 December 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Payables to supplementary pension funds for personnel	9.1	25.9
Payables to INPGI	13.9	13.9
Payables to INPS	27.4	27.8
Payables to CASAGIT	1.5	1.5
Contributions on assessed salaries	10.2	9.6
Other payables	0.9	0.9
Total payables to social security and welfare institutions	**63.0**	**79.6**

Other tax payables show taxes payable to the Inland Revenue other than current income tax. The item breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Group VAT	3.1	7.8
Suspended VAT	1.0	1.0
Withholding tax on salaries and wages for employees and contractors, substitution tax and other withholdings	37.0	35.5
Other	0.7	0.6
Total other tax payables	**41.8**	**44.9**

Deferrals include the grant for the release of radio links, recognised for €0.3 million, related to the economic compensation measure granted to Rai in 2020, pursuant to the MISE-MEF interministerial decree of 4 September 2019, for the investment expenses made by the subsidiary Rai Way, remunerated under the service agreement, for the release of radio links in the 3.6-3.8 GHz bands. The grant was recognised in profit or loss of each financial year in relation to the portion of amortisation that would have been recorded if the investment had been made by Rai, taking as reference the amortisation plan provided by Rai Way.

Total payables due in currencies other than the euro are reported in Note 8.1 “Market risk”.

Payables to related parties are reported in Note 18.4 “Transactions with related parties”.

16.2 Current financial liabilities

Current financial liabilities totalled €196.9 million (€232.6 million as at 31 December 2020). The breakdown is shown in the table below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
M/L-term payables to banks (current portion)	0.1	5.1
M/L-term payables due to other lenders (current portion)	-	0.1
Short-term payables to banks	196.7	227.1
Derivative financial instruments	-	0.2
Other current financial liabilities	0.1	0.1
Total current financial liabilities	**196.9**	**232.6**

Short-term payables to banks amounted to €196.7 million (227,1 as at 31 December 2020) and consisted of €70.0 million for the drawdowns of the revolving line and the remainder of uncommitted bank loans.

The current portion of non-current financial liabilities and derivative instruments is reported in the table above and explained in Note 15.1 "Non-current financial liabilities and current portions of non-current financial liabilities".

16.3 Current income tax liabilities

Current income tax liabilities, which amounted to €30.5 million (€30.0 million as at 31 December 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
IRES	29.6	29.1
IRAP	0.9	0.9
Total current income tax receivables	**30.5**	**30.0**

As concerns amounts payable to the Inland Revenue for IRES, totalling €29.6 million (€29.1 million as at 31 December 2020), the Group companies opted for Group taxation, thus transferring to the Parent Company, as the consolidating party, obligations related to settling and paying IRES for companies included in tax consolidation. Procedures for consolidating Group taxable income are governed by a specific agreement between the Parent Company and its subsidiaries, as described in Note 18.4 "Transactions with related parties".

Income taxes are reported in Note 17.10 "Income tax".

17.1 Revenue from sales and services

The main items are analysed below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
TV licence fees	1,819.8	1,726.1
Advertising	681.9	577.9
Other revenue	163.4	194.9
Total revenue from sales and services	**2,665.1**	**2,498.9**

The breakdown of revenue by geographical area shows that most revenue is from the domestic market.

TV licence fees

Licence fees, amounting to €1,819.8 million (€1,726.1 million in 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Licence fees for the year – household licences	1,714.3	1,636.7
Licence fees for the year – special licences	80.2	61.1
Licence fees collected by enforcement order	11.7	15.4
Licence fees for prior years – household licences	13.6	13.2
Licence fee refunds	-	(0.3)
Total TV licence fees	**1,819.8**	**1,726.1**

In determining the amount of the licence fees for the period for private users, the information and data made available with reference to the current collection methods were used, taking into account the provisions of Law no. 178 of 30 December 2020 "State Budget estimates for the financial year 2021 and multi-year budget for the three-year period 2021-2023" published in the Official Gazette no. 322 of 30 December 2020.

This law repealed the 5% reduction in the amounts to be paid to RAI to cover the cost of providing the Public Service, and the so-called "extra revenue", to be paid to RAI in the amount of 67% for 2016 and 50% for the years from 2017 to 2020, determined by any additional revenue with respect to the amount provided for in the State Budget for 2016.

It also provided that the revenue from the radio and TV licence fee, as from 1 January 2021, should be used for the following purposes:

- €110 million per year to the Fund for pluralism and innovation in information set up in the budget of the Ministry of Economy and Finance;
- for the remainder, to RAI, without prejudice to the amounts of licence fee revenue already allocated by current legislation for specific purposes.

The current collection methods were introduced by Law 208 of 28 December 2015 (the "2016 Stability Law"), which provided, in Article 1 (152 et seq.), for TV licence fees for household licences to be charged, as of 1 January 2016, directly in power bills issued by electricity companies, under a separately detailed item.

That law introduced, in an effort to overcome evasion, the mechanism by which if a household has a utility account for power supply to a registered home address, then it can be presumed that the household is in possession of a television set. That presumption of the possession of a television set may only be overturned by a statutory declaration made in accordance with the Consolidation Law as per Presidential Decree 445 of 28 December 2000. False statements are punishable by law and may entail criminal liability.

Law No. 145 of 30 December 2018 confirmed the amount of €90 due for the Rai licence fee for private use on a permanent basis.

In the calculation of the amount of the fees for the period for special utilities, consideration was given to the amount, equal to EUR 43.0 million, recognised to the Company under Legislative Decree 'Sostegni' Legislative Decree no. 41 of 22 March 2021, converted with amendments by Law no. 69 of 21 May 2021 to cover the charge resulting from the full payment exemption for the year 2021 of the special radio and television subscription license fee for accommodation facilities and the supply and consumption of beverages in public premises or premises open to the public, including similar activities carried out by third sector entities.

In relation to the amounts reported above:
- TV licence fees collected by enforcement order refer to licence fees, levied under an enforcement order addressed to households with overdue payments;
- licence fees for prior years – household licences related to 2020 fees which became known in the year 2021, as they were paid to the State during the year and determined in relation to the procedures in force in the previous period (extra revenue).

The separate annual accounts, designed to ensure proportionality between the costs incurred by Rai for the performance of the Public Service activities entrusted to it and the resources from licence fees and certified by an auditor chosen on the basis of a public procedure supervised by the Regulatory Authority, show a lack of public funding for the period 2005-2019 amounting to approximately €2.5 billion.

Advertising

Revenue from advertising amounted to €681.9 million (€577.9 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Television advertising on general-interest channels:		
– *commercial*	*352.1*	*316.4*
– *promotions , sponsorships and special initiatives*	*206.9*	*153.0*
– *product placement e branded content*	*10.0*	*7.8*
Television advertising on specialist channels	63.3	56.9
Radio advertising	23.6	23.8
Cinema advertising	1.3	1.2
Web advertising	26.5	19.2
Other advertising	0.9	2.1
Share due to third parties	(3.1)	(2.8)
Contingencies	0.4	0.3
Total advertising	**681.9**	**577.9**

Other revenue

Other revenue from sales and services amounted to €163.4 million (€194.9 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Special services under agreement	45.2	44.3
Fulfilment of service contract obligations and digital programming development - Law 145/2018	-	38.5
Sale of music rights and editions	63.4	55.3
Film and home video distribution	6.3	14.4
Distribution and sale of channels	13.3	12.8
Sale of patents and trademarks	1.7	0.8
Fees for hosting plant and equipment	28.7	29.6
Sundry services, mainly for institutional purposes	14.3	7.5
Signal diffusion services, rental of circuits, radio links and connections	2.5	2.9
Revenue from sales	1.1	1.4
Production services	0.5	-
Interactive telephone	-	0.1
Other	0.8	1.9
Share due to third parties	(19.2)	(22.4)
Contingencies	4.8	7.8
Total other revenue	**163.4**	**194.9**

17.2 Other revenue and income

Other revenue and income amounted to €22.6 million (€9.8 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Operating grants	10.1	5.4
Income from real estate investments and rentals	1.9	1.9
Compensation for damages	0.2	0.7
Gains on disposals	5.0	-
NCI grants related to income	(0.8)	(0.9)
Contingencies	1.3	0.5
Other	4.9	2.2
Total other revenue and income	**22.6**	**9.8**

17.3 Costs for the purchase of consumables, costs for services and other costs

Costs for the purchase of consumables, costs for services and other costs totalled €1,0444.8 million (€864.8 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Costs for the purchase of consumables	11.9	12.3
Costs for services	982.9	800.1
Other costs	50.0	52.4
Total costs for the purchase of consumables, services and other costs	**1,044.8**	**864.8**

Costs for the purchase of consumables, equal to €1219 million (€12.3 million in 2020), referred to purchases of various production materials for €3.4 million (€3.3 million in 2020), technical inventories for €0.4 million (€0.4 million in 2020) and other materials for €8.1 million (€8.6 million in 2020).

The breakdown of costs for services is shown in the table below. The item totalled €982.9 million (€800.1 million in 2020), net of discounts and rebates obtained. These include, inter alia, fees, allowances and reimbursements paid by the Parent Company to the Directors for €0.9 million and to the Statutory Auditors for €0.2 million. It should also be noted that a member of the Board of Directors of the Parent Company held, at the same time, a similar position in a joint venture, receiving a negligible remuneration in millions of Euro.

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Freelance services	115.5	116.0
Services for programme acquisition and production	205.7	188.2
Daily allowances, travel expenses and accessory costs for personnel	25.6	19.3
Maintenance, repairs, transport and similar	44.2	40.0
IT system documentation and assistance services	58.5	56.8
Other outsourced services (telephone, supply services, cleaning, postal, insurance etc.)	147.4	132.5
Leases and rentals	50.8	50.2
Recording rights	249.5	114.5
Rights of use	107.0	102.7
Contingencies	(13.1)	(14.6)
Cost recoveries and expense refunds	(8.2)	(5.5)
Total costs for services	**982.9**	**800.1**

Pursuant to article 2427, no. 16 *bis* of the Italian Civil Code, fees for the year ended 31 December 2021 for services provided by the external auditors totalled €0.4 million and break down as follows:

- for annual auditing of accounts: €0.3 million;
- for other audit services, among which the half-year audit: negligible value in millions of Euros, and;
- for non-audit services: €0.1 million;

Other costs, equal to €50.0 million (€52.4 million in 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Administrative fees and rights for use of frequencies	10.9	10.9
Fee to control authorities	5.7	5.4
TASI / IMU tax	9.4	9.4
Other indirect taxes and other duties	10.9	10.9
Prizes and winnings	2.9	4.3
Newspaper, magazines, books and publications	1.7	1.7
Membership fees	3.4	3.7
Losses on disposals	0.3	0.3
Others	5.0	6.9
Contingencies	(0.2)	(1.1)
Total other costs	**50.0**	**52.4**

17.4 HR expenses

HR expenses, amounting to €1,038.6 million (€1,014.2 million in 2020), break down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Salaries and social security costs	965.4	949.0
Employee severance pay	44.4	44.4
Pensions and similar obligations	13.4	13.7
Others	10.1	9.8
HR expenses	**1,033.3**	**1,016.9**
Costs for redundancy incentives	30.7	18.3
Recovery of expenses	(2.1)	(1.1)
Capitalised HR expenses	(19.0)	(18.0)
Others HR expenses	**9.6**	**(0.8)**
Contingencies and releases of provisions	(4.3)	(1.9)
Total HR expenses	**1,038.6**	**1,014.2**

The item includes €45.1 million of charges for defined contribution plans and €1.9 million of income from defined benefit plans, net of past benefits, as reported in Note 15.3 "Employee benefits".

Five different collective bargaining agreements (CCLs) are applied within the Group: the CCL for middle managers, office staff and workers employed by the companies Rai, Rai Way, Rai Cinema and Rai Com; the CCL for Rai orchestra musicians; the CCL for journalists (CNLG), applied by Rai under the terms and conditions of the "Agreement for the Extension of the CNLG to Rai" and the relative Addendum Agreement with Usigrai for journalist staff; the national CCL for senior managers of manufacturing and service companies and the relative Addendum Agreement between Rai and ADRai; and the CCL for the middle managers and office staff of Rai Pubblicità.

With respect to those agreements, we report that:

- the collective bargaining agreement for middle managers, office staff and workers was renewed, by agreement made on 9 March 2022, for the period 2019–2022.
- the collective bargaining agreement for orchestra musicians was renewed, by agreement on 28 June 2018, for the three-year period 2014-2016 and, on an exceptional basis, for 2017 and 2018;

- for journalist staff, on 13 March 2018 Rai and Unindustria Roma signed an Agreement for the Extension of the National Collective Bargaining Agreement for Journalists to Rai, with the Rai journalists trade union, Usigrai and the National Press Federation, FNSI. The Rai–Usigrai Addendum Agreement expired on 31 December 2013;
- for personnel employed as senior managers, the collective bargaining agreement for the period 1 January 2019-31 December 2023 is still in force, while the Rai–ADRai Addendum Agreement for the period 2017-2019 was renewed on 6 July 2018;
- the collective bargaining agreement for middle managers and office staff of Rai Pubblicità was renewed,by agreement on 7 July 2018, for the period 2014-2016 and, on an exceptional basis, for 2017 and 2018.

The average number of employees included in the area of consolidation is shown below by employment category:

	Year ended 31 December 2021			Year ended 31 December 2020		
	Average number of staff on a temporary contract	Average number of staff on a permanent contract (1)	Total	Average number of staff on a temporary contract	Average number of staff on a permanent contract (1)	Total
Senior managers (2)	0	308	**308**	0	317	**317**
Middle managers	0	1,539	**1,539**	0	1,608	**1,608**
Journalists(3)	133	1,907	**2,040**	52	1,848	**1,900**
Office staff (4)	67	7,767	**7,834**	67	7,778	**7,845**
Workers	2	820	**822**	3	872	**875**
Orchestra players	1	118	**119**	1	115	**116**
	203	**12,459**	**12,662**	**123**	**12,538**	**12,661**

(1) Of which apprentices	440	424
(2) The data includes the senior managers hired with temporary contract	3	4
(3) Including executive staff		
(4) Administrative, technical, editorial and production personnel; this category also includes outpatient general practitioners		

The average number of employees was calculated as the arithmetic mean of the daily number of employees over the reporting period, weighted to account for part-time employees. The average number of employees includes personnel on permanent and fixed-term employees.

17.5 Impairment of financial assets

This item recognises impairment losses (including recoveries) of financial assets, which include all assets of a contractual origin that give right to receiving cash flows (including trade receivables).

The item, equal to €2.1 million (€8.9 million in 2020), refers to the effect net of uses and provisions to the provisions for write-down trade, as explained in Note 13.2 "Trade receivables", to be referred to.

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Write-downs of trade receivables	2.1	8.8
Losses on trade receivables	-	0.1
Total write-down of financial assets	**2.1**	**8.9**

17.6 Depreciation, amortisation and other write-downs

Depreciation, amortisation and other write-downs totalled €578.3 million (€581.1 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Amortisation and depreciation		
Property, plant and equipment		
Buildings	14.6	13.7
Plant and machinery	84.8	79.1
Industrial and commercial equipment	3.5	3.5
Other assets	7.2	7.0
Total depreciation of property, plant and equipment	**110.1**	**103.3**
Depreciation of real estate investments	**0.2**	**0.2**
Lease rights of use		
Land and buildings	21.2	21.4
Other assets	3.5	3.5
Total amortisation and depreciation of lease rights of use	**24.7**	**24.9**
Intangible assets		
Programmes	341.7	368.5
Software	14.1	13.0
Other intangible assets	0.2	0.2
Total amortisation of intangible assets	**356.0**	**381.7**
Total amortisation and depreciation	**491.0**	**510.1**
Other write-downs		
Programmes under amortisation	63.2	60.8
Programmes in progress	1.6	3.2
Sports libraries	20.8	0.2
Other intangible assets	0.1	-
Other non-current receivables and assets	2.3	5.1
Current income tax receivables	(0.9)	0.4
Other current receivables and assets	0.2	1.3
Total other write-downs	**87.3**	**71.0**
Total depreciation, amortisation and other write-downs	**578.3**	**581.1**

17.7 Provisions

The item, which recognises the provisions for risks and charges and any issues not classifiable in specific items of the income statements, shows net provisions of €13.2 million (€8.7 million in 2020) caused by provisions for €14.8 million (€10.1 million in 2020), offset by issues for €1.6 million (€1.4 million in 2020).

17.8 Financial income and expenses

Net financial expenses totalled €11.1 million (€16.6 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Financial income		
Dividends	0.2	-
Gains from currency valuation	0.3	0.6
Currency gains realised	0.1	0.6
Income from currency derivatives	0.1	0.3
Others	2.5	0.2
Total financial income	**3.2**	**1.7**
Financial expense		
Interest expense on bonds	(7.5)	(10.0)
Interest expense due to banks	(0.8)	(0.8)
Expenses on exchange hedging derivatives	-	(0.1)
Foreign exchange losses	(0.5)	(0.5)
Foreign exchange losses realised	(0.5)	(0.4)
Interest on employee benefit liabilities	(0.8)	(2.5)
Interest on leases	(1.2)	(1.2)
Others	(3.0)	(2.8)
Total financial expense	**(14.3)**	**(18.3)**
Total net financial income (expense)	**(11.1)**	**(16.6)**

17.9 Earnings from investments recognised at equity

Earnings from equity investments recognised at equity amounted to a positive €7.5 million (€1.1 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Auditel Srl	0.3	0.2
Euronews SA	0.3	(0.4)
San Marino RTV SpA	-	(0.4)
Tavolo Editori Radio Srl	-	0.1
Tivù Srl	6.9	1.6
Total earnings from equity investments recognised at equity	**7.5**	**1.1**

The breakdown of the change in equity investments recognised under the equity method is reported in Note 12.5 "Equity investments".

17.10 Income tax

Income tax amounted to €7.1 million (€15.5 million in 2020). The figure breaks down as follows:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
IRES	(30.4)	(30.3)
IRAP	(6.4)	(6.2)
Total current taxes	**(36.8)**	**(36.5)**
Deferred tax liabilities	3.0	1.9
Deferred tax assets	26.3	18.6
Total deferred taxes	**29.3**	**20.5**
Direct taxes of previous years and others	**0.4**	**0.5**
Total income taxes	**(7.1)**	**(15.5)**

The difference between the theoretical tax rate and the effective tax rate is shown below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Profit (loss) before tax	7.1	15.5
IRES tax rate	24.0%	24.0%
Theoretical tax gain (expense)	(1.7)	(3.7)
Direct taxes of previous years and other taxes	0.4	0.5
Tax differences	0.6	(6.1)
IRAP	(6.4)	(6.2)
Total income taxes	**(7.1)**	**(15.5)**

The item tax differences represents the economic effect, on theoretical taxes for the year, resulting from application of Italian tax rules regulating calculation of the IRES and IRAP taxable base.

18

Other information

18.1 Guarantees

Guarantees provided, which amounted to €5.6 million (€20.5 million as at 31 December 2020), are broken down as follows:

(€/million)	Year ended 31 December 2021				Year ended 31 December 2020			
	Sureties	Other personal guarantees	Collateral	Total	Sureties	Other personal guarantees	Collateral	Total
Others	3.4	-	2.2	**5.6**	18.3	-	2.2	**20.5**
Total	**3.4**	**-**	**2.2**	**5.6**	**18.3**	**-**	2.2	**20.5**

Guarantees given included the assumption of payment obligations in favour of the Tax Authorities, as security for the early repayment of the VAT surplus of €2.4 million (€17.2 million as at 31 December 2020) in favour of subsidiaries.

The Group has also recognised €408.8 million of guarantees provided by third parties (€409.5 million as at 31 December 2020) on commercial and financial obligations. Those guarantees mainly consist of:

i) guarantees received from various banks and insurance institutions to guarantee the purchase of goods and services and the full performance of contracts for the production of radio and television productions;
ii) guarantees provided by third parties on obligations held by the Group: for payables – mainly surety guarantees for the Parent Company on the medium/long term EIB loan; for other obligations – mainly surety

guarantees issued on behalf of the Parent Company to the Inland Revenue to guarantee prize competitions, for surety issued for the 2020 Olympic Games, for the 2020 European football Championships and for the qualifications to the 2022 Football World Cup.

18.2 Commitments

The main commitments, including long-term commitments, connected with products or with technological development and modernisation initiatives and in place at the reporting date are reported in the table below:

(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
Sports broadcasting rights	118.0	122.3
Investments in audiovisual works	282.4	251.3
Rights and services for the production of programmes	28.8	34.8
Technical investments	93.5	76.9
Total commitments	**522.7**	**485.3**

18.3 Contingent liabilities

Group companies, mainly Rai, are parties in civil, administrative, labour law and social security lawsuits connected with their ordinary business activities.

Civil and administrative litigation involving the Group companies is primarily connected with the production and public broadcasting of radio and television programmes. Almost all civil litigation concerns claims for damages, mostly related to defamation and infringement of personality rights and violation of copyright law. As part of administrative proceedings, damages are usually claimed in procurement disputes where, however, the claim for damages in kind is only made in the alternative, the main claim being for the annulment of the tender documents and in some cases the taking over of the contract.

In relation to labour law and social security matters, the Group companies are parties in a certain number of disputes, mainly concerning claims for reinstatement, applications for investigations into the alleged use of fictitious intermediaries in the procurement of labour, applications for higher level employment grades and categories, compensation claims for alleged demotion and alleged non-fulfilment of social security obligations under employment contracts or collective bargaining agreements.

If, on the basis of analyses conducted on such kinds of litigation:
- information is available, at the time of preparation of the financial statements, suggesting it is likely that a liability will arise;
- and the amount of the liability can be reasonably estimated, considering the petition made by the applicant,

then a relative liability is recognised through the allocation of provisions for legal disputes.

Note 15.4 "Provisions for non-current risks and charges" details provisions made for that occurrence.

On the basis of information currently available, the Group believes that provisions for risks are adequate.

18.4 Transactions with related parties

Transactions between the Parent Company and related parties are reported below; as identified on the basis of the criteria provided by IAS 24 "*Disclosures on transactions with related parties*" for the years ended 31 December 2021 and 31 December 2020.

Related party dealings are mainly of a commercial and financial nature and involve the following related parties:

- Rai Cinema;
- Rai Com;
- Rai Corporation;
- Rai Pubblicità;
- Rai Way;
- Group key management personnel ("Senior Management");
- other associates and joint ventures with which the Group has an interest as indicated in Note 12.5 "Equity investments"; companies under the control or joint control of Senior Management and bodies that manage benefit plans after the work relationship ends and solely for Group employees ("Other related parties").

Although related party transactions are conducted at arm's length, there is no guarantee that if those transactions were negotiated and pursued with or between third parties, the relative contracts, and the transactions themselves, would stipulate the same terms and conditions.

"Senior management" means key management personnel with strategic responsibilities with the power and direct or indirect responsibility for the planning, management and control of Group business, including therein the members of the Board of Directors of Group companies. For information on emoluments paid to statutory auditors of the Parent Company, see Note 17.3 "Costs for the purchase of consumables, costs for services and other costs".

The following table details the balance sheet totals as at 31 December 2021 and as at 31 December 2020 and the income effects of transactions between the Group and related parties conducted in the years ended 31 December 2021 and 31 December 2020 and obviously excluding those between Group companies, consolidated on a line-by-line basis:

(€/million)	Senior Management	Other related parties	Total
Trade receivables			
as at 31 December 2021	-	0.5	**0.5**
as at 31 December 2020	-	0.3	**0.3**
Current financial assets			
as at 31 December 2021	-	1.4	**1.4**
as at 31 December 2020	-	0.8	**0.8**
Employee benefits			
as at 31 December 2021	(5.5)	(13.6)	**(19.1)**
as at 31 December 2020	(5.0)	(13.9)	**(18.9)**
Trade payables			
as at 31 December 2021	-	(6.2)	**(6.2)**
as at 31 December 2020	-	(3.6)	**(3.6)**
Other current payables and liabilities			
as at 31 December 2021	(6.9)	(0.1)	**(6.9)**
as at 31 December 2020	(8.2)	(16.9)	**(25.1)**
Revenue from sales and services			
as at 31 December 2021	-	1.1	**1.1**
as at 31 December 2020	-	0.8	**0.8**
Costs for services			
as at 31 December 2021	(1.6)	(12.3)	**(13.8)**
as at 31 December 2020	(1.1)	(11.5)	**(12.6)**
HR expenses			
as at 31 December 2021	(25.2)	(12.9)	**(38.1)**
as at 31 December 2020	(24.2)	(12.8)	**(37.0)**

Reported below is a description of the main agreements in place between the Parent Company and the subsidiaries, associates and joint ventures identified above

Agreements for the provisions of services to Rai

Rai Pubblicità

Rai has an advertising concession agreement in place with Rai Pubblicità, under which the latter has an exclusive concession for the sale of advertising space on radio and general-interest television channels, on free-to-air specialist digital and satellite channels, on the teletext service, on the Rai domain and on other minor media.

Rai Com

Rai has granted a mandate without power of representation to Rai Com for:
- the sale of user licenses for television, radio and cinema use, for audiovisual use (meaning for example licences for use on home video and commercial video), and for multimedia use, including interactive multimedia, and derivative rights;
- the management of negotiations for framework agreements and/or conventions with central and local, national and international, public and private bodies and institutions;
- the acquisition and/or production of musical and theatre pieces, including: classical music, prose works and music editions;
- the implementation and/or management of phone interaction and/or interactive initiatives;
- the negotiation, outlining, formalisation and/or management of sports library contracts, including therein the implementation and/or management of all commercial initiatives contemplated by such contracts;
- the provision of technical facilities and the execution of commercial agreements designed to raise the value of non-production premises available to Rai (Palazzo Labia);
- the negotiation, outlining, formalisation and/or management of other partnership agreements with third-party enterprises of a commercial nature and for commercial purposes; and
- operations for the international sale of Rai channels.

In addition, Rai awarded a mandate with representation concerning
- the management of ticketing services;
- the design, development, definition, stipulation and/or management of projects aimed at Rai's participation in Italian and European calls for tenders for non-repayable or subsidised loans.

Rai Cinema

A specific agreement is in place with Rai Cinema under which the latter has committed to providing Rai with exclusive access to a catalogue of free-to-air showings of audiovisual works acquired in any way by Rai Cinema, whereas Rai has the obligation to purchase exclusively from Rai Cinema the broadcasting rights to showings of free-to-air audiovisual works.

Rai Way

A Service Agreement is in place between Rai Way and Rai, under which Rai has outsourced to Rai Way, on an exclusive basis, a series of services that enable Rai to:
- control transmission and broadcasting, in Italy and around the world, over the MUX assigned to it under applicable law; and
- control the fulfilment of its Public Service obligations.

The service agreement also envisages, and governs, the possibility for the parties to negotiate in the future, in the event of new needs for Rai, the provisions of additional services, including services for the development of new electronic communications and telecommunications networks, as well as new broadcasting standards and technologies.

Agreements of a financial nature

With the exception of Rai Way, which following its public listing became fully independent financially, a centralised treasury management agreement is in place between Rai and its subsidiaries, involving a bank cash-pooling programme aimed at ensuring coverage of cash needs and the optimisation of cash flow.

In order to hedge the currency risk to which the subsidiary Rai Cinema is exposed, the latter has granted a mandate to Rai to trade foreign currency and financial instruments on its account, in accordance with the operational methods set out in Group policies.

With reference to Rai Way, other agreements in place consist of:

- an intercompany current account agreement, the purpose of which is to provide Rai with the funding needed to settle reciprocal credit and debit positions connected with certain residual payment services envisaged under the service agreement through which Rai has outsourced services to Rai Way;
- a mandate agreement authorising Rai to perform payments and collections connected with the settlement of intercompany accounts payable and receivable, primarily in the context of the netting, through Rai, of credit and debit positions between Group companies, excluding there from payments for services provided under the service agreement in place and hedging transactions.

Agreements for the provisions of services to Rai

Rai provides a series of services to select subsidiaries under specific service agreements concerning, in particular, administrative services, real estate services, IT services, testing services and dubbing services.

Tax consolidation arrangement

The Rai Group has a "national tax consolidation" arrangement in place for IRES tax purposes, as permitted under Articles 117 et seq. of the Italian Income Tax Code and governed by Ministerial Decree of 9 June 2004.

As of the 2017 tax year, the option to join the arrangement will be tacitly renewed without the need for notification.

The tax and equity arrangements between the participating companies are governed by a specific agreement made between the parties, which is updated in the light of relative legislative amendments applicable under the agreement.

Group VAT offsetting

The Group has adopted the group VAT offsetting procedure as per Ministerial Decree of 13 December 1979, providing implementing rules for the provisions of Article 73, last paragraph, of Presidential Decree 633 of 26 October 1972.

The option to apply the Group VAT procedure is valid for one year and was exercised by Rai and all its Italian subsidiaries until 31 December 2020. Statutory and financial relationships under the procedure are governed by a specific agreement between the parties.

Other related parties

The Group has trading and financial relations with other related parties. The most significant include the following agreements:

Auditel

Auditel Srl provides television audience share measurement and data publication services, including also digital devices.

Player Editori Radio

An agreement is in place providing for the granting of a license to Rai to use a unified platform, developed and made available by Player Editori Radio, which allows aggregating radio content using an IP protocol for subsequent provisions to shareholders and third parties.

San Marino RTV

An intercompany current account agreement is in place with the Company, under which debits and credits resulting from economic and financial transactions between the parties are transferred to an intercompany current account. Rai has also established a credit facility for €1.4 million that the company can use for overdrafts from ordinary management. The credit facility is 50% counter-guaranteed by ERAS (the San Marino radio broadcasting body).

Moreover, an agreement for the transfer of broadcasting capacity has been arranged to broadcast San Marino RTV programmes across Italy;

In addition, under a radio and television broadcasting agreement between the government of San Marino and the Italian government/Prime Minister's Office, a fixed annual contribution is made to San Marino RTV through Rai Com.

Tavolo Editori Radio Srl

Auditel Srl provides television audience share measurement and data publication services, including also digital devices.

Tivù

Service agreements are in place, under which:

- Rai: provides Electronic Program Guide (EPG) processing and management services and editorial and advisory services, as well as satellite transmission capacity to enable the offer of EPG services;
- Tivù provides an EPG (Electronic Program Guide) service for the digital terrestrial and satellite platforms, a key encryption service, smart card supply and management, user assistance services for issued related to the Tivù Sat platform and its promotion.

19 Subsequent events

Reduction of the shareholding in Rai Way

The Decree of the President of the Council of Ministers of 17 February 2022 "Regulations for the reduction of Rai SpA's shareholding in Rai Way SpA", established the possibility for Rai to reduce its shareholding in Rai Way's capital up to the limit of 30%, as a result of one or more extraordinary transactions, including one or more merger transactions, and disposals carried out through sales methods and techniques in use on the markets, including the, single or joint, use of a public offering and direct negotiation.

In case of extraordinary operations, Rai shall ensure the definition of appropriate management and governance agreements and, in order to guarantee the maximum diffusion of shareholders, the maintenance of the listing of Rai Way shares or the company resulting from the operation shall be ensured.

In the event of a public invitation, to favour the participation of Rai Group employees in the offer, forms of incentive may be provided for the same, also taking into account market practice and previous privatisation operations, in terms of shares of the offer reserved and/or price and/or financing modalities.

In case of private negotiations, Rai shall ensure transparent and non-discriminatory competitive procedures.

The completion of the above transactions is conditional on obtaining the necessary authorisations from the guarantee and supervisory authorities, without prejudice to the provisions of Legislative Decree. no. 21 of 15 March 2012, and relevant implementing regulations.

20 Reconciliation between the Separate and Consolidated Financial Statements

The analysis of items reconciling the result of the income statement and shareholders' equity of the Separate Financial Statements and respective figures of the Consolidated Financial Statements is presented below:

(€/million)	Profit/(loss)		Shareholders' equity	
	2021	2020	2021	2020
Rai financial statements	**(30.4)**	**(20.7)**	**657.8**	**694.3**
Elimination of the value of equity investments against respective shareholders' equity and of dividends distributed against profits for the year	29.4	19.9	(315.6)	(322.5)
Adjustment of deferred taxes on the Rai Way equity investment revaluation	-	-	5.0	5.0
Other consolidation adjustments	1.0	0.8	(4.0)	(5.1)
Consolidated Financial Statements	**0.0**	**0.0**	**343.2**	**371.7**
of which non- controlling interests	*22.6*	*22.0*	*57.2*	*56.6*

21.1 Rai equity investments in subsidiaries

The following table reports the equity investments held by Rai in domestic and foreign subsidiaries.

The above investments had not changed as at 31 December 2021 compared to the situation as at 31 December 2020.

	(Values as at 31 December 2021)				
	Registered office	No. shares/ units held	Nominal value (in Euros)	Share capital (in €/'000)	Equity interest held %
Rai Cinema SpA	Rome	38,759,690	5.16	200,000	100.00%
Rai Com SpA	Rome	2,000,000	5.16	10,320	100.00%
Rai Corporation in liquidation	New York (USA)	50,000	(10.00) (1)	(500) (2)	100.00%
Rai Pubblicità SpA	Turin	100,000	100.00	10,000	100.00%
Rai Way SpA	Rome	176,721,110	(3)	70,176	64.971%

(1) Values in USD
(2) Values in USD/'000
(3) Ordinary shares with no stated par value.

The market value of Rai Way shares as at 30 December 2021 was €5.22.

21.2 Consolidated net financial debt

The following is the Net Financial Debt of the Group, determined in accordance with the provisions of paragraph 175 et seq. of the recommendations contained in the document prepared by ESMA, No. 32-382-1138 of 4 March 2021 (guidelines on disclosure requirements under EU Regulation 2017/1129, so called "Prospectus Regulation").

	(€/million)	Year ended 31 December 2021	Year ended 31 December 2020
A.	Cash on hand	59.8	15.5
B.	Cash equivalents	-	-
C.	Other current financial assets (*)	6.7	8.0
D.	**Liquidity (A + B + C)**	**66.5**	**23.5**
E.	**Current financial debt**	**(220.9)**	**(250.4)**
F.	Current part of non-current financial debt	(0.1)	(5.2)
G.	**Current financial debt (E+F)**	**(221.0)**	**(255.6)**
H.	**Net current financial debt (G - D)**	**(154.5)**	**(232.1)**
I.	Non-current financial debt	(119.3)	(75.2)
J.	Debt instruments	(299.3)	(299.1)
K.	Trade payables and other non-current payables	-	-
L.	**Non-current financial debt (I+J+K)**	**(418.6)**	**(374.3)**
M.	**Total financial debt (H + L)**	**(573.1)**	**(606.4)**
	Of which: operating lease liabilities	(74.4)	(83.0)
	Net financial debt excluding liabilities for operating leases	**(498.7)**	**(523.4)**
(*)	It includes financial assets for derivative hedging instruments for an amount equal to:	0.2	-

21.3 Law 124 of 4 August 2017 - transparency in the public contributions system

Related to the information obligations introduced by article 1 of Law 124 of 4 August 2017, considering the novelties introduced by article 35 of Decree Law no. 34/2019 (so-called "Growth Decree"), please note the following.

Grants received (art. 1, paragraph 125)

Please note that, during year 2021, the companies of the Group have not collected any contributions provided under Law no. 124 of 4 August 2017 (Public funds transparency).

Contributions made (art. 1, paragraph 126)

The following table includes sums paid in 2020 con for donation purposes, for the cases with a value per entity contributed that is higher or equal to €10 thousand, showing the beneficiary entity.

Beneficiary entity	Grant paid in 2021	Amount(€/'000)
Terre des Hommes Italia Foundation	Prize money donated to charity	832
National institute for infectious diseases Lazzaro Spallanzani	Prize money donated to charity	807
FIA - Fondazione Italiana per l'Autismo (Italian Autism Foundation)	Prize money donated to charity	522
Cesvi Participation Foundation and NGO	Prize money donated to charity	519
Centro Astalli	Prize money donated to charity	371
Progetto Arca onlus Foundation	Prize money donated to charity	58
Mission Bambini Onlus Foundation	Prize money donated to charity	54
Telethon Foundation	Prize money donated to charity	54
Università degli Studi di Perugia	Scholarship	54
Sant'Egidio Community Agap onlus	Prize money donated to charity	35
AIRC Foundation for Cancer Research	Prize money donated to charity	30
Sos Villaggi Bambini Onlus	Prize money donated to charity	30
Association "Associazione amici di Roberto Morrione"	Roberto Morrione Prize	26
Comunità Amore e Libertà Onlus	Prize money donated to charity	22

22

Climate change

As for the ESMA disclosure of 29 October 2021 called 'Annual Public Statement of the European Common Enforcement Priorities' for the 2021 financial disclosure, the Companies of the Group, as for the assets provided under their corporate objects - and following internal analyses, have not identified relevant effects in terms of climate change, directly or indirectly connected to corporate operations.

Certification pursuant to article 154-*bis* of Legislative Decree no. 58/98

The undersigned Carlo Fuortes, in the capacity as Chief Executive Officer, and Marco Brancadoro, in the capacity as Manager in charge of drawing up the corporate accounting documents of RAI Radiotelevisione italiana SpA, also taking into account the provisions of Article 154-*bis*, paragraphs 3 and 4 of Italian Legislative Decree No. 58 of 24 February 1998, hereby attest:

- the adequacy in relation to the characteristics of the Company; and
- the actual application

of administrative and accounting procedures in preparing the Consolidated Financial Statements as at 31 December 2021 during the 2021 financial year.

The administrative and accounting procedures and operating practices in place have been applied in a manner consistent with the internal administrative and accounting control system to ensure the achievement of the objectives required by the applicable regulatory framework.

It is also attested that:

- the Consolidated Financial Statements as at 31 December 2021 of the RAI Group:
  a) have been prepared in accordance with International Financial Reporting Standards endorsed by the European Union pursuant to EC Regulation 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  b) correspond to the entries in the books and accounting records;
  c) are suitable to provide a true and fair representation of the equity, economic and financial position of the issuer and all of the companies included in the scope of consolidation.
- the Report on Operations includes a reliable analysis of the trends and results of operations, as well as the situation of the issuer and all of the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Rome, 11 May 2022

Carlo Fuortes
Chief Executive Officer

Marco Brancadoro
Manager in charge of drawing up the corporate accounting documents

Board of Statutory Auditors' Report

CONSOLIDATED FINANCIAL STATEMENTS OF THE RAI GROUP AS AT 31 DECEMBER 2021

Dear Shareholders,

the consolidated financial statements of the RAI Group as at 31 December 2021 – as made available to You – consists of the required consolidated accounting statements and related explanatory notes; it has been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Commission and supplemented by the International Accounting Standards (IAS). It is accompanied by the Report on Operations, the certification of the Chief Executive Officer and of the Manager in charge of drawing up the corporate accounting documents on the RAI Group's consolidated financial statements, and by a statement of the Group's scope of consolidation and equity investments, the latter being an integral part of the Consolidated Financial Statements.

A statement of reconciliation is also provided between the separate financial statements of RAI S.p.A. and the consolidated financial statements of the RAI Group as at 31 December 2021 in respect of the result for the year and shareholders' equity, compared with the corresponding figures in the financial statements as at 31 December 2020.

In the Report on Operations, which has been audited by the Audit Company PRICEWATERHOUSECOOPERS S.p.A., the Directors have illustrated the overall performance of the Group's earnings, financial position and cash flows, together with that of the Parent Company, also providing details of the individual aspects of the activities of the consolidated companies and the outlook for operations.

Our supervisory activities were carried out in compliance with the principles of conduct for Boards of Statutory Auditors issued by Italy's Association of Chartered Accountants, the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili. In accordance with these principles, we have referred to the legal provisions governing the preparation of consolidated financial statements.

The Board has ascertained:

a) the correctness of the methods used to identify the scope of consolidation and the adoption of consolidation principles for investee companies in line with IFRS;

b) compliance with the provisions of law concerning the formation and layout of the financial statements and the Report on Operations;

c) compliance with the principles of consolidation with regard to the elimination of the consolidated companies' income and expenses, receivables and payables;

d) the consistency of the Group's Report on Operations with the data and results of the consolidated financial statements, in order to provide information on the Group's earnings and financial performance and the risks to which it is exposed, as well as on significant events occurring after the end of the year that did not have an impact on the 2021 Financial Statements.

The documentation examined and the information obtained do not show any departures from the laws governing the preparation of consolidated financial statements.

On 7 June 2022, the independent auditors released the report pursuant to Article 14 of Italian Legislative Decree No. 39/2010 and Article 10 of Regulation (EU) No. 537 of 16 April 2014, which shows that the consolidated financial statements as at 31 December 2021 comply with IFRS and are drawn up with clarity and truthfully and correctly represent the equity and financial position, earnings and the cash flows for the year ended 31 December 2021 of the RAI Group. This report does not include any comments or information requests.

Rome, 07/06/2022

THE BOARD OF STATUTORY AUDITORS

Mr. Carmine di Nuzzo	Chairman
Mrs. Maria Teresa Mazzitelli	Standing Auditor
Mr. Giovanni Ciuffarella	Standing Auditor

Independent Auditor's Report

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the Shareholders of
RAI - Radiotelevisione Italiana SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the RAI Group (the "Group" or "RAI Group"), which comprise the consolidated statement of financial position as of 31 December 2021, the consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity, consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2021, and of the result of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of RAI – Radiotelevisione Italiana SpA (the Company) pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 77852240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali – Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via del Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Fontelandolfo 9 Tel. 0444 393311

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Evaluation of the recoverability of investments in programmes *"Measurement criteria" paragraphs "Intangible assets" and "Impairment of non-financial assets" and Note 12.4 "Intangible assets" of the consolidated financial statements as at 31 December 2021* The item "Intangible assets" of the consolidated financial statements of the RAI Group as at 31 December 2021 includes programmes totalling Euro 847.4 million (of which Euro 263.3 million as intangible assets under development), which account for 94 per cent of the consolidated intangible assets as of said date. Starting from the moment programmes are declared to be ready for use or from the date of efficacy of related rights, if acquired, they are systematically amortised on a straight-line basis over the assets' maximum useful life of 7 years. Such duration represents the estimate made by the RAI Group management in order to relate amortisation to revenue from core business. The recoverability of investments in programmes is verified by the RAI Group management at least at each year-end. If events are identified which lead to presume an impairment loss of programmes, their recoverability is verified by comparing the book value with the corresponding recoverable amount, determined on the basis of the assumptions made by the RAI Group management about their future use. The evaluation of the recoverability of investments in programmes represented a key matter in our audit strategy given the significance of this item in the consolidated financial statements as at 31 December 2021, its direct correlation with the Group business, as well as the degree of complexity characterising the estimates adopted by the RAI Group's management.	As part of our audit, we mainly performed the following procedures aimed at verifying the evaluations made by the RAI Group with reference to investments in programmes: i) discussions with the contact persons of the RAI Group regarding their conclusions on the existence of possible impairment losses in the item "programmes"; ii) analysis of the assumptions made by the RAI Group management underlying the identification of the impairment losses in programmes and of the reasonability of the related write-downs performed by the RAI Group management; ii) analysis and understanding of the system of internal control over the programme cycle; identification and validation of the operation and efficacy of the relevant controls under this process; iv) comparative analysis and examination by discussions with the corporate functions about the most significant differences compared with the previous year values and review of documents, on a sample basis, regarding the increases and decreases in the item "programmes"; v) review, on a sample basis, of the useful life estimated by the management of the RAI Group companies based on the previous years' evidence and the actual possibility of use and, in the circumstances, the possibility to re-broadcast programmes in the future, as well as checking, on a sample basis, the accurate and consistent determination of the amortisation quotas charged to the income statement; vi) verification of the accuracy and completeness of the disclosures provided in the notes to the consolidated financial statements.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate RAI – Radiotelevisione Italiana SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No. 537/2014

On 10 March 2016, the shareholders of RAI - Radiotelevisione Italiana SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2015 to 31 December 2023.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

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Report on Compliance with other Laws and Regulations

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/10 and Article 123-bis, paragraph 4, of Legislative Decree No. 58/1998

The directors of RAI – Radiotelevisione Italiana SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the RAI Group as of 31 December 2021, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree No. 58/1998, with the consolidated financial statements of the RAI Group as of 31 December 2021 and on their compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure mentioned above are consistent with the consolidated financial statements of the RAI Group as of 31 December 2021 and are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Statement in accordance with article 4 of Consob's Regulation implementing Legislative Decree No. 254 of 30 December 2016

The directors of RAI - Radiotelevisione Italiana SpA are responsible for the preparation of the non-financial statement pursuant to Legislative Decree No. 254 of 30 December 2016.

We have verified that the directors approved the non-financial statement.

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016, the non-financial statement is the subject of a separate statement of compliance issued by another auditor.

Rome, 7 June 2022

PricewaterhouseCoopers SpA

Signed by

Luigi Necci
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers. We have not examined the translation of the financial statements referred to in this report.

Shareholders' resolutions

Shareholders' resolutions

In its meeting of 23 June 2022, the Shareholders' Meeting of Rai resolved:

1) to approve the Separate Financial Statements as at 31 December 2021 which show a loss of €30,436,828.26 (thirty million four hundred thirty-six thousand eight hundred twenty-eight dot twenty-six), which in the financial statements is rounded to the nearest unit, that is to Euro €30,436,828 (thirty million four hundred thirty-six thousand eight hundred twenty-eight);
2) to cover the loss of the year of €30,436,828.26 (thirty million four hundred thirty-six thousand eight hundred twenty-eight dot twenty-six) using the same amount of the IFRS first time adoption reserve - distributable;
3) to acknowledge the Consolidated Financial Statements for the year 2021, which show a break-even result.

Corporate directory

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Production centre RF
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Production centre
Corso Sempione, 27
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Production centre
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Rai - Radiotelevisione Italiana SpA

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Share capital
Euro 242,518,100.00 fully paid in

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