



Report
and financial
statements as
at 31 December
2023



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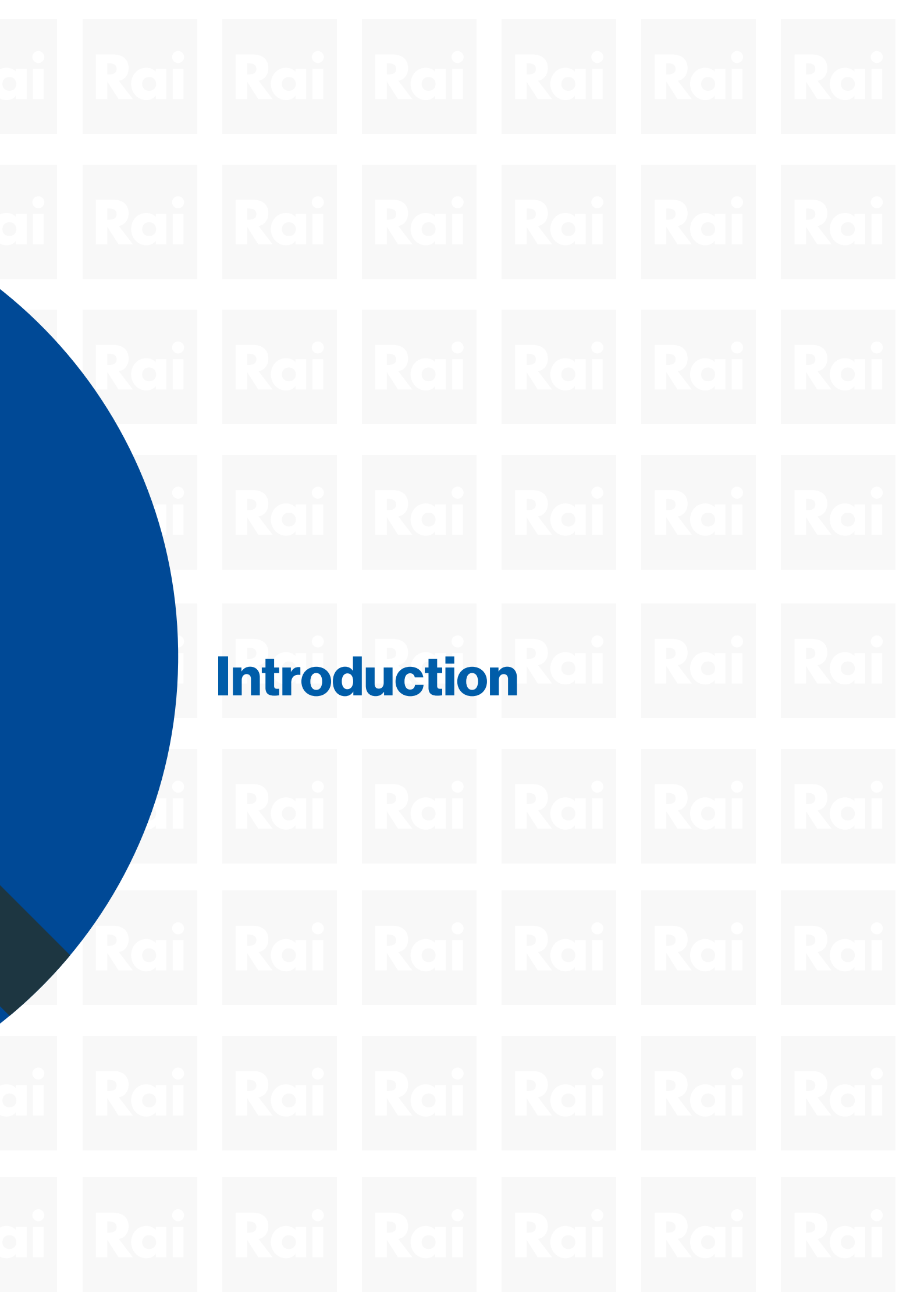
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Shareholders' resolutions

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Corporate Directory





Introduction



Corporate Officers

Board of Directors

Chairwoman Marinella Soldi

Chief Executive Officer Carlo Fuortes (*until 15/05/2023*)
Roberto Sergio (*from 15/05/2023*)

Directors Simona Agnes
Francesca Bria
Igor De Biasio
Alessandro di Majo
Riccardo Laganà (*until 10/08/2023*)
Davide Di Pietro (*from 05/12/2023*)

Secretary Anna Rita Fortuna

Board of Statutory Auditors

Chairman Carmine di Nuzzo

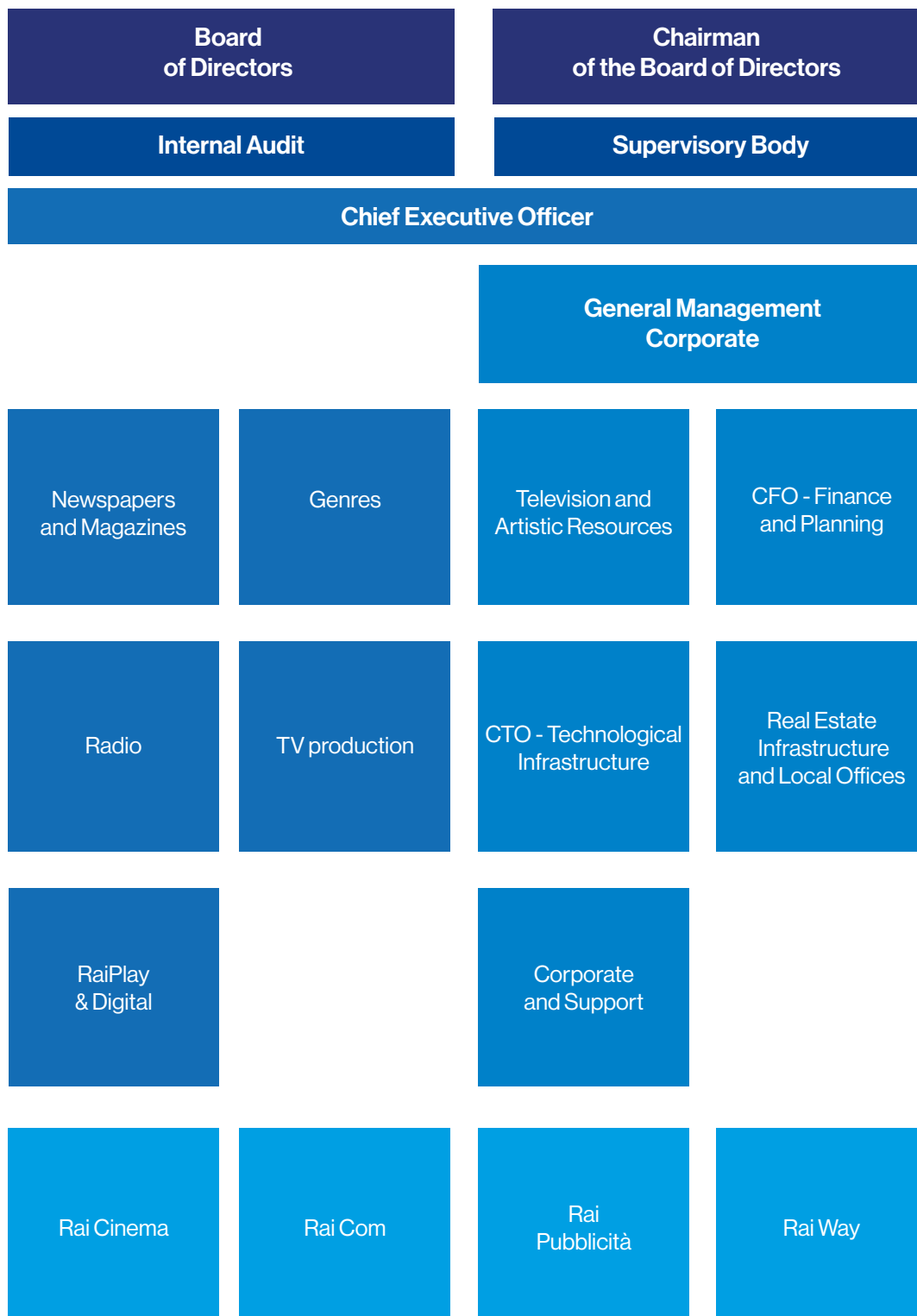
Standing Auditors Emanuela Capobianco
Giovanni Caravetta

Alternative auditors Pietro Contaldi
Antonella Damiotti

Independent Auditor
PricewaterhouseCoopers

Organisational Structure

(short form)





Introduction from the Chairwoman of the Board of Directors

Dear Shareholders,

Rai Group's 2023 financial year closes with positive economic and editorial outcomes, by confirming the Group's stability even in an year where two Chief Executive Officers succeeded in the Board and a new Director-General was appointed.

Financial statements results

The Financial Statements shows a break-even net consolidated result and net indebtedness equal to € 568 million, recording improvement compared to the previous year and sustainability levels.

Tangible results achieved through intense efforts, showing improvement signs compared to the initial forecasts - in a macro-economic context characterised by high levels of uncertainty and subject to downside risks in light of the exacerbation and dissemination of global geopolitical tensions, sub-optimal financial conditions and decelerating growth in international economy compared to the previous year. The economic growth in Italy also suffered a brake due to worsened credit conditions and high energy costs, with stagnant consumptions and a contraction in investments.

Nevertheless, thanks to the effect resulted from the lack of costs for Large Sports Events and from a prudent and balanced operational management, Rai Group was able to allocate more financial and economic resources to enhance and reposition the offering (€ 45 million in incremental resources to product) and boost the acquisition of new competencies, in line with its evolution as a digital media company.

Economic sources were affected by a reduction in ordinary fees, due to the substantial increase in overdue payments resulted from the complex social and economic context. Although affected by the lack of Large Sports Events (as opposite to financial year 2022) and by a further tightening of advertising crowds, with saleable seconds moving from 7% to 6% for each time slot and channel, advertisement revenue had an overall growth of over € 22 million, with a growth of 31.6% in the web component.

From an editorial perspective, the Group confirms its TV leadership role in prime time (37.8% share), as opposite to the result related to the whole day. Rai 1 ranks first among national channels both in the whole day (18.3% share) and in prime time (20.4% share) and is the second European channel following BBC One.

In 2023 the implementation of an organisation model divided by genres is still ongoing, however, so far, it allowed the horizontal experimentation of new languages and formats with content designed and developed for a multi-platform distribution, also needed to attract the younger generations who gradually moved away from linear distribution. This is the direction that needs to be pursued as a matter of urgency, to provide users with an authoritative offer that responds to cross-media consumption practices and matches the changes in lifestyles, both in entertainment and in the in-depth examination of the major themes of cultural and civil debate.

In between the début of new brands, spin-offs and the return of historic titles, the Rai programming schedules

saw the three generalist networks achieve a 30.3% share, with Rai 1 monopolising the top positions in the fiction, cinema and culture, science and environment genres. The performance of the Sanremo Music Festival 2023 was extraordinary (66.8% share with 11.6 million viewers on Saturday's final evening), establishing itself as the reference point for the entire Italian discography and the most important musical event of the year, capable of bringing the entire country together more than any other media event, starting with the younger generations (with an 81% share among users aged 15 to 24).

The specialised channels offer a 6.7% share over the whole day.

Moving on to the digital world, there were 19.4 million users who were connected on average at least once a month to one of Rai's websites or apps, i.e. 44% of the active internet population, marking a significant increase compared to 2022 (+37%). Furthermore, the percentage share of social interactions linked to Rai programming was 13% of the total TV publishers, in a very fragmented and complex social landscape.

As regards TV audience on digital devices (both via browser and app), Rai's share of total time spent was 32%; the share rises to 44% in the on-demand mode, with 445 million hours viewed. Among the most viewed programmes in the on-demand ranking, the top title was Mare Fuori (The Sea Beyond) with 72.3 million hours viewed.

More specifically, particularly noteworthy is the performance of RaiPlay, which, with an average of 11.1 million unique users per month (+18% compared to the previous year), a time spent of 2 hours and 29 minutes, and 50% of the total on-demand viewing for the fiction genre, confirms the high quality and widespread appreciation of Rai's product. Staying in the digital area, the number of users of the RaiNews.it portal increased, reaching a monthly average of approximately 12.2 million individual users.

Yet these figures can still improve, in a growth effort to reach an increasingly significant segment of Italians in the digital environment, and become a landmark in on-line information.

Rai Radio, whose editorial proposal is characterised by a varied and articulated offer featuring news, in-depth analysis, service content, culture, sport and intelligent entertainment, appeals to a mature and educated audience. Concerning the measurement of radio consumption, it should also be noted that within the TER (Tavolo Editori Radio) in 2023 Rai promoted an initiative aimed at evolving the radio audience measurement system towards the JIC (Joint Industry Committee) model, as also urged by AGCom. As far as audio and podcasts are concerned, RaiPlay Sound recorded 440,000 downloads as part of a diversified offer aimed at a younger audience segment attracted by the most recent developments in digital entertainment.

Strategic goals

The 2023 financial year was also an important year for the strategic setting of Rai's future development: in fact, following the work carried out since the beginning of the Council's term of office, the documents that will guide Rai's evolutionary trajectory over the next few years have been substantially defined, and then approved in the early months of 2024. In just a few months, we have finalised the approval of the Service Contract and, fully in line with the



objectives and principles of the latter, of the Industrial Plan, which includes the Real Estate Plan approved in 2022 as an important element, and the Sustainability Plan, all of which are deeply interdependent.

The **Service Contract**, approved by the Council of Ministers on 20 March 2024 and which will become effective after publication in the Official Journal, envisages important innovations that will shape the Public Service offering with ever more challenging responsibilities. Notable among all the other topics is the transformation into a digital media company, with innovative technical and technological solutions, improved structure and usability of all current and future digital platforms, a focus on environmental sustainability issues, to guide the cultural change of public opinion; the contribution to the progressive reduction of the digital divide, projects specifically dedicated to reaching out to young people, and enhanced accessibility also thanks to artificial intelligence tools. Furthermore, the 2024-2028 Service Contract contains a significant innovation: for the first time Rai is committed to defining and measuring its objectives through KPIs.

The **2024-2026 Industrial Plan** outlines Rai's evolution path into a Digital Media Company, with a view to guaranteeing the Company's substantial relevance in the new multi-platform and multi-device landscape and confirming the essential role of the Public Service as the main driver of support and development of the Italian audiovisual industry, while ensuring the structural stability of the Rai Group in economic-financial terms.

In detail, the Industrial Plan, approved in the Board meeting of 18 January 2024, defines the interventions and initiatives functional to a deep digital transformation of Rai through an ambitious programme of investments in technologies and skills and to project the Public Service into the future, in line with the changes pursued by the other main European PSMs.

The transformation plan is constructed so as to allow Rai, echoing the priorities set out in the Service Contract, to be:

- the leading publisher in Italy in terms of reach and time spent on linear and digital platforms, with a free offer accessible at any time and anywhere, through the adoption of a user-centric approach;
- the leading producer of distinctive content with a strong national identity and a broad multi-platform offer;
- the main reference point of linear and digital content for Italians in terms of authoritativeness, reliability and plurality;
- at the forefront in adopting innovative, data-driven production models, based on the use of the latest technologies and new digital and analytical skills.

The **Sustainability Plan** for the 2024-2026 three-year period stands in significant discontinuity with the Group's previous experience in that it embodies a vision of sustainability understood, not as an accessory element to corporate strategy and investments, but rather as an integral part - in fact, the hinge between the Service Contract and the Industrial Plan - in defining the organisation's development path and as a further element of legitimisation of the Public Service, especially with regard to the youngest, the most open and proactive with respect to these issues.

Following this vision of sustainability, strictly linked to the Service Contract - which devotes a specific article to it, recalling the issues also in several other points - and intertwined with the Industrial Plan, the Board of Directors, on 22 February last, after having approved the relevant guidelines in the meeting of 25 October 2023, also endorsed the Sustainability Plan, the essential pillars of which are described in the 2023 Sustainability Report.

I am, however, pleased to briefly summarise here the main areas of commitment identified at the end of an articulated process that also involved the main stakeholders: commitment to the environment, commitment to promoting gender equality, quality of information, commitment to young people, commitment to integrating ESG principles into the value chain, and commitment to strengthening accountability tools on ESG issues. The Plan outlines the most significant projects in each of these areas, accompanied by the relevant targets and KPIs to facilitate the achievement of the identified objectives.

Future goals

The combination of these two strategic documents, which are consistent with the requirements dictated by the Service Contract, has traced out Rai's future development path, geared towards sustainability from an economic and financial angle, a factor that will strictly depend on the decisions that will be made regarding public financing, as well as from the environmental, social and governance perspectives. The management challenge will now be to translate the outlines of the strategic plans into concrete actions, with a sense of urgency imposed by the fast pace of consumption changes and a tougher competitive environment. Artificial Intelligence, in particular generative Artificial Intelligence, is already radically changing the way content is produced and information is made.

As the approval of the financial statements for the financial year 2023 marks the end of the Board of Directors' term of office, I would like to thank you for your trust and support. The almost daily scrutiny makes this task particularly challenging, especially at a time when public services across Europe are facing existential issues, concerning their very *raison d'être*. I am firmly convinced that a public service that proposes a relevant, inclusive, sustainable, innovative, responsible and reliable offer plays a central role in a democratic system. This actually means putting citizen users, who are our most important stakeholders, at the centre of the decision-making process, letting them choose from a multitude of other options. It also means that Rai employees, at any level, place themselves in a synergistic and structured relationship with data, both consumer and corporate data, as substantial elements for decision-making. It means an independent governance with a broader time horizon, as well as adequate, sustainable and predictable financial resources. In line with the recently approved European Media Freedom Act (EMFA), and hence backed by this important European law, Rai, like all European public broadcasters, will be even more able to contribute as a protagonist to improving the quality of the national information system by becoming the country's reference point for free and accurate information. Such a role is even more crucial in the age of generative Artificial Intelligence, as President Mattarella emphasised in his speech at the UN on 6 May: misinformation is a threat that undermines the relationship of trust with institutions and between countries, and freedom of information is a value for the preservation of democracy

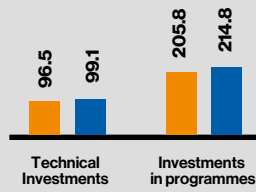
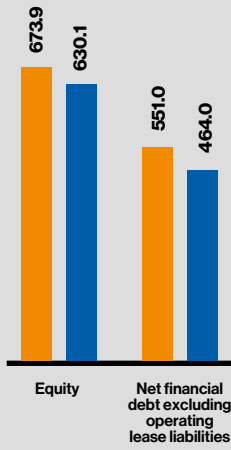
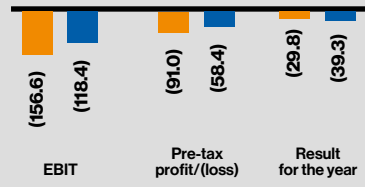
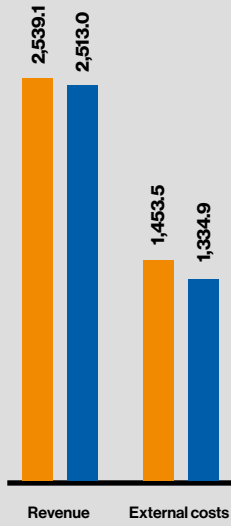
Marinella Soldi



Financial highlights

Rai SpA

(€/million)	Financial Year 2023	Financial Year 2022	Change
Revenue	2,513.0	2,539.1	(26.1)
External costs	(1,334.9)	(1,453.5)	118.6
Employee expenses	(958.2)	(909.7)	(48.5)
Total operating costs	(2,293.1)	(2,363.2)	70.1
EBITDA	219.9	175.9	44.0
EBIT	(118.4)	(156.6)	38.2
Pre-tax profit/(loss)	(58.4)	(91.0)	32.6
Profit/(loss) for the financial year	(39.3)	(29.8)	(9.5)
Investments in programmes	214.8	205.8	9.0
Technical investments	99.1	96.5	2.6
Investments in lease rights of use	26.8	18.2	8.6
Total investments	340.7	320.5	20.2
(€/million)	31.12.2023	31.12.2022	Change
Equity	630.1	673.9	(43.8)
Net financial debt excluding operating lease liabilities	464.0	551.0	(87.0)
(no.)	31.12.2023	31.12.2022	Change
Permanent personnel as at 31 December	11,311	11,146	165
Fixed-term personnel as at 31 December	62	113	(51)
Personnel as at 31 December (permanent and fixed-term)	11,373	11,259	114

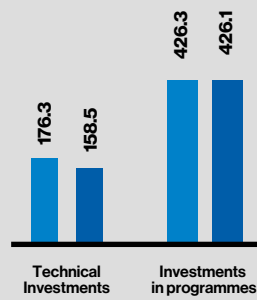
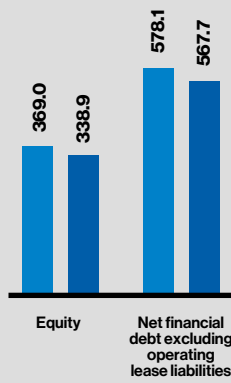
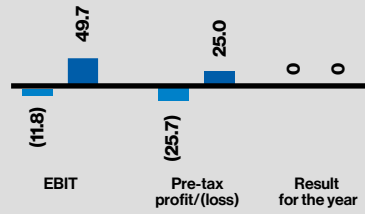
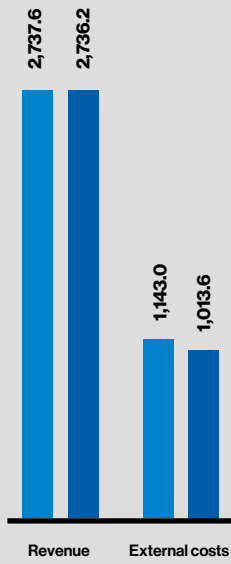


FY 2022
FY 2023



Rai Group

(€/million)	Financial Year 2023	Financial Year 2022	Change
Revenue	2,736.2	2,737.6	(1.4)
External costs	(1,013.6)	(1,143.0)	129.4
Employee expenses	(1,069.2)	(1,007.4)	(61.8)
Total operating costs	(2,082.8)	(2,150.4)	67.6
EBITDA	653.4	587.2	66.2
EBIT	49.7	(11.8)	61.5
Pre-tax profit/(loss)	25.0	(25.7)	50.7
Profit/(loss) for the financial year	0.0	0.0	0.0
Investments in programmes	426.1	426.3	(0.2)
Technical investments	158.5	176.3	(17.8)
Investments in lease rights of use	38.4	31.8	6.6
Total investments	623.0	634.4	(11.4)
(€/million)	31.12.2023	31.12.2022	Change
Equity	338.9	369.0	(30.1)
Net financial debt excluding operating lease liabilities	567.7	578.1	(10.4)
(n.)	31.12.2023	31.12.2022	Change
Permanent personnel as at 31 December	12,510	12,336	174
Fixed-term personnel as at 31 December	95	145	(50)
Personnel as at 31 December (permanent and fixed-term)	12,605	12,481	124



FY 2022
FY 2023

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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 in force, related to the five-year period 2018-2022, will remain valid up to the publication of the Agreement for the next five-year period on the Official Journal.

Market scenario

The financial year 2023 was characterised by general instability, the global economic scenario showed a trend towards expansion, but with a slight deceleration compared to financial year 2022. The latest forecasts of the European Commission outline a further decrease in GDP growth at the global level, with marked instability and downward risks in relation to international economic perspectives. Such risks are mainly associated to the increased geopolitical tensions and the less favourable economic conditions, phenomena that negatively affect the global GDP forecasts for the next years. Following the more stringent monetary policy trend and the fall in prices of energy raw materials (compared to the peaks recorded in the previous year), the current year saw an overall mitigation of consumer price indexes accompanied by a gradual mitigation of core inflation. In light of the above, it is estimated that the increase in interest rates on behalf of the main banks will end soon. As for the Italian economy, +0.7% is estimated with an expectation for inflation of 6% in 2023 and a subsequent decrease in 2024 to 2.6%.

Inflation has weakened the purchasing power of Italians, with the effect of undermining the consumers' propensity for saving. Therefore, in 2023, they are less optimistic and more insecure about the future. The main concerns of the population are connected to the economic scenario, issues related to the national security and well-being, although signs of habituation to the emergencies emerge. These signs appear in several studies such as, for example, the *Social Climates and Consumption Report of 2023 issued by the GfK Research Institute* and the *57th Report of Censis*, in which a progressive disruption of traditional schemes and the loss of effectiveness of social mobility and promotion mechanisms emerge as factors of the Italian social transformation. The pandemic, the energy crisis, the environment, the wars along the European borders, inflation and other factors have led to a redefinition of the Country's values and needs. Based on the results of the study, environmental crisis and demographic change - with ageing population and birthrate crisis - are among the priorities in the public debate. Moreover, researchers report a change among the youth in terms of job perception, which is now mostly seen as expression of personal and community vocation and development.

Compared to the narrower media panorama, the global macroeconomic dynamics of 2023 - in continuity with 2022 - pushed the streaming giants to further change their business model by diversifying their offer and suggesting subscriptions supported by advertisement. Such a strategic change, justified by several reasons, including increasing competition in the video on-demand sector, higher production costs for content and the willingness to reach a broader audience, might significantly affect the streaming market as it leads to lower costs for users and higher revenue on services. Following this direction are all the big SVoD players, i.e. Netflix, Disney+, Discovery, Paramount+, Amazon Prime Video (2024) who launched - or will launch - subscriptions that include advertising.

At a global level, the competition among platforms is more and more intense and, according to the estimates of the Ampere Analysis Institute - the OTT players have continued increasing their revenue year after year: Netflix closed the year 2023 with a revenue slightly lower than € 32 billion and recorded +10.7% growth compared to 2022; Amazon Prime Video reached € 11.3 billion (+13.1%); Disney +€ 8.2 billion (+28.3%) and Paramount+ recorded a revenue of 4 billion (+56.4%). Good results also for Peacock, with € 2.8 billion (+48.4%), Apple Tv+ with slightly more than € 2 billion (+60.3%) and Discovery+ with almost € 1.8 billion (+6.5%).

Still in the media field, FAST (Free Ad-Supported Television) channels - new form of web-based distribution of multiple genres of content and whose functioning is very similar to traditional linear channels (i.e. in Italy Pluto.tv or content and services offered by hardware producers such as Samsung and LG Electronics) - offers continue to multiply. The FAST offer increases the competition for share of attention and advertising collection with traditional operators.

Another change in terms of access to the audio-visual sector lies in penetration and the use of different devices. According to the latest findings of the Auditel-Censis research, in 2023, digital transformation in Italy reached a turning point: following a constant growth in the penetration of smart TVs, the latter surpassed traditional TVs; currently, the Italian households own 21 million smart TVs and 20.5 million traditional TVs.

Overall, Italian households have 122 million devices, recording a +2.2% increase in the last year and +9.6% from 2017. On average, there are five screens per household and more than two screens per individual. The increase in the device number is strictly connected to the increasing presence of connected screens which allow an integration of traditional TV content and the streaming offer. Moreover, during the year, as it was proven by several studies including those conducted by the Observers of Politecnico di Milano, the digital transformation process has recorded an additional acceleration, which involves organizational, economic, social and creative processes and is based on the knowledge and adoption of new technologies such as IA, big data, IoT, block chain and 5G, resulting in tangible impacts on companies, consumption habits and the economy.

Main television operators active in Italy - 2023

Free-to-air TV

Digital Terrestrial (DTT)

Rai
 Mediaset
 Discovery Italia (Warner Bros. Discovery)
 Sky Italia (Comcast)
 Cairo Communication
 Paramount Global Italy (Paramount Global)
 Gedi Gruppo Editoriale
 Sciscione Group

Satellite (DTH)

Rai
 Mediaset
 Discovery Italia (Warner Bros. Discovery)
 Sky Italia (Comcast)
 Cairo Communication
 Paramount Global Italy (Paramount Global)

Pay TV

Digital Terrestrial (DTT) and Satellite (DTH)

Sky Italia (Comcast)
 DAZN Group

Digital innovation, the digitalisation of operational processes and the renewal of infrastructure are also at the core of the evolutionary road map undertaken by Rai, that aims at developing and testing new technological solutions in the fields of production, distribution and multi-platform services, to improve corporate production processes and the services offered to users.

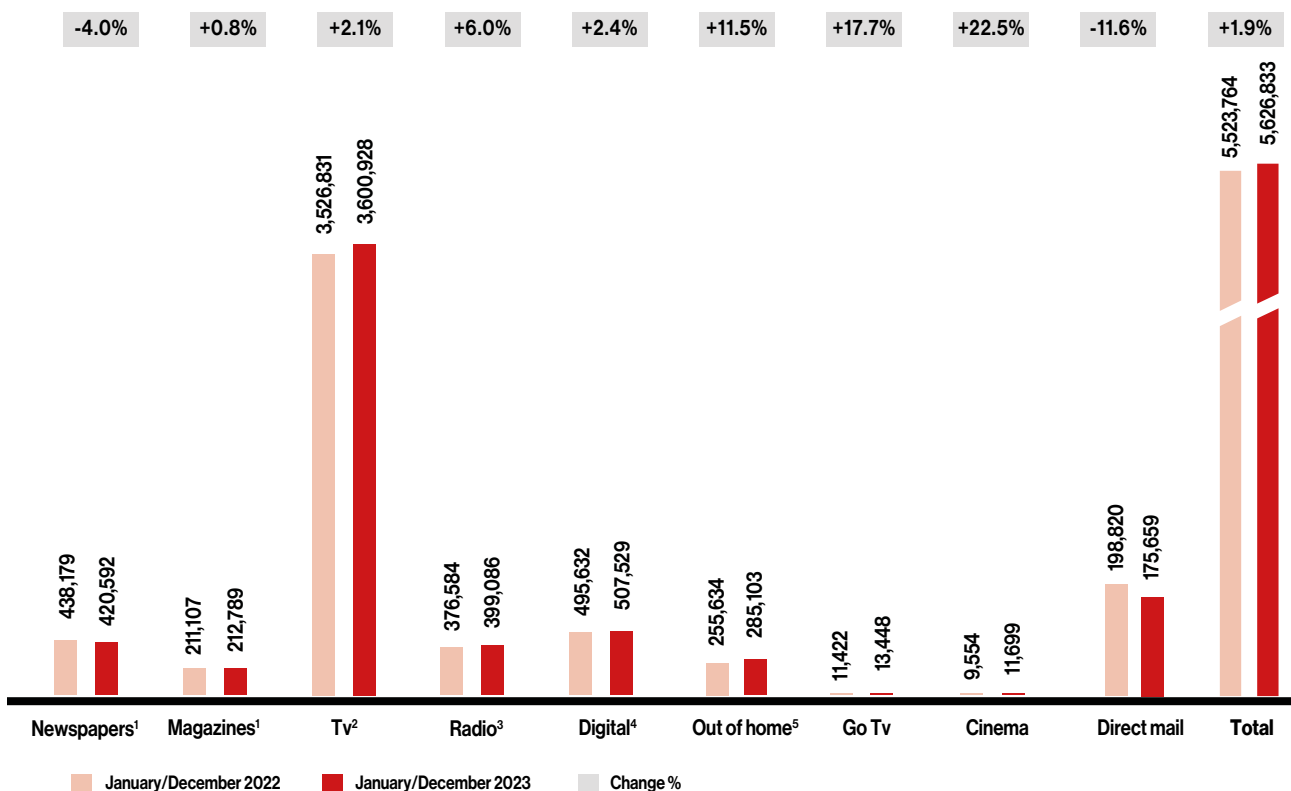
More specifically, year 2023 recorded an exploit of GenAI models - such as Dall-E2 and Chat GPT - for pictures and content generation. Both models were developed by OpenAI (Microsoft) and are used by millions of people and not only by experts. The AI's generative function turns them into work flow enablers and potentially uncontrollable instruments for individual users. These GenAI models have huge potential and they represent a turning point compared to the past, leading to tangible consequences on collective awareness as well as philosophical, ethical and legal implications. GenAI has made concerns related to social impact, intellectual property and copyright protection more concrete, with all the legal repercussions, e.g., related to scraping, data protection and the phenomenon of de-skilling. Based on the data disseminated by the Artificial Intelligence Observatory of Politecnico di Milano, overall, in 2023, the AI market in Italy reached € 760 million, +52% growth compared to 2022 (+262% compared to 2018). Despite the hype connected to this technology, it only weighs 5% across the whole sector.

The global media scenario was certainly characterised by the technological innovations connected to AI, also accompanied by consolidation and diversification actions and offer rationalisation carried out by big players. Such systemic dynamics need to be constantly monitored as their effects reflect on national and international commercial and public operators, by continuously posing new challenges. More specifically, the following operations must be noted:

- The closure of the Salto streaming service, launched in France in 2020 by France Télévisions, M6 and TF1;
- The launch of a new FAST TV channel on behalf of CNN in Europe;
- The prosecution of the MFE-MediaForEurope's strategy to create a pan-European group. After taking de facto control of the German ProSiebenSat.1, it incorporated Mediaset España Comunicación in the first half of the year;
- Warner Bros. Discovery also rationalised its SVoD offer with the launch - only in the US, for now - of Max, the platform resulted from the merging of HboMac and Discovery+;
- Amazon and DAZN ratified an agreement for the distribution of sport service on the Prime Video platform among additional channels (Italy, Spain and Germany);
- The purchase of Activision Blizzard - the large US video game distribution and production company - on behalf of Microsoft;
- Netflix's choice to broaden its library with new entertainment content such as live shows and a gaming offer. During the Summer, Netflix launched its games in streaming on cloud for its Canadian and UK subscribers;
- The launch of Gemini Pro (Google), available within the Bard chat bot (which will change name into Gemini from February 2024), the AI model competitor of GPT-4 of OpenAI and Ernie Bot (launched by Baidu in August).

Changes in advertising revenue by medium - 2023

(Values net of OTT estimation, i.e. Social, Search, Classified and Other Display and Video not from FCP; source Nielsen - thousands)



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 - Outdoor and Transit.

As for the access to media content in our Country, there is a further daily increase in the time spent on the media, mostly due to the digital offer. According to the *Digital Trends* research findings, published in 2023 by the Ergo Research Institute, over half of the time (53%) is dedicated to video consumption (stable compared to 2022) while the audio sector records substantial growth with 25% of time budget (towards about 21% compared to 2022 including traditional radio and digital audio).

As for the video sector, the offer of platforms and content is also increasing and, in addition to higher time spent, there is also more diversification and replacement among content/platforms. In this regard, as shown by the data provided by the Digital Content Observatory of Politecnico di Milano, the growth in consumer expenditure for media content in Italy, in 2023, records a lower value compared to the previous years (+5% compared to 2022), equal to € 3.6 billion. 44% of media content is represented by video entertainment, 42% by gaming, 9% by digital audio and 5% by news and eBooks.

As for the Video entertainment sector, the growth in the SVoD segment equals to a progressive decline in traditional pay tv. In 2023, the number of subscribed households keeps reducing, amounting to slightly more than 3.2 million (Source: RdB Auditel).

As for satellite distribution, it should be noted a decline in active smart cards for the free TV platform TivùSat, shifting from 4.5 million in 2022 to slightly less than 4 million in 2023, with about 2.5 million active users (compared to 2.8 million in December 2022). The decline in platform users is, according to the Operator, ascribable to a process of obsolescence that resulted into the gradual abandonment of the SD smart cards combined with SD devices (Source: TivùSat data).

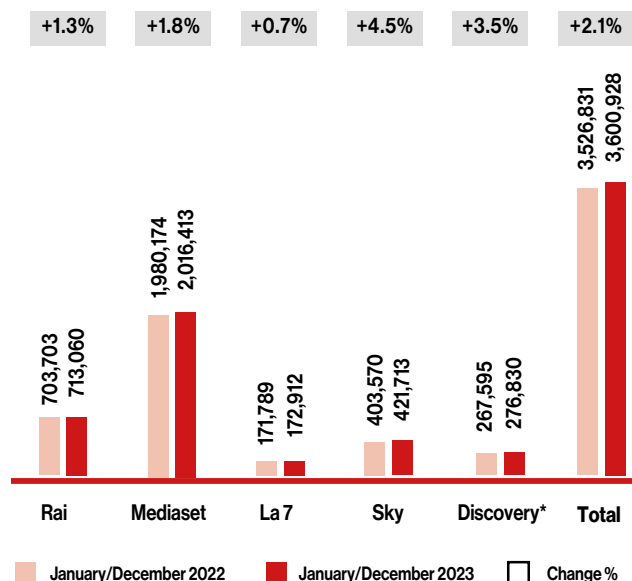
With regard to the advertisement market, considered as a whole, thus including the OTT component estimate, the year 2023 records +2.6% compared to 2022 and reaches about € 9.2 billion (€ 5.6 billion net of OTT estimate, with +1.9% growth).

Looking at the single devices, growth is recorded across all segments except for Newspapers and Direct Mail. More specifically, compared to year 2022: the Digital segment reconfirms its leading role with 3.5% growth (2.4% net of OTT estimate); it is followed by TV with +2.1%; for the News, Newspapers keep recording a decline (-4%), while Magazines remain stable (+0.8%); while Radio records +6%; Out of Home is at +11.5%, Direct mail -11.6% and Go Tv +17.7% (although with marginal volumes) and Cinema +22.5% (Source: Nielsen).

Given the constant and progressive erosion in the resource global volume for the TV sector, traditional publishers, net of minimal deviations, maintain their shares (Mediaset 56%, Rai 19.8%, Sky 11.7%, Discovery 7.7% and Cairo 4.8%)

Estimate of the advertising market – TV - 2023

(net of OTT estimate; net sales; source Nielsen - thousands of Euro)



*including advertising for K2 and Fresbee channels.

which absolute value keeps reducing; vice versa, the Digital sector is detained by few players, the so called GAMMS (Google, Amazon, Meta, Microsoft, Apple, Spotify) which, according to the estimated of Politecnico di Milano, possess over 80% of the segment (Source: Nielsen; *Internet Media Observatory* edition 2023 – Politecnico di Milano).

With regard to the events occurred in the national media market, over the year, the following events should be noted:

January:

- Following the 2026/2032 Olympic Games agreement between EBU and Warner Bros. Discovery, for public broadcasters, Rai will broadcast the next Olympic games in unencoded form;

March:

- Rai 1 and Rai 2 end their broadcasts in standard definition. As of now, these channels will be only available in HD on LCN 1 and 2, respectively, of the digital terrestrial; the national SD version of Rai 3 is also eliminated and Rai News HD will be available on channel 48, while its SD version will be available in Rai's Regional Mux MR. Also in March, all Rai generalist and specialised channels - with the exception of Rai Scuola, Rai News 24 HD and Rai Sport HD - are made available for smart TVs connected to the Internet and equipped with HbbTV technology (version 2.0.1 and later), on LCN 500 numbering (i.e. Rai 1 on 501, Rai 2 on 502, Rai 3 on 503, Rai 4 HD on 521, Rai 5 HD on 523, Rai Movie HD on 524, Rai Premium HD on 525, Rai Gulp HD on 542, Rai Yoyo HD on 543 and Rai Storia HD on 554);

April:

- Pluto.TV, Paramount Global's free streaming service, expands its offer by making more than one hundred TV channels available to its users;

May:

- Rai 3 HD is discontinued on channel 103 and made available on LCN 3; the switchover of regional programmes to HD continues;
- Tim and Walt Disney renew the agreement, signed in 2020, for the distribution of the Disney+ service on the TimVision platform;
- news broadcaster CNN, owned by Warner Bros. Discovery Group, launches CNN FAST in several European countries. The FAST channel is available in Italy on Rakuten TV, LG Channel and Samsung TV Plus;
- Netflix, in an attempt to curb the phenomenon of extra-family account sharing, limits access to its streaming service to the so-called *household* of each subscriber;

June:

- Thanks to the RaiTV+ service, Rai offers its users the opportunity to choose among all regional news, regardless of the users' region;
- Still at an experimental stage Rai Sport HD is broadcast on channel 558 of the digital terrestrial in the HEVC standard and it becomes the first Italian channel in HD broadcasting in HEVC;

August:

- The new Law 93/2023 on the illegal distribution of media content protected by copyright through electronic communication networks enters into force;

December:

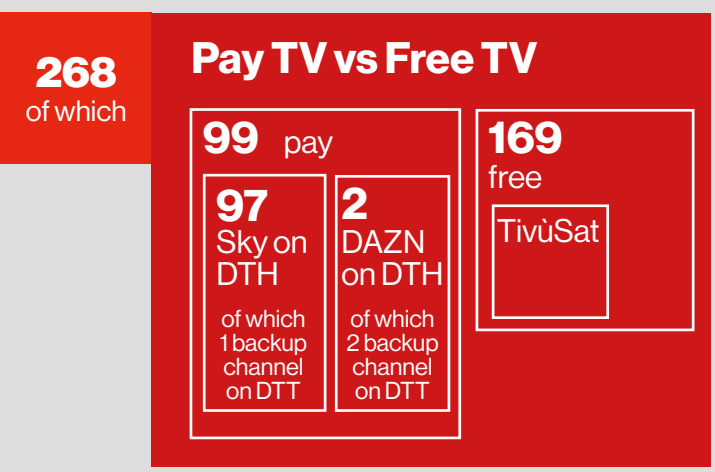
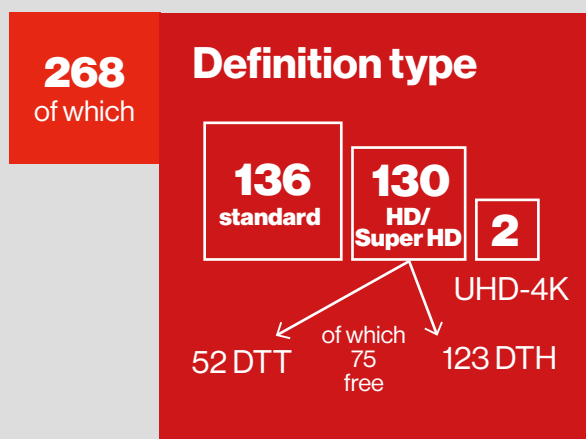
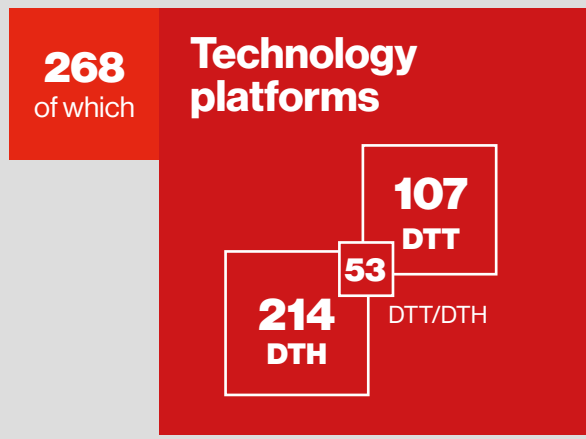
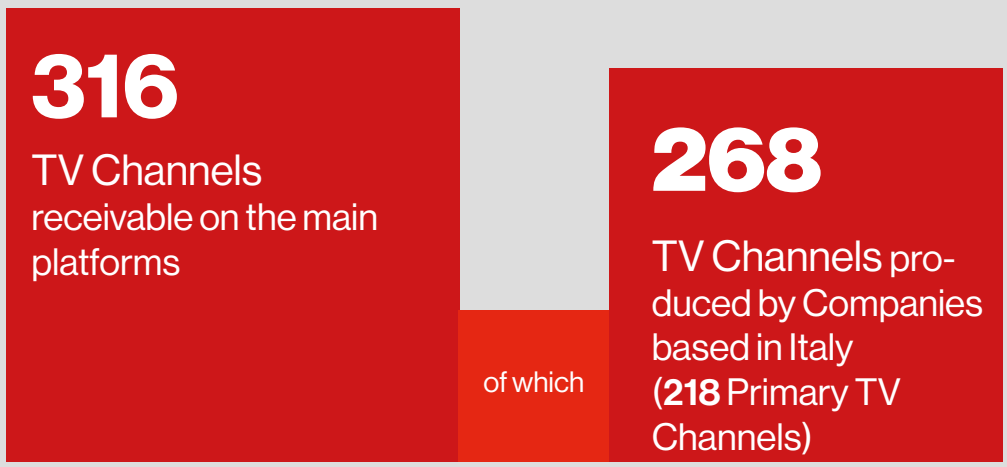
- Tim and DAZN renew the agreement to broadcast the matches of the League A Championship on the TimVision streaming platform.



As of 31 December 2023, the TV channels available on DTT, DTH or both, with publishers located in Italy are - net of duplications - 268. Overall, 54 channels are accessible through digital terrestrial, 161 via satellite (free and pay) and 53 on both. In terms of business model, there are 169 free channels available, 105 of which can be seen on TivùSat; 99 are pay TV channels, 97 of which are offered by Sky, plus the 2 DAZN channels on DTT and DTH platforms. The high-definition offering (HD, Super HD, UHD-4K) increased to 132 channels net of overlaps on the various platforms. Gross of duplications, there are 123 HD channels on satellite and 52 on the digital terrestrial platform. Please note that the use of Hbbtv and DTT solutions is progressively increasing, both with a sign linked to the streaming and with the possibility to access additional on demand content (Source: Confindustria Radio Televisioni).

TV channels in Italy - 2023

(source: Confindustria Radio Televisioni)



Rai's role in relation to audience measurement systems

Rai's activity in terms of audience measurement systems continued in 2023 aiming at promoting results in line with international best practices - which are economically sustainable and able to provide investors and publishers with timely and shared data - and realised by research entities which cover all the relevant players of the reference market, the so-called Joint Industry Committee (JIC) such as Auditel and the newborn Audicom.

Rai operates consistently and in alignment with the indications and provisions provided by the competent National Regulatory Authority (AGCOM). By way of example, among the latest actions of AGCOM, reference should be made to (i) resolution 194/21/CONS (*'Guidelines to be addressed to survey companies in order to lay the foundations for an efficient rationalisation of the audit system'*); (ii) resolution 43/23/CONS (of 22 February 2023) on relevant considerations of the Authority concerning the implementation of the above-mentioned guidelines; (iii) resolution 202/23/CONS (*'Measures and recommendations for the Company Tavolo editori radio Srl (TER) on the measurement of radio audience'*) in which the Authority explains its position in relation to TER's market representativeness and compliance with the principles of transparency and methodological correctness of the survey applied to radio.

In 2023, Rai's actual contribution to the so-called T8 - the group composed by the 8 founding partners (UPA, UNA, FIEG, Fedoweb, Rai, Mediaset, La7, CRTV) of the main companies involved in the performance of audience surveys and organised in JIC (Auditel, Audicom) - has continued. The group's objective is to promote the creation of a new integrated and inter-operable Audi system, able to correctly represent the convergence among different means, also by sharing specific research assets and collected data.

As far as the TV audience measurement carried out by JIC Auditel is concerned, two main events are to be noted for the period in question: the termination of the Auditel *tender* for the selection of providers for the detection through TV screens (detection through sampling) and the continuation of activities connected to the Total Audience. As far as the Auditel *tender* is concerned, Auditel has reviewed the audience detection process through TV screens (digital terrestrial and satellite) to develop in line with the latest technological and behavioural innovations.

With regard to TV Total Audience, a parameter that includes the audience of TV screens and that generated by other connected devices (i.e., smart phone, tablet, pc), in 2023 the scope of intervention has been broadened to include on demand accesses along with live streaming accesses already available in 2022.

As for the detection of digital audiences, on 1 March 2023 the merging between the companies that operated, respectively, in collecting internet audience data in Italy (Audiweb Srl) and daily press and magazine data (Audipress Srl). Such merging resulted in the new JIC called Audicom, a concrete example of the integration and collaboration among JIC wished by AGCOM whose outcome is to operate in close collaboration with Auditel concerning the measurement of digital video content to guarantee the availability of an interoperable measurement system to the market that offers consistent data required to carry out effective cross-media analysis on video consumption.

As far as radio audience measurement is concerned, in the course of 2023 Rai started procedures to withdraw from the TER company in order to promote the evolution also of the radio audience measurement system towards the JIC model, as also urged by AGCOM in this context. At present, the withdrawal from the company is suspended pending the establishment of a new audience survey organisation on the Audicom model.

The Rai Group - Offer and Performance

The year 2023 ended with a decisive phase of readjustment in the radio and TV audience behaviour. The whole broadcasting sphere was affected by a revolution of the audience behaviours, marked by the fragmentation of the offer and by a different content consumption modes. Rai and Mediaset generalist channels were accompanied by the offer of semi-generalist channels and other thematic networks with growing audience volumes. In this scenario, the Public Service had to face new cross-media strategies and a continuous push towards innovation in line with the mandate of the concessionaire, that has always been attentive to the dictates of public service broadcasting. The introduction of genres, fully implemented in 2023, has represented a test bench to test the horizontal experimentation of new languages and formats, provided to generalist networks no longer from the perspective of a network narrative. On the other hand, the urge for a new innovative drive, resulting from increased competition, had to face the need to preserve the identities of Rai networks, which have always been linked to their reference audiences by a loyalty pact binding the choices, the identity, the values reflected by the channels and immediately recognised by the viewer.

The challenge of individual genres developed across the year 2023 and resulted in different outcomes. During the first part of the year, in the 2023 winter-spring season, the Group's performance guaranteed successful results in terms of audience and, in parallel, the launch and the experimentation of new formats and the confirmation of other formats tested in 2022 which maintained good results in line with those of the previous season.

Prime Time Entertainment – Season 2023 saw the launch of new brands, spin off and historical titles in the TV schedule and made Rai the leading entertainment player and a pioneer of new formats and languages. The entertainment offer is more stabilised as a fundamental asset of the linear TV offer, able to attract a broad range of viewers, contribute to social cohesion and satisfy the audience's need for lighter content. New precious experimentations, mostly in the Winter-Spring season, have enriched the offer to become a treasure for the following years. After years of absence, the game *Affari tuoi* reappeared on Rai 1, reaching the highest audience rates in prime time access, with nearly 28% of share in 2023. *The Sanremo Festival* became a reference point for the whole Italian discography and the most important music event of the year, able to unite the Country, including younger generations, more than any other media event. The long-running *Ballando sotto le stelle* confirmed the excellent performances of previous years, as did the traditional New Year's Eve event, *L'anno che verrà* and the new season of *The Voice Senior*. But the real novelty was represented by the spin-off *The Voice Kids* which achieved excellent results, as did *Tale e quale Sanremo*, a successful format born from the ribs of *Tale e quale*.

Among the titles deserving a mention were, *Gli Italiani son sempre gli altri*, which saw Massimo Ranieri meet with singers, actors, musicians, comedians and prominent Italian personalities, and the evening dedicated to Gigi D'Alessio, *Uno come noi*, live from his home town of Naples and in the company of his closest friends, singers and stars of the entertainment world.

In the panorama of entertainment productions, Fiorello's star shines, on his big return to the small screen. As a true entertainer as well as a visionary and eclectic artist, Fiorello illuminates RAI 2 with a morning show capable of astonishing, informing, making people reflect and, above all, smiling in a round-up of exceptional guests and with ratings that have transformed the channel's mornings into an extraordinary daily event. *Viva Rai2!*, on air from Monday to Friday, from 7:15 to 8:00, had such a media echo that it positively affected the image of the entire Rai Group.

With two editions, Rai 2 brought Alessia Marcuzzi back to the screen, introducing a new format, *Boomerissima*, which put the spotlight on generational confrontation in an entertaining and spectacular key. Of note was the prime time debut of *Belve*, successfully promoted from the second night and the confirmation of Stefano De Martino's show in its ninth edition, *Stasera tutto è possibile*. Stefano De Martino also returned to prime time on Boxing Day evening with a special, *Da Natale a Santo Stefano*. *Stasera c'è Cattelan*, also in 2023, was a consolidated appointment of the second night.

On Rai 3, the *Circo di Montecarlo*, back after years of suspension of the Monaco show in a new, modern and attractive format, achieved excellent ratings.

In 2023 Rai also broadcast the final evenings of the *Eurovision Song Contest*, the most-watched non-sporting event in the world.

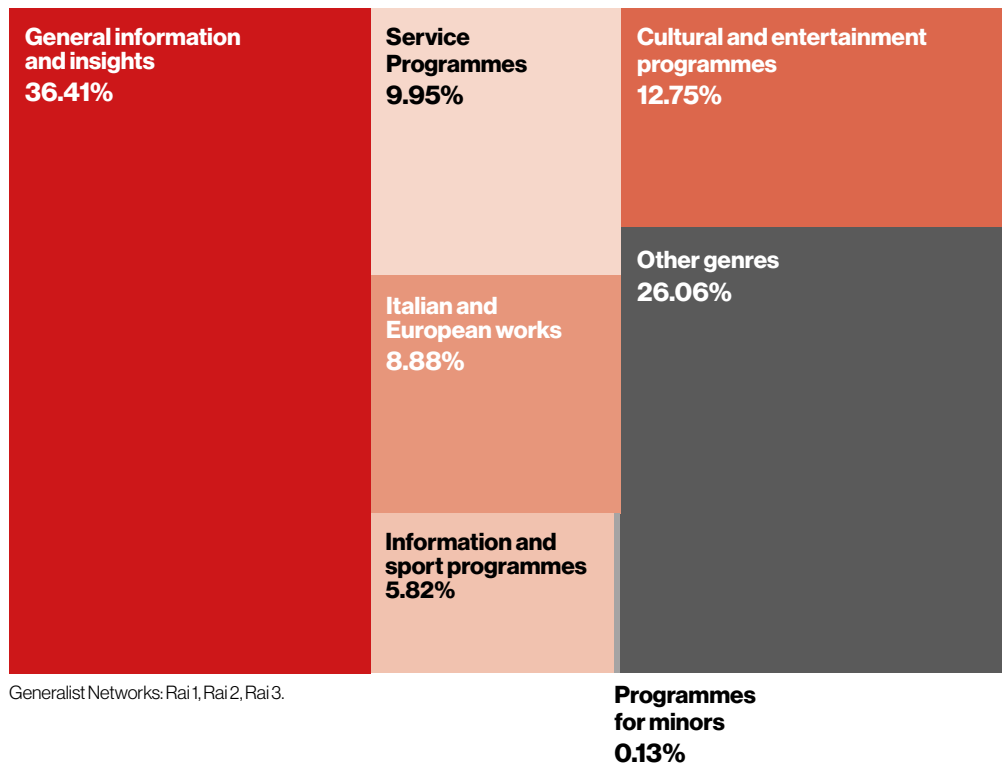
Daytime Entertainment – Daytime is characterised by a plurality of content and genres, ranging from early morning to pre-evening. Information, cooking, current affairs, visual radio, quiz games, but, above all, the story of the territory and different cultures. Rai 1's daytime format has been consolidated, with the extension of *Reazione a Catena* in the 2023 season until December, ensuring the network's undisputed leadership in the pre-session scene, also thanks to TV's longest-running quiz show, *L'Eredità*.

In the entertainment segment of the flagship channel, the good results of the historic morning and afternoon brands

Programming by genre - 2023

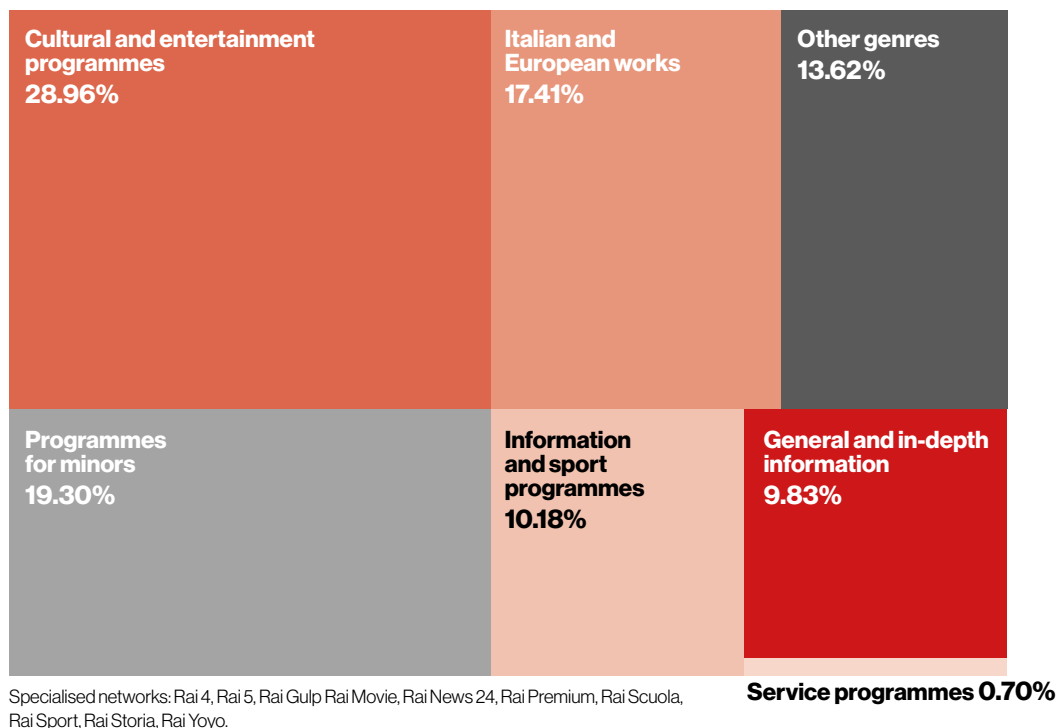
Generalist Networks

(source: Rai)

**Programming by genre - 2023**

Specialised networks

(source: Rai)



(*UnoMattina, Storie italiane, E' sempre Mezzogiorno, La vita in Diretta*) and of all the "Lines" (*Linea Verde, Bianca and Blu*) and programmes such as *Il Provinciale* (from the autumn also in prime time on Rai 3) that highlight Italy's territory and cultural heritage are confirmed. Some changes in the network's afternoons with the introduction of *La Volta buona*.

Many experiments on Rai 2 in an attempt to introduce new languages into the channel: dating, cooking, gaming (such as *Cook 40* and *Mi presento ai tuoi*). But it is above all the performance of some historic brands that stands out, with the confirmation of *I fatti Vostri* and *Bellamà*, in constant growth.

On Rai 3, the success of the *TV Talk*, which every Saturday afternoon turns the spotlight on the national television scene with an acute and attentive analysis of the media and society, and experimentation with new projects, such as *La Biblioteca dei sentimenti*, which interweaves entertainment with cultural popularisation, is under way.

Culture and education – In the full spirit of the Public Service, the cultural storytelling unfolds horizontally in the offer of the generalist and specialised channels. Cultural dissemination represents a fundamental element of Rai 1's programming, simultaneously achieving the dual objective of audience and the Public Service. The protagonist of cultural narration on the channel is Alberto Angela, who in 2023 brought his *Meraviglie e i viaggi di Ulisse* back to prime time, and who, as in the previous year, turned Rai 1's Christmas Eve into a magical event with record ratings, transporting the audience into the enchanted atmosphere of the bright and glittering Paris with *Stanotte a Parigi*. In spring, two *Ulisse* specials on *Piero Angela* and, on the occasion of King Charles' coronation, *La corona dei Windsor*. Rai 1's programme schedule also lights up with cultural events on the occasion of particularly important anniversaries capable of touching the chords of collective sensitivity and civic commitment. This is the case of *Binario 21*, the emotional journey aired on the occasion of Remembrance Day. Accompanied by Fabio Fazio, Liliana Segre retraced her story and the day in 1944 when, aged thirteen, she was taken from San Vittore prison to be transported to the horror of Auschwitz. A minute's silence stopped platform 21 and Milan's central station and while the La Scala choir sang Giuseppe Verdi's *Nabucco*, Rai kept the audience's eyes glued to the screens, their breath suspended and their minds fixed on the memory of the tragedy, becoming ambassadors of a precious message: do not give in to that indifference that condemned millions of innocent people to death.

Among the many titles on Rai 3 are *Splendida cornice*, the stories of *Caro Marziano* and *Via dei Matti n. 0*. Many experimentations were introduced (*Quinta dimensione, Il ramo d'oro, Macondo, l'avversario*) but it is above all the historical brand *Geo* that confirmed itself as the main asset of the network's afternoon programme, as well as *Kilimangiaro*, the successful Sunday afternoon programme.

The cultural offer continued on Rai 5, with proposals from outdoor to environmental education, from literature to auteur cinema, from art to cultured music, from theatre to opera, and on Rai Storia, the privileged place for the storytelling and in-depth analysis of history, its protagonists and major events. The educational offer is mainly restricted to the Rai Scuola channel with proposals dedicated to training and learning and with content mainly related to the world of science, the environment, research, space, sustainability, nature and technology.

Insight – The insight genre connotes Rai as a broadcaster committed to the Public Service. For 70 years now, the company has been offering timely, objective and faithful reporting on current affairs with a focus on the strict principles of pluralism and impartiality of information. The genre implemented and developed new formats throughout the calendar year, with a massive presence of containers. New on Rai 1, starting in spring 2023, Bruno Vespa's daily strip *Cinque minuti*, for a sharp one-to-one with the protagonists of the political scene. In late evening *Porta a porta* confirms its centrality in the network's news offering with the usual in-depth reports on politics, news and customs, and Mondays have become the ground for various experiments: *Cronache criminali, Storie di madri, Basco rosso, Profili di vittime, Il mondo in tasca* and, in autumn, *XXI secolo*.

In Rai 2's late evening and night schedules, the genre was also present across several new programmes which contributed to the constant experimentation of faces and languages to discuss social and political issues and topics related to the world around us: *Restart*, which shifted on Rai 3 in autumn, *Tango, Generazione Zeta, Storie di Donne al Bivio, Underdog* and *Full Contact*. In Rai 2 afternoon, *Ore 14*, the programme dedicated to Italian news, became one of the fixed appointments between the network and its audience.

Rai 3 - the channel devoted to insights and reportage - has also introduced new titles (including *Far West* and *Che sarà*), while the best audience rates remained connected to the historical brands launched in 2022 such as *Report, Presa diretta, Indovina Chi Viene a cena, Il Cavallo e la Torre*. The public service broadcasting has always been channelled by *Chi l'ha visto?*, the programme with a solid and consolidated audience that accompanies citizens over the week.

Drama – In line with the successful audience and value TV and web results, the drama season continued providing a balance between returning series and news across the generalist channels. Rai 1 reintroduced prominent titles that reached peaks in terms of audience and public appreciation. In particular, they include, *Le Indagini di Lolita Lobosco, Che*

Dio ci aiuti 7, Imma Tataranni. Sostituto procuratore 3, Blanca 2. In terms of novelty, there are many new programmes, including: *Blackout, Resta con me, Fiori sopra l'inferno, Sei donne, Vivere non è un gioco da ragazzi, Il maresciallo Fenoglio.* As for the new products, season 2023 was characterised by historical event-dramas focused on civil and historical commitment to celebrate the most painful events of our past, with a specific attention to female characters and protagonists in news, politics, current issues and art. In addition to the drama *Generale Carlo Alberto Dalla Chiesa*, the channel also featured, *La vita di una donna straordinaria. Fernanda*, a drama to celebrate Fernanda Wittgens, director of the Brera Art Gallery (Pinacoteca), the first woman in Europe appointed with this prestigious mandate. But also *Tina. Partigiana della Democrazia*, a biopic about Tina Anselmi, aired on 25 April, a human and political portrait of the first female Minister of the Italian Republic, depicting the moral qualities and the ideologies that inspired her from the partisan militancy to the Presidency of the Commission investigating on the P2 masonic lodge. *Per Elisa. Il caso Claps* a reconstruction on one of the most terrible crime news of the recent years, the homicide of a 16 years-old girl in Potenza in 1993; the docu-drama *Circeo* on Donatella Colasanti.

The 2023 offer also includes *La stoccata vincente*, a TV movie on the Sicilian athlete Paolo Pizzo and his career as a fencer in the discipline of épée; *Napoli milionaria* and *Non ti pago*, the television transpositions of Eduardo De Filippo's two theatrical masterpieces that have fuelled the RAI catalogue with products that succeed in achieving the twin goals of quality and popularity.

On Rai 2, the third season of the series *Mare fuori*, the fifth season of *Rocco Schiavone* and, among the novelties, *Il giro del mondo in 80 giorni* and *Noi siamo leggenda*, a fantasy product, experimental and innovative also in its search for new teenage targets.

On Rai 3 *Un posto al sole* and *Dottori in corsia*, now in its sixth season, are confirmed.

Cinema and TV series – Rai 1's programming throughout 2023 included many first-run films and titles linked to specific anniversaries, as well as the airing of historical and successful series. The event title of the year, broadcast during the guarantee period, was *House of Gucci*, an exceptional TV premiere aired in the autumn. Good ratings for the TV premiere *Zack cane eroe*, broadcast during the week of remembrance with excellent results, as well as the films dedicated to the channel's Christmas gifts, which have always been in the family genre or characterised by themes linked to the period. Among all, *Cenerentola*, with a record audience for the genre (19.09%) and *Pattini d'argento*, latter in its TV premiere. In the summer offering, two first-run TV titles stand out: *Sulle ali della musica* and *Un marito sospetto*. Rai 2 has always been characterised by a selection aimed at the action, thriller and noir genres, but in 2023 there was no shortage of appointments with family films or in any case dedicated to a broader audience and in search of new targets. Among the titles that have been most popular with the public, on first TV, it is enough to mention *Io Sono Babbo Natale* and *Crudelia* and, in the summer, *Il ragazzo della piscina* and *Feste in famiglia*.

On Rai 3 many titles characterised by civic and social commitment including *Respect*, *Sempre amici* and *Le cose che non ti ho detto*.

The TV series include, *Morgane e Prossimamente 4* on Rai 1 and *Delitti in paradiso* on Rai 2.

Rai Movie, the channel entirely dedicated to cinema, continued to propose a vast and prestigious quantity of titles, often articulated in thematic cycles including, in 2023, *Strani mondi*, dedicated to science fiction in its various declinations, and *A qualcuno piace Wilder*, great black and white cinema in prime time with the masterpieces of the famous director.

On Rai 4, serial and film programming continued - in particular crime/police films in all their various forms and nuances - with numerous proposals, also in prime time.

Documentaries – The documentary offer unfolded on the RAI channels both in prime time and in late evening. If Rai 1 has hosted documentaries linked to anniversaries and events, in 2023, Rai 2 has dedicated a crime series to the genre in prime time, with a particular focus on feminicides, and Rai 3 has - more than any other channel - given space to a varied type of documentary. Among the many titles broadcast, on Rai 1 the docufilm *I Pooh. Un attimo ancora*, an absolute ratings record, retraced the seven main stages of the musical group's career from an entirely new storytelling perspective, that of Generation Z. Highly appreciated by the public and critics was the documentary *Lucio per amico*, broadcast on the occasion of the 80th anniversary of Lucio Battisti's birth and the 25th anniversary of his death - with interviews with exceptional witnesses and a selection of the singer-songwriter's musical repertoire.

The search for new languages has distinguished Rai 2's offer with *Gli Scugnizzi del Basket*, dedicated to the Caserta team that in the 1980s, thanks to a brood of terrible boys and the vision of a great businessman, managed to win an incredible and unique championship, and the *Delitti in famiglia* cycle, aimed at recounting some of the most notorious cases in the family environment in recent Italian history.

On Rai 3 in prime time, many portraits of well-known personalities, from Alberto Tomba with *Vincere in salita*, to *Gianni Agnelli. In arte l'avvocato*, from Massimo Troisi with *Buon compleanno Massimo*, on the occasion of the 70th anniversary of his birth, to Giorgio Gaber with *Io, noi e Gaber*.



Kids – The editorial offer of the Public Service aimed at children and young people has always revolved around two key terms: entertainment and education. With original production programmes, cartoon and fiction series made in collaboration with independent Italian authors and producers and a selection of the best European and international works, the offer for Rai Kids channels is rich, inclusive and educational. As far as pre-school audiences are concerned, the focus is on animated series of great visual impact and originality of content, as well as in-house productions specifically designed to stimulate the development of the youngest viewers, while for children up to 12 years of age the offer is based on diversified genres, ranging from classic fiction to sitcoms, columns and documentaries for children, as well as animated series with an adventure/comic/slapstick slant. On Rai YoYo, in the course of 2023, historical productions like *La Posta di YoYo* or *L'Albero Azzurro*, have been joined by the more recent and original *Calzino*. The most successful animated series, *Topo Gigio*, *Pinocchio* and *Friends*, *Summer and Tods*, *44 gatti*, *Hello Kitty* and *Bluey* have punctuated the channel's programming, alongside *The Smurfs*, *Peppa Pig*, *Masha and Bear*, *Paddington*, *Bing*,

The Most viewed programmes - top 2023

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

Title	Channel	Date	Audience	Share
Film				
<i>Cenerentola</i>	Rai 1	05/01/2023	3,413,000	19.1%
<i>Il re leone</i>	Rai 1	02/01/2023	3,047,000	16.4%
<i>Pattini d'argento</i>	Rai 1	03/01/2023	2,986,000	18.3%
Drama				
<i>Le indagini di Lolita Lobosco (season 2)</i>	Rai 1	08/01/2023	6,443,000	34.5%
<i>Che Dio ci aiuti 7</i>	Rai 1	12/01/2023	5,787,000	27.0%
<i>Fiori sopra l'inferno - I casi di Teresa Battaglia</i>	Rai 1	31/03/2023	5,135,000	25.8%
Entertainment				
<i>73th Sanremo Music Festival</i>	Rai 1	11/02/2023	11,584,000	66.8%
<i>Affari tuoi</i>	Rai 1	05/12/2023	5,466,000	25.2%
<i>C'è posta per te</i>	Canale 5	21/01/2023	5,123,000	30.9%
Sports special features				
<i>Champions League live</i>	Canale 5	10/06/2023	2,600,000	22.5%
<i>Coppa Italia Live</i>	Canale 5	04/04/2023	2,451,000	16.7%
<i>Supercoppa live</i>	Canale 5	18/01/2023	2,028,000	11.8%
Sport				
<i>UEFA Champions League</i>	Canale 5	10/06/2023	8,872,000	45.3%
<i>European Championship Qualifiers</i>	Rai 1	20/11/2023	8,783,000	38.4%
<i>Italian Cup</i>	Canale 5	26/04/2023	7,519,000	34.4%
Religious programmes				
<i>Rito della Via Crucis</i>	Rai 1	07/04/2023	3,808,000	20.0%
<i>Benedizione Urbi et orbi</i>	Rai 1	09/04/2023	3,061,000	34.5%
<i>Angelus</i>	Rai 1	01/01/2023	2,802,000	27.6%

Odo and *Shawn la pecora*, mainstays of the schedule. In addition, Rai YoYo is one of the few public broadcasters to continue to offer the adventures of *Mickey Mouse* and his friends. Another title to highlight is *Super Spike Ball*, the cartoon created by volleyball champion Andrea Lucchetta.

The themes of sustainability and inclusion are central to the offer through titles such as *Il Cercasuoni*, *Il mondo di Leo e Pablo*, *Lampadino e Caramella*. Also important are the award-winning Italian animation series *Food Wizard* and *I Trullalleri*. Always present on the channel is also programming in English thanks to the container programme *Hello Yoyo*. Rai Gulp is the channel aimed at older children and teenagers with series designed for a pre-teen audience, in which the diverse settings and narrative cues offer the key to telling stories of personal growth and stimulating the discovery of one's own potential in order to gain more self-confidence. Among the programmes produced by Rai: *Offside Racism*, dedicated to the game of football, respect for the rules and the weight they carry, on and off the sports field, and *Clorofilla*,

Title	Channel	Date	Audience	Share
Information programmes				
<i>Con il cuore nel nome di Francesco</i>	Rai 1	30/05/2023	2,903,000	17.6%
<i>Chi l'ha visto?</i>	Rai 3	29/03/2023	2,171,000	12.8%
<i>Forum</i>	Canale 5	07/02/2023	1,787,000	21.2%
Animation and cartoons				
<i>La Sirenetta</i>	Rai 1	26/12/2023	2,117,000	11.8%
<i>Shrek</i>	Italia 1	20/05/2023	1,193,000	6.6%
<i>Il Grinch (2018)</i>	Italia 1	23/12/2023	1,119,000	6.2%
Science and environment				
<i>Linea Verde</i>	Rai 1	12/02/2023	3,603,000	27.2%
<i>Linea Verde Life</i>	Rai 1	11/02/2023	2,765,000	22.4%
<i>Noos L'avventura della conoscenza</i>	Rai 1	29/06/2023	2,544,000	17.3%
Culture				
<i>Stanotte a Parigi</i>	Rai 1	25/12/2023	3,436,000	21.9%
<i>Concerto di Capodanno</i>	Rai 1	01/01/2023	3,295,000	26.4%
<i>Ulisse Il piacere della scoperta</i>	Rai 1	03/05/2023	2,971,000	16.9%
Investigation				
<i>Porta a Porta speciale la Croce di Odessa</i>	Rai 1	07/04/2023	3,034,000	16.9%
<i>Otto e mezzo</i>	La7	12/06/2023	2,188,000	11.2%
<i>Report</i>	Rai 3	30/01/2023	1,948,000	9.5%
Current events				
<i>Message by the President of the Republic</i>	Unified networks	31/12/2023	10,653,000	64.8%
<i>Cinque minuti</i>	Rai 1	27/02/2023	5,168,000	23.5%
<i>Binario 21</i>	Rai 1	27/01/2023	4,762,000	22.7%



produced in collaboration with the RAI Technological Research Centre, a series to teach children to know and love plants. There are many Italian and European series produced in collaboration with Rai Kids, such as *Dragonero* or *Mia and Me*, and many titles concerning international animated and live action series, including *Tara Duncan*, *Theodosia*, *Baby Boss*, *Idefix*, *Robin Hood*, *Kung-fu Panda*, *Capitan Mutanda*, *Geronimo Stilton* and *Zorro*.

Digital and Transmedia Content – Also in 2023, the activities aimed at the editorial strengthening of the Group's digital offer continued. In a media scenario characterised by great dynamism, especially with regard to the digital sector, in order to grasp and interpret the evolution of the market, Rai has experimented with new formats and communication methods, moving towards original forms of storytelling capable of imprinting a strong identity on the proprietary digital platform. In particular, through original products, an attempt was made to intercept the needs of younger audiences and those more inclined to a non-linear fruition and more accustomed to highly targeted products. The offer was distributed in digital only or digital first mode with titles diversified by target and genre, chosen with a view to experimenting with everyday languages and immersive and emotional storytelling techniques, functional to the involvement of Generation Z and the Millennials.

Among the numerous titles made available on RaiPlay in 2023 are the docu-dramas *Aracataca*. *Non voglio cambiare pianeta 2*, the talk show *Dicono di noi*, the sit-com *Confusi*, il talent *The Rap Game* and the format *Listen to me*. The programming, always in line with the objectives of the Public Service, has also devoted ample space to themes oriented towards the objectives of the 2030 Agenda, from inclusion - in its broadest sense - to the enhancement of the territory and the closing of the generation gap resulting from technological innovation.

As part of the proposals for digitally packaged content also broadcast on generalist television channels, we would like to highlight, among others, the debut of the new format *La Conferenza stampa*, the meeting of 350 young people with great personalities from the worlds of entertainment, sport and journalism, also broadcast on Rai 2; the third season of *Ossi di seppia*, on Rai 3, the docudrama that recounts the events that have affected the collective imagination; the seventh season of the digital native magazine dedicated to books *Play Books*; the first season of *Scialla Italia* on major current affairs issues through the eyes of Generation Z.

Lastly, mention should be made of the production of content for the RaiPlay Sound audio platform, for which several original products have been produced, including podcasts of particular relevance on topics concerning news, history and personalities.

Sport – Great sport has represented, also thanks to Rai's storytelling, one of the real occasions for the involvement and aggregation of the whole of Italian society. A television offer - wide, varied and always free to air of known and lesser-known disciplines - can be enjoyed on the thematic channel RaiSport and on the generalist networks, especially Rai 2. On Rai 1, the eagerly awaited football appointments that have seen the national Under 21 team, with the final stages of the European Championship and the national women's team, with the World Cup from New Zealand, alongside the national men's team, with the Nations League and the Qualification for the European Championship in Germany.

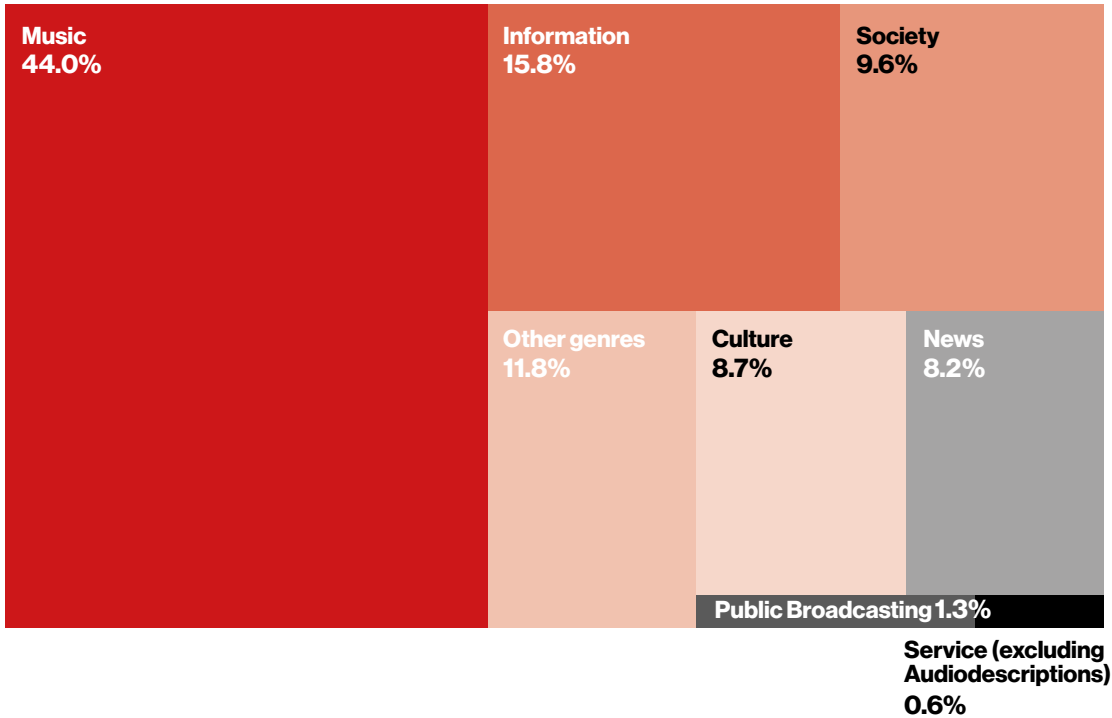
On Rai 2, still more and more the home of great Rai sport, sporting events have punctuated the offer in all seasons of the year, from the appointments with the Ski World Cup in the winter, to the cycling of the great spring classics of the 106th Giro d'Italia (able to exceed 28% share, with an average of 12.63%) and the Tour de France (with an average of 12.2 and peaks of over 20% share), the great events of the summer culminating with the exciting matches of the men's and women's national teams at the European Volleyball Championships, and, in the autumn, the excitement of great tennis with the rise of Jannik Sinner to the top of world tennis, thanks to the ATP Finals in Turin and the historic victory in the Davis Cup after 48 years (23.6% share in the final match with a peak of 29% in prime time and 6.5 million viewers).

Rai Radio – In 2023, Rai continued the process of digitalisation through both editorial and technological operations, launched the renewal of the radio production computer system and experiments with augmented reality in the area of video filming inside the radio studios. Rai Radio manages the Group's audio offer. In particular, it coordinates the editorial and commercial offer of the 12 radio channels and the RaiPlay Sound platform, implements linear and non-linear multi-platform distribution; it coordinates social and institutional radio campaigns and activities, as well as international projects and participation in festivals and competitions. During the year, the offer was characterised by the ongoing commitment to the promotion of the values of sustainability and the environment, inclusion and respect for gender equality, cultural promotion and the enhancement of social and territorial issues, with special attention - and dedicated offers - to special statute areas. In addition, special projects continued (e.g., concerts, film screenings, FAI days) and the production effort in the area of podcasts was significant (e.g., female stories such as *Figlie di Sara Poma* and *Nasim*. *Iran Verticale*, the relationship between man and nature with *Ghiaccio sottile* and *La montagna che cura*, the docudrama on the years of lead in Italy *Fausto e Iaio* and the fantasy series *La ragazza delle onde*). At the end of March 2023, the launch of the new *Rai Radio Live Napoli* channel (replacing Rai Radio Live) dedicated to the cultural heritage of Naples

and Campania and aimed in particular at enhancing the historical archive of Neapolitan song and giving space to new developments on the Neapolitan music scene.

Radio programming by genre - 2023

(broadcast time; source Rai)



From an editorial point of view, Rai Radio 1 reaffirmed its inclination as an all news broadcaster, with a schedule punctuated by radio newspapers, broadcast every hour and with five main editions. Information, in its different forms, is the channel's core: political and economic current affairs, news, the environment, social issues and territory, plus political/institutional, national and European information, edited by Rai Gr Parlamento. In addition, the focus was on the main events in Italy and around the world: from the arrest of Matteo Messina Denaro to the war in Ukraine and the crisis in the Middle East, from the earthquake in Turkey and then in Morocco to the elections in Slovakia and Argentina and the Cop28 in Dubai. Extensive space was dedicated to institutional anniversaries and special events, as well as to the sports offer, covered by now historical programmes (*Tutto il calcio minuto per minuto*, *Zona Cesarini*, *Extratime*, *Sabato e Domenica Sport*) which declined in a wide range of disciplines: football (Serie A, Serie B and all the European cups), Formula 1, MotoGp, cycling (*Giro d'Italia* and the *Tour de France*), tennis (*Roland Garros* and *Wimbledon*) and special events (such as the fencing world cup, the European volleyball championships, the women's world cup and the under19 and under20 European football championships, the rugby world cup, the *ATP finals* in Turin and the tennis *Davis Cup*). A wide range of columns and music programmes complete the channel's editorial proposal, which is also further enriched by the increasing production of podcasts available on RaiPlay Sound.

Rai Radio 2's editorial proposal, which is increasingly cross-media, is oriented towards escapism and intelligent entertainment: live music but also great historical titles (*Il Ruggito del Coniglio*, *Radio2 Social Club*, *Non è un Paese per giovani*), an important presence on social media, and a Visual Radio that offers a further way of enjoying the channel's radio offer. The network was also the protagonist of numerous appointments on the road and live from the national territory, confirming its leading role in promoting sustainability. Finally, the cross-media editorial synergies activated in particular with Rai 1, Rai 2 and RaiPlay were strengthened.

Rai Radio 3 is the channel dedicated to the major themes of cultural and civil debate and has strengthened its musical offering - particularly live - alternating classical and baroque compositions, contemporary production, jazz and singer-songwriter songs, and giving ample space to major national and international concerts and festivals. In addition, the broadcaster continued to promote major national cultural events, also giving space to culture in all its various forms: science, music, literature, geography, history, customs and cinema. Finally, also growing is the focus on new formats and the needs of audiences who are increasingly choosing to listen to rebroadcast programmes and original podcasts.



Rai Isoradio, the public utility channel, has strengthened information from the local area, covering all the news related to mobility, both urban and extra-urban, local and national, in agreement with the police forces and local institutions, enriching the 24-hour flow with entertainment programmes and in-depth columns on current affairs, economics, news and customs. The programme schedule is completed with a rich offer of music and news.

The service information is flanked by the Rai Gr Parlamento service, which broadcasts all institutional communication, enriched by columns on European politics, geopolitics, international scenarios, books, technology, sports through a comparison with sports institutions, and the political and parliamentary history of Italy.

Seven specialised channels accompany generalist radio stations to create an offer aimed at intercepting vertical audiences.

Offer abroad – Rai's proposal for the *rest of the world* is rich and articulated and is aimed at Italians living abroad temporarily or permanently, first or second generation and all foreigners interested in Italy. The Rai Italia channel is organised according to four schedules (North and Central America, South America, Europe/Sub-Saharan Africa and Asia/Australia) adapted to the main time zones and broadcast via satellite, cable and iptv. Original productions are also available online worldwide, including Italy, on RaiPlay in the *Rai Italy* section. Also in 2023, the offer has been oriented towards the promotion of Italian culture and language, as well as the enhancement of the territory thanks to original productions of different genres and the re-proposition of the best of Rai's generalist and specialised network programming, in line with its public service mission. The originals include *Casa Italia*, a daily programme on current affairs, with columns, guests and links from around the world and service content, *Il Confronto* and *On the Road. Verso il Giubileo*, weekly in-depth programmes dedicated respectively to political and economic-financial current affairs and to social commitment. Numerous programmes are offered in two languages, Italian-English (*Paparazzi*, in collaboration with Rai Radio 2; *Italian Genius*, *Gli italiani*, *Italian food*, *Il segno delle donne*, *Sette Meraviglie*) and, from November, some also in Spanish. The offer is enriched by information, which covers all time slots with the main editions of the national news broadcast live from Italy and with a news programme in English (*Rai News 24 English*), as well as by Italian sport (such as, for example, highlights of the Serie B football tournament, the Giro d'Italia 2023). The proposal is also complemented by a best of Rai's generalist and specialised programming: from fiction to entertainment, from culture to cinema.

Rai's main distribution channels

Television

Rai offers a wide range of nationwide channels on the DTT platform:

- Generalist Networks: Rai 1, Rai 2, Rai 3;
- 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;

In addition to Rai Radio 2 Visual (LCN 202).

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 connectable TVs (smart TVs or through certain types of interactive decoders).

Digital

Rai, as a Public Service, is present throughout the digital world with an offer of content available both on its digital channels and on the main platforms and social media. The strategy implemented by Rai aims to build the loyalty of audiences already involved through traditional channels, but also to reach new audiences - especially younger ones - by offering content in line with modern consumption habits and in step with technological innovations.

The Digital Rai proposal is as follows:

- Rai.it, the portal that aggregates and makes easily accessible the Group's vast digital offer and also proposes services such as the programming guide for Rai channels and access to the Company's corporate information;
- RaiPlay, the proprietary platform dedicated to the video offer in the digital world, which proposes original content, titles from Rai's linear offerings and other proposals, and is completed by the extensive Teche catalogue and the *Rai Italy* section, designed for Italians living abroad and for foreigners interested in Italy;
- RaiPlay Sound is the platform dedicated to the world of audio that offers the public, in addition to live broadcasts of all Rai Radio channels, the chance to listen to their favourite radio programmes, original content such as podcasts

and audio books;

- Rainews.it/TGR web, the portal through which all RAI information can be accessed,
- also available in an App version;
- RaiPlay Yoyo, the app, entirely dedicated to children and without advertising interruptions;
- Rai Cultura, the portal that aims to make Rai's cultural offer accessible and usable online with dedicated services, fed by the original contents, the thematic and generalist television programming, as well as by the great heritage of the Teche Rai archive.

In 2023, the Rai TV+ app was further developed (available on smart TVs with HbbTV technology connected to the Internet), which allows access to additional digital content and interactive services while watching one of Rai's channels live on DTT, and also to switch to the RaiPlay and RaiPlay Sound application on HbbTv2.

In a complementary way, Rai's distribution strategy has also confirmed its presence on the main digital platforms, such as Google/YouTube, X, Meta, TikTok, MSN, LinkedIn, Telegram as well as on Amazon Fire Stick TV, thus covering both young audiences and new modes of consumption, facilitating contact with an increasingly wide audience.

Radio

Rai Radio's offer is divided into 12 channels, diversified by editorial mission and target audience, all of which are present online and on social media, and whose proposal respects the gender quotas identified by the Service Agreement, namely: news, information, culture, society, music, service and public utility. In particular, it is declined as follows:

- three generalist radio stations: Rai Radio1, Rai Radio2 and Rai Radio3;
- two thematic channels: Rai Isoradio (infomobility) and Rai Gr Parlamento (institutional);
- seven specialised digital channels: Rai Radio1 Sport, Rai Radio 3 Classica, Rai Radio Kids, No Name Radio, Rai Radio Live Napoli (which replaces Rai Radio Live from 31 March 2023), Rai Radio Techetè and Rai Radio Tutta Italiana.

Generalist and thematic channels are distributed through all the usual radio broadcasting platforms and technological infrastructures, such as FM, dab+, sat, web, app and social media; specialised channels are broadcast through dab+, via web DTT and through the RaiPlay Sound app. Moreover, radio channels are also present on TV, thematic channels in HbbTV mode, generalist channels on digital terrestrial; Rai Radio 2 also in visual mode.

International distribution

In 2023, the marketing and distribution activities of Rai's channels abroad, despite the gradual and physiological contraction of the pay TV market for linear channels at a global level and the non-renewal of the Serie A football championship rights for the non-European market, maintained substantial stability compared to the past, confirming all the main existing contracts and also activating new partnerships. In particular, in the European sphere, an important new agreement was signed with the operator Globo TV, which guaranteed for the first time the retransmission of Rai channels in two countries that, until now, had never been able to enter: the United Kingdom and Spain. The partnership with Globo TV has significantly expanded the range of distribution which, in addition to the UK and Spain, covers the following countries: Southern Ireland, Portugal, Switzerland, France, Belgium, Malta, Greece, Cyprus, Turkey, Romania, Moldova, Finland, Latvia and Lithuania and covers not only the retransmission of Rai Italia, but also that of Rai 1, Rai 2, Rai 3, Rai Storia, Rai Scuola, Rai News, Rai Radio 1, Rai Radio 2 and Rai Radio 3.

In the extra-European area, revenues, as already mentioned, were affected by the negative impact generated by the non-renewal of the Serie A football championship rights for Rai Italia, especially in the United States and Canada, territories in which the channel is present in a majority of the à-la-carte packages of partner operators. However, these effects have been contained thanks to the negotiated closure of agreements that have generated revenue growth, especially in Latin America (Claro TV and Dharma Media) and Australia (Foxtel, Overlook and Globo TV).

Rai continued its analysis and evaluation of all the elements functional to the launch of a non-linear offer in order to align strategies to the evolution of television content consumption. This offer, to be distributed according to a B2B model, both to current international partners and to new operators, envisages the integration of the current linear offer with a large catalogue of non-linear content, in a logic of enrichment of the current offer and of adaptation to the trend of the international pay-TV market, which has seen a significant growth in the non-linear segment over the last few years. The main target is made up of Italian nationals and Italian-speaking television viewers who reside permanently or temporarily abroad.



Map of the Rai Offer - 2023

Television

(Digital terrestrial and satellite)

Generalist

Rai 1, Rai 2, Rai 3

Semi-generalist and specialised channels

Rai 4, Rai 5, Rai Premium, Rai Movie, Rai Gulp, Rai Yoyo, Rai News 24, Rai Storia, Rai Sport, Rai Scuola, Rai 4K

Visual Radio Channels

Rai Radio2

TV channels available on RaiPlay

Rai 1, Rai 2, Rai 3

Rai 4, Rai 5, Rai Premium, Rai Movie, Rai Gulp, Rai Yoyo, Rai News 24, Rai Storia, Rai Sport, Rai Scuola

Rai Radio2

Depending on the transmission platform, channels are available in UHD, HD or SD.

Depending on the transmission platform and/or geographical area, local programming is available.

Radio

Generalist channels

Rai Radio1, Rai Radio2, Rai Radio3

Special interest channels

Rai Isoradio, Rai Gr Parlamento

Specialised digital stations

Rai Radio1 Sport, No Name Radio, Rai Radio3 Classica, Rai Radio Tutta Italiana, Rai Radio Techetè, Rai Radio Live Napoli, Rai Radio Kids

Radio channels available on RaiPlay Sound

Rai Radio1, Rai Radio2, Rai Radio3

Rai Isoradio, Rai Gr Parlamento, Rai Radio1 Sport, No Name Radio, Rai Radio3 Classica, Rai Radio Tutta Italiana, Rai Radio Techetè, Rai Radio Live Napoli, Rai Radio Kids, Rai Radio Trst A, Rai Radio Südtirol

Information

Tg1, Tg2, Tg3, TgR, Rai Sport, Rai Parlamento, Rai News,
Rai Giornale Radio

International Offer

Rai Italia, Rai World Premium, Rai News 24

Internet

Rai.it, RaiPlay.it, RaiNews.it,
RaiPlaySound.it, RaiCultura.it
RaiItalia.it

App

RaiPlay, RaiPlay Sound,
Rai News, Rai Yoyo

Cinema

Rai Cinema,
01 Distribution

Home video

01 Distribution,
Rai Com

Publishing

Rai Libri



Offer performance

Television

The television audience estimated by Auditel for 2023 amounted to 8.2 million average viewers in daytime and 19 million in prime time, with a decline compared to the reference period of just over 500 thousand and 1.1 million, respectively. Including the unrecognised audience share - i.e. attributable to players (e.g. OTT, game consoles, radio) who did not request to be measured - the audience value is in line with the pre-pandemic ones, confirming the shrinking trend of the TV medium. It should also be noted that, following the methodological changes introduced by Auditel in May 2022, it is not possible to compare share values with this reference period.

The Rai Group recorded just over 3 million (3,042,000) listeners (share 37%) over the whole day, and in prime time, it confirmed its leadership with 7.2 million (37.8%). These figures represent a reduced contraction in the Group's performance, tending to be in line with the generalised decline in the average audience. Mediaset reached just under 3.1 million listeners (3,092,000) in the whole day (37.6%) and 7.1 million in prime time (37.5% share). In detail:

- the traditional generalist networks (Rai 1, Rai 2, Rai 3, Canale 5, Italia 1, Rete 4 and La7) together hold a 59.9% share of the entire day and 63% of prime time;
- the semi-generalist networks (Tv8, Nove, Rai 4, Cielo, Real Time, Dmax, 20, Sky Uno and Sky Uno+1) record 10.8% share in the whole day and 11.9% in prime time;
- the specialised networks recorded a 26.8% share in the whole day and 22.8% in prime time;
- the *Other TVs* intercept 2.5% share in the whole day and 2.3% in prime time.

Compared to 2022, the strength ratios of these aggregates, both in the whole day and in prime time, vary as a result of the aforementioned methodological changes introduced by Auditel, the main effect of which is that of the contraction of the *Other* aggregate, from which the unrecognised ratings are excluded, i.e. not attributable, as mentioned, to certified sources. The recomposition slightly, and proportionally, benefits the group of semi-generalist broadcasters.

Compared to individual channels, always in terms of share:

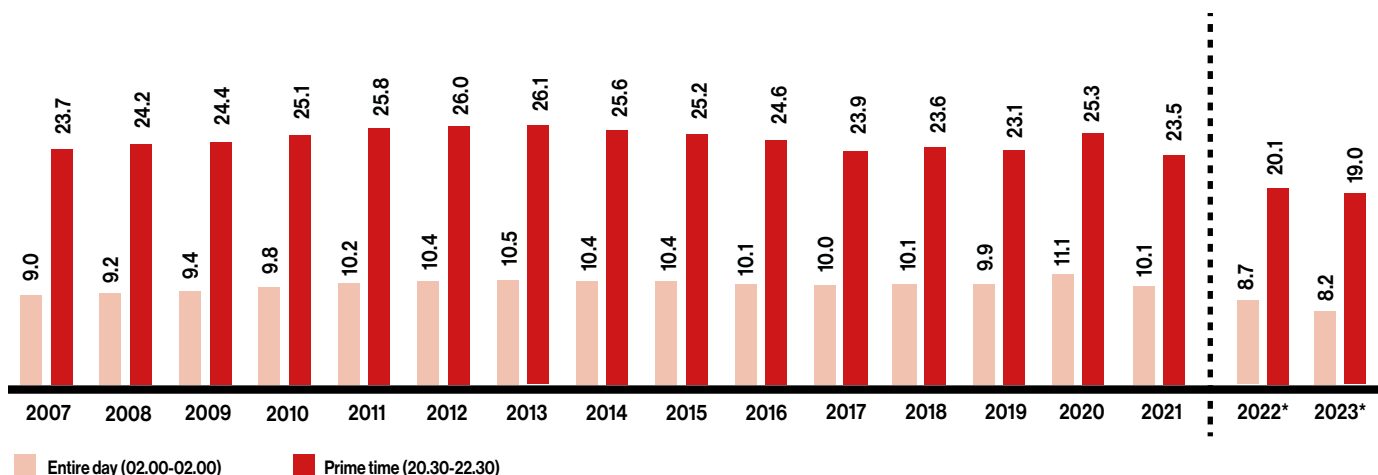
- Rai 1 confirmed itself as the most viewed network both in the whole day, with 1.5 million (18.3% share) and in prime time, with almost 3.9 million (20.4%);
- Rai 2 reached 430 thousand listeners (5.2% share) in day time and 964 thousand (5.1% share) in prime time;
- Rai 3 achieved 558 thousand listeners (6.8% share) in day time and just over 1.2 million (6.4%) in prime time.

As regards the performance achieved by the main competitor channels in the period under consideration, again in terms of listeners, the following results are recorded:

- Canale 5 obtained just over 1.4 million listeners (17.6% share) in day time and just over 3 million (15.9%) in prime time;
- Italia 1, over the whole day, registered 387 thousand listeners (4.7% share) and just over 1.1 million in prime time (6%);
- Rete 4 had 325 thousand listeners in day time (4% share) and 844 thousand in prime time (4.4%);
- La7 achieved just under 280 thousand listeners in day time (3.4% share) and around 920 thousand in prime time (4.8%);
- TV8 recorded 200 thousand listeners (2.4% share) over day time and just under 500 thousand (2.6%) in prime time;
- NOVE intercepted 156 thousand listeners in day time (2% share) and about 470 thousand (2.5%) in prime time.

Evolution of the average television audience (2023)

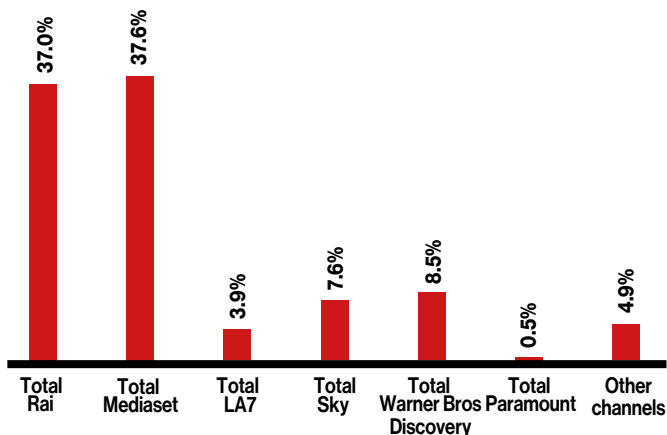
(source Auditel, figures in millions)



* Following the change in the scope - introduced in May 2022 - of the operators included in the Auditel measurement, the values are not comparable with those of previous years.

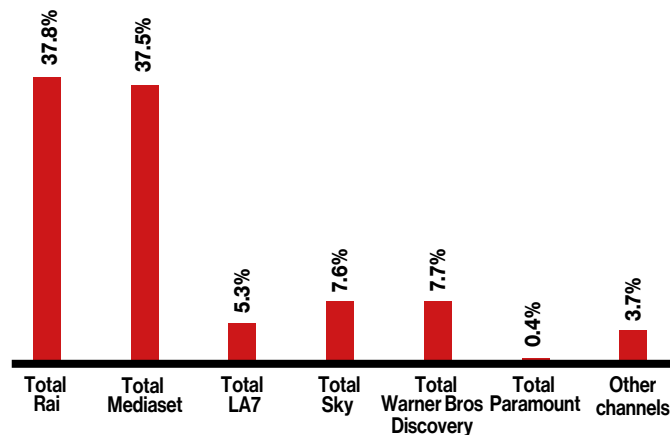
2023 - Share major publishers on average day generalist and specialised channels*

(time slot 02:00 - 02:00, source Auditel)



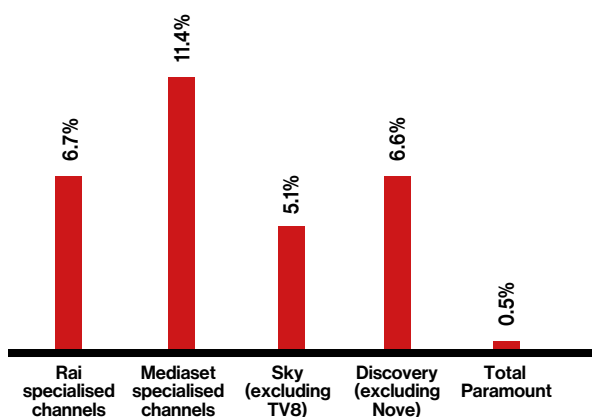
2023 - Share major publishers in prime time generalist and specialised channels*

(time slot 20:30 - 22:30, source Auditel)



2023 - Share publishers on average day specialised channels*

(time slot 02:00 - 02:00, source Auditel)



* As a result of the revision carried out in May 2022 of the perimeter used by Auditel for the calculation of TV audience shares, the values are not comparable with those of previous years.



Average share of TV channels* - 2023

	Entire day (02:00-02:00)	Prime time (20:30-22:30)
	2023	2023
Rai1	18.31%	20.41%
Rai2	5.22%	5.08%
Rai3	6.78%	6.36%
Rai Generalist	30.31%	31.85%
Rai4	1.36%	1.40%
RaiPremium	1.40%	1.20%
RaiMovie	1.11%	1.12%
Rai5	0.32%	0.39%
RaiStoria	0.25%	0.29%
RaiScuola	0.13%	0.13%
RaiYoyo	0.73%	0.49%
RaiGulp	0.15%	0.14%
RaiSport	0.61%	0.55%
RaiNews24	0.62%	0.23%
Rai Specialised	6.68%	5.95%
Total Rai	36.99%	37.80%
Canale 5	17.56%	15.94%
Italia 1	4.71%	5.99%
Rete 4	3.95%	4.44%
Mediaset Generalist	26.21%	26.37%
Mediaset Specialised	11.40%	11.12%
Total Mediaset	37.62%	37.49%
La7	3.38%	4.83%
Total La7	3.88%	5.34%
Total Sky	7.58%	7.61%
Total Warner Bros. Discovery	8.53%	7.71%
Total Paramount	0.49%	0.38%
Other channels	4.91%	3.67%
Total Other TV channels	25.39%	24.71%
Total TV	100.00%	100.00%

* As a result of the revision carried out in May 2022 of the perimeter used by Auditel for the calculation of TV audience shares, the values are not comparable with those of previous years.

Digital and Social

In 2023, the Total Digital Audience measured by Audiweb reached 36.5 million unique users on the average day, +8% compared to 2022. Each user spent an average of 2 hours and 37 minutes a day in the digital world (stable). 10.9 million Italians (2+) accessed the Internet on an average day from a PC (-9% compared to 2022), while 34.2 million individuals (18+) did so from smartphones and/or tablets (stable). Also according to the Audiweb survey promoted by Audicom, on a monthly basis, in 2023, an average of 43.9 million individuals, i.e. around 75% of the Italian population, connected to the internet at least once a month (stable value in comparison with 2022). Those who surfed from a PC were 27.2 million (stable vs. 2022), those who connected to the internet from a mobile phone were about 39.4 million (stable vs. 2022).

With regard to the RAI world, in the same period, users who connected on average at least once a month to one of the various sites or apps of the public service operator reached 19.4 million, or 44% of the active internet population. This value shows a significant increase compared to 2022 (+37%). In the ranking of the leading online Groups active in Italy, Rai ranks 18th. At the top of the ranking are once again the large international players (Google, Meta, Amazon), followed by Microsoft, RCS MediaGroup, Gedi, Mondadori and Mediaset, the latter supported by the significant contribution that *Meteo.it* and *Tgcom24.mediaset.it* make to the Group's total traffic.

Rai News, the news portal, significantly increased its traffic, reaching a monthly average of 12.2 million unique users (+78% vs. 2022). This growth is substantially attributable both to the release of the new web portal and the new app, and to methodological reasons, which introduced improvements on the process of individualisation of consumption, i.e. the transformation of data referring to devices into data referring to individuals, an activity for which the express consent of users is no longer required (Source: Audiweb research).

As regards the detail of the multimedia offer of video content, RaiPlay closes 2023 with an average of 11.1 million unique users per month (+18% vs. 2022). Its direct competitor Mediaset Infinity records slightly higher performances with 11.7 million unique users per month (+24% vs 2022). In terms of time spent, RaiPlay maintains the leadership with 2 hours and 29 minutes average monthly; a little behind Mediaset Infinity with 2 hours and 15 minutes (Source: Audiweb). In terms of genres used on Rai's player, Fiction is the most followed with 50% of the total viewing on demand (Source: Mapp).

In 2023, the offer of Rai content on YouTube, conveyed through the two official channels - the Rai channel and the *Il Collegio* channel - generated a total of 819.5 million views, stable compared to 2022 (Source: YouTube Analytics).

Rai's main applications for Mobile/AppTv totalled around 10.3 million downloads in 2023, recording an overall decrease of -4% compared to 2022. In detail, RaiPlay recorded 9.5 million new downloads (+5%); RaiPlay Sound 440 thousand, Rai News 161 thousand and RaiPlay Yoyo 191 thousand (Source: Appstore, Applestore, Amazon, Samsung, LG). In particular, content on the RaiPlay Yoyo app (live+on demand) generated 36.4 million views in 2023 (Source: Mapp).

As for the world of social networks, the 2023 ranking of the traffic generated by TV publishers sees Sky prevailing with 903 million interactions (60% share), followed by Mediaset with 230 million (15%) and Rai with 204 million (13%), at a distance, with shares of less than 5%, all the other publishers starting from DAZN, Netflix, Discovery and Prime Video. With regard to Rai's offer, in terms of genres, first place goes to Entertainment (73% of the total), followed by Series TV/ Fiction (13%) and Talent and Reality (7%). The Rai titles that generated the most *buzz* in 2023 were: *Il 73° Festival di Sanremo*, *Che tempo che fa*, *Mare Fuori* (Source: Talkwalker).

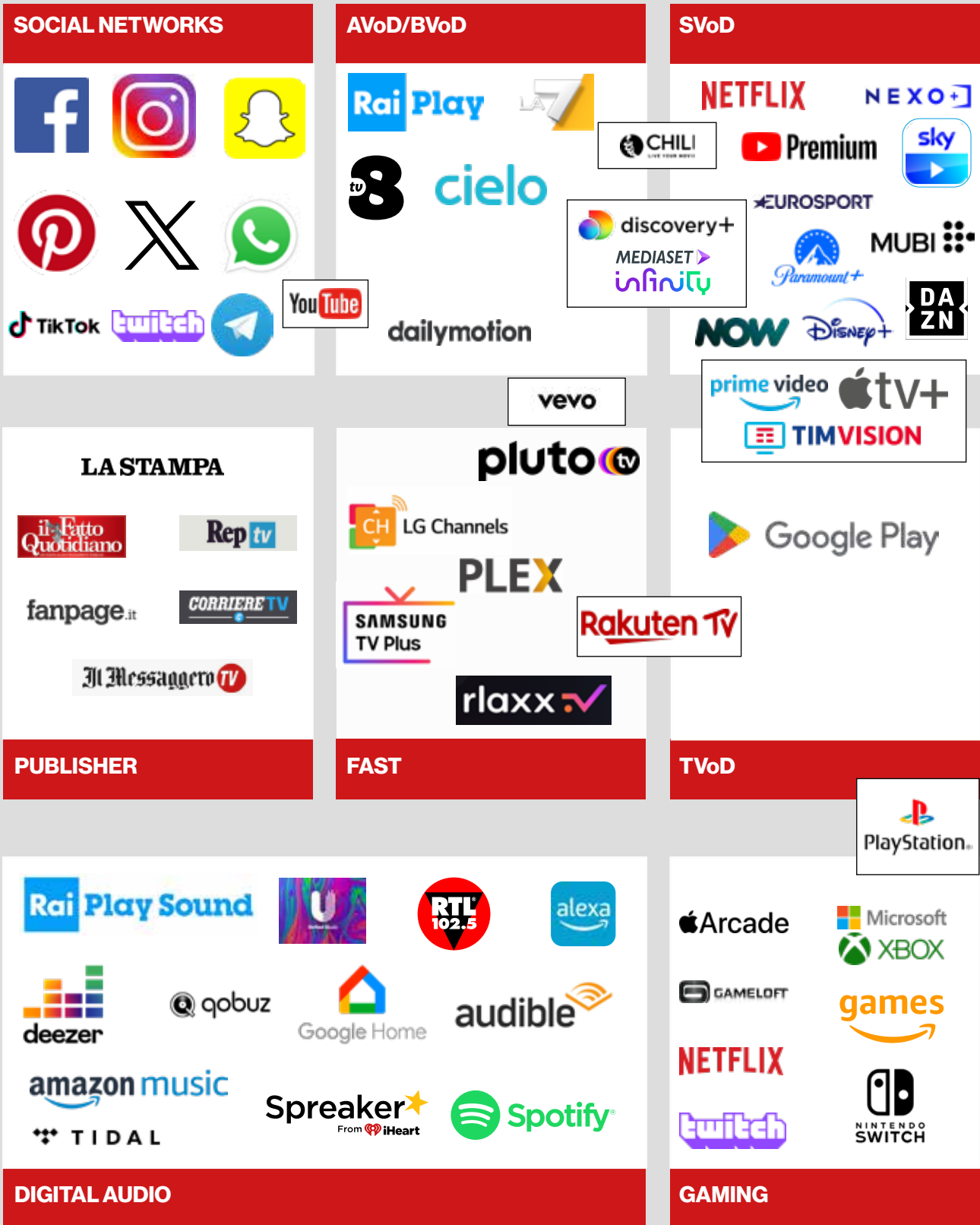
During 2023 Rai's presence on social platforms was further strengthened, also thanks to the creation of new communities with younger targets and experimentation, both in terms of presence on new (WhatsApp Channel and Threads) or still little exploited (TikTok) platforms, and in terms of innovative content production (new vertical formats for reels and stories, new social storytelling formats).

The active and synergic presence of Rai's accounts on the various social networks has made it possible to reach different and complementary audiences, consistently with the objectives of the social strategy conceived not by channel but by content and genre. The distribution methods on the main platforms aim to reach younger audiences and position the Rai brand in an increasingly competitive manner. Major events and premium products were also exploited to improve brand awareness through the publication of quality native content. Overall interactions grew in the period under consideration thanks to the use of reels and the viral presence on the social TikTok. Increasing are also (Source: FanPageKarma) the 4 communities: TikTok (+423%), Instagram (+15.7%), Facebook (+1.8%), X (formerly Twitter, +1.2%).

Compared to the data collected and published by the Auditel Online system, which measures the TV ratings of six



Digital - Main Player competition

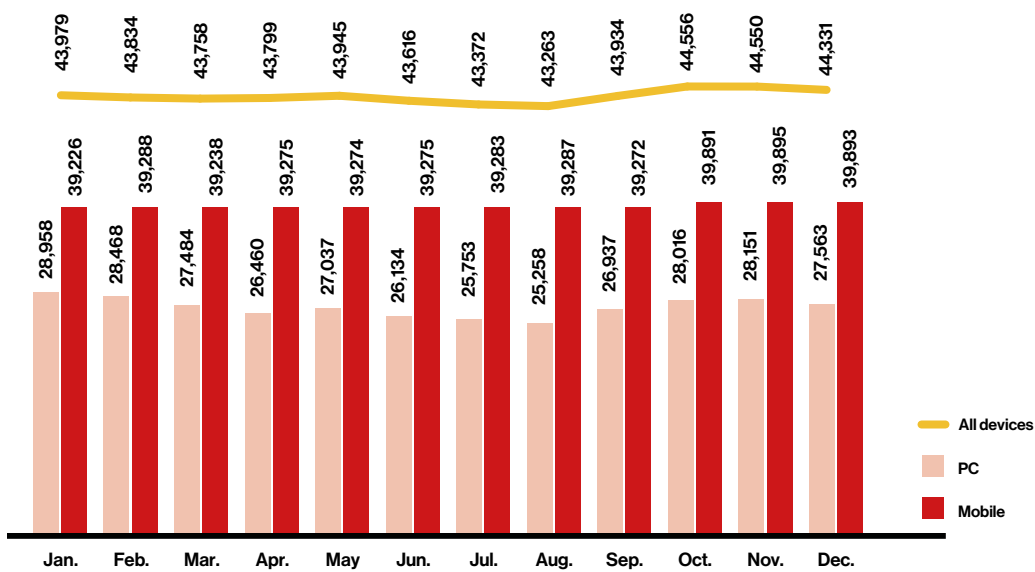


publishers (Discovery, La 7, Mediaset, Rai, Sky and from 2022 DAZN), on digital devices, both via browser and app, the public service publisher manages to carve out a significant space. In 2023, the total TTS (Total Time Spent) amounted to 1.9 billion hours: Rai 32%, Mediaset 34%, Sky 8% and DAZN 23%. This figure is the sum of the hours spent consuming content in linear mode (870 million hours) and in on-demand mode (1 billion hours).

In linear mode DAZN alone represents 48% of the market. It is followed by Mediaset with 23% and Rai with 18%. In the on-demand mode, it is neck and neck between Rai with 445 million hours watched (44% of the market) and Mediaset (449 million hours, 44%) followed by Sky (with 77 million hours, 7%). In the ranking of the most viewed programmes in on-demand mode, the first title is *Mare Fuori* with 72.3 million hours used (Source: Auditel Online).

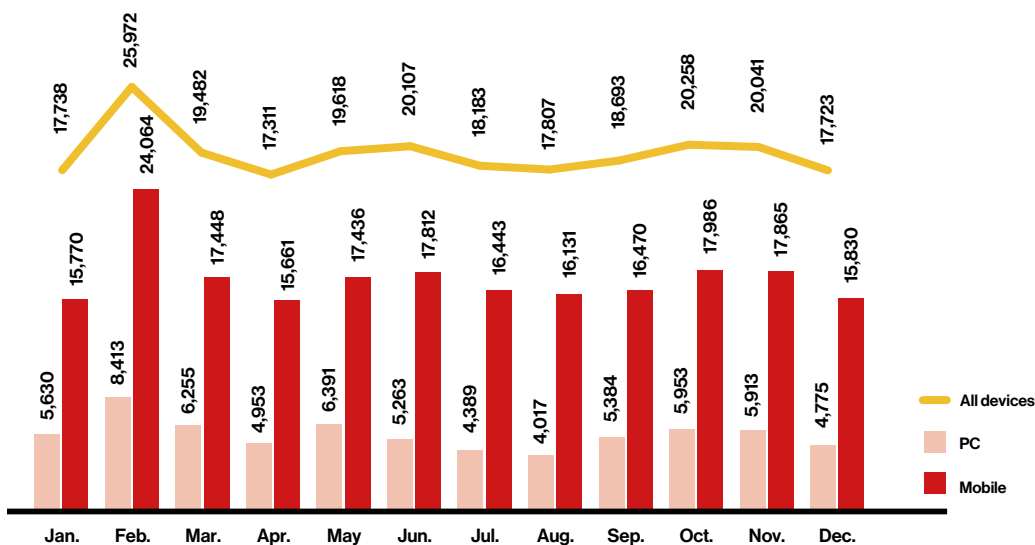
Total Digital Audience per month - 2023

(unique contacts/000, source Audiweb)



Total Digital Audience per month referring to Rai - 2023

(unique contacts/000, source Audiweb)



Radio

According to the data emerging from the *Nineteenth Censis Communication Report* in 2023 radio shows an overall resilience of its audience, thanks to its ability to hybridise and take on board the multiple modes of use made available by technology.

Radio audiences have a socio-demographic profile similar to that of the average population; commercial broadcasters on the whole show a profile very much in line with the average one, while Rai Radio's three generalist channels tend to intercept a proportionally more mature and educated audience, with considerable penetration levels especially among university graduates and teachers.

Rai Radio's positioning appears consistent with the Group's traditional identity, but is also influenced by its editorial proposal, which, compared to commercial broadcasters focused essentially on music and light entertainment, differs in that it offers a more articulated range of news, in-depth information, service content, culture, sports and intelligent entertainment. Moreover, Rai Radio is complemented by RaiPlay Sound listeners, i.e. a younger audience segment attracted by the latest in digital entertainment (Source: Ergo Research - Digital Trend 2023). Ergo Research - Digital Trend 2023).

Continuous qualitative and quantitative monitoring, conducted by Rai as part of the surveys envisaged by the Service Contract, provides further information on the positioning of the Group's radio stations and on the relative levels of satisfaction of their offer.

From a qualitative point of view, Rai Radio channels and programmes are rated very positively by listeners (Source: *Monitoring of the satisfaction and perceived quality of the radio offer, year 2023*, MG Research Consortium, Noto Sondaggi, EMG Different and GPF; *Monitoring on the representation of the female figure, the ability to guarantee pluralism of themes, subjects and languages and contribute to the creation of social cohesion in Rai programming, year 2023*, BVA Doxa). Rai Radio's editorial offer is perceived as distinctive compared to other commercial broadcasters, Rai's style, characterised by a reassuring tone of voice and the ability to argue, contributes to the aggregating and pluralist role of the public service. Listeners recognise the quality of Rai Radio programmes and their ability to offer the opportunity to express and have their opinions on social, cultural and political issues acknowledged.

In particular, compared to the three generalist broadcasters:

- Rai Radio 1, perceived as authoritative, serious and reliable, represents a solid point of reference for information, responding to the need for in-depth coverage with a wide variety of topics including debates on political issues. Similar high regard is given to the sports offerings, which are always treated with elegant and polite style;
- Rai Radio 2 represents Rai's more cheerful and light-hearted soul, characterised by intelligent and never superficial entertainment, responding well to the need for light and disengaged listening with a sober and polite style and a satisfying and balanced musical presence. The topics proposed and the way they are treated stimulate listeners to discuss and exchange ideas with interventions during the broadcasts that create audience involvement;
- Rai Radio 3, with a wide variety of programmes broadcast, ranging from information to scientific popularisation and culture, represents a very distinctive reality on the radio scene; it is considered by its listeners to be a niche radio station, prestigious, multifaceted and successfully engaged in all areas of radio programming aimed at a select and predominantly mature audience.

From a quantitative point of view, the data collected by the *Monitoring of satisfaction and perceived quality of the radio offer* promoted by Rai and conducted by the consortium MG Research, Noto Sondaggi, EMG Different and GPF, show that the overall satisfaction index of Rai Radio users, measured on a 1-10 scale, is 8.0 in 2023. The individual channels show very positive scores on the target audience, with Rai Radio 1 and Rai Radio 2 registering an approval rating of 8.0, confirming their leadership among Rai broadcasters, Rai Radio 3 scores 7.8 and Rai Isoradio, characterised by a flow of programming that tends not to be framed in a schedule, obtains an approval rating of 8.2.

With respect to the genres of the offer, all achieve good levels of approval. More specifically: *Entertainment and Variety* (8.1) is confirmed overall among the most liked genres within Rai Radio's programming, together with *News* (8.1), followed by the genres, *Culture, Music, Information and Sport* (all a score of 8.0) and *Society* (7.9).

Main operators active in the radio market* - 2023
(source: Rai)

National Radios

RAI RADIO

Rai Radio1	Rai Gr Parlamento
Rai Radio1 Sport	Rai Radio Kids
Rai Radio2	No Name Radio
Rai Radio3	Rai Radio Live Napoli
Rai Radio3 Classica	Rai Radio Techetè
Rai Isoradio	Rai Radio Tutta Italiana

MAIN PRIVATE PLAYERS

Gedi

DeeJay
Radio Capital
M2O

RTL 102.5

RTL 102.5
Radio Freccia
Radio Zeta

Radio Mediaset

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

Il Sole 24 Ore

Radio24

Radio Dimensione Suono

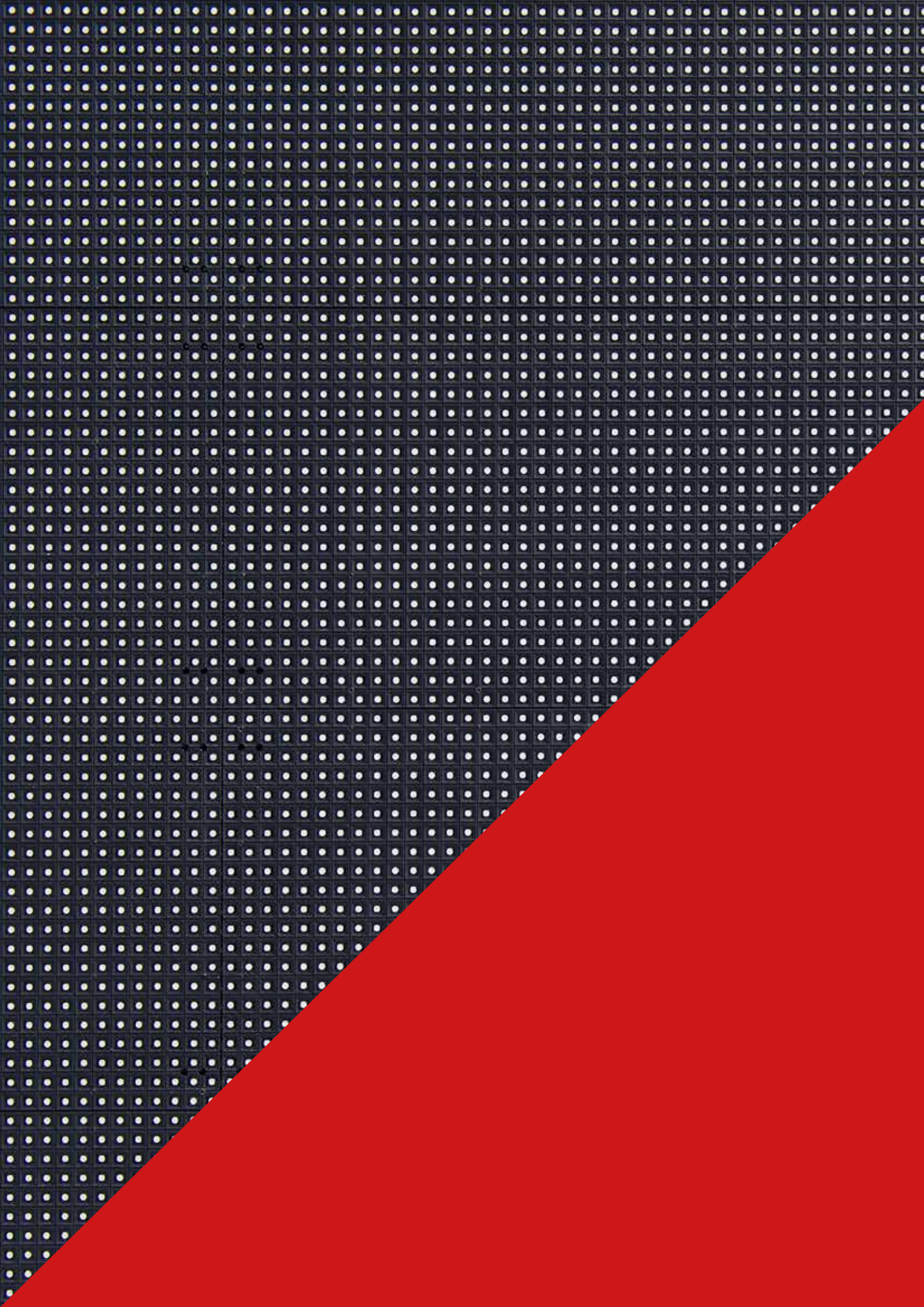
Radio Italia

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.



Television

ballando con le stelle



Rai 1

'Rai 1 confirms its role as the leading channel of Italian television, able to guarantee a shared and universal enjoyment, informing and entertaining families in a spectacular, inclusive and responsible manner, offering the biggest national and international television events'



- 1 *Ballando con le stelle*
- 2 *Resta con me*
- 3 *The winners of Sanremo Giovani*



1



2

20.41%
prime time
share



4





18.31%
day time
share



- 1 Cinderella
- 2 Tale e Quale - Special Telethon
- 3 Danza con me
- 4 Dumbo
- 5 Tutti i sogni ancora in volo
- 6 Morgane

1



2

Rai 2

'In an increasingly dynamic and competitive television scenario, Rai 2 experiments with new languages to amuse, inform and entertain younger audiences attentive to new media proposals'

3



- 1 *Stasera tutto è possibile*
- 2 *Boomerissima*
- 3 *L'amore a domicilio*

1



5.08%
Prime time
share

3



2



4

5.22%
Day time
share

- 1 *The Good Doctor*
- 2 *Citofonare Rai2*
- 3 *Dalla Strada al Palco*
- 4 *Raiduo with Ale&Franz*

1



2



Rai 3

'Rai 3 is the channel of information, culture, of the narration of reality, it offers keys to interpreting current affairs while keeping an attentive eye on the territory, on daily life, on the story declined from different points of view and photographed from a plurality of angles'

3



1 Via dei Matti n. 0

2 Alice e Peter

3 Alberto Tomba. Vincere in salita



6.36%
Prime time
share





6.78%
Day time
share

- 1 *Laura Antonelli. La diva malinconica*
- 2 *Respect*
- 3 *Chiara Garzilli presents Tg3*
- 4 *Geo*
- 5 *Rai Parlamento Studio*

1



1.40%
Prime time
share

2



Rai 4

'From science fiction to crime, from epic to fantasy, from action to thriller, Rai 4 offers the best of film production and television series with a modern language and international scope'



1.36%
Day time
share

- 1 Raging fire
- 2 La Unidad
- 3 Rapa

1



0.39%
Prime time
share



2



Rai 5

The cultural entertainment channel devoted to music, art, literature, theatre and nature with a special focus on original productions, innovation and experimentation in performing arts'



1 *La parte degli angeli*

2 *Addio mia regina*

3 Concert of Rai National Symphonic Orchestra
directed by Maestro Gatti

1



1.20%
Prime time
share

2



Rai Premium

'The best dramas and the major entertainment successes of the past and present, long-running series, mini-series and TV films collections to experience and relive the emotions triggered by the Rai offering'

3



1 Belve

2 Le indagini di Lolita Lobosco

3 Hudson & Rex



1.12%
Prime time
share

Rai Movie

'Rai Movie is the free-only Cinema channel which selects the best of national and international and international offer in terms of genres, atmospheres and themes, ranging from action films, comedy, adventure, thrillers, westerns of yesterday and today'

3



- 1 Turin Film Festival - Interview with Micaela Ramazzotti
- 2 Venice Cinema Art Exhibition - Red Carpet with Jessica Chastaine
- 3 *Testimone di accusa*

1



0.29%
Prime time
share

2



Rai Storia

'History in all its forms, the major institutional appointments, the most significant anniversaries, the dates worthy of memory become indispensable television events in the cultural narrative of our country on Rai Storia'



1 *La promessa dell'alba*

2 *Storie della TV*

3 *Italia viaggio nella bellezza - San Casciano dei Bagni's bronzes*

1



0.13%
Prime time
share

2



3



Rai Scuola

'The channel devoted to instruction, education and digital, scientific and technological literacy. Culture and learning always at the heart of the public service function'

4



1 *I segreti del colore*

2 Chiara Buratti presents *Profili*

3 Davide Coero Borga presents *Newton*

4 Silvia Bencivelli presents *Prospettive*

1

0.55%
Prime time
share



Rai Sport

*'Rai Sport, the only free channel that brings sport into the homes of Italians.
Live commentary, interviews, in-depth reports, columns and original content for a great sports narrative of well-known and lesser-known disciplines and lesser-known disciplines'*



0.61%
Day time
share

- 1 Paralympic Athletics - World Championships
- 2 Basket - World Championships
- 3 Fencing - World Championships

Rai News 24

Rai Italo

News in English

0.23%

Prime time
share

0.62%

Day time
share



Rai News 24

'Rai News 24, the information and in-depth coverage 24 hours a day, 360 degrees'



1 News in English

2, 3 Lo studio di Rai News

0.73%

Day time
share



11.21

share
4-7 years



Rai Yoyo

'Rai Yoyo is children's television without commercial breaks. Stories, worlds, colours and learning techniques, from languages to art, from history to science. Their first channel, able to accompany them on a path of value growth'



- 1 Hello Kitty SuperStyle
- 2 Bluey Rai
- 3 Pinocchio e Friends

1



0.15%
day time
share



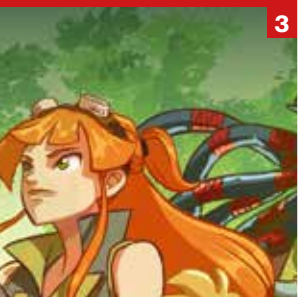
2

1.42%
Prime time
8-14 years



Rai Gulp

'Rai Gulp is the channel with an offer for children open to all languages, in the sign of contemporaneity, of discovery, adventure and entertainment. Cartoons, TV series, production programmes, web content, intelligent and educational entertainment proposals that entertain and stimulate team culture'



- 1 Le Cronache di Nanaria
- 2 Home Sweet Rome
- 3 Dragonero 2023



Filumena Marturano, Nastro d'Argento 2023 - Best TV Film

Television

Genres

Prime Time Entertainment

The prime time entertainment offer proposed a transversal programming on the three generalist channels, always consistent and respectful of the identity vision of each network, which passes through the confirmation of well-known and successful titles alongside new editorial products with the aim of intercepting the sensitivity and tastes of a wider and younger audience.

The offer on the first channel has broadened its focus on wider audiences thanks to projects capable of reassuring the network's most consistent and loyal targets, but also of attracting younger and more active ones. In this respect, the *Sanremo Festival 2023* achieved excellent ratings - 63.4% share and 81% among young audiences (15-24 years old) - and the annual *Eurovision Song Contest* event on the final night achieved 34% share and 50% among 15-24 year old female audiences.

In the first part of the year, established titles such as *The Voice Senior*, *Tali e quali*, *Tale e quale Sanremo*, *I Migliori Anni* and *Il Cantante Mascherato*. Among the new programmes were *The Voice Kids*, the return of Massimo Ranieri with *Tutti i sogni ancora in volo* and the new project presented by Loretta Goggi *Benedetta primavera*. Two episodes of *Ci vuole un fore*, the first show on sustainability were also realised in 2023, keeping high the focus on environmental issues. Other valuable programmes include Roberto Bolle's *Danza con me* and the *David di Donatello Prize*, both in the first part of the year. Late evening programming saw the consolidation of a weekly date with *Ciao Maschio*, a journey in the male universe accompanied by words, pictures and debates.

In the summer, music was also at the core of the programming: *Gigi, uno come te: ancora insieme*, Gigi D'Alessio's concert held in Piazza Plebiscito in Naples and *Italia loves Romagna* organised to collect funds in support of the flooded areas of the Region. At the end of the season, three special events by *Techeteche show* provided a new approach to the past, narrated through the rich heritage offered by Teche Rai.

In the autumn, Rai 1 proposed some historical titles such as *Tim Music Awards*, *Arena Suzuki dai '60 ai 2000*, *Ballando con le stelle*, *Tale e quale* and, following the success achieved in the spring, *The voice kids* which, despite the competition, achieved good results (22.64%). Similarly, *Sanremo Giovani* and *L'anno che verrà* recorded good results, with the latter confirming itself as the most viewed programme in prime time on 31 December.

The role of Public Service Broadcaster was further strengthened by projects dedicated to scientific knowledge and fund-raising initiatives (*Serate Telethon* and *Speciale Noi*).

For Rai 2, the editorial proposal focused on new projects and new locations with programming capable of intercepting contemporary languages and characters in line with that comic, light and provocative vocation that has always been the channel's most challenging aspect.

Over the course of the year, well-established titles such as *Boss in incognito*, *il Collegio*, the second season of *La caserma*, *Stasera tutto è possibile* and *Dalla Strada al Palco* combined with new formats, from *Boomerissima* – the new game and variety show which provided thrilling moments – to the first run of *Belve* in prime time, with Francesca Fagnani's sharp interviews.

During the summer, for the second year running, *Summer hits-La musica dell'estate*, was proposed, a travelling show with all the protagonists of the music scene, organised and promoted by major Italian music players. Another new entry of the year was *Non sono una signora* where well-known personalities got into the act by taking on the role of drag queens.

In the autumn, the fun continued with new editorial experiments, *Fake show*, *Liberi tutti*, *Raiduo con Ale e Franz* and *Da Natale a Santo Stefano*, a theatre-inspired event with moments of entertainment, music and comedy.

There were also many established and successful titles in the second evening, from *Stasera c'è Cattelan su Rai 2* to *Bar Stella*, along with some experiments: *Stramorgan*, 4 episodes dedicated to music, with great guests, an orchestra made up of young musicians, stories and show-lessons; *Pourparler*, hosted by the duo Maria Di Biase and Corrado Nuzzo together with Francesco De Carlo, a comedy programme that tackled many topics such as customs, society and current affairs; *Gli occhi del musicista*, a programme hosted by Enrico Ruggeri that took us on a discovery tour of six great Italian singer-songwriters.

But the real challenge was the success of *Viva Rai 2!*, the Rai 2 morning show between infotainment and variety with an ironic and biting style, but always in the name of lightness and good humour, which, during the week of the Sanremo Festival, was also offered in the evening version after the Festival on Rai 1. A challenge representing the

essence and all the colours of light entertainment and public service in the new genre version and in the perspective of a contemporary media company aimed at intercepting even the youngest audience through the transversal exploitation of all Rai media and platforms.

On Rai 3, in addition to the historic and more than 30-year old programme *Blob*, there was the *1 May Day Concert* which this year achieved a 12% share, the highest result since 2009.

Daytime entertainment

In an increasingly competitive context full of new formats, daytime entertainment programming proposes a complete offer, in step with the times and trends that the television market requires. With lightness and depth, between tradition and innovation, the day time programmes tell news, current affairs, stories increasingly focused on today's society, the family, school, work and the environment. With new formats and the now historical successful programmes, the editorial offer - always attentive to social issues, rights and gender equality, sustainability and inclusion - entertains, informs and amuses with lightness, addressing the big and small issues of our daily life.

Rai 1's audience ratings are always excellent, thanks also to the ample space dedicated to information topics and light entertainment that, starting in the morning and throughout the day, accompanies viewers in a flow of content, genres and languages, adhering to the different needs of the audience. From *UnoMattina*, which opens the day with news, politics, culture, entertainment, medicine, economics - without neglecting in-depth coverage of topics on the social agenda - reportages and specials, to *Storie Italiane*, a talk on current affairs; from the cooking show *È sempre mezzogiorno* to the talk show *Oggi è un altro giorno* aired in the first part of the year and the new programme *La volta buona* introduced in September; from *La vita in diretta*, a real magazine show that, with a renewed informational slant, offers a narrative focused on current affairs, news and in-depth journalism, to the game shows *L'Eredità*, the longest-running quiz show on Italian television, and *Reazione a Catena*.

In the summer, programming was enriched with *Camper* and *Camper in Viaggio*, discovering holiday resorts, villages, sites of art, archaeology, food and wine excellence, and many curiosities. At the weekend, information, in-depth analysis and light-heartedness, with *UnoMattina in famiglia*, *Weekly*, *ItaliaSi*, *Domenica in* and *Da noi a ruota libera* the promotion of the territory and its treasures with *Paesi che vai*, *Linea verde*, *Linea Blu*, *Linea Bianca* and *Sentieri*.

Rai 2's programme schedule stands out for its ability to attract a young and active audience while continuing to interest even the most adult audiences. An offer made under the banner of change and experimentation, in cross-media synergy with RaiPlay and Rai Radio 2 and featuring all-new programmes and formats targeting intergenerational and family dialogue: appointments to smile, reflect, overcome stereotypes and contribute to building more inclusive and stronger communities. In the mornings, entertainment goes from the talent search of *E Viva il Videobox*, to the music and entertainment of the protagonists of *Radio2Social Club* in collaboration with Rai Radio2, to the historic daily appointment of *I Fatti Vostri*, with its square always populated with new stories, tales, moments of play and columns. The afternoons continue with *Bella Mè*, with its increasingly renewed content, and *Nei tuoi panni*, the appointment that draws on the language of docu-reality to learn how to question one's own point of view, alternated in the autumn by the cheerful *Happy Family*. The weekend: *Cook40* for those who love slow cooking and conviviality; *Fatti da mamma e papà*, with its VIP protagonists in the kitchen; the original quiz/survey *Ti sembra normale?*; *Bellissima Italia a caccia di sapori*, a tale of the beautiful country through the products and food and wine processing that best represent it; *Top*, the magazine on fashion, customs and trends; *Citofonare Rai2*, with its cheerful coming and going of guests; *Il Provinciale* (extended version), discovering hidden places and corners of the Peninsula; *Vorrei dirti che*, a format between factual and entertainment.

In the autumn, the offer was enriched with the first game show entirely dedicated to feelings, *Mi presento ai tuoi*, which tells the story of families and their dynamics, and *Origini*, the first experiment that connects the storytelling language of the territory with the archaeological one.

Rai 3's selected and significant proposals on air testify and analyse how Italian television storytelling is evolving. These include: the Saturday afternoon show magazine *Tv Talk*, which 'takes apart and reassembles' the television week by analysing the main media events that have characterised it, with guests, opinion leaders and experts from the world of communication, and *La Prima donna che*, the programme-event that reconstructs the figures of extraordinary Italian women, produced with the heritage of images from the Teche archives and in collaboration with the Rai Equal

Opportunities Commission. In the autumn, the programming also included *Il Provinciale. Il Racconto dei Racconti*, three episodes to discover the origins of our culture, a cultured and popular tale of Italy in the multiplicity of its dialects, its traditions, and its heritage of legends; *Il Palio d'Italia*, a tale of ancient recipes, historical re-enactments, and, above all, the popular games of the past including the Palio; *La Biblioteca dei sentimenti*, literary culture between books and feelings.

Culture and Educational

The appetite for learning about the present, reading the past and interpreting contemporaneity is declined every day through languages, faces, contents and codes with a proposal that over the course of the day sees alternating programmes that deal with the complexity of existence and recount - on all networks and platforms and in an ever-changing way - the challenges posed by the global environment. An attentive and reliable offer, ready to put together the fragment and the whole, capable of strengthening the Culture brand by working on multiple narratives, expanded texts and articulated consumption practices.

In an increasingly connected television Rai Cultura is an attentive witness to events and with its programmes constructs a space and time in which to explore, excite and participate. It is the representation of today, the key to access contemporaneity, our feeling and our present, our history, our collective memory.

The offer on Rai 1 has been characterised by events and anniversaries, by an authorial television capable of constructing a compelling narrative that runs through the history of the country and fully expresses the signs of the times. As with *Binario 21*, on the occasion of Remembrance Day, with life senator Liliana Segre, who gave an emotional and personal testimony that became a collective civil tale. But also with *Meraviglie. Stelle d'Europa*, a journey in search of the most representative beauties of each country; with the series *Ulisse, il piacere della scoperta*, covering history, art, archaeology and the special *La corona dei Windsor*, on the occasion of the coronation ceremony of King Charles III, *Piero Angela. Un viaggio lungo una vita*, dedicated to the man who brought science to television, and *Stanotte a Parigi*, the evening event on 25 December; *Noos. L'avventura della conoscenza*, on the great themes of science, nature, and technology; *Arena di Verona-Cento anni in una notte*, on the occasion of the opening of the 100th edition of the Arena di Verona Opera Festival.

Live theatre distinguished Rai 2's offering with *Napoletano? E famme 'na pizza*, a journey through the most die-hard Neapolitan stereotypes and clichés.

Rai 3's editorial proposal was handed over to a number of auteurs and the tale of contemporaneity: from *Che tempo che fa*, the meeting with the best of the cultural, scientific, political and sporting scene, to *Città Segrete* and *Callas Segreta*, a tale that traverses the great cities and great biographies; from *Quinta dimensione* to delve into facts and concepts, challenges and opportunities, to *Le Ragazze*, with the tale of the history of the country and the condition of women; from *Il borgo dei borghi* and *Macondo*, treasures, exceptional places and the tale of climate change, to *Splendida Cornice*, a gallery of stories and people always attentive to current events. Also numerous are the offerings on current cultural topics in every field, from art to music, from theatre to dance, from landscape to poetry. From *Caro Marziano* to *Generazione Bellezza*, from *La Gioia della musica* to *Via dei matti numero 0*, from *GEO* to *Passaggio a Nord Ovest*, *Kilimangiaro* and *Overland*.

On Rai 5 the editorial proposals range from outdoor to environmental education, from literature to art cinema, from art to cultured music, from theatre to opera. For literature, appointments have been proposed for anniversaries and recurrences - including those dedicated to Fenoglio, Saba, D'Annunzio, Del Buono, Chiara, Malaparte, Don Milani - the live broadcasts of the *Premio Strega* and *Premio Campiello*, the programme dedicated to new non-fiction *Quante storie*, also broadcast on Rai 3. Numerous cultured music events were scheduled, with a tribute to Claudio Abbado on the 90th anniversary of his birth, as well as events from the Arena in Verona, Piazza del Campo in Siena and Piazza San Marco in Venice, with concerts by the RAI National Symphony Orchestra and those of the Orchestra of the Santa Cecilia Academy, with operas and ballets from the Teatro alla Scala and the Teatro dell'Opera in Rome. Among the events aired for the generalist networks and repeated on Rai 5 are the *Prima della Scala*, the *Easter Concert* and the concert held on the occasion of the *Republic Day*.

On the subject of art, mention should be made of the *Art Night* and *Di là dal fiume e tra gli alberi* cycles and, for the theatre, the review dedicated to classical tragedies staged in Syracuse and the monographs of *In scena*.

The storytelling with history and its protagonists has its privileged place in the Rai Storia channel and also ranges over the generalist networks between confirmations of key appointments (*Passato e Presente, Alla scoperta del ramo d'oro, Italia viaggio nella bellezza, Il giorno e la storia, Storie della Tv, Cronache di terra e di mare, Storie contemporanee*, etc.) and new entries (*Nel secolo breve*, with an account of 20th century history; *5.000 anni e +. La lunga storia dell'umanità*, a journey through time with facts and figures from the last five thousand years; *La grande sfida: emergenza climatica e sviluppo economico* featuring the history, archives and the testimonies of the great masters of our time; *Il Segno delle donne* with interviews with talented women, etc.). Among the new programmes aired on Rai 3 were: *Mixer, 20 anni di televisione*, between historical face-to-face, investigations and culture; the docu-series *Illuminate*, presenting portraits of women of our time; *L'Avversario*, an exceptional storyteller of great sport and its champions; *Viaggio in Sicilia*, between literature, gastronomy and unpublished aspects; *Italic*, to tell about great Italians who have found glory and success abroad.

Central to the editorial proposal is the recounting of anniversaries and recurrences that punctuate the collective memory, retraced in the appointments with *Speciali Storia* and with the contribution of historians and experts; *Eroi dell'aria* and *1923, nascita della Regia Aeronautica*, a long and exciting journey through the history of Italian flight; *Appia Regina Viarum*, a programme produced in collaboration with the Ministry of Culture; *La regola di Francesco. 29 novembre 1223*, for the 800th anniversary of the papal approval of the Franciscan brothers; *La legge fondamentale*, on the occasion of 75 years since the Constitution came into force; *Voci dal Vajont. 9 ottobre 1963*, for the 60th anniversary of the tragedy.

Dedicated programming has been reserved for special anniversaries, from Memorial Day to the Liberation, from the anniversary of the Capaci massacre to the centenary of Sergio Zavoli's birth.

The festivals and events that animate the world of cinema have been followed, narrated, divulged and explored with an offer that is articulated on several channels. On Rai Movie, *Movie Mag*, the weekly news magazine with special episodes dedicated to the Turin Film Festival and the Rome Film Festival; on Rai 4, *Wonderland*, the weekly in-depth magazine that, with a cross-media look, has reached 500 episodes; on Rai 1, *Cinematografo* the appointment that has become a reference point for all cinema lovers; on Rai 3, *Fuori Orario cose (mai) viste*, the historical programme with first viewings of recognised masters and a reasoned and targeted programme.

There was no lack of coverage of the Venice International Film Festival, with *Venezia Daily* providing daily accounts of the most significant events; the appointments with *Lezioni di cinema*, dedicated to the seventh art; and the *Lucca Comics Daily* devoted to the five days of Lucca Comics & Games.

The Educational offer is dedicated to training, digital, scientific and technological literacy: culture and learning at the centre of the Public Service function. The 2023 editorial proposal has seen an offer on the generalist networks with consolidated programmes (from *Sapiens* to *Protestantesimo*, from *Mille e un libro* to *Sorgente di Vita*, from *Sottovoce* to *Testimoni e protagonisti*, etc.) and, on the Rai Scuola channel, a rich offering of content related to the world of science, the environment, research, space, sustainability, nature and technology (the new episodes of *Digital World*, and its spin-off *Digital World Vs Fake News*; the in-depth scientific information programmes *Newton, Racconti di scienza, Prospettive*; the series *Profil*, dedicated to the great founders and innovators of science; *l'Archipendolo*, an in-depth look at the world of architecture and civil engineering, etc.). There were also many programmes in English for learning and perfecting the language, and spaces dedicated to schools with *Speciali Scuola* on special occasions.

Rai National Symphony Orchestra

Founded in 1994, the RAI National Symphony Orchestra - boasting many of the best instrumentalists of recent generations and on whose podium the most prestigious international conductors have alternated - holds regular concert seasons and special cycles in Turin, in addition to prestigious engagements in Italy and abroad. Moreover, thanks to the presence of its concerts in radio and television schedules, the Rai National Symphony Orchestra has contributed to the diffusion of both the great symphonic repertoire and the pages of the historical and contemporary avant-garde, with commissions and first performances that have obtained important artistic, editorial and recording awards.

During 2023 at the Auditorium Rai in Turin there were 22 concerts in a double evening conducted by established conductors of international standing and with the participation of soloists and singers of the highest level. Among them were some making their debut with the Rai ensemble such as conductors Petr Popelka, Thomas Guggeis, Hannu Lintu and Philippe Jordan, pianists Marie-Ange Nguci, Yulianna Avdeeva and Alexandre Kantorow, and soprano Mojca Erdmann. Noteworthy were the complete performance of Mendelssohn's Symphonies conducted by Daniele Gatti, the Season 22/23 closing concert conducted by Kirill Petrenko, the Season 23/24 opening concert conducted

by Fabio Luisi and starring Martha Argerich, a legend of world pianism. To these were added the traditional musical appointments of Carnival, Easter and Christmas, the symphonic concert organised at the conclusion of the *Professione Orchestra* masterclass, the *Rai NuovaMusica* contemporary music review and the extraordinary concert conducted by the new Principal Conductor, Maestro Andrés Orozco-Estrada.

The Rai National Symphony Orchestra also performed at the Teatro Municipale in Piacenza; at the Easter Festival in Aix-en-Provence; at the Teatro alla Scala in Milan as part of the MilanoMusica festival; at the Teatro Grande in Brescia; at the Milan Conservatory and in Piazza San Carlo in Turin as part of the MITO. SettembreMusica; at the Teatro Municipale in Ferrara for Ferrara Musica; at the Auditorium in Milan for the Mahler Festival; at the Basilica in Assisi for the customary Christmas concert; at the Quirinale in the presence of the President of the Republic on the occasion of Republic Day; at the Rossini Opera Festival in Pesaro; in Oman for a prestigious tour.

For the *Rai Orchestra POPS* summer festival, four concert were performed with programmes on the borderline between symphonic music and contamination with other musical genres. Additionally, the usual appointments of chamber groups continued with the cycles *Le domeniche dell'Auditorium* and *I concerti al Quirinale*, broadcast live on Rai Radio 3.

The collaboration with the programme aired on Rai 3 *La Gioia della Musica* continued, a journey to discover the secrets, magic, rules, inventions and geniuses of great music, both opera and symphonic.

In 2023, the Rai National Symphony Orchestra recorded the soundtrack of *Mare Fuori* and a collection of Verdi arias with tenor Juan Diego Flórez.

Insight

The Insight genre focuses on knowledge and reflection with an account of reality that enhances the Company's historical brands, proposes novelties and reinforces its identity in all programming slots. The desire to offer a complete overview in every field and consistent with the needs of the public, the desire for knowledge and reflection is articulated every day in all possible sub-genres. The offer, ever authoritative and impartial, diversified according to the target audience and respecting the identity of the generalist networks to which it is proposed, is also declined on the main digital channels.

The offer of in-depth programmes and columns is spread throughout the day, starting from daytime where, during 2023, numerous historical titles were proposed: from *Agorà*, the programme broadcast on Rai 3 which - with a concrete, simple and popular language - follows the topics of current affairs and political debate, to the historical columns on medicine and health such as *Elisir*, *Check up* and *Buongiorno Benessere*. The offer continued in the afternoon with, among others: *Ore 14* which features news, politics, current affairs, and the participation of authoritative opinion leaders, recounting the main events with a real-life story told through live connections and correspondents in all regions; *In mezz'ora*, the traditional Sunday in-depth programme on Rai 3; *Gocce di Petrolio*, the new Saturday news programme that mixes languages and new forms of communication to explore major national and international issues.

In the access prime time slot, two daily in-depth strips on current affairs: *Il cavallo e la Torre*, 10 minutes aired on Rai 3 to comment on and contextualise the fact of the day, and the great novelty of 2023, *5 minuti* in the Rai 1 schedule, the fast-paced talk show to analyse the most topical issues, together with the protagonists of domestic and international politics, but also of entertainment and culture.

Prime time did not miss the great investigations of *Report* and *Presa Diretta* and their reportages that leave their mark on public opinion on current national and international issues, packaged with professionalism and impartiality, now symbols of Rai's public service; *Far West*, the new feature for autumn 2023, with investigations, stories, in-depth analysis and interviews, a journey through unprecedented aspects, an Italy as a borderland where the rules are broken and the law of the strongest prevails; *Chi l'ha visto*, the always successful historic programme in search of missing persons; *Chesarà...* the weekend's double date between culture, politics, music and society intertwined in an analytical and brilliant tale.

Second evening proposals were also many and varied, from *Porta a Porta*, the historic appointment on Rai 1 that analyses current affairs, politics and customs, and *Restart, l'Italia ricomincia da te*, an in-depth economic programme to bring citizens closer to the themes of finance, the economy and work, to lifestyle programmes such as *Generazione Z* exploring the problems of intergenerational relations, to stories with *Donne al Bivio*, covering life choices and turning points, *Storie di Sera* presenting the strongest themes of crime news, and *Fame d'amore* to discover the world of eating disorders. Another new feature for 2023 is *XXI secolo*, the weekly account of those topical issues that are more capable than others of conveying the idea of a country committed not only to living the present but also to planning its future.

The editorial line, which has always been attentive to informing and consistent with its mission of impartiality, also contributes in an innovative and constant manner to delving into social issues. An example of this is the infotainment

talk *O anche no* which, now in its fifth edition, has once again demonstrated that the subject of diversity and disability can also be addressed with a smile and a lot of irony. Also related to social issues is *Il cacciatore di sogni*, the television format that deals with disability by surprisingly overturning the stereotypes that have always accompanied this topic.

Drama

Rai's commitment to Italian and European audiovisual production is one of the cornerstones of its public service mission to tell Italy's contemporary and historical story, to promote national talent and the audiovisual industry, and to support innovation and the international projection of our works.

Rai's drama covers 65% of the total hourly volume of the genre's offer¹, exceeding 400 hours per year. This is a significant figure that confirms the leadership position of the public service as the flywheel of the national audiovisual system, an industrial support and an economic engine in the dissemination of Italian imagination and culture in a global context, where competition and aggressiveness of operators are becoming increasingly strong.

In terms of content, the public service mission is expressed through multiple guidelines: the narration and interpretation of contemporaneity and intergenerational relations (*Lea. I nostri figli, Vivere non è un gioco da ragazzi*, etc.); the enhancement and recognition of gender equality, with original female characters who move and assert themselves with determination (*Imma Tataranni. Sostituto Procuratore, Le indagini di Lolita Lobosco*, etc.); the telling of founding characters in our recent history (*Il nostro generale, Tina Anselmi. Una vita per la democrazia*, etc.); the reportage of news cases that have contributed to the evolution of the country (*Circeo, Per Elisa. Il caso Claps*, etc.); the promotion of national culture, through the adaptation of novels by some great contemporary writers (*Il metodo Fenoglio* from Gianrico Carofiglio's trilogy, *Rocco Schiavone* from Antonio Manzini's works, *I bastardi di Pizzofalcone* from Maurizio de Giovanni's novels, etc.); the production and broadcasting of European works and the active involvement in the work of the European Alliance (France Télévisions, Rai and ZDF).

Internationalisation, in particular, continues to be a strategic line. In terms of programming, several Alliance projects were aired in 2023 and intended, in particular, for Rai 2. These include: the thriller *The Reunion*; *Corpo libero*, a coming-of-age/thriller set in the world of artistic gymnastics; *Il giro del mondo in 80 giorni* from the Jules Verne classic of the same name. In October, a new call for projects was announced to coincide with the MIA - International Audiovisual Marketplace, with the European Alliance engaging with the EPC-The European Producers Club and member country trade associations.

During 2023, the generalist networks broadcast a total of 125 evenings of first-run dramas. Of these, Rai 1 broadcast 24 first run programmes for a total of 98 evenings (4 million viewers and 21.5 % share) and Rai 2 broadcast 7 first run programmes for a total of 27 evenings (1.2 million viewers and 7.1% share).

Among the titles aired on Rai 2, the third season of *Mare fuori*, is worth mentioning (over 1.5 million viewers and 9% share), which managed to establish itself as a popular phenomenon, developing a real marketing ecosystem and becoming a case study, so much so as to merit an article in the prestigious New York Times and the interest of CBS Sunday Morning.

It is also worth mentioning, in the afternoon on Rai 1, the daily series *Il Paradiso delle Signore* (over 1.7 million viewers and 19.7% share) and, in access prime time on Rai 3, the daily drama *Un posto al sole* (1.7 million viewers and 8.3% share, +0.9% compared to 2022).

It is relevant to note that the top10 dramas of 2023 are entirely occupied by Rai productions destined for Rai 1. In particular, the second season of *Le indagini di Lolita Lobosco* is confirmed as the most-watched title (5.7 million viewers and 29.6% share) followed by *Fiori sopra l'Inferno. I casi di Teresa Battaglia* (over 5 million viewers and 26% share) and the third season of *Imma Tataranni. Sostituto procuratore* (4.7 million viewers and 27.1% share).

Even when compared to the target audience of satellite pay-TV subscribers, the top10 dramas by share is made up of titles for Rai 1. The podium was once again occupied by the second season of *Le indagini di Lolita Lobosco* (28.1% share), followed by the third season of *Imma Tataranni. Sostituto Procuratore* (27% share) and the second season of *Il commissario Ricciardi*, (22.6% share). Data showing how, even in the face of an offer as sophisticated as that of satellite pay-TV, Rai's drama proposals continue to satisfy the tastes and expectations of the most demanding audience.

On RaiPlay, for 2023 fiction is once again confirmed as the most viewed genre with 50% of legitimate streams out of

¹ Source: Ce.R.T.A for APA - 5th Report on National Audiovisual Production, 2023.

total views and 57% of TTS-Total Time Spent. In the top20 most viewed programmes on RaiPlay in the period under analysis, sixteen positions are occupied by Rai drama titles. First place goes to *Mare fuori* (with a record 168 million legitimate streams and 72.3 million TTS), followed by the daily drama *Il Paradiso delle signore* (over 77 million legitimate streams and 27 million TTS) and *Che Dio ci aiuti* (almost 30 million legitimate streams and 13.3 million TTS). It is worth noting the presence in the ranking of one of the most important titles of Rai's less recent series, *Un medico in famiglia* (fourteenth position), proving the audience's affection towards a genre, which also in the long term confirms itself as one of the main assets of the public service offer. On the originals front, two new titles were released in 2023: *Eppure cadiamo felici*, the story of a young girl who has to confront the mystery surrounding the boy she has fallen in love with; *Shake*, inspired by Shakespeare's *Othello* and set in a high school in Rome in the present day.

Added to the ratings results are the important national and international awards assigned to the RAI fiction at prestigious kermesses. Among the most important are:

- **David di Donatello Prize** to *Esterno notte* for best director, best leading actor, best make-up and best editing;
- **Biagio Agnes Prize** in the Drama category to *Il nostro generale*. The third season of *Mare fuori* was awarded the Generation Streaming prize;
- **The Festival "Tulipani di seta nera"** assigned the Best Fiction Awards to *Fiori sopra l'inferno. I casi di Teresa Battaglia* ex aequo with *Vincenzo Malinconico. Avvocato d'insuccesso* and Best Long Form Drama to *Il Paradiso delle signore*;
- **Globo d'oro award** in the Best TV Series category to the event series *Esterno notte*;
- **Nastro d'Argento** to *Esterno notte* (Best TV Series), *Mare fuori 3* (TV Series of the Year), *Circeo* (Best Docu-series), *Filumena Marturano* (Best TV Film), *Solo per passione-Letizia Battaglia fotografa* (Nastro d'Argento - Special Prize), *Mina Settembre* (Nastro d'Argento - Special Prize), *Tutto per mio figlio* (Nastro della legalità - Series); the award was also given to a number of actors from the Italian scene, interpreters of successful RAI dramas: Fabrizio Gifuni and Margherita Buy (Best Leading Actor and Best Leading Actress in *Esterno notte*); Francesco Arca and Mario Di Leva (Nastri d'argento-Nuovo Imaie in *Resta con me*); Marco Bellocchio, Stefano Bises, Ludovica Rampoldi, Davide Serino (Campo Marzio Prize for *Esterno notte*);
- **MOIGE Prize** - awarded by the Parents Movement to television products dedicated to young people and families - was awarded to *Tina Anselmi. Una vita per la democrazia*, *Il nostro generale*, *Fernanda* and the third season of *Mare fuori* (Generazione Streaming Prize);
- **CIA-Content Innovation Awards** was awarded to the third season of *Mare fuori* in the Best Returning Scripted Series category;
- **Prix Italia**, the Special Prize in honour of the President of the Republic to *Esterno notte*;
- **ABU Prizes**, Special Mention to the event series *Esterno notte* in the TV Drama category;
- **Prix Europe**, Special Mention to the event series *Esterno notte* in the TV Miniseries/ Video fiction category;
- **Magnolia Awards (Shanghai TV Festival)**, Nomination for the series *Blanca* in the Best Foreign TV Series category.

Cinema and TV Series

Once again in 2023, the generalist and thematic Networks proposed a wide and varied offer of films and series of great quality and spectacular impact with many first-run titles, between entertainment and culture, to interpret reality with the thousand filters of the imagination.

Seeking a balance between continuity and change, tradition and innovation, Rai has brought values, taste and the importance of storytelling to the centre. International films and great Italian cinema, proposed through cycles and reviews or tied to current affairs, events and anniversaries, make up a rich offer addressing the general public attentive to mainstream products, but also those interested in genre and auteur products. Seriality, the language of contemporaneity, has a central place in the offer: international series, miniseries, cult series are proposed in their numerous declinations with a clearly recognisable attention to the quality of the stories and their realisation.

Rai 1's offer included family films, between emotions and good feelings, such as *Cenerentola*, *Il Re leone* and *Pattini d'argento* and a weekly fixed appointment with great cinema with *Ricatto d'amore*, *Bohemian Rhapsody*, *Brave ragazze*, *House of Gucci*, *Marilyn ha gli occhi neri*. Special attention was paid to anniversaries with *Zack Cane Eroe* and *Il sacchetto di biglie* for the Day of Remembrance, *Il concorso* for 8 March, and *Amici per la pelle* at Easter, along with the extraordinary *In viaggio* documentary, a portrait of the Holy Father whose great humanity exhorts people to dream and reflect on universal themes. Among the best summer performances were the biographical film *Sulle ali della musica*

(18.01% share), the story of Antonia Brico, the first orchestra conductor in history, and *Il Gattopardo* by Luchino Visconti (17.17% share), exceptionally aired on 15 August. The late-year period was characterised by an offer designed for the family with animation masterpieces such as *La Sirenetta* and live action from *Il Ritorno di Mary Poppins* to *Dumbo*.

As for seriality - which particularly came to the fore over the summer with the crime genre in all its forms - quality European productions were offered, from *Un cuore due destini* to *Sophie Cross. Verità nascoste* to include *Morgane Detective Geniale*, now in its third season, which achieved a 14.5% share.

The big international detective series (the final season of *NCIS: Los Angeles*, *NCIS and NCIS: Hawaii*, *FBI and FBI: International*, *CSI Vegas*, *Delitti in paradiso*, *S.W.A.T.*), medical (*The Good Doctor*) and the TV movie light crime (*Crossword Mysteries*) characterised Rai 2's offering in 2023. These were supplemented by a number of European-produced miniseries (*Il lato oscuro della mia famiglia*, a thrilling combination of family drama and thriller; *Il respiro della libertà*, a story of friendship set in the post-war period; *L'isola delle 30 bare*, a mystery series amid ghosts of the past, secrets, superstitions and strange encounters).

The primetime film offerings - in addition to the unflinching summer appointment *Nel segno del giallo* - highlighted Italian cinema, ranging between different genres, from comedy to drama and action (*L'incredibile storia dell'Isola delle Rose*, *Una famiglia mostruosa*, *L'amore a domicilio*, *Nessuno mi può giudicare*, *Gli ultimi saranno gli ultimi*, *Qualcosa di nuovo*, etc.). Also worth highlighting are the historical film *Pompei*, *PerdutaMente* for World Alzheimer's Day, *Il terrorista nella testa* for World Mental Health Day.

Rai 3 also featured a number of important and high-quality titles, over half of which were Italian and premiered on TV (including *Sempre amici*, *Maria Teresa. L'apice del potere*, *Comedians*, *Lei mi parla ancora*, *Tre piani*, *AriaFerma*, *Respect*, *Alice e Peter*). Dedicated programming was reserved for important anniversaries such as *Red Land. Rosso Istria* for the Day of Remembrance, *Il traditore* on the occasion of Legality Day, *Nowhere special. Una storia d'amore* for the International Day for the Rights of the Child and Adolescent, *In Guardia* focusing on the theme of violence against women. Of great value was the proposal dedicated to the 50th anniversary of Anna Magnani's death, with the restored copy of the film *Bellissima* by Luchino Visconti.

Throughout the summer, film proposals were divided into cycles: the historical *20th Century* (including *Il cattivo poeta* and *Aspromonte la terra degli ultimi*), French comedies with *C'est la comédie* and the *Western* cycle with American Classics.

Rai 4 has continued to stand as an unrivalled television reference point for narrative genres central to the contemporary cultural imagination: from the many shades of crime to the fantastic with frequent digressions into epic adventure, action, survival-thriller and dark thriller. TV series were offered in first or first-run premieres (*Chapelwaite*, the second season of *Blood & Treasure*, the action *SEAL Team* and *Fire Country*, and thriller *La Unidad. Rapa*, the third season of *Narcos: Mexico*, etc.), international movies (including *Let It Snow*, *Fire*, *The Cave-Acqua alla gola*, *Candyman*, *La casa in fondo al lago*, *Demonic*, *Siren*, *L'ora della verità*, *Bastardi a mano armata*, *Run*, *Titane*, *Inexorable*, etc.) and classical modern productions (among which were *Il silenzio degli innocenti*, the *Predator* saga and Bruce Lee's films 50 years after his death).

Rai Movie, the channel entirely dedicated to cinema, kept on proposing a vast and prestigious quantity of titles that strikes a balance between the rediscovery of classics and more recent titles. The main novelty in 2023 was the addition, to the usual *Mai visti prima*, *Generazione Z* and *Western*, of the *Strani mondi*, cycle dedicated to fantastic cinema in its various declinations, which carried several interesting titles (*Arrival*, *Passengers*, *Alita. Angelo della battaglia*, *Robocop*, *Terminator*, *L'invasione degli ultracorpi*, *Il mondo dei robot*, etc.). Also noteworthy was the audience appreciation for the cycle dedicated to the Oscar-winning director *A qualcuno piace Wilder*, the great black and white cinema in prime time. Special programmes were dedicated to show business personalities who recently passed away (Gina Lollobrigida, Raquel Welch and Ryan O'Neal) or whose death anniversary fell on the same day (Mariangela Melato, Monica Vitti, Federico Fellini) and to particular anniversaries (*Copperman* on the occasion of World Autism Awareness Day; Oliver Stone's *JFK* and *Parkland* for the 60th anniversary of the Kennedy assassination; the *Buon compleanno Adriano* cycle for the for Celentano's 85th birthday; Robert De Niro's 80th birthday; Ninetto Davoli's 75th birthday, etc.).

Rai 5, with its *Nuovo Cinema Italia* cycle, offered a valuable window on first and second works by Italian authors, often presented in first TV viewings and with commentary for the visually impaired. Prominent among the many titles were: *Palazzo di giustizia*, *Lazzaro felice*, *Favolacce*, *Solo cose belle*, *I predatori*, *Ero in guerra ma non lo sapevo*, *Spaccapietre*, *La vacanza*, *Rosa Pietra Stella*, *Non odiare*.

The *International Auteur Films* cycle, on the other hand, emphasised films that highlight the important role of film art in the world cultural scenario. These include: *Il caso Collini*, *La verità negata*, *Addio mia regina*, *La stanza delle meraviglie*, *Parlami di te*, *Detroit*, *La belle époque*, *Bombshell*. *La voce dello scandalo*, *Il segreto di una famiglia*, *Una giusta causa*,

Parasite, Remember, La casa delle stelle.

Also worth highlighting is the monographic cycle *Bread and Brexit*, which offered 14 of the most significant films by the multi-award-winning British director Ken Loach, and the experimental summer space *Doc is Life!* intended for the programming of auteur documentaries.

The film proposal of historical content and interest prevailed on Rai Storia to offer food for thought on relevant protagonists, events and phenomena of the past. The programming was organised, as usual, in two cycles: *Cinema Italia* which recounts Italian society from the second half of the 19th century onwards, interweaving the vicissitudes of individuals with the great events of history (*Il bandito, La terrazza, Ginger e Fred, Il generale della Rovere, Dramma della gelosia, Speriamo che sia femmina*, etc.), e *Binario Cinema* dedicated to stories and characters that can be linked to significant episodes, protagonists, and phenomena in the history of humanity (such as *La promessa dell'alba, Come eravamo, The Post, O Re, Stalingrad, Miss Marx*).

Rai Premium's editorial proposal was oriented towards scheduling titles particularly focused on the female universe: an assortment declined mainly in the genres of light crime, historical biography and romantic comedy. It featured titles such as *I casi della giovane Miss Fisher*, the fourth season of *Hudson & Rex*, *Last Cop. L'ultimo sbirro* and the *Io sono donna* cycle, which featured numerous miniseries.

Documentaries

The editorial proposals of documentary content recount the recent past of our country, its events and emblematic characters, with the aim of helping viewers to better understand the world in which they live. The programming offered on the linear television channels and the RaiPlay platform is divided into serialised slots, spaces linked to major anniversaries, appointments on specific themes and the use of archive products for special programming days, and is articulated in different formats and genres depending on the channel and time slot.

In 2023 for the three generalist networks 36 documentaries were produced for prime time, 15 for second evening and 17 productions for daytime. Two docu-series were broadcast in the prime time and second time slots in three evenings each. In particular, the prime time offer was articulated in a series of appointments on Rai 3 dedicated to protagonists of Italian culture and entertainment and to the recent history of our country, to which were added four first-evening events on Rai 1, including the docu-drama for the celebration of one hundred years of the Italian Air Force, *I cacciatori del cielo* (18.3% share) and those dedicated to Pooh and Lucio Battisti. Daytime featured the biopics, a series of portraits of well-known and lesser-known personalities whose lives and professions represent not only excellence, but also an enlightening example for the new generations; the second evening was mainly reserved for documentaries of an institutional nature and the telling of major anniversaries. Among the biopics to be aired in 2023 were those dedicated to Mimmo Iodice, Fabiola Gianotti, Roberto Benigni, Francesco Nuti and Massimo Troisi.

Rai, through direct production, co-productions or pre-acquisitions, actively contributes to the development of the Italian documentary sector and avails itself of a plurality of different experiences and professionalism, distributed throughout the country and capable of providing the best professionals in the sector. In 2023, the collaboration with the Italian documentary sector was further expanded with no less than 170 projects proposed and examined during the year.

Active participation in the main events of the sector continued, as did the strengthening of partnerships with other public broadcasters in Europe. Among the main activities carried out were the presentation at FIPAdoc 2023 of the documentary *Lotta continua* as a case-study of cross-platform production and distribution, with a one-off version on the linear channel and a serial on the digital platform; at Sunny Side 2023, Rai Documentari illustrated its editorial strategy within the panel *how to make young people interested in documentaries*; with France Télévisions a documentary dedicated to the Italian ambassador Luca Attanasio and another on the Russian oligarch Roman Abramovich was made and an agreement for the co-financing of new productions was finalised collaboration continued with the Franco-German channel ARTE, with which a documentary on the writer Italo Calvino was made, aired on the occasion of the 100th anniversary of his birth and premiered at the Venice Film Festival and in the opening event at the Prix Italia in Bari; participation in pitches organised by the Turin Film Industry; participation in initiatives organised by the Trentino Film Commission.

Furthermore, on the occasion of the MIA-Mercato Internazionale dell'Audiovisivo, Rai Documentari participated in three panels on international co-productions and presented several documentaries in the final session *Italian Doc it Better*.

Many documentaries were presented and awarded at the most important events in the sector. These include: *After the Bridge*, presented at the Hot Docs Documentary Festival Toronto and awarded at the Biografilm Festival (Best Film BPER Award, Best Film Special Jury Arci Ucca, and Audience Award); *Fabiola Gianotti. Alle origini del nostro futuro* which was selected by the Paris Science Festival; *Paolo Roversi. Il sentimento della luce*, was selected at the Shanghai Film and TV Festival; *Don't come back* was awarded at the Premios Ondas and Zoom festivals in Spain and at the Festival des Libertés in Brussels and won a Special Mention at the Prix Europa in Berlin; *Ennio Flaiano, straniero in patria* won the Nastro d'argento; *Gianni Agnelli, in arte l'Avvocato* won the prestigious Globo d'oro 2023; *Luci su Ustica* won the Audience Award at the Biografilm Festival in Bologna in June.

Kids

The editorial offer dedicated to children and young people is available on the two specialised television channels Rai Yoyo and Rai Gulp, on generalist channels and, online, on the RaiPlay platform and the RaiPlay Yoyo app.

In an age when the enjoyment of audiovisual programmes begins earlier and earlier, Rai's offer accompanies, with entertaining and educational products, the entire arc of growth from childhood to adolescence. An increasingly rich offer of content that goes hand in hand with the search for constant innovation by proposing new forms, styles, languages, technologies and modes of interaction. The programming proposals consist of original productions made in Rai's production centres - in particular in the one in Turin - also in collaboration with other corporate structures (such as Public Utility, with the newspapers, with Rai Radio Kids and with CRITS), co-productions in collaboration with the Italian audiovisual industry and a selection of the best international products, mostly European, that can offer young audiences tools for a serene growth.

A major area of investment is that of cartoons made by Italian and European studios, and in 2023 there were 50 productions in collaboration with over 30 animation studios that are now among the most significant and high-quality realities at international level. Alongside cartoons, the schedule also includes lots of dramas, documentaries, short films, films, educational programmes, entertainment, and game shows with content dedicated to a strictly under-14 audience.

The Rai Yoyo channel - advertising-free - concentrates the offer dedicated to pre-school children with a wide choice of cartoons and original studio programmes that - mixing entertainment and learning values, tradition and novelty - stand out for the variety of languages, music and colours.

In the 2023 offer, new proposals such as *Hello YoYo*, an original programme for learning the English language, and *Un cerotto per amico*, a production on health and against domestic accidents that promotes the 112 single safety number right from the rap sign, have fit perfectly into the traditional schedule of consolidated titles such as *La Posta di Yoyo*, *Albero Azzurro* and *Calzino*. Excellent feedback also for the live programmes on discovering the beauty of our territory and respecting nature, such as *Diario delle vacanze in montagna* and *Diario delle vacanze in inverno*.

As for new co-productions, special attention was paid to the theme of inclusion, with *Il mondo di Leo*, the animated series made with careful scientific advice, featuring a child with autism as main protagonist. Following the same line, but with a completely different graphic design that innovatively combines stop motion and live shots, is *Il Cercasuoni*, in which a child with hearing loss accompanies us in the discovery of the beauty and variety of nature's sounds.

Sustainability issues were addressed with *Acqua Team. Avventure in mare*, an animated production on the protection of the sea, and with *Edmondo e Lucy*, an innovative series also for the technique that reduces energy consumption in production. Nutrition education, the Mediterranean diet and sport were the focus of *Trulli Tales. Le avventure dei Trullalleri*, the award-winning *Food Wizard*, and the sequel of *SuperSpikeball*, the original series on volleyball for children. Alongside the established successes of *Minicuccioli*, *Topo Gigio*, *Winx Club*, *Gli Acchiappagiochi*. *One Love*, stand out *Pinocchio & Friends*, the most-watched Italian animated series of the year, *Hello Kitty. Super Style*, about the iconic popular character born in Japan, and the extraordinary animated production *Pipo Pepa e Pop*, which - proposing the basics of economic and financial education in a fun way - was presented at the headquarters of the Milan Stock Exchange and obtained the patronage of the Financial Times economic literacy programme.

Italian co-production titles sit alongside a careful selection of the best international products. In 2023, the offer has been enriched by the new successful episodes of *The Smurfs*, *Peppa Pig*, *Bing*, *Bluey*, *Masha and Bear*, *Molang*, *Pocoyo*, *Le Avventure di Paddington and PJ Mask* and the new Disney series, which RAI, the only public broadcaster in Europe, continues to offer free to the public of children and families. These include: the new series *Mickey Mouse and the House of Fun*, new episodes of *Spidey*, *Mira Detective Reale* and *Puppy Dog Pals*, also in streaming on RaiPlay, and *Minnie Toons* and *Car Toons*, on demand on RaiPlay.

The offer for school-age children and pre-adolescents is mainly developed on Rai Gulp and on RaiPlay: entertainment

and education to help youngsters grow as aware citizens, to develop discernment and critical spirit, to reject discrimination and to promote self-confidence and self-esteem. Particular attention is paid to civic sense, acceptance of the new, rejection of bullying and gender stereotypes, as well as reflections on the environmental issues of sustainability and the future of the planet. The offer is open to all languages: from animation to drama, from studio programmes to documentaries and films, with an increasingly close connection between the TV channel and the online and social offer. New original productions include *Clorofilla*, an innovative series on botany, presented at the PrixItalia in Bari, and *BookCrossing. Porta il tuo libro*, on the promotion of reading, realised in collaboration with the Biblioteche pubbliche di Roma circuit and the Ministry of Education and Merit. As for drama, a highly successful genre among pre-adolescents that lends itself very well to the promotion of educational content, 2023 began with *La Cartolina di Elena*, a special for the Day of Remembrance premiered on RAI 3, the true but hitherto little-known story of Elena Colombo, the only Italian girl deported without her parents to Auschwitz from where she never returned. The special was premiered not only in a cinema in Rome, but also in the school in Forno Canavese (TO), from where little Elena was deported in 1938 and which was named after her on this occasion. A sign of how audiovisual productions can be a stimulus for the growth of civic sense and communities.

Other children's dramas of particular significance were *Le Cronache di Nanaria*, starring a dyslexic girl struggling with middle school, *Crush: La storia di Stella*, which talks about sexting and the proper use of social media, and *La storia di Tamina*, about an Afghan girl's integration in Italy after the Taliban's return to power.

Sustainability issues were at the centre of the original programmes *Green Meteo* and *Meteo Spazio* – produced in cooperation with the Public Utilities Directorate - and *Tg Kids* - in cooperation with Rai News - presented current news in a language dedicated to youngsters.

Included in the offer was the usual live broadcast on Rai 1 and RaiPlay of the *Junior Eurovision Song Contest*, the European singing competition reserved for under-14s.

Sport

Rai's sports offer, which is wide and varied and always free to air, with its broadcasts gives emotions and involvement with the telling of sporting events and in-depth and discussion programmes. Live commentaries, interviews, in-depth reports, columns and original content lend themselves to a great sports narrative of well-known and lesser-known disciplines to offer the public quality sports entertainment. An offer available on the thematic channel RaiSport, on Rai 2 and on the RaiPlay platform.

The year 2023 was also full of sporting events, both national and international, told live on Rai channels with in-depth coverage by experts, champions and former champions. The first months of the year were dominated by the great events of snow and ice sports, starting with the Alpine Skiing World Cup held in France, and continuing with the decisive stages of the World Cup, the highlight events of the biathlon and figure skating, disciplines that are increasingly popular with the sporting public.

In spring, the great events of cycling, a sport that knows no decline in popularity, with the Northern European classics, the Giro d'Italia and, in summer, the Tour de France and the world championships in Glasgow. Great athletics has also gained considerable space with the broadcasting of the best indoor competitions and meetings of the Diamond League world circuit, the Italian victory at the European Games in teams, the European Cup in Munich and the World Championships in Budapest. But also the successes in the fencing world championships in Milan, swimming in Fukuoka, rhythmic gymnastics in Valencia, tennis and the triumph of the Italian team in the Davis Cup, the basketball and rugby world championships, the European volleyball championships, up to the Paralympic swimming and athletics world championships.

The consolidated commitment to football was manifested with the broadcasting not only of the matches of the major national team and the qualifiers for the final phase of the European Championships, but also of the women's team and the various youth teams - in particular the Under-20s, protagonists of the world championship in their category - and much space was dedicated to Napoli, which returned as national champion after more than thirty years.

The schedule, also in view of the Paris 2024 Games, has been enriched with many appointments to deepen the disciplines that will be included in the Olympic calendar: from the column *L'Altra DS*, which deals with sports other than football, to the weekly *RaiSport Live*, which has restored a fixed appointment with live sport in the Rai 2 programming, up to the enlargement of the contents of *Atuttocampo*, always on air on Rai 2, to the Olympic disciplines. These columns add to the historic appointments of *La Domenica Sportiva* and *Novantesimo Minuto*.

The title's commitment to Paralympic sport and disabilities is great, with the *Special Olympics* world review and the cycle of broadcasts of the *SportAbilia* column, now a twenty-year tradition.



Information

Tg1

Tg1, Rai's historic news programme, was born in 1952 under the name *Telegiornale*. Today, the news programme is a leader in the news scene and represents the most important news programme in Italy in terms of number of viewers and one of the largest in Europe. It has always been considered an authoritative window on the world, and over the years it has been able to report on news, politics, economics, customs and culture, always with an eye to innovation, social change and language aimed at all classes and ages.

A distinctive feature of Tg1's offer in 2023 is the frequent use of links and live broadcasts to report on the main events, in Italy and abroad. In particular, every day, starting with the early morning editions, with reportages and correspondents, Tg1 reported on the drama of the two ongoing war conflicts in Ukraine and the Gaza Strip. These war scenarios with dramatic humanitarian consequences and their possible developments were also given ample space in the daily strip of *Tg1Mattina* and in the weeklies *TV7* and *Speciale Tg1*, historic evening in-depth reports on major current affairs issues. Priority was also given to links and live coverage of major international events such as the coronation of King Charles III in May, the funeral of Pope Emeritus Benedict XVI at the beginning of the year, the apostolic journeys of Pope Francis and the institutional commitments of the President of the Republic, Sergio Mattarella. Throughout the various editions of Tg1, great attention is paid to social phenomena that closely affect the most fragile groups, such as the disabled, minors, the elderly and women, to serious discrimination based on sex, religion and race, and to marginalisation. The range of news packages includes a wealth of interviews with leading players and targeted reports on school, entertainment, sport, fashion, science and the environment, with a special focus on climate change.

Among the Tg1 appointments are columns dedicated to the economy, motors and books. Tales of social integration, the great figures of spirituality and religiosity as a necessary condition for peaceful coexistence among men are instead the focus of *Tg1 Dialogo*. Finally, new in-depth spaces have been opened up within *Tg1Mattina*, such as those featuring animals or the stories of ordinary people and the most prominent personalities.

Tg2

Tg2 proposes a wide-ranging, pluralist and punctual range of information, always in the name of in-depth coverage, the title's core business, and with a particular focus on young people: from the brutal terrorist attack by Hamas in Israel to the war in Ukraine, from the death of President Emeritus Giorgio Napolitano and the founder of Forza Italia Silvio Berlusconi to the floods that hit Emilia-Romagna and Tuscany, from the recovery of the suburbs with the Caivano case to the drama of feminicides. Current events that marked 2023 and led to the production of a total of 1,200 hours of reports, live broadcasts and special editions, 1,870 editions of news programmes, and more than 1,400 episodes among the newspaper's 14 columns.

Tg1 - 1:30 p.m.



3.2 mln
SPECTATORS



25.2%
SHARE

Tg1 - 8:00 p.m.



4.3 mln
SPECTATORS



24.6%
SHARE

Tg2 - 1:00 p.m.



1.6 mln
SPECTATORS



12.9%
SHARE

Tg2 - 8:30 p.m.



1.1 mln
SPECTATORS



5.8%
SHARE

Services and in-depth reports were reserved for young people after the murder of Giulia Cecchettin, with the opinions of experts, psychologists and teachers. Young people were also at the centre of the information and education campaign on the great theme of road safety through a regular appointment with the reflections of the influencers who have such a high profile in the world of youth.

Thanks to the attentive gaze of the reporters, a scrupulous verification of facts and sources, the news programme always proposes a reconstruction of events without pre-constituted truths, giving ample space for in-depth analysis in the numerous columns: from *Tg2 Post* – the talk show that has become a top appointment of the evening prime time - to the morning in-depth coverage of *Tg2 Italia Europa*, motors on two and four wheels with *Motori*, culture and books with *Achab* and *Mizar*, *Si Viaggiare* and the world of tourism; as well as *Dossier* and *Dossier Storie* – dedicated to the story of the men and women of our country - *Medicina 33* featuring new developments and technologies in the medical field, the social issues of *Tg2 Costume e società* and *Week end, Eat Parade* with the excellence of Italian cuisine, the cinema with *Cinematine*, and the good news of *Tutto il bello che c'è*.

Tg3

Tg3 is the newspaper with a strong personality, always committed to the front line to guarantee in-depth and clear information. In 2023 - a year characterised by major international conflicts, in Ukraine and the Middle East, the migrant emergency, the historic arrest of Matteo Messina Denaro and the scourge of feminicides - 855 hours of news, 493 hours of news programmes and 363 hours of columns were broadcast. A news proposal that finds its strengths in the completeness of the information, the accuracy of the in-depth analysis, the use of simple but not trivial language, and the focus on rights and the weaker sections of society. A series of choices rewarded by the public's appreciation for an offer that includes an edition of the news, the 12.00 p.m. edition, made in Milan, and one in Italian Sign Language, many live connections from the territory and a rich offer of in-depth columns: from *Fuori Tg*, a daily space dedicated to current issues most related to the problems of families, work and environmental protection, to *Linea Notte*, a privileged place for analysis, comments and reflections on the events of the day, with particular attention to politics, and a preview of the next day's topics, passing through *Tg3 Mondo* to discover in-depth international news. But also *Fuori Linea*, providing in-depth coverage of culture and entertainment; *Chiediscena* the only column of a newspaper dedicated entirely to theatre, opera and dance; *Pixel*, focusing on technology and scientific innovations for an increasingly sustainable world; *Persone*, with its extraordinary life stories told in the first person by ordinary protagonists.

TgR

With twenty-four newsrooms spread across all Italian regions, a wide range of news and columns, and a central web-social media platform, TgR guarantees capillary, constant and widespread information throughout the country. A newspaper of strategic importance for its ability to provide proximity information, TgR, thanks to its constant contact

Tg3 - 2:20 p.m.



1.4 mln

SPECTATORS



12.0%

SHARE

Tg3 - 7:00 p.m.



1.7 mln

SPECTATORS



12.6%

SHARE

TgR - 2.00 p.m.



2.1 mln

SPECTATORS



16.6%

SHARE

TgR - 7.35 p.m.



2.2 mln

SPECTATORS



14.1%

SHARE



with local institutions and its proximity to regional realities, is a point of reference for the viewer, who is offered a wide range of news and in-depth analysis.

In 2023, TgR's editorial staff continued to guarantee a capillary and reliable information service during emergency situations - such as the floods that hit Emilia-Romagna and Tuscany - but also in the everyday life of local realities. Much attention has been paid to combating misinformation and fake news, to environmental issues and the dangers they run, to climate change, and to food and energy waste, and valuable in-depth reports have been produced to support the world of culture and tourism linked to individual territories. A commitment rewarded by viewers with an audience share of 11.14% in the morning edition of *Buongiorno Regione*, 16.63% in the 2 p.m. news and 14.09% for the 7.35 p.m. evening edition.

Among the many columns adding to the offer are *EstOvest*, TgR's 'window' on the Balkans and Eastern Europe; *RegionEuropa*, the weekly that reports on relations between the regions, provinces, metropolitan cities, municipalities and European Union institutions; *TgR Mediterraneo*, the appointment with international news, with the peoples, history, culture and faces of Mare Nostrum; *TgR Leonardo*, the scientific news programme that combines attention to current affairs with the rigour of documentation and in-depth analysis.

The entire news offering is available on the web platform, which flanks and complements the more traditional tools. In 2023 the 24 TgR web editorial offices recorded 123 million visits (+107% compared to 2022) and 191 million pieces of content were consulted by users (+76% compared to 2022).

Rai News 24

Rai's all news channel, Rai News 24, thanks to the work of its many reporters, guarantees live information 24 hours a day. All the main local, national and world news is offered to a demanding audience thanks to a continuous flow of information, in-depth reports and investigations.

The founding principle of the editorial line is the same as that at the basis of all news television channels: not only news bulletins - also in English and Ukrainian - but an uninterrupted flow of news, in-depth reports and spaces with guests and experts. Rai News 24 is also a service, with newscasts in Italian sign language and spaces dedicated to traffic and weather.

The most popular time slot is the morning, from 6 a.m. to midday, where constantly updated news bulletins alternate with numerous in-depth columns. At night, Rai News 24 also provides live information to other Rai channels in simulcast on several networks. In the mornings and evenings, press reviews offer the first information windows on the news from the daily newspapers, and, in the afternoons, columns report on the development of events and offer summaries and in-depth coverage of what has happened during the day. In addition, daily sections are devoted to the world of financial markets and economic news.

Alongside the television channel are Rainews.it, the internet portal for all RAI information with news, updates, photos and ad hoc products, and Televideo, the newspaper written on the screen, a media that maintains its vitality and penetration capacity over time.

Rai Parlamento

Rai Parlamento is the newspaper responsible for following the work of parliament, a task carried out daily with programming across the generalist networks.

The news programme - always available on www.raiparlamento.rai.it and largely translated into the Italian Sign Language (LIS) - is characterised by three daily editions of the news programmes, political and parliamentary appointments, such as the sessions devoted to government announcements, ministers' briefings and *Question time*, as well as numerous *Speciali*, which provide in-depth coverage of the most topical issues, and weekly columns. These include, *Settegiorni* and *Punto Europa* which provide information on the activities of the Italian and European Parliaments; *Rai Parlamento Magazine*, with in-depth coverage of European, cultural, economic and political issues; and *Spaziolibero*, a historic television and radio feature on the world of volunteering, solidarity projects and the many associations active in Italy.

In 2023, there were numerous connections for particularly significant events such as those held on the occasion of the ceremony for the 75th anniversary of the first sitting of the Senate, the Constitution Lessons and the concerts performed in the presence of the highest offices of the State (for National Unity and Armed Forces Day, International Women's Day and at Christmas).

Teche

The Rai Group's immense audiovisual heritage consists of documents, images and sounds that represent real pages of history of our past. The Teche, in fact, the memory of the country, are made up of the archives of what has been broadcast on television since 1952, when Rai began broadcasting on an experimental basis, and on the radio since the 1930s. An extraordinary source of material that reconstructs and documents our history from the 20th century to the present day and that daily feeds into broadcast programmes, the teaching of contemporary historians and that increasingly enriches museums, exhibitions and cultural events. A past that is indispensable for building the future, so much so that Unesco has included the Teche Rai in the archive of the memory of Italy.

And the fact that archive materials are a corporate asset and a strategic asset is also demonstrated by the fact that Rai has obtained funding from the MIC - as part of the Strategic Plan Major Cultural Heritage Projects - for a project to digitise the film archive, to be launched in 2023.

In continuity with the previous year, numerous initiatives were undertaken aimed at managing and enhancing the Rai Group's audiovisual heritage through a review of the archive digitisation plan, and the process of cataloguing and documenting the material digitised and included in the Multimedia Catalogue (CMM) continued. Overall, to date, there are more than 4.6 million hours of product searchable through the CMM for television and more than 2 million for radio; there are more than 173 million indexed documents for television and radio, plus approximately 92 thousand books kept in the Rai libraries in Rome and Turin and 50 thousand photographs, which are the subject of continuous retrieval activities.

In line with past years, several agreements have been reached with universities and non-profit associations to allow remote consultation of the CMM - by entering special credentials provided by Rai - for educational, cultural or training purposes.

Teche verifies the availability of rights and constraints on archive material intended for broadcasting, publication on the web or transfer to third parties for commercial or institutional purposes. Based on the airing of the various programmes, the relationship with the Audiovisual Producers Association continued for the recognition of rights for the so-called private copy.

Cooperation with all subjects that request theatrical material for the realisation of editorial projects remained intense, also thanks to the activity of a highly professional team in the search for materials and the verification of rights. In addition, Teche actively supported the Prime Time Directorate in the production of the *Techeteshow* episodes that aired on Rai 1 with excellent results in terms of share.

The major enhancement and exploitation of the archive's historical titles continued through the selection and supply of programmes for the RaiPlay platform. The section called *Teche Rai* continues to be one of the important keys of attraction for digital users.

As regards relations with copyright collecting societies, in 2023 negotiations continued with the collecting societies and the normal activities envisaged by Law no. 633/1941 as amended and supplemented for the use of original works in Rai programming.

The path aimed at optimising the management of relations between Rai and the various collecting societies continued with renewed commitment. This project, which concerns thousands of utilisations, required - and still requires - a complex analysis over a long period of time necessary, on the one hand, to reconstruct past uses and, on the other hand, to define the relevant agreements.

However, this process, which has already led to the closure of numerous agreements, is supported by the activity of Airplay Control, the company entrusted with the service of automatic recognition of musical works within RAI's radio and television programming, in analogy with the best practice adopted by the main broadcasters as well as by the collecting societies operating at national and international level.

The important work of enhancing the cultural value of Rai's memory as a source of history and study for the whole Country continued in 2023, through the increasing use by organisations, museums, schools, universities, public and private foundations that refer to the Public Service as a repository of historical material of excellence for any kind of celebration or anniversary of the contemporary age. Rai Teche is now present in many Italian and foreign museums, in Italian Cultural Institutes abroad and Embassies, in Universities and libraries in Italy and abroad, also through the use of the multimedia catalogue, open to students and researchers.

Offer abroad

Rai Italia, the channel for Italians abroad, proposes a rich editorial offer characterised by original in-depth productions, political, religious and sports information, entertainment and the best selection of Rai generalist network programming. Divided into four schedules (North and Central America, South America, Europe/Sub-Saharan Africa and Asia/Australia), adapted to the main time zones, the channel is broadcast through satellite, cable, lptv and OTT platforms. From September 2022, it is also distributed in many European countries in the special Rai Italy section.

The original offer, more than 1,000 hours per year, is also available on RaiPlay, *Rai Italy* section. The programmes include, *Casa Italia*, an in-depth current affairs daily, with in-studio guests, links from abroad and ample space dedicated to Italian diplomatic representations around the world, to members of parliament elected abroad and, above all, to Italians who live and work far from their country of origin. There are also many thematic and service columns, such as *Sportello Italia*, and weekly spaces dedicated to fashion, cinema, sport, music and the appointment with linguists from the Dante Alighieri Society, providing Italian lessons. The programme is also broadcast on Rai 2 in the late night spot, thus contributing to raising awareness in Italy of the themes and protagonists of the world of Italian communities abroad.

Among the channel's other original productions - also broadcast on Rai 2 - are the in-depth information weeklies *Il Confronto*, which proposes current political and economic-financial issues, and *Punti di vista*, a space for understanding the major global challenges and possible solutions.

For in-depth religious coverage there are *Cristianità* and *I Mercoledì di Francesco*, with the papal audiences, in collaboration with Rai Vaticano; ample coverage is given to the Pope's apostolic journeys. In addition, every week, with *On the Road. Verso il Giubileo*, viewers can meet various well-known and lesser-known faces engaged in social work to improve the world.

Many programmes are in dual language, Italian-English, or with subtitles to reach the second and third generation of expats who no longer speak Italian and a non-Italian-speaking audience of Italian lovers. In addition, starting in November, the subtitling of some programmes also began in Spanish, with the aim of broadening the target audience. Among the Italian-English dual-language programmes, there are many original titles (*Paparazzi*, in collaboration with Rai Radio 2; *Italian Genius*; *That's Italy*; *Italians*; *Le fotografie*; *A scuola con lo Zecchino d'Oro*; *Italian Food*; *Eating History*; *Il segno delle donne*; *Solidali d'Italia-Le basi della speranza*; *Tu vuoi fa l'americano*, *Art Rider*, *Sette meraviglie*, *Musei*, *Rinascimenti segreti*, *Spazio alla cultura*, etc.), a selection of the most recent Italian films and productions such as *Italian Colors* and *TrendItaly*, made with the contribution of the RAI archives as part of a project to re-edit the columns of the TgR and national news programmes.

Timely and punctual information covers all time slots with the main editions of the national news live from Italy, a news programme entirely in English produced in collaboration with Rai News 24, and programmes dedicated to institutional events.

Sports coverage is very rich with numerous commentaries and columns dedicated to the various disciplines. These include football, with highlights of the Serie B, live coverage of the first leg and return matches of the Serie C final, and the Viareggio Cup final; volleyball, with commentaries of the main championship matches; cycling, with the Giro d'Italia 2023, *Processo alla Tappa*, Milano-Sanremo, Tirreno-Adriatico and Strade Bianche; horse riding, with the Piazza di Siena tournaments; and the Regatta of the Ancient Maritime Republics of Italy.

A significant part of the programming is made up of the 'best of Rai', with the most successful programmes of the generalist and thematic networks, broadcast live - when possible - or close to broadcast. The offer, with programming suitable for the whole family, ranges from soaps (*Un Posto al sole*, *Il paradiso delle Signore-daily*) to game shows (*L'Eredità*, *Reazione a catena*, *I Soliti ignoti. Il ritorno*, *Affari tuoi*), from docu-reality (*Il Collegio*) to entertainment (*Viva Rai 2!*, *Domenica In*, *E' sempre mezzogiorno*) and infotainment (*UnoMattina*), from insight columns (*La vita in Diretta*, *Storie Italiane*, *Agorà*, *Oggi è un altro giorno*, *Porta a Porta*, *Belve*, etc.) to journeys across the Italian territory (*Linea Bianca*, *Linea Verde*, *Linea Blu*), and the offer for children and young people with dedicated programming.

Prime time offers great dramas (*Mare fuori*, *Il commissario Ricciardi*, *Le indagini di Lolita Lobosco*, *Resta con me*, *Imma Tataranni sostituto procuratore*, *Blanca*, *Vivere non è un gioco da ragazzi*, *Che Dio ci aiuti*, etc.), films from the most recent Italian cinema, entertainment and talent shows (*Ballando con le stelle*, *I migliori anni*, *Tale e quale show*, *Il cantante mascherato*, *The Voice Senior and Kids*, etc.), music, dance and concert events (*Roberto Bolle-Danza con Me*, *the Sanremo Festival*, *Eurovision Song Contest*, *New York Canta*, *Arena di Verona 100 anni in una notte: l'Aida*, *Summer Hits*, *Italia loves Romagna*, *Dalla strada al palco*, *Lucio per amico*, *Gigi, uno come te 30 anni insieme*, etc.), historical and cultural programmes and events (*Stanotte a Milano*, *Speciale Ulisse racconta Piero Angela*, *Binario 21*, *Io ricordo-La terra dei miei padri*) and great investigations (*Report*, *Presadiretta*).

Television production

Against a background of continuous technological evolution, Rai's professional and technical resources dedicated to TV production guarantee the realisation of television editorial projects - of generalist and specialised channels, news and sports - in line with the highest standards in the television sector, offering viewers a product that is always consistent with the mission of Servizio Pubblico and with the quality, including technical quality, that this requires.

During 2023, the production recovery that characterised the exit from the emergency phase of the pandemic was further consolidated. A new editorial organisation by Genres was fully operational for the first year, which led to an enrichment of programming and, consequently, to a particularly intense commitment for all the television production centres, contemplating both appointments that have become habitual for the RAI programme schedule and the proposal of new initiatives.

The former include prime-time shows such as, for example, the *Sanremo Festival* – with a particularly complex and successful edition in 2023 — *The Voice*, *Il Cantante Mascherato*, *Tali e Quali*, *Boomerissima* and daytime entertainment and in-depth programmes such as *UnoMattina*, *Agorà*, *È Sempre Mezzogiorno*, *La Vita in Diretta*, *Oggi è un altro Giorno*. News coverage is also constant and punctual with news programmes - national, regional and sports - and in-depth journalistic programmes such as *Porta a Porta*, *Report*, *Preso Diretta* and the news strip *Cinque Minuti*.

News programmes were also launched in all broadcasting slots, some of which were characterised by the experimentation of new production methods, such as, for example, the morning entertainment of *Viva Rai2!*, the news strip of *Il cavallo e la Torre* and the 4k standard production of the opera *Don Carlo* which inaugurated the season of La Scala Theatre. Also worth mentioning are the major live events, particularly sports events, such as the matches of the various national football teams, and those related to cultured music, such as the productions of La Scala in Milan, the Teatro dell'Opera in Rome and the Arena in Verona.



Radio

1



2



Rai Radio 1

'News from Italy and around the world, but also intelligent satire, social issues, music and lots of sport, Rai Radio 1 affirms its inclination as an all news, reliable and qualified broadcaster'



- 1 Francesco Storace and Vladimir Luxuria present *Il rosso e il nero*
- 2 Giorgio Lauro and Geppi Cucciari present *Un giorno da pecora*
- 3 Rai Radio 1 Studios

1



2



Rai Radio 2

*'Radio that you can hear and see!
Entertainment and high spirits, live concerts,
in-depth music and cult programmes,
on-the-road and live appointments,
for a Radio to listen to and watch'*



1 Biagio Antonacci guest at Rai Radio 2

2 La Versione delle Due

3 Vasco Rossi guest at Rai Radio 2

1



2



Rai Radio 3

'Music, in-depth programmes and live concerts: Rai Radio 3 proposes an articulated and high-quality programme schedule that ranges from the major topics of cultural and civil debate to a rich proposal of live events featuring young talents from the most important Conservatories and Music Training Institutes'

3



- 1 Haydn Orchestra of Bolzano and Trento
- 2 Trani In Onda
- 3 Fauves 2023

Rai Radio Tutta Italiana

'A light and flowing radio station, offering the most beautiful Italian songs of the last fifty years, with in-depth features, interviews and news on events, concerts and new record releases'



I GRANDI PERSONAGGI



Rai Radio Techeté

'From theatre to music, from drama to comics, to sports stories, Rai Radio Techeté is the memory of Italian radio'



Rai Radio Kids

'Fun and music with the playlists of the moment, and readings for the little ones with the great classics of children's literature'



Rai Radio Live Napoli

'The great musical and cultural heritage of Naples and Campania, with new developments on the music scene and songs from the historical archive of Neapolitan song'

Rai Isoradio

'A travelling channel for travellers who accompanies listeners, with infomobility as a common thread, together with a mix of music and programmes that map and narrate the territory'



Rai Radio 1 Sport

'Football and more, in-depth live coverage and historical radio reports: the most important sports broadcasts simulcast with Rai Radio 1 and original event content exclusively for the sports channel'



No Name Radio

'Radio dedicated to young people, for an audience aged 15 to 24. Short conducting spaces with a musical offering based on rap, trap, hip hop, indie and electronic music'



Rai Gr Parlamento

'An institutional channel for parliamentary activities, Rai Gr Parlamento, with live links, in-depth columns and radio news, tells citizens the workings of the institutions while everything is happening'



Rai Radio 3 Classica

'Music from the Middle Ages to the 21st century, monographic spaces and programming linked to major anniversaries, Rai Radio 3 Classica offers prestigious musical choices from the great instrumental, opera, symphonic, concert and chamber music repertoire'





Rai Radio

Natale in musica

Concerto della Banda Musicale della Polizia di Stato

Sala A - Via Asiago 10, Roma

Rai Radio

Rai Radio oversees a variety of directions: coordinating the editorial and commercial offer of the 12 channels broadcasting on Fm, Dab+, sat, web, app and social media and identifying, in cooperation with Rai Pubblicità, new possible revenue opportunities; guiding the technological evolution of production systems; implementing linear and non-linear multi-platform distribution; establishing a cutting-edge cross-media production hub coordinating social and institutional campaigns and activities, as well as international projects and participation in festivals and competitions; supporting the Company's strategic orientations with regard to broadcasting platforms and infrastructures, relations with institutions and the market, market surveys and audience research.

The editorial profile of the generalist channels - Rai Radio 1, Rai Radio 2 and Rai Radio 3 - is divided into the Genre quotas identified by the Service Contract: News, Information, Culture, Society, Music, Service, Public Utility. In the year 2023, the percentage composition was as follows:

- News 8.19%
- News 15.77%
- Culture 8.74%
- Society 9.62%
- Music 44.07%
- Service 0.56%
- Public Utility 1.29%
- Other genres (variety) 11.76%

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 radio regional news) 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 the social, institutional and international communication of all the radio channels, in liaison with Rai for Sustainability, Distribution and International Relations, with the aim of planning awareness-raising and fundraising campaigns, promoting corporate initiatives and institutional anniversaries, the campaigns of the Prime Minister's Office, and the participation of radio channels and programmes in the main national and international awards and festivals.

In 2023 Rai Radio planned the following on its channels: 65 campaigns for the Presidency of the Council of Ministers, 6 institutional interventions in collaboration with the Artistic Goods and Institutional Agreements Directorate and the Ministry of Labour, 31 fundraising campaigns, 18 awareness-raising campaigns, 1 campaign for Pubblicità Progresso, 1 campaign for supranational agencies, 1 campaign for social communication; it celebrated 48 institutional anniversaries and participated in 6 international festivals (Abu Prize, Prix Italia, Prix Europa, Premio Ondas, Rose D'or, Prix Urti) and 2 national festivals (Pod and the Diversity media award).

In 2023 Rai Radio was a promoter of projects and initiatives related to the field of sustainability. It conceived and produced the original RaiPlay Sound podcast, *10 notizie dal futuro* in collaboration with the Italian Alliance for Sustainable Development, in which ASVIS scientific director Enrico Giovannini and numerous sustainable development experts point the way to a brighter future inspired by the principles of the United Nations 2030 Agenda.

As every year, Rai Radio organised the auditions for the Italian candidates of the European Union Youth Orchestra - whose members are young musicians from the 27 countries of the Union - and conceived and realised, in collaboration with Fai, the *Cosa Fai alla Rai* campaign, an extraordinary opening of the building in Via Asiago to let the public know about its studios and the workers who animate it.

In the course of 2023, the renewal of the radio production computer system began. This project will see the first installations come into operation at the end of 2024 to become fully operational the following year, with the old systems being abandoned during 2026. In addition, to complete the *RadioPorto* project for the transport of quality audio signals on an IP platform, software licences were acquired during the year which, once associated with the codecs installed at the via Asiago platform, will enable reporters to make high quality connections via the browser of any smartphone or tablet. *Upgrading* of the PTZ cameras used for *Visual Radio* was started in order to start experimenting with augmented reality in the area of video filming inside the radio studios, and, as far as the regional offices are concerned, the complete refurbishment of the studios and control rooms of the one in Ancona was carried out.



With regard to DAB+ digital radio, in the course of 2023, in-depth studies were begun to make regional information, programmes originating in the autonomous regions, election programmes and access programmes also available on the DAB+ network.

Special projects

In the editorial and production context of the Radio Directorate, initiatives are devised, implemented and broadcast that are not directly related to the radio offer tout court, that are complementary to the radio product, serve as press launches of the Company's radio or television productions, or are themselves editorial projects of the Radio Directorate with visibility on the RaiPlay and RaiPlay Sound platforms. The Radio special projects are often realised in the large halls of via Asiago 10 and are therefore conceived as multimedia and cross-media: designed to make the most of the great technological and scenic potential of the main radio and television studios of the radio production centre in Rome.

The main special projects realised in 2023 include: numerous concerts, such as those of Rita Pavone, Gigi D'Alessio, Calcutta and the Banda della Polizia di Stato; special evenings (the concert in honour of Orchestra Conductor Antonio Pappano, the special Pooh live), the *Sanremo Giovani* and EUYO (European Youth Orchestra) auditions; the extraordinary opening of the Via Asiago premises on the occasion of the Giornate Fai Di Primavera (Spring Days); the press conference *Il Vangelo sulla strada*, with Mons. Paglia interviewed by Giorgia Cardinaletti; the film screenings linked to the media partnership with the Cineteca Nazionale; the live broadcasts of the competition *Voci in barcaccia-Largo ai giovani*; the round table *Verso il Giubileo della Speranza - L'economia di Francesco, nuovi modelli di sviluppo sostenibile*, with Mons. Rino Fisichella; the ASVIS press conference for the presentation of the Festival of Sustainable Development 2023 and those for the presentation of the Foreign Offering and the second season of *Viva Rai 2!*.

Rai Radio also hosted in Room A the presentation of the 2023/2024 radio programming season and the Rai Pubblicità convention.

Podcast

Many podcasts were produced in 2023. Among them two female stories: *Figlie di Sara Poma*, a journey in the Argentina of the dictatorship in search of a mother she never met, and *Nasim-Iran Verticale*, the story of a rock climbing champion in an Iran that took to the streets against the regime. The relationship between man and nature and the possible alternative models of coexistence are addressed with *Ghiaccio Sottile* – reflecting on the meaning of the planet's continuous transformation, following the trace of water and its forms and those of the immense hydroelectric works that have sprung up around the unique polar cap of the Alps - and *La montagna che cura*, an original therapeutic-rehabilitation approach for treatment and rehabilitation implemented in the cultural, natural and artificial environment of the mountains. For the great stories RaiPlay Sound has proposed *Fausto e laio*, killed in 1978 in Milan during the Moro kidnapping days, a docu-fiction podcast that recounts with archive material, interviews and dramatised reconstructions one of the last stories of the years of lead in Italy. After the great success of the series on the P2 case, Gherardo Colombo is back with *Non aprite i cassette del potere* dedicated to the Mani Pulite scandal. RaiPlay Sound told the case of Alex Schwazer in *Omicidio di un marciatore* in which the story of this controversial athlete takes shape through a long interview with Tg 2.

To get closer to the Marconian celebrations of 2024, *La Ragazza delle Onde*, was then launched, a fantasy series dedicated to a younger audience that celebrates and mythologises Guglielmo Marconi 150 years after his birth. The voice of Alessandro Vanoli then took us through a long *Storia del Mare* from the earliest beginning, almost four million years ago, to the present day. The last podcast of 2023 was *Almeno Credo*, a semi-serious journey whose protagonist loses his sense of being in the world and moves among the most unknown and incredible religious environments hiding in today's Rome. Also of note was *Fedeli alla linea. La Linea non c'è 1983-2023* completion made with purchase materials and dedicated to the career of Giovanni Lindo Ferretti, who through old radio interviews recounts himself and the groups with which he 'made the singer', shaping the recent history of Italian music and culture.

Generalist stations

Rai Radio 1

Throughout 2023, Rai Radio1 reaffirmed its inclination as an all news broadcaster, reliable and qualified with information that has its central point in the hourly radio news (in the morning also at 05:30 a.m. and on Sundays at 06:30 a.m.) with no less than 5 main editions (7:00 a.m., 8:00 a.m., 1:00 p.m., 7:00 p.m. and midnight). Rai Radio 1 has reported on what has been happening in Italy and around the world, from political current affairs (*Prima dell'alba, Radio anch'io, Zapping, to Tra poco in edicola* and, from September, *L'edicola di Radio 1, Il caffè di Radio 1, Giù la maschera, Ping pong, Il rosso e il nero*) to economic news (*Sportello Italia*, and, from September, *Focus Economia* and *Cantiere Italia*), to news topics, employment and work, respect for human rights, the fight against crime, and gender violence (*Che giorno è, Il Mix delle 23, Italia sotto inchiesta, Numeri Primi* and *Menabò*). Plenty of space was given to the territory (*Che Giorno è* which from September is in charge of Radio1's *Il pomeriggio di Radio1*), satire (*Forrest* and *Un giorno da pecora*), environment (*L'aria che respiri, Menabò*), social issues (*Che giorno è, Formato famiglia* and *Il Mondo nuovo*), social media (*Hastag*) and communication (*Igorà, tutti in piazza*).

In September, in view of its centenary in 2024, Rai Radio1 launched the programme *Cento, un secolo di radio*.

In addition, the focus was on the main events in Italy and around the world with reports in radio newspapers, in-depth reports, direct wires and specials: the war in Ukraine and the crisis in the Middle East, the arrest of Matteo Messina Denaro, the elections in Brazil, the earthquake in Turkey, the coronation of Charles III, the earthquake in Morocco, Cyclone Daniel in Libya, the elections in Slovakia and Argentina, the Cop28 in Dubai. As every year, ample space was dedicated to social campaigns, institutional anniversaries and special events, including the broadcasting of Gr1 live from Kiev and Bucha.

The wide-ranging sports offer confirmed itself as the mainstay of Rai Radio1 and the Gr: football with Serie A, Serie B and all the European cups, Formula 1, MotoGP, cycling with the Giro d'Italia, the Tour de France and the great classics, tennis with Roland Garros and Wimbledon, the Fencing World Cup, the European Volleyball Championships, the Women's World Cup and, again for football, the under19 European Championships, the under20 World Cup, the Rugby World Cup, the Atp finals in Turin and the Davis Cup in tennis. Not to mention the historic programmes *Tutto il calcio minuto per minuto, Zona Cesarini, Extratime, Sabato e Domenica Sport* and *Torcida Radio 1*.

A large space in the schedule was given to the numerous columns dealing with a wide range of topics: current affairs (*Sabato anch'io, L'edicola del sabato* and, from September, *Madeleine*), tech and innovation (*Eta Beta*), the sea (*Radio di bordo*), insights on foreign affairs (*Voci dal mondo* and *Caffè Europa*), school (*Tutti in classe*), environment (*L'aria che respiri*), motors (*Pit stop*), culture, entertainment and society (*Prima Fila, Te la do io l'arte, Plot machine, Incontri d'autore, Mary pop Live*), stories (*Inviato speciale, Il pescatore di perle, Numeri primi, Vittoria* and *Re-Noir*), and *Serial*, dedicated to TV series. To these are added the traditional religious appointments: *Ascolta si fa sera, Babele, Culto evangelico, In viaggio con Francesco, La finestra su San Pietro*.

Supporting the news, music played a fundamental role, which is featured at various times of the day (*Stereonotte, Disco sveglia, Sette su Sette, La nota del giorno* and, from September, *Radio1 Streaming*).

There were also many media partnerships in 2023, including: Premio Strega 2023, Run For Autism, Vinitaly, Macfrut 23, Across The Sea project, Salone Del Libro di Torino, Festival Internazionale dell'Economia di Torino 2023, Mondiale di Footvolley, Festival dei Due Mondi Spoleto, Musicultura 2023, Premio Estense 2023, Tuttofood 2023, Milano Monza Motor Show, Udin&Jazz Festival, FestambienteSud 2023.

As far as social networks are concerned, Rai Radio 1 has confirmed its commitment on all its Facebook, X and Instagram profiles, promoting its broadcasts, relaunching news, guests, and the most important moments aired, thus fuelling interaction with its listeners.

Podcasts have found more and more space in the editorial offer. During 2023 there were many new publications on RaiPlay Sound: *Liliana siamo noi, Stalingrado, Bambini rubati, Gli ammutati, A bellezza. Scandaloso Napoli, Mario Paciolla. Tre anni senza verità, Vajont 1963. L'onda; 8 settembre. Una tragedia italiana; Kennedy 1963. L'uomo con l'ombrello; Ratline. La fuga dei nazisti; Singapore. Futuro anteriore; Afroamerica. Black music revolution*.

Rai Radio 2

Rai Radio2 has been working in 2023 to be increasingly cross-media and in line with changing lifestyles and ways of enjoying the radio and television product, with a harmonious coexistence of images and sound in order to build a performing product on each broadcasting platform. Rai Radio 2's Visual Radio on digital terrestrial channel 202 and on RaiPlay relaunched the challenge to competing private broadcasters, offering a further way of enjoying the radio offer



in step with the times. It confirmed its daily programming under the banner of entertainment, live music and collective storytelling, thanks to the active social accounts on Facebook, Instagram, X, Tik Tok and the always open phone lines. The schedule maintained a distinct offer between weekdays and weekends.

At dawn, Rai Radio 2 offered an entertaining reading of the day's main news on *Caterpillar AM* followed by the network's flagship programmes *Il Ruggito del Coniglio*, *Radio 2 Social Club*, of which a customised TV version was also made for Rai 2, and then *Non è un Paese per Giovani*. In the afternoon, *La Versione delle Due*, the humour of *Numeri Uni*, the *Radio 2 Happy Family* show, *Caterpillar* in its PM version, followed by *Decanter*, the first food and wine programme on the Italian radio scene, the musical insights of *Back2Back* and *Rock and Roll Circus*, and Pierluigi Diaco, on air with *Ti sento*. Animating the weekend were Diletta Parlangeli and Saverio Raimondo with *Prendila così*, Pino Strabioli and Alessandra Zavoli with *Grazie dei Fiori*, Ciccio Graziani and Marco Lollobrigida with *Campioni del Mondo* report on sporting news on Rai Radio 2, and again Paola Perego, Adriano Panatta and Nicoletta Simeone with *Touché*. There was no shortage of cult programmes that gave ample space to comedy and good humour such as *Blackout* and *Lillo e Greg 610*, which just this year turned 20, and in the late evening *I Lunatici*, more than ever close to the people of the night.

Rai Radio 2 also broadcast live semi-finals and finals of the *Eurovision Song Contest*, the *May Day Concert* from San Giovanni Square in Rome and *Sanremo Giovani*. The editorial and production commitment of the *Sanremo Festival* for which Rai Radio 2 was the official radio station, was impressive, with 180 hours of programming including dedicated programming and live on-air broadcasts.

Among the events on the road were the *CaterRaduno* and *CaterCapodanno*, including live broadcasts and live concerts that took place in the city of Pesaro, proclaimed Italian Capital of Culture 2024.

As always, the network was at the forefront in promoting sustainability and fulfilling one of the fundamental tasks of the Public Service. On 16 February, the 19th edition of *M'illumino di meno*, was held, the historic campaign launched in 2005 by Rai Radio 2 Caterpillar, which became the National Day for Energy Saving and Sustainable Lifestyles, with an exclusive live broadcast of the programme from the Quirinale.

Numerous special initiatives were promoted: the *Radio 2 Day* (whole days in which the network hosted and hosts the great artists of Italian music) and the *Radio 2 Live* (exclusive appointments in which the story of Italian music is the protagonist through the performances of leading artists of our national scene) realised live from the studios in Via Asiago.

Important editorial synergies were activated in collaboration with the television programming of Rai 1 and Rai 2, broadcasting live - with inserts and original contributions - some major musical events of the season (*Gigi. Uno Come Te Ancora Insieme*, *Tim Summer Hits*, *Tim Music Awards*, *Arena Suzuki dai 60 ai 2000*).

Entertainment, merriment, exclusive events and lots of great music. With these strengths, Rai Radio 2 has produced formats that are spendable on air, on platforms and on the small screen, where it has recorded the most satisfying data: the numbers speak of a great response for the radio channel's formats such as *Radio2 Social Club*, *Radio2 Happy Family* and *I Lunatici*, all of which are 'facing' the television channel. Excellent results also on the social media front with very satisfying interactions on all platforms.

Rai Radio 3

During 2023, Rai Radio 3 continued to devote much attention to the major issues of cultural and civil debate, consolidating its ties with listeners and strengthening the breadth and quality of its musical offerings, particularly its live broadcasts. The broadcasting of live performances by the Rai National Symphony Orchestra and the major Italian and international festivals continued, such as the *Euroradio* concerts and Rai Radio 3's *Concerti del Quirinale*, the prestigious event broadcast live every Sunday morning from the Quirinale, now in its 22nd edition. But, above all, Rai Radio 3 has chosen to focus on young talent through *Voci in Barcaccia. Largo ai giovani!* the second edition of the first international competition for young opera voices since the historic Callas Prize in the Eighties. The format, which was nominated for the Prix Italia and selected by the Euroradio circuit as an innovative radio programme for the dissemination of opera, attracted the attention of jurors representing the most important Italian musical institutions and concluded on 1 June 2023 with a live performance at the Opera Theatre in Rome. In addition to the concerts, Rai Radio 3 continued to offer a constant supply of in-depth information thanks to the highly appreciated *Lezioni di Musica*.

As far as special projects are concerned, Rai Radio 3's support and collaboration with the Turin Book Fair was strengthened, with *Arrampicarsi sugli specchi. Musica e Parole per Alice*, the opening concert live from the Auditorium Rai in Turin. In June, a new live event in Puglia with *Trani in Onda*, for three days of entertainment and information: a kaleidoscope of cultural proposals, with musicians, actors, writers, journalists and art historians, all live from Trani Castle. The focus on themes and languages was characteristic of many special days: on 15 January, the 10-year anniversary of the programme *La lingua batte* was celebrated with a live broadcast from room A in via Asiago; on 20 January, to celebrate the first 20 years of *Radio 3 Scienza*, encourage girls and young women who dream of a future in science and remember Rossella Panarese, the event *Rossella e la scienza, dalla parte delle ragazze*, was held, with important initiatives for schools including a seminar and a special live broadcast; in February, a live evening was organised with fourteen musicians for *Alla musica*, a tribute to Guido Zaccagnini who passed away in December 2022; in March, with Vito Mancuso, a tribute was paid to Lucio Dalla, with the story of a long friendship and some of the most beautiful songs of Italian music; for the International Geography Day, with *#GeoNight* special programming was organised from the headquarters of the Italian Geographic Society in Rome; for 25 April, with *Via libera*, the stories of ten streets were told in memory of the Resistance. And then, cinema to be seen, listened to and told: six appointments with *Hollywood Party. Il Cinema alla radio* in collaboration with the Centro Sperimentale di Cinematografia-Cineteca Nazionale. In May, *Lector in Scienza 2023*, as held, with the presentation of 35 podcasts made by students from Bari's high schools, with the support of the experts from Rai Radio 3 Scienza. On 18 June, the Casa del Jazz in Rome, in collaboration with Fondazione Musica per Roma, hosted the musical festival *Fauves! Summer. 20 anni di Battiti*. Rai Radio 3 confirmed its support for the most important cultural events (from the Venice International Film Festival to the Mantua Literature Festival, from the Rome Film Festival to the Modena Philosophy Festival, *Più libri più liberi*, etc.). From 12 to 15 October, *Futuradio* the Rai Radio 3 festival broadcast from Bolzano's Teatro Comunale, took place. Three days of festivities to review our possible futures and the places where they can be elaborated and realised, with an explosion of music, words and reflections on the future. Six months after 16 May 2023, Rai Radio 3 organised *Radici*, an evening live from the Alighieri Theatre in Ravenna to shine a light on the territories severely affected by the flood.

Great attention was also paid to anniversaries and recurrences: the 80th anniversary of the Quattro Giornate di Napoli (Four Days of Naples) from Wednesday 27 September to Sunday 1 October with special broadcasts and live transmissions; on the occasion of the centenary of Italo Calvino's birth, *L'Italia è una favola* on Calvino's Italian fairy tales was broadcast with Marco Baliani; on 9 October, a special was dedicated to the Vajont tragedy and on 16 October, Marco Baliani's show *Quel giorno* was aired from the Teatro Argentina in Rome to mark the 80th anniversary of the rounding up of the Rome Ghetto; on 2 December, a series of events was held to mark the 100th anniversary of Maria Callas' birth.

Alongside traditional forms of broadcasting, particular attention is paid to deferred programmes and podcast originals, as evidenced by the results achieved by *Ad Alta Voce* and *Wikiradio*.

Special interest channels

Rai Isoradio

Rai Isoradio is the radio that travels with listeners. Three key words: proximity, travel, territory. The editorial line took concrete form in strengthening the central mission of infomobility with live links with Società Autostrade, Anas, Polizia Stradale and Protezione Civile. The channel ensured 24-hour live news and music entertainment coverage.

Rai Isoradio developed an offer in which infomobility news was integrated with information, entertainment programmes and in-depth columns. The programme schedule was oriented towards the enhancement of territories, curiosities, and tales of an Italy that travels.

Among the numerous programmes that characterised the programming schedule in 2023: *Il vangelo sulla strada* by Monsignor Paglia for a reflection on the facts of the day; *Scatto matto. Nella camera oscura della notizia* for an analysis of current events, economics, news and customs; *L'Italia che lavora* with stories of local entrepreneurs; *Colazione da Simona*, focus on work, pensions, the elderly; *L'autostoppista*, pet-friendly programme on animal rights issues; *Il Sorpasso*, for an end-of-day review of current affairs; *Cambiare si può. Storie di leadership al femminile*; *Al piano terra della società* on the third sector; *Viaggio segreto* to discover the lesser-known places and corners of Italy *In viaggio con Elisabetta*, adventures, misadventures and curiosities of Italy travelling with the live stories of radio listeners; *Le Casellanti*, a journey to discover villages, the most evocative corners, dialects and lesser-known places; *Sabina Style* a place for meeting, discussion and dialogue on fashion, cinema, theatre and editorial novelties; *Incroci*, between the songs of the past and those of today; *Ben detto*, a commentary on the events of the day with guests (businessmen, journalists, politicians) and the interaction of radio listeners; *Pamela viaggia in latin* dedicated to the Latin American world.

Rai Isoradio's programme schedule has also been enriched by a number of columns: *Viaggiare in sicurezza* in cooperation with the Ministry of Foreign Affairs; *Sulle strade degli ultimi*, a report on the third sector; *In salute*, an in-depth medical-scientific report.

During the year, numerous media partnerships were developed with the aim of being increasingly present at trade fairs, major events dedicated to the world of transport, green, and culture. In particular: the participation of the programme *Io, Chiara e il green* at the Ecomondo trade fair, the reference event in Europe for ecological transition and new models of circular and regenerative economy; the Christmas Concert in the cathedral of San Bartolomeo in Avezzano, a musical event of national importance with charitable and solidarity purposes; the 800th anniversary of the Greccio crib in the programme *La notte dei miracoli* on air on Rai Isoradio and Rai 1.

Collaborations with institutional partners were also strengthened: Rai Isoradio promoted the *Telethon* marathon with live connections and interviews with artists, doctors and scientists.

Rai Gr Parlamento

Parliamentary information was at the centre of programming in Rai Radio Gr Parlamento, the radio of the Institutions and in the Institutions. 16 hours a day of live and deferred broadcasts from Chambers and Commissions. Debates, sessions, interpellations, question times: parliamentary information but also the speeches of all high offices. Plus interviews and in-depth reports, radio and parliamentary news.

A daily debriefing with the rapporteurs of the texts, the confrontation between majority and opposition. And the columns: on laws still in discussion; on new books; on technology and social, on European policies, on geopolitics and international scenarios, on sport and football with sports institutions. Followed by a look at successful enterprises, solidarity and the third sector and the political and parliamentary history of our country.

Specialised networks

Rai Radio 1 Sport

Rai Radio's sports offer is also developed on Rai Radio1 Sport, the digital channel available on RaiPlay Sound on app, web, dab+, satellite and digital terrestrial. Every day Rai Radio1 Sport is on air from 07:15 to 7:00 p.m. with an offer dedicated to football but also to other sports, with in-depth live coverage from 11:00 a.m. to 1:00 p.m. with *Palla al centro* and from 5:00 to 7:00 p.m. (*Tempi supplementari*).

Among the headings: *Tutto il calcio minuto per minuto vintage*, *Extratime*, *Numeri primi* and historical radio commentaries. On the occasion of special events Rai Radio 1 Sport broadcast exclusive content not aired on Rai Radio 1.

Rai Radio 3 Classica

Rai Radio 3 Classica's broadcast schedule ranges from the Middle Ages to the 21st century in the instrumental, operatic, symphonic, concert and chamber music repertoire, devoting particular attention to new generations of composers and performers and to the most significant new recordings.

During 2023, the channel devoted monographic spaces to anniversaries of eminent figures in music history, celebrating the birthdays of Mischa Maisky, Riccardo Chailly, Gardiner and William Bolcom; remembering the birth anniversaries of Hickox, Leonhardt, Reger, Rachmaninov, Torelli, Brahms, Max Steiner, Ligeti, Grieg, Montserrat Caballé, Rameau, Gershwin, Verdi, Bizet, Couperin, Morricone, Borodin, Maria Callas, Berlioz, Pressler, Puccini; celebrating the death anniversaries of Szeryng, Prokofiev, Petrassi, Donizetti, Luciano Berio, Muffat, Corelli, Cajkovskij, Giordano, Maderna, Schubert and Hindemith.

Many commemorations inspired the programming: the Day of Remembrance with the compositions that were defined *entartete Kunst*, written in the Theresienstadt concentration camp, the works of composers and musicians who were persecuted and murdered by the Nazi regime, those who were forced to find safety in exile and the few who survived; St. Valentine's Day, with an offering of pieces that composers have dedicated to a loved one or chosen from the vast repertoire of compositions inspired by the feeling of love from the Middle Ages to the 21st century; International Women's Day, with a programme entirely dedicated to women composers and musicians; Early Music Day, dedicated to compositions from the repertoire from the Middle Ages to the late Baroque. Rai Radio 3 Classica commemorated the 80th anniversary of the rounding up in the Jewish quarter of Rome and the deportation of the Roman Jews; on the anniversary of the Liberation, the programming focused on pieces by Italian composers and performers, witnesses of the creative and interpretative vitality of our culture over the centuries and witnesses of the indispensable freedom of expression necessary for human life. On 2 June, Republic Day, the musical offering was dedicated to the most eminent Italian composers and performers.

Splendore della trasfigurazione musicale, was the title of the entire programme dedicated to International Music Day, with a sound atlas testifying, over the centuries, to the fertile cultural exchange and the musicians' habit of travelling and meeting different musical expressions. On 22 November, it celebrated the patron saint of music and musicians by proposing pieces dedicated to the occasion and offering the listening of the most famous compositions in the history of music. During the Christmas and New Year festivities, the musical offering focused on classical and traditional music repertoire related to the nativity and epiphany and the New Year celebrations. Plenty of space was given to the musical programming of concerts by institutions and festivals in media partnership.



Rai Radio Kids

Rai Radio Kids is the radio station dedicated to children. The schedule includes entertainment programmes, music and readings with the great classics, many original productions and a great focus on social issues, sustainability, history, and disability. The biggest novelty in 2023 was the activation of the first live slot, from 7:30 to 8:30 a.m. every weekday with *Buongiorno con Rai Radio Kids* from the metastudio in Via Asiago, Rome, a space to accompany children in the home-school journey with lightness and joy. During the day, spotlight on *Big Bang*, the programme with Armando Traverso and the puppets; *Kids Magazine* with reports of events, exhibitions, festivals, cultural and recreational activities to do together with the family; *Krud dal pianeta Cott* and *The new Krud* and many other formats always characterised by good humour and play. Also worth mentioning are the cycles on mythology (*Odissea, Re Artù*), the human body, episodes on disability, the concept of diversity and respect for others, bullying, the use of words and tolerance. Finally, among the readings, the brand new radio version of *Libro della giungla*, a Rai Radio Kids production, was aired in 2023. The original *Big Bang* programme was honoured with one of the eight Golden Microphones awarded to Rai in 2023.

No Name Radio

No Name Radio is the channel dedicated to young people aged 15 to 24. Inaugurated on 19 December 2022, it features a music offer focused on rap/trap/hip hop/indie and electronic music. Broadcast live from the new metastudio in Via Asiago in Rome, it is hosted by young emerging speakers mostly born after 2000. During 2023, the channel partnered with many festivals and events of the current music scene.

In March, No Name Radio organised a major event at the RAI headquarters in Naples, with local singers and trappers. During the year, various formats were launched on American trap (hosted by Nicosin), on issues of inclusion and body shaming (with Big Mama and Katamashi), and on football, with ample space also given to videos on social networks. Original productions include *Discomfort Zone*, winner of one of the eight Golden Microphones awarded to Rai in 2023.

Rai Radio Live Napoli

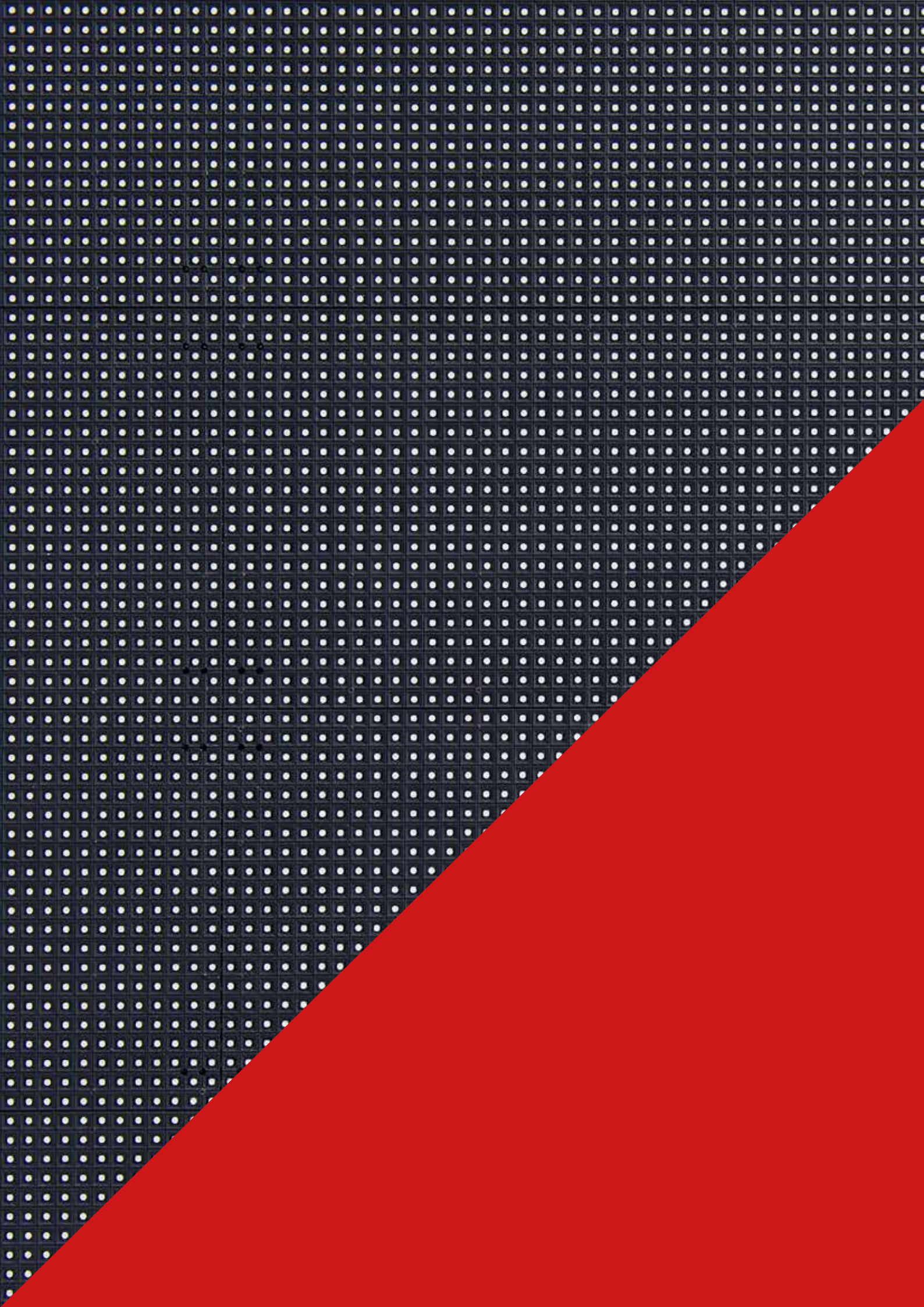
Rai Radio Live Napoli is the channel dedicated to the great musical and cultural heritage of Naples and Campania, launched on 31 March 2023. It is a stream radio that over the course of the year has developed almost entirely musical programming, thanks to the presence of thousands of tracks from the historical archive of Neapolitan songs, a rich database available to all fans of the genre. There is no shortage of news from the Neapolitan music scene, which is particularly rich in original productions. The programme featured *Diretta Live*, live from the studios of the RAI headquarters in Naples, a talk in which musical guests and entertainers from the Campania cultural scene participated.

Rai Radio Techetè

The memory of Italian radio is entrusted to Rai Radio Techetè, the radio that revives the materials of the Teche Rai, re-proposing them in a modern key. With *Gli Speciali*, Rai Radio Techetè celebrated the great historical events, birthdays and anniversaries recounted based on archive material, and with *I grandi personaggi* recalled the voices and stories that made radio great. Significant attention was given to *I Teatri alla Radio*, with a renewed space dedicated to theatre, giving voice to the greatest directors, actors and playwrights of our scenes. *Le Storie della Musica*, with a series of programmes referring, from time to time, to the anniversaries of singers, bands and music that have become legends. The emotions of sport on the radio with many tales of events, athletes and great feats, in the *Storie di sport* area. Radio drama and stories to be told have been relaunched from scratch in the series *La fiction alla radio*, and in *Via Asiago 10*, new programmes that have made Italian radio history have been included. On 6 October 2023, exactly one year after the anniversary of the radio station's birth, a weekly live broadcast began from the metastudio in Via Asiago, which will continue every Wednesday until 6 October 2024 with stories, unpublished material and interviews in a sort of journey towards the centenary.

Rai Radio Tutta Italiana

Rai Radio Tutta Italiana is the stream radio dedicated to Italian music. The major novelties in 2023 were the simulcast of *Viva Rai 2!*, Fiorello's show, and the launch of live programmes. Two formats on weekday mornings with Giulia Teri, Julian Borghesan and Manila Nazzaro and one on weekend mornings with Sara Lucarini. In particular, *Mattina Italiana*, was awarded a Golden Microphone. The programme schedule was enriched by *Music club*, with interviews with current Italian singers, and the now historical music formats such as *Mi ritorni in mente* or *Profli*. Also in 2023 the radio signed up with its format *Una serata Tutta Italiana* a series of events and concerts live from room A in via Asiago and throughout the territory, from Sanremo to Valle d'Aosta from Reggio Calabria to the Amalfi Coast with the Festival on the Path of the Gods, and special events for Christmas. Rai Radio Tutta Italiana is also on Fm, on the Rai Gr Parlamento frequencies in the evening and night time.



RaiPlay and Digital

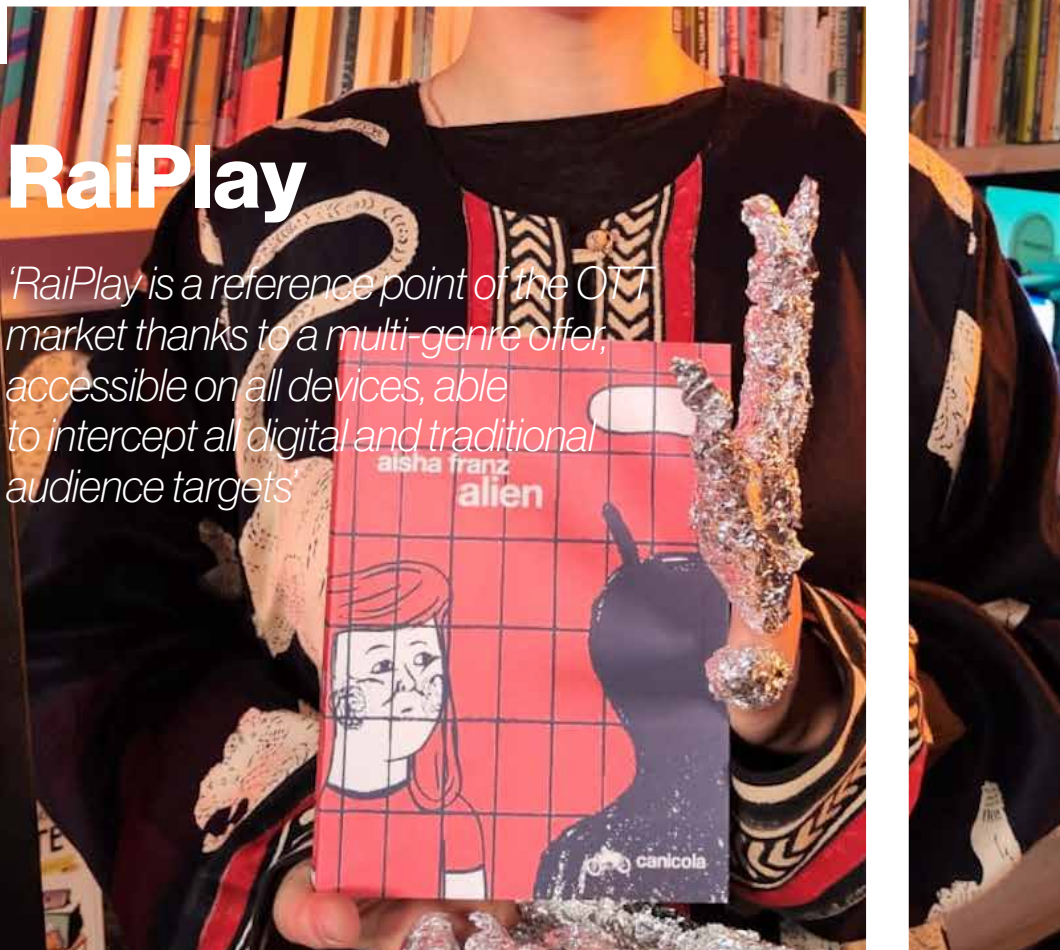
9.5

million
new
downloads



RaiPlay

'RaiPlay is a reference point of the OTT market thanks to a multi-genre offer, accessible on all devices, able to intercept all digital and traditional audience targets'



11.1 million
single users
(monthly average)

RaiPlay Yoyo

'RaiPlay Yoyo is the child-friendly app, without advertising, with cartoons loved by children and various programmes for fun and learning. Thrills and games at the click of a mouse through a constantly renewed video offer, in the company of today's animated favourites'

2

36.4
million
video views

191 thousand
new
downloads

1 Play Books
2 La Posta di Yoyo

NON APRITE I CASSETTI

POTERE

440

thousand
new
downloads



Rai Play Sound

*'For those who feel emotions.
Launched at the end of 2021,
RaiPlay Sound is the portal of the
public service radio and audio offer.
Live streaming radio channels, radio
programmes on demand and audio
books, Rai Play Sound appeals
to a young and dynamic audience'*



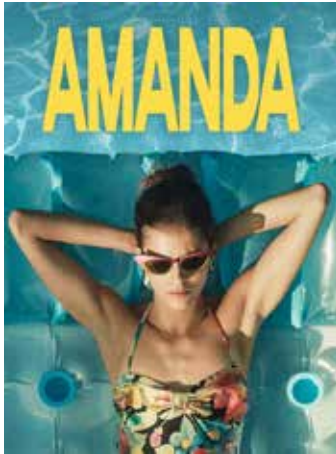
DEL

RaiNews.it

12.2 million
unique
browsers
(monthly average)

161 thousand
new
downloads





RaiPlay and Digital

RaiPlay and Digital oversees, in liaison with Marketing and Distribution, the distribution strategy of Rai content on IP platforms (proprietary and third parties), identifying and defining the characteristics of the distribution products (portals, sites, apps, etc.) to be implemented and evolved. In addition, it interprets the genre requirement for the digital-only and digital-first product, and ensures the distribution on IP platforms of multimedia content derived from the linear TV and radio offer, and the digital-only and digital-first offer.

In liaison with Communication and the relevant Genre Directorates, RaiPlay and Digital also defines the promotion strategies for Rai's editorial offer on social media; it manages digital campaigns, Rai's social profiles related to TV, radio and digital products and traffic building campaigns on third-party profiles.

RaiPlay

RaiPlay is the video entertainment platform that gives access to Rai's offer, proposing both live and on-demand linear and original offerings.

The offer of cinema, TV series, fiction and documentaries

In 2023 RaiPlay's cinema, TV series and fiction offer was characterised by a strategy of continuity and consolidation of editorial and production lines, proposing original products and titles from the linear schedule. The original scripted product has been one of the key points for Rai's OTT platform. RaiPlay has focused on high-impact titles for the millennials target to intercept an audience not accustomed to linear consumption but to on-demand.

As far as the world of seriality is concerned, the following titles have been released: the second and third seasons of *Starstruck*, the rom-com series conceived, written and starring New Zealand actress Rose Matafeo; *Conversations with friends* and *Normal People*, from the bestsellers of the same name by Sally Rooney; *Shake*, produced by Lucky Red in collaboration with Rai Fiction; *Audrey è tornata*, the multi-award winning Canadian series written and starring Florence Longpré; *Rumors*, a Norwegian teen drama; *You & Me*, a drama-sentimental genre miniseries produced by ITV; *Eppure cadiamo felici*, the series produced by Publispei in collaboration with Rai Fiction, freely inspired by the novel of the same name by Enrico Galiano. All the international series are available in dubbed and original version with subtitles.

The cross-media strategy of serial product enhancement has been strengthened with proposals adapting to the audience's new consumption styles, such as the publication of enriched content (backstage, interviews, specific productions) linked to the highly successful titles. Exemplary of the potential of these strategies was the case of *Mare fuori*, a television series now in its third season, which saw its results multiply thanks also to the anticipated online publication, in two tranches, of the entire boxset of the third season. At the same time, *Mare fuori #confessioni*, was made available, a RaiPlay exclusive featuring the same characters that link the events of the previous two seasons to the third season. With a strategy of this kind Rai went to meet each audience, managing to take the best from each linear and on-demand distribution channel and reinforcing the title, to the point of making it the case for the season. Similarly, the boxsets of *The Reunion* and *Il giro del mondo in 80 giorni* were distributed on the platform at the same time as the first linear broadcast.

The serial offer, fuelled by the highly successful titles from the TV broadcast, continues to represent the main driver of the traffic generated by RaiPlay. Products are also available with audiodescription. In 2023 the catalogue was enriched by exclusive previews of the first episodes of Rai's main fiction titles. These include: *Un professore 2*, *Imma Tataranni 3*, *Cuori 2*, *Blanca 2*, *I Bastardi di Pizzofalcone 4*, *Lea 2*, *Per Elisa*, *Il metodo Fenoglio*.

Another key asset of the RaiPlay platform is the cinema offer, with a catalogue of over 1,500 titles on demand, including the 100/150 titles available weekly in catch-up mode based on the broadcast on TV channels. Of these, over 500 films were also released in an audiodescription version and, where possible, in the original version with subtitles.

RaiPlay is present in the film history narrative and offers retrospectives and thematic paths that are also of interest to younger audiences. In 2023 the offer has been enriched with a number of exclusive titles, including: a selection of international blockbusters by Hirokazu Kore-eda, a director and screenwriter with an unmistakable style; the *Let's rock*, series, a cycle of films directed by great directors to tell the story of lives transfigured or overwhelmed by music; *In un Paese che non esiste più* by Aelrun Goette; *La persona peggiore del mondo* by Joachim Trier; *Il passero. The Sparrow* directed by Michael Kinirons; *Lola* by Andrew Legge; *Amanda*, a film written and directed by Carolina Cavalli; *Passeggeri della notte*, a French film directed by Mikhaël Hers, starring Charlotte Gainsbourg and Emmanuelle Béart; *Falcon*

Lake, the dazzling directorial debut of Canadian actress Charlotte Le Bon; *Miracle*, directed by Lee Jang-hoon; and the collection of *Le grandi commedie di Frank Capra*, a collection of masterpieces that have moved and entertained generations of spectators. In addition, there was no lack of exclusive appointments, such as *Sabato Cinema*, featuring quality films including original premieres, international blockbusters and great Italian cinema. The collaboration with *Fuori Orario*, continues, with a space reserved for films selected together with the editorial staff of the historic film column. Thanks to the synergy with Rai Cinema, the film offer has been enriched with great titles either exclusively or as premieres, such as *La Fellinette*, *Butterflies in Berlin*, *Qualcosa altro che ancora non c'è*, *La Divina Commedia*, *La notte brucia*, *Capitan Didier*, *Essere oro*, *A voce nuda* (presented at the Venice Film Festival), *Nostos*, *Mi vedete?*, *BIG*, *Cassandra*, *Battima*. As for the serial product, also for the filmic one RaiPlay reinforced the cross-media strategy of valorisation as in the case of *Franco Zeffirelli*. *Conformista Ribelle*, *Atlantide*, *Marina Cicogna*. *La vita e tutto il resto*, the collection of films by Ken Loach, available on the platform in boxset at the same time as the television broadcast.

Also of great importance are the documentaries, including single contents and docuseries, with the best of Rai's documentary offer proposed through educational and thematic paths divided by genre: art, sport, cinema, literature, music, nature, history, society and travel. In addition to titles from the TV broadcast, RaiPlay offers exclusive titles for the digital platform audience. Among the most important programmes aired in 2023 are: *Dear Mama*, a journey among the more than fifteen thousand adolescents in Italy who escape neglect, harassment, sexual abuse and violence every year; *Il figlio di Tarzan*, a documentary film on disability; *African Dreamers*. *Five True Stories*, the story of five girls fighting against the prejudices, beliefs and violence that deny universal rights; *Il tempo dell'attesa*, the experience of some cancer patients involved in an experimental film-therapy programme; *Sulla stessa strada* the docu-series that recounts the journey of Martina Maccari, wife of national team footballer Leonardo Bonucci and promoter of an initiative to raise funds for the Regina Margherita Hospital in Turin, the hospital that saved her son's life; *La verità della montagna*, the mountain told through the testimonies of the men and women who have experienced it; *Sulle tracce del fuoco*, the story of the NIA, the special unit of the Fire Brigade that investigates the causes of fires and the damage caused by fire; *Sinfonie Urbane*, the story of three Roman suburbs with a look far from the usual clichés.

Sports offer

In 2023 the RaiPlay platform made Rai's rich sports offer available, proposing events broadcast on linear channels and a wide range of exclusive events in all disciplines. Not only football, therefore, while maintaining the publication of highlights of all the matches of the Serie A Football Championship, in addition to the matches of the National Teams of the different categories, such as the European Under 21 Championships for men and the European Under 21 Championships for women. And again, the Ski World Cup, basketball, volleyball, water polo, athletics, artistic gymnastics, motocross, golf with the Ryder Cup, major cycling events such as the Giro d'Italia and the Tour de France, and tennis events such as the ATP Finals and the Davis Cup.

The digital-only and digital-first offer

RaiPlay's offer is characterised by the publication of digital-only and digital-first products, diversified by target and genre, with titles chosen with a view to experimenting with the languages of everyday life and immersive and emotional storytelling techniques, functional to the involvement of Generation Z and Millennials. Among the numerous titles made available in 2023 are the docu-trip *Aracataca*. *Non voglio cambiare pianeta 2*; *Dicono di noi*, the talk-show that explores the most relevant issues for Generation Z; *The Rap Game*, a docu-talent launched by the BBC that tells the story of six young people who want to become successful rappers; the new episodes of *La Conferenza Stampa*, the format in which famous faces from the world of television, film and sport submit to irreverent questions from a group of students; *Ossi di Seppia*, the docu-series that retraces some of the most significant events in Italian history through the memories of those who experienced them first-hand; the second season of *Scuola di Danza* on the lives of students at the National Academy of Dance in Rome; *Listen to me*, the format in which girls and boys take to the stage to tell their story of revenge to their peers; *Confusi*, the sit-com that recounts the life in Milan of a group of university room mates. A special mention goes to two titles of particular value because they represent the latest productions in which two faces that have made RAI history have worked: Piero Angela, with the last season of his documentary format *Superquark +*, and Gianni Minà, with the collection *Gianni Minà. Cercatore di storie* with the journalist's historic interviews with personalities such as Muhammad Ali, Diego Maradona, Roberto Benigni and Massimo Troisi. Finally, of note are: *I Mestieri di Mirko*, with Mirko Matteucci travelling around Italy to discover the most ancient and curious crafts; *Radio2Live*, a series of live concerts produced by Rai Radio 2 in via Asiago available both live and on demand; *Touch-il futuro a portata di mano*, dedicated to the ecological transition and the digital revolution; *Play Books-innamorati dei libri*, dedicated to reading; *ConverseRai-Capire* a series of interviews with personalities from different sectors of our society; and the specials of *The Italian Network*, the format that tells of the most interesting Italian start-ups.

Live Broadcasts

Many exclusive live broadcasts were also transmitted in 2023, such as those for the *Sanremo Festival*, with press conferences and the integral live broadcasts of all the first evenings in LIS version; concerts of cultured music by the Rai National Symphony Orchestra; international events such as *OnePeopleOnePlanet* and many sporting events, both national and international, in disciplines ranging from football to swimming and motocross.

Rai Radio2 Live

In addition to television channels and exclusive channels, the RaiPlay platform also makes Rai Radio 2's visual channel available in live streaming.

The Teche Rai offer

The added value of RaiPlay's offer is the wide selection of programmes, variety shows, dramas and investigations made in over 70 years of television history and available on the digital platform thanks to the synergy with the Teche Rai, a collaboration developed in the full spirit of public service with the aim of building a true heritage of the country's multimedia memory. Among the main titles published are: *In arte Zeffirelli*, an anthology dedicated to the great director on the 100th anniversary of his birth; *Ci ritorni in mente*, an anthology dedicated to Lucio Battisti on the 80th anniversary of his birth; *Souvenir d'Italie*, to remember Lelio Luttazzi 100 years after his birth. Alongside these, thanks to in-depth research and selection work, collections of excerpts from numerous programmes have been published with a monographic slant on personalities such as Picasso, Tina Anselmi, Al Bano, Enzo Jannacci, Franco Califano, Sandra Milo, Orietta Berti, Sergio Endrigo, Raffaella Carrà, Rocco Scotellaro, Tomas Milian, Renzo Arbore, and Patty Pravo.

Children, teenagers and learning offer

A strategic asset of Rai's digital offerings is the segment dedicated to children and teenagers, to which RaiPlay platform devotes the sections *Children*, *Teen* and *Learning*, as well as the RaiPlay Yoyo app.

Children's Section. The offer is aimed at a broad target group including children and families, and ranges across different entertainment genres: cartoons, series, films, short films, documentaries and programmes. The section presents a very rich thematic offer with over 15 thousand published videos, 304 on-demand product titles, about 120 animated shorts and medium-length films and children's films, about 200 titles available for download, broken down by target and genre and available on all devices.

In 2023, the synergy with the Kids Genre Directorate continued and the editorial line was consolidated, which provides for the digital first publication of many products. In particular, the offer was enriched with exclusive RaiPlay titles (including: *Moomin Valley 3*, *Pirata e Capitano 2*, *Molang 6*, *Masha e Orso 5*, *Tara Duncan*, *I Puffi. La nuova serie 2*, *Clay Economy*, *One Love*, *Masha e Orso. I corti*, *Learning Time with Timmy and Bing & Friends. I corti* and with 35 boxset preview titles (*Idefix*, *Mia & Me 4*, *Edmondo e Lucy*, *Trulli Tales 2*, *Le cronache di Nanaria*, *Pablo 2*, *Dragonero*, *Kapuf Piccolo mostro*, *Fumbles SOS*, *Peppa Pig 9*, *Home Sweet Rome*, etc.) and is complemented by new series and films, from the linear schedule (including: *Meteo Spazio*, *Tg Kids*, *Offside Racism*, *Green Meteo*, *La posta di YoYo*, *Look at me*, *Calzino*). *The Voice Kids talent show* and the *66th Zecchino d'Oro Festival* were also followed live, thanks to the production and publication of clips of all the performances.

Throughout the year, the little ones were also accompanied by themed offers designed specifically to celebrate anniversaries (from Holocaust Remembrance Day to Environment Day, from Book Day to Anti-Bullying Day, etc.) and holidays (from Easter to the Festival of Lights, from Halloween to Carnival). Since 1 December, the offer has been further enriched by the *Advent Calendar*, with a wide range of unmissable titles made available as a daily surprise.

In 2023, great space was also given to the theme of inclusion through accessible digital content with series and programmes translated into Italian Sign Language, accompanied by audio descriptions and subtitles, and programmes designed for children with autism spectrum difficulties (such as *Pablo 2* and *Il mondo di Leo*) or dedicated to the theme of health (such as *Food Wizard*). Also in 2023, programming dedicated to young Ukrainian refugees in Italy, *Benvenuti bambini-Вітаємо дітей*, continued, with hundreds of cartoons and some films in Italian and Ukrainian.

In the course of 2023, the offer dedicated to language learning has expanded to around 40 English-language titles including programmes, cartoons and films (including new episodes of *Peppa Pig 9*, *Fumbleland SOS e Bing*) and the *Hello Kids!* section has been enriched with songs, nursery rhymes and lots of cartoons.

Teen section. The offer, rich and structured, uses programming aimed at catching the interest of the audience of digital natives accustomed to on-demand consumption from an early age, and ranges from Italian series to

international ones where the protagonists are children, from cartoons to films, from documentaries to music. Every month, the offer is enriched with at least one digital first product. Among the titles premiering in 2023: *Crush-La storia di Stamina*, *Bookcrossing*, *Art Soup* and *Fake or Real*. Many new original titles, such as the docuseries *Scuola di danza 2* and the second season of the series *Confusi*, are also popular with young people. Also in 2023, the youngsters' favourite talents such as *Collegio 6* and *La Caserma 2* were followed live with the creation and publication of hundreds of clips. Finally, many films enriched the offer for young people.

Learning Section. RaiPlay, on the basis of the agreement between Rai and the MIUR, has joined since the beginning of March 2020 to the *#LaScuolaNonSiFerma* project, providing an offer dedicated to younger generations, parents and teachers to enrich the experience of distance and classroom teaching. A section created to support children and young people in schools of all levels, which has been enriched over the last four years with thematic collections on various social and cultural topics that have consolidated a very rich offer, by now a connecting point for RaiPlay's most interesting content. The section represents a sort of digital magazine for in-depth analysis and guidance on topics of interest to children told through:

- programmes by subject: literature & theatre, history, science, humanities, geography, art history, foreign languages and music & performing arts, digital world;
- one hundred thematic collections, of which twenty realised in 2023;
- video playlists dedicated to celebrations and 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 study and learn;
- new programmes created *ad hoc*, with audio descriptions, subtitles and, in some cases, translation into ISL;
- new slots dedicated to university and work orientation, psychophysical wellbeing, the topic of pollution and global warming, the future, including inventions and discoveries, and in-depth study, as well as theatre, music, literature, and characters, historians, politicians and ordinary people of great courage who can be an inspiration to young people;
- *Speciale Maturità*, an entire section dedicated to the curricula of high schools and technical institutes.

App RaiPlay Yoyo. The application, protected and entirely dedicated to children, provides a rich on-demand thematic programme schedule articulated on two different targets, defined by age group, and updated weekly. In 2023, the offer was further enriched and around 95 titles were made available in turn for a total of around 7 thousand episodes to watch on-line and, of these, around 4,500 episodes to enjoy off-line. The offer also accompanies the younger ones with special proposals designed *ad hoc* for all occasions.

Cartoons on the Bay. Also in 2023, RaiPlay was a partner of Cartoons on the Bay 2023, the festival of cross-media animation and children's television, for which *Speciale Cartoons on the Bay 2023* was created, exclusively for RaiPlay, with a rich offer to celebrate the 140th anniversary of the publication of the children's classic *Le avventure di Pinocchio* by Carlo Collodi.

RaiPlay Sound

RaiPlay Sound is the multimedia platform dedicated to live streaming and on-demand listening of the radio offer. Launched in 2021 as a replacement for RaiPlay Radio, the OTT platform - in addition to the linear offer distributed over on 14 channels - proposes numerous podcasts and audiobooks.

In 2023 the offer was characterised by a strategy of continuity and consolidation of editorial and production lines.

Original offer

The 2023 offer of original RaiPlay Sound podcasts focuses on History (with a capital S), news and individual stories. History is at the center in *Mostarda. La Pearl Harbor italiana*, a podcast produced by TG 1 for RaiPlay Sound, which recounts the only case of chemical warfare in World War II, and *16 ottobre 1943*, an emotional and chronological account that, from the days before the sweep of the Rome Ghetto, reaches the threshold of the Auschwitz-Birkenau camp. History and personal stories are intertwined in *Nasim, Iran verticale*, which recounts today's Iran and the protests against the regime, through the point of view of Nasim Eshqui, a pioneer of outdoor climbing who has dedicated her life to opening "new routes" on her country's rocky walls, and in *Figlie*, by Sara Poma, a journey into the Argentina of the dictatorship to reconstruct a personal and collective history.

Recent history, which intertwines with news and becomes crime, is the protagonist of *Non aprite i cassetti del potere. Mani pulite e lo scandalo delle tangenti* by Gherardo Colombo; *Le schegge nell'anima*, on the tragic event of the attack on the Rome Synagogue on 9 October 1982; *Le ombre di via Poma*, which reconstructs errors and deception in the murder of Simonetta Cesaroni; *Viva l'Italia. Le morti di Fausto e laio*, the story of a crime that remained unsolved in the Italy of the Years of Lead.

In terms of expressive force, the story told by writer and Slavist Paolo Nori stands out in *Due volte che sono morto*. The surreal but true story of the relationship between life and death told in the first person by someone who was twice given up for dead by the newspapers.

The story-report of *Almeno credo*, proposes an exploration of the plurality of religious rites. Current affairs is the subject of *America7*, a weekly podcast that recounts the United States through its characters and the lesser-known aspects of its culture, of *Viaggio in Ucraina*, a report in the war-torn country, and of *Diario Latino*, a journey along the ruta panamericana.

The tale of History becomes fiction in the podcast dedicated to children, *La ragazza delle onde*, starring Guglielmo Marconi, who, in a parallel world, returns to the laboratory he frequented as a boy to overcome the death ray and save humanity. Guglielmo Marconi is also the protagonist of *Etere non etere. La vera storia della radio*.

There are numerous original fiction, music and sports proposals, including: *Morte di un giallista bolzanino*, *Fedeli alla linea: la linea non c'è*, *La favola del rugby*.

Audiobook offer

A strong focus on the present characterised the audiobook offer during 2023.

The 20th anniversary of the *Ad alta voce* programme was celebrated through works by writers of our time. Among the titles on offer were classics such as *Sillabari* by Goffredo Parise and *Pedro Páramo* by the Mexican Juan Rulfo, alongside the very recent *VVita precaria e amore eterno* by Mario Desiati, *Andai dentro la notte illuminata* by Giancarlo Liviano D'Arcangelo and the 2023 literary case study *Ferrovie del Messico* by Gian Marco Griffi.

TV programmes offer

The rich catalogue of television programmes to be enjoyed in audio-only version includes all genres, from art with *Art Night*, to history with the series *Passato e Presente* and *La Grande Storia*, ranging from classics such as Sergio Zavoli's *La notte della Repubblica* by Sergio Zavoli and *Superquark+* to more recent productions such as *La conferenza stampa* and *Newton*.

Live recordings

A number of major live broadcasts were launched in 2023 on the institutional front, including *Speciali GR1* from the Quirinale and Palazzo Chigi, and on the cultural and entertainment front, including Rai Radio 2's customary coverage of the *Sanremo Festival*, concerts by Rai's National Symphony Orchestra, the inaugurations of the opera seasons of Italy's leading theatres, and shows from Sala A in via Asiago such as *Voci in Barcaccia. Largo ai giovani!*, the international competition dedicated to young opera talents, *Stefano e i Pooh ancora insieme* and *Radio2 Live Secret Show Calcutta*.

Regional offer

The regional offer of Friuli-Venezia Giulia, Sardinia, Sicily and Trentino, both in streaming (on regional broadcasting) and on demand, is to be highlighted.

Other digital platforms

Rai's digital offer is also available on other platforms. Below are the most significant areas of the offer.

Rai.it

The portal that aggregates and makes easily accessible the Group's vast digital offer, Rai.it promotes and gives access to all television and radio programming, as well as to the information and multimedia content of all newspapers, directly reporting the most important news from Rai News and Rai Sport. It also offers a series of services of great importance and interest to audiences, such as the guide to Rai channels and access to the company's corporate information.

Rai Cultura

The portal of Rai's cultural offer, with a selection and dedicated services, organised in thematic areas and enriched with original content, with the programmes of the television programming, thematic and generalist, and with the great heritage of the Teche Rai.

Rai News

The unique portal that collects, organises and presents Rai information to the public in a systematic way.

You Tube and MSN

The distribution strategy on the YouTube platform remained substantially the same, with the change in the time and quantity of publications confirming the complementarity of the two most strategic assets in terms of Rai products distribution across the digital sphere. Also the MSN offer, strengthened by the appeal of the Playlist24 selection, allowed the expansion of the audience engagement by reaching, in a free form, an ever larger audience of users, especially in the younger world.

UX (User Experience) and UI (User Interface) Design activities, Visual and Interactive Storytelling

In the course of 2023, several activities were implemented to evolve and update the Rai platforms in order to enhance their usability, improve their availability and enhance their content. Below are the most relevant interventions.

RaiPlay. The design of important innovative updates continued. Among these are the completion of some features, including *the trailer* (to view previews of content) and the *review* (to review the app without accessing the stores). The graphic interface has been updated following the rebranding of RaiPlay and the Chromecast stream has been optimised, a multimedia streaming technology that allows users to stream content from a mobile device to a compatible TV device. Updates were made to the Sidekick, a graphic element used to launch specific content, and a new one was designed to meet different editorial needs. In addition, parental control, the service to offer parents personalised control over access to content on the platform, is nearing completion.

The daily production of graphic assets continued, with special posters for third-party platforms such as Sky Q, Amazon Prime and Google TV. In particular, in 2023, 1,807 sets and 10,842 graphic assets were created for posters; 282 sets and 846 graphic assets for MAB (Marketing Automation Banner); 75 sets and 225 graphic assets for Lancio Hero; 186 sets and 744 graphic assets for Sky Q; 41 sets and 107 graphic assets for other platforms (Google Tv, Fire Tv, etc.); 84 sets and 504 graphic assets for Rai Teche.

RaiPlay Sound. The evolution of the platform focused on the design of the automotive version, mirroring on Android Car and Apple CarPlay and standalone on custom platforms, as well as on the design of the new app for Smart Tv. The design of an application form for participation in Radio Rai's live events was started. The daily production of graphic assets for RaiPlay Sound continues, with special posters for third-party platforms such as Spotify. In particular, 1,434 sets and 5,736 graphic assets for posters were produced in 2023.

RaiNews. In 2023, the innovations of the portal mainly concerned: the design of a new multimedia icon to improve the visibility of the image; the preparation of a new thumbnail module, to enrich the visual representation of content; the *Quiz RaiNews* feature to offer users an interactive opportunity to test their knowledge on the news of the last week; the creation of motion, visual, interactive and data journalism products, for a multi-element narrative of different formats (video, audio, images, text, etc.). Projects in 2023 include: *La cerimonia reale-Istantanee sull'incoronazione*; *Storie dalla siccità: la strage delle risaie lungo la Pianura Padana*; *Un anno di guerra in Ucraina*; *Sanremo: le storie e i vincitori del Festival della canzone italiana*; *Missione Antartide: il Continente di ghiaccio come non l'avete mai visto*; *The Berlusconi. Storia di una dinastia*.

Rai Corporate. The repositioning of Rai's corporate content offer on digital provides for the creation of a new single portal, designed to offer users a more modern, clearer and more transparent experience in order to adapt communication to the specific information needs of the various user groups visiting the Rai.it network. After completing the UX/UI design of the portal, activities focused on the final debugging phase and on supporting the Communication Directorate in the creation and enhancement of content.

Rai Support Centre. The design of the Rai CRM project for the creation of a single access point for requesting assistance and support to the Company was completed. Activities focused on the final debugging phase and development support.

Rai Tv+. The microdevelopment and bug fix activities concerned the immersive experience in a new app for Smart TV that offers the characteristic functions of linear TV to additional hybrid broadcast/broadband services and access to the OTT service RaiPlay. The main features include information about the time on air, restarts on live broadcasts, live broadcasts of radio channels, the latest editions of national news, the latest editions of TgR regional news and various entry points to RaiPlay. In 2023, in anticipation of the launch of the RaiPlay Sound app for Smart TVs, entry points have been included that allow users to choose whether to access RaiPlay or RaiPlay Sound on HbbTv2, and evolutionary improvements have been made to the Regional Exchange Action (REA) Live TgR news feature, for 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.

Prix Italia. The UX/UI of the new portal is being designed, in line with the evolution of the other Rai sites and with the main competitors and comparators. Particular attention was paid to the originality and uniqueness of the event with the creation of an inclusive and user-friendly site.

Target Advertising - Rai Pubblicità. Planning was completed for the creation of mini-sites, "dressed" with assets provided by advertisers with flows managed and monitored by Rai Pubblicità.

M'illumino di Meno. The portal was redesigned in line with the evolution of other Rai sites and with the main competitors and comparators, with particular attention to the originality and uniqueness of the *M'illumino di Meno* event, ensuring an inclusive and usable experience.

Accounting promotion and communication

In 2023, the promotion strategy aimed at reinforcing the RaiPlay and RaiPlay Sound brands was consolidated, with a focus on original and/or exclusive productions and products.

During the year more than 250 press releases were launched to promote original products and podcasts, drama content, films, kids, teen, learning, theatres and magazines available exclusively or as premieres. More than 1,700 printed articles were published in daily newspapers, weekly and monthly magazines and trade journals, for an average of about 145 issues per month in the printed and on-line press.

Communication activities mostly favoured the on-line press to reach younger targets and in line with Rai's digital platforms. In addition, several press conferences or presentations were organised, including those for *Shake*, *Dicono di noi*, *Aracataca*, *Spazio 1999* and for the podcasts *Lo Stato Parallelo*, *Nasim*, *Iran Verticale*, *Due volte che sono morto* and *Almeno Credo*.

In collaboration with Direzione Comunicazione, 35 video and radio promos were produced and planned both on TV networks and on-line platforms. Furthermore, following the launch of the RaiPlay offer on the Sky platform, platform and product promo campaigns were created (Sky Glass and Sky Go estate) and the RaiPlay and RaiPlay Sound apps



were made available for connected cars.

In December, a multi-subject poster advertising campaign was realised for *Normal People*, *Faccende Complicate e Hello Kitty*, involving bus stops shelters in Milan and Rome and a maxiled format in Rome.

RaiPlay and RaiPlay Sound also took part in numerous events in the area, including the Book Fair, Più libri più liberi, // *Festival di Sanremo* and Lucca Comics & Game, during which the second season of *Spazio 1999* was presented.

Direct communication with users is always active for the participation and improvement of the offer and for the collection of reports and possible complaints. In this area, over 200 thousand reports were received in 2023 (+5% compared to 2022), many of which related to those received on the occasion of the exclusive publication on RaiPlay of the boxset of the third season of *Mare Fuori (The Sea Beyond)*, which generated a strong increase in accesses and new registrations.

Social media and traffic building

In 2023 Rai's strategic presence on social platforms was strengthened, with significant increases in all the main digital metrics, balancing the loss of important social assets, such as programmes moved to other broadcasters, with new communication opportunities and the start-up of integrated projects on new targets.

Thanks to products with high engagement value and the creation of new communities with younger targets - reached with an innovative tone of voice, with editorial plans capable of enhancing the most appropriate audiovisual content and with original social products - Rai's active presence and brand enhancement on social platforms continues to grow. 2023 was the year of affirmation of community building (including the extraordinary success of *Mare Fuori* also on social networks) and experimentation, both in terms of opening and "beta-testing" new platforms (WhatsApp Channel and Threads) or still little used ones (such as the new thematic TikTok profiles) but also in terms of creating innovative content (new vertical formats for reels and stories, new social storytelling formats, etc.).

The synergic operation between social accounts - a cross-media storytelling of linear and non-linear television products, premium events, institutional and corporate events - carried out on a daily basis thanks to the synergy between the programmes' vertical profiles, network and corporate profiles (427 active accounts) and external stakeholders made it possible to convey the different contents among different and complementary audiences. At the heart of this activity were the RaiPlay accounts with integrated social communication plans, designed no longer by channel but by product and genre, adjusted to the different accounts involved, calibrated according to target, tone of voice and their specifications, to diversify the vertical product narrative. As for RaiPlay Sound, the enhancement of the editorial offer of programme schedules, podcasts and original content allowed the platform to be positioned in the broader panorama of international players operating in the podcast sector (Spotify, Amazon Music, etc.).

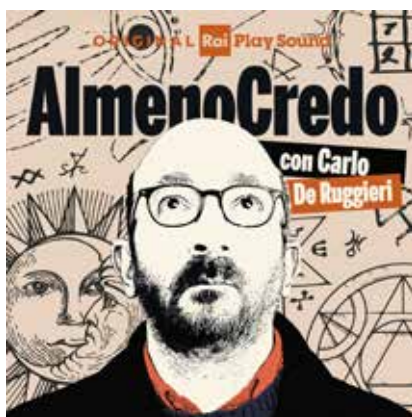
In 2023, there were more than 1,500 daily posts on social accounts, viewed almost 29 million times each day (including impressions and videoplays) with 572 thousand average daily interactions.

The results achieved during 2023 on the main organic social KPIs compared to 2022 were as follows:

	Facebook	Instagram	X (formerly Twitter)	TikTok
Community	FB +1,8%	IG +15,7%	X +1,2%	TikTok +423%
Posting:	FB +9,9%	IG -0,6%	X +6,8%	TikTok +316%
Total interactions:	FB -11,9%	IG +24,2%	X +5,7%	TikTok +381%
Post impressions:	FB -20,8%	IG +23,2%		TikTok +368%

(Source: FanpageKarma, Meta Insight and ADV)

Overall, the total number of Rai pages and profiles came close to 50 million fans, up 4.4% vs 2022, in a scenario in which the social media profiles of *Che Tempo Che Fa* were blocked (total fan base around 4 million). More than 556 thousand posts were published (+7.3% vs 2022), generating more than 209 million interactions (+18.3% vs 2022).





Mare Fuori 3. The third season of the series anticipated the television broadcast on RaiPlay, an exclusive première announced and narrated with a communication campaign that received the award for the best product launch in the competition section of the Mattia Serafini Award for the best Enterprise Digital Strategy 2023. The promotion of the drama made use of various digital formats (memes, "POV" content on TikTok, cards and GIFs with the most viral phrases, video extracts, self-tapes of the cast, Instagram filters, stickers and mashups, etc.), a synergic communication activity between RaiPlay and Rai 2, and also actively involved the social media profiles of the protagonists of the series. Overall, more than 500 pieces of content were published, generating a total of 68.9 million views and 3.1 million interactions; user-generated content on TikTok with the series' official hashtags recorded 11 billion views.

Il Festival di Sanremo 2023. The event achieved exceptional results on the social profiles and pages dedicated to the story of the festival: during the week: more than 22.5 million interactions were recorded (data taken directly from platform insights and no longer from generic hashtags - source: FanpageKarma data); the TikTok @SanremoRai profile generated more than 97 million views of content during the event; user-generated content on TikTok with the official hashtags recorded 7.1 billion views.

VivaRai2! In the monthly rankings compiled by Sensemakers in collaboration with Prima Online, the programme was often present in the top 15 of the most active TV programmes on social media. Contributing to these results was a storytelling of the episode in synergy between Rai accounts (vertical and horizontal) and talent, a multi-channel presence, an always recognisable tone of voice and original content with backstage from 6 a.m. to the evening.

TikTok, WhatsApp and Threads. The expansion on TikTok continued in 2023, with the opening of numerous accounts including those of *Il Festival di Sanremo*, *Il Collegio*, *Ballando con le stelle* and *Mare Fuori*. RaiPlay is present on WhatsApp broadcast channels, among the first players in Europe with Rai brand positioning in the top positions for followers in Italy, and on Threads the accounts RaiPlay, Sanremo, Rai Teche, Rai Cultura and *Mare Fuori* have been opened.

Here are some brief insights that give a measure of Rai's presence on each social platform:

Instagram. In 2023 the perimeter of Rai's profiles on Instagram, a platform that is clearly growing in the young target audience, reached 102 profiles (+7.4% 2022). The total fan base reached 11 million followers (+15.7 vs 2022), the more than 58 thousand posts published reached more than 1.9 billion impressions (+23.2% vs 2022), of which 288 thousand stories alone (+13.4% vs 2022), which obtained 76.93 million interactions (+24.2% vs 2022).

TikTok. Together with Instagram, it drives the success of Rai's social media: followers reached over 1.5million, a remarkable growth, not fully showing the extent of the success of Rai's content on this platform. The more than 2 thousand pieces of content published during 2023 were positively evaluated by the algorithm that distributed them and made users view them 634 million times (+367.9%). Another outstanding figure is the engagement generated: 36.5 million interactions (+380.9% vs 2022), a sign that TikTok is the platform where Rai profiles are growing the most.

Facebook. Rai's Facebook pages increased in 2023 (171 pages, +4.9% vs 2022), the overall fan base grew to 27.9 million fans (+1.8% vs 2022). The 187 thousand shared posts have engaged 276 million times (-11.9% vs 2022) and were viewed 5.9 billion times (-20.8% vs 2022). Both metrics fluctuate significantly but are in line with the usage trend of the platform.

X. There are 143 Rai profiles on the X platform, followers grew to 10.46 million; compared to the same period in 2022, 6.83% more content was published (309 thousand tweets) and 4.99 million likes were generated (+0.6%).

data source: FanpageKarma - data extracted as of 1.1.2024

Digital controls

In 2023, the reorganisation of the company's social perimeter continued, aimed at optimising production by focusing it on a strategic number of contact points. At the same time, the security of social properties was guaranteed in a perimeter that is increasingly monitored and controlled with the protection of Rai's copyright on social media through the use of right management tools made available by social platforms (Meta Right Manager, X and TikTok Form).

Digital Marketing and Media Campaigns

Advertising promotion activities on digital channels in 2023 were aimed at consolidating the RaiPlay and RaiPlay Sound brands, increasing the exposure of programme schedules and products on the platforms, and stimulating the download and use of apps. With reference to the different planning channels, 2023 saw an increase in activities for the TikTok and Amazon FireStick TV channels. The former, which is constantly increasing in users and consumption, is confirmed as a channel with low traffic building impact but high brand awareness and engagement. The positioning on the Amazon FireStick TV interface still represents a premium and high-impact exposure for the immediate use of the proposed content.

Below is the data compared with the same period last year:

- Impressions: 850,114,690 (-11%)
- Clicks to Rai platforms: 10,525,074 (-74%)
- App downloads: 627,094 (+134%)

The trend of impressions and clicks towards Rai platforms reflects the shift of engagement towards Instagram and TikTok channels, both of which, for different reasons, have higher costs per click. On the other hand, the number of downloads of Rai's apps from the stores grew significantly (+133%), a result due to an increased focus on this type of campaign.

Non-pay third-party platforms

2023 saw the consolidation of activities on Google's organic results through more extensive management of Google ViTA, a CMS for the promotion of live and VOD sports, with very satisfactory results. The most important sporting events were the European U21 Football Championship (with over 80,000 media views) and the Women's World Cup (about 150,000 media views), which achieved peaks of 40/50% of the total traffic generated on the platform.

In the first months of the year, a new positioning within Apple's app store, called In-App Event, was also activated, which allowed several titles to be displayed, highlighting the approaching release on the platform and allowing users to receive a notification on their smartphone when the content is available.

Digital distribution products

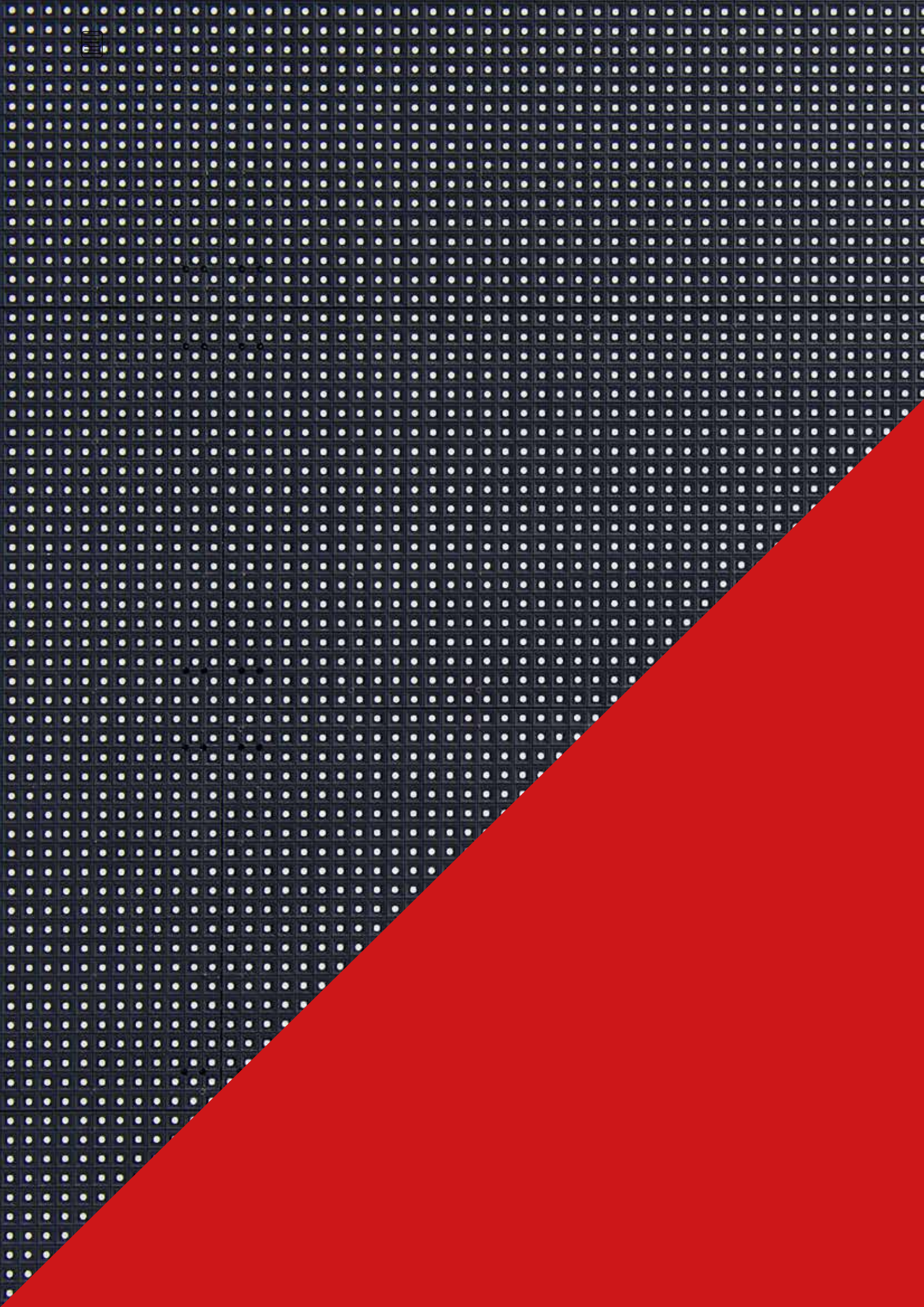
During 2023, the activity of analysing and managing previously launched initiatives continued, and new projects were undertaken as part of an overall plan aimed at evolving the RaiPlay and RaiPlay Sound platforms, in order to make the platforms increasingly effective and efficient and to support specific Rai initiatives.

Numerous micro-evolutionary components have been completed and released for RaiPlay (among which: changes to the navigation menu, the new *platform trailer* feature, the native RaiPlay app for Sky platform, etc.) and for RaiPlay Sound (among which: the new Rai Radio Südtirol and Rai Radio Live Napoli channels, the podcast offer for linguistic minorities, the mirroring version of the automotive app, the realisation of a prototype of the native RaiPlay Sound app for automotive, etc.). Specific applications of the RaiPlay and RaiPlay Sound platforms were developed with a view to being present in every environment so as to maximise the versatility of the service: the RaiPlay Sound app for smart TV and for car info-entertainment systems, the RaiPlay app for Playstation (PS4 and PS5) and for car info-entertainment systems. In addition, numerous projects in the corporate sector have been carried out, among which the Rai CRM, *M'illumino di meno* and Prix Italia should be mentioned for complexity and user engagement.

Digital rights and compliance

Rai is always attentive to the verification and protection of rights also in the digital sphere. In 2023, support activities continued in the negotiation and acquisition of rights for the definition of optimal conditions for the use of productions on RaiPlay and RaiPlay Sound platforms and the identification of appropriate protection windows to allow exclusive broadcasts on RaiPlay.

The synergy with the editorial and supply management areas resulted in the maximisation of exclusive and preview windows for many products. The activity of supporting the resolution of disputes/diffidences and the definition of YouTube's Content ID policies continued, as well as that of supervising the verification of rights. Moreover, the anti-piracy activity conducted with the intermediation of Fapav increased significantly: more than 2,500 videos were removed from the YouTube platform.



Cinema



Cinema

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

In 2023, the cinema market - a sector that has struggled more than others to return to pre-pandemic levels in terms of box office and admissions - confirmed the recovery trend: the excellent box office performance allowed for a further reduction in the gap with the three-year period 2017-2019, electing 2023 as the first year of return to post-pandemic normality. On the platform side, on the other hand, there is a widespread crisis on subscription growth expectations, which may impact their investment volumes in the audiovisual sector, and thus in terms of product availability on the market, visibility on platforms for third-party products, and revenues.

In this context, Rai Cinema continued its film and drama acquisition activities with the aim of adequately replenishing the stock for the programming of the networks and the RaiPlay platform, while on the film production front, it continued to support independent producers, playing a leading role in national and European film production and commercial exploitation activities through the O1 Distribution division.

Purchases

As far as the procurement activity for the networks is concerned, the packages negotiated with Walt Disney, Rai's historical and strategic partner, Sony Pictures, the only independent major company, at the moment, on the market, and MGM, for the acquisition of product (films, TV movies and series, but also a wide selection of animation titles) for the years 2023-2025, aimed at covering important and consolidated programming slots on all channels, are worth mentioning.

To supplement the film offer of all networks, acquisitions of quality films from independent Italian distributors were finalised (Academy Two, Adler, Europictures, Liliun Distribution, Movies Inspired, Teodora Film and Leone Film Group with Sergio Leone's timeless masterpieces).

With regard, more specifically, to television, a volume deal was renewed for the three-year period 2024-2026 with the European major company Beta, one of the most complete and strategic players on the international audiovisual scene, for the supply of a plurality of television product (series, miniseries, films, TV movies/collection, both unreleased and in renewal), as well as a category of product intended exclusively for RaiPlay, and a package of unreleased absolute free titles and titles in continuation of consolidated brands was acquired from ZDF. And, then, targeted packages from partners All3 Media, BBC, Fremantle Media Limited, Mondo TV and Newen Connect.

Finally, within the framework of the pre-sales activity of rights, with a view to the procurement of valuable product, two transactions were finalised: the animation series for an adult audience *Belzebubs*, available for European public broadcasters within EBU's exclusive circuit, and the first two seasons of the series *The bad guy*.

With regard to foreign product for distribution, the international markets are back in full swing. With the expiry of the agreement with Leone Film Group, Rai Cinema has intensified its activities on the international markets and has identified interesting product for O1 Distribution's list, although in the presence of an offer more oriented towards the platform market: featured are the acquisitions of *Eden*, the new film by Ron Howard, and *Moon the panda*, the latest family film by Gilles De Maistre, which joins *Il lupo e il leone*, already successfully distributed by O1 Distribution, and *Emma e il giaguaro nero*, to be released in 2024.

Film production

In 2023 Rai Cinema contributed to the production of many titles that make up a wide and differentiated product offer capable of meeting the interests and tastes of a heterogeneous and multifaceted audience, more and more demanding.

Among the films in post-production or ready, waiting to be presented to the public: *Campo di battaglia* by Gianni Amelio; *Hey Joe*, by Claudio Giovannesi; *Napoli-New York* by Gabriele Salvatores; *Eterno visionario* by Michele Placido; *Svenduti* by Luca Barbareschi; *The Return* by Uberto Pasolini; *U.S. Palmese* by Manetti Bros; *La vita accanto* by Marco Tullio Giordana; *Samia* by Yasemin Samdereli; *Still Here* by Suranga Katugampala; *Here Now-Prima che faccia giorno* by Gabriele Muccino; *Iddu* by Fabio Grassadonia and Antonio Piazza; *La grande ambizione* by Andrea Segre; *Albatross* by Giulio Base; *Pare parecchio Parigi* by Leonardo Pieraccioni; *Un altro ferragosto* by Paolo Virzi; *6 fratelli* by Simone Godano; *Una madre* by Stefano Chiantini; *Leggere Lolita a Teheran* by Eran Riklis.

Among debut films: *La casa degli sguardi* by Luca Zingaretti; *The Opera!* by David Livermore; *Anywhere anytime* by



Milad Tangshir; *L'origine del mondo* by Rossella Inglese; *Malamore* by Francesca Schirru; *Per il mio bene* by Mimmo Verdesca; *Quasi a casa* by Carolina Pavone; *Incanto* by Pier Paolo Paganelli; *Zamora* by Neri Marcorè; *Gloria!* by Margherita Vicario; *Girasoli* by Catrinel Marlon; *Roma Blues* by Gianluca Manzetti.

Among the second films: *Totomorto* by Giovanni Dota; *Finché notte non ci separi* by Riccardo Antonaroli; *Mani nude* by Mauro Mancini; *Nonostante* by Valerio Mastandrea; *Martedì e Venerdì* by Fabrizio Moro and Alessio De Leonardis; *Vermiglio-La sposa di montagna* by Maura Delpero; *Una storia nera* by Leonardo D'Agostini; *Another End* by Piero Messina; *Le déluges* by Gianluca Jodice; *Quell'estate con Irene* by Carlo Sironi.

Among the films that have started shooting: *Un giorno e una notte*, the new film by Paolo Franchi co-directed with Alessio Doglione; *L'orto americano* by Pupi Avati; *Il canto delle meduse*, new film by Paolo Taviani; *Alberi erranti e naufraghi* by Salvatore Mereu, on the novel by Alberto Capitta; *Arsa* directed by Masbedo (Nicolò Massazza and Iacopo Bedogni), written by Giorgio Vasta.

Documentary production

In 2023 Rai Cinema launched 21 projects in continuity with its editorial lines and its mission to support independent producers and authors.

Among the various projects, we would like to highlight those by Gianfranco Rosi, Pietro Marcello, Francesco Munzi, Daniele Cipri, Davide Ferrario, Edoardo Gubian, Alessandro Cassigoli and Casey Kauffman, Andrea Soldani, Claudia Brignone, Ruggero Gabbai, Donato Sileo and Gianluigi Attorre.

Always great is the participation into events of international relevance: the 4 titles selected for Italy, within Docs-in-Progress at the Cannes Film Festival, are all projects participated by Rai Cinema (*Honey Dew* by Marco Bergonzi and Michael Petrolini, *Lux Santa* by Matteo Russo, *Terra Incognita* by Enrico Masi, *Touché* by Martina Moor); *After Work* by Erik Gandini at the CPH:DOX Copenhagen International Documentary Film Festival, at the Festival Visions du Réel, and Biografilm; *Kristos, l'ultimo bambino* by Giulia Amati at the Thessaloniki Film Festival, awarded with three prizes, *Il cerchio* by Sophie Chiarello, winning the Premio Corso Salani at Festival di Trieste; *Touché* by Martina Moor and *Wartime notes* by Barbara Cupisti at Festival di Milano Visioni dal Mondo, in addition to all other titles the company has presented at major national and international festivals.

Festivals

Rai Cinema took part in the Berlinale with three films: the documentary film *Le mura di Bergamo* by Stefano Savona in the competitive Encounters section, *Le proprietà dei metalli*, a debut feature by Antonio Bigini in the Generation Kplus section, and *Golda* by Oscar winner Guy Nattiv in the Berlinale Special Gala.

At the Cannes Film Festival Rai Cinema played a leading role with the presence of no less than three Italian films in the Main Competition, for the first time in its history, and an international film Out of Competition: Marco Bellocchio's *Rapito* on the story of Edgardo Mortara, Nanni Moretti's *Il sol dell'avvenire* and Alice Rohrwacher's *La chimera* in competition, and Martin Scorsese's highly anticipated film, *Killers of the Flower Moon*, out of competition.

The participation at the Venice Film Festival was significant, with 25 titles including films, documentaries and short films presented in the various sections, in an edition particularly rich in satisfaction: of the 5 films in competition in the Official Selection (*Io capitano* by Matteo Garrone, *Comandante* by Edoardo De Angelis, *Finalmente l'alba* by Saverio Costanzo, *Lubo* by Giorgio Diritti and the international title *Ferrari* by Michael Mann), *Io capitano* won the Silver Lion for Best Director and the Marcello Mastroianni Award for Emerging Actor, to which were added the prizes for the films in competition in the Orizzonti section (Special Jury Prize to *Una sterminata domenica* by Alain Parroni, Orizzonti Prize for Best Screenplay and Orizzonti Prize for Best Actress for *El Paraiso* by Enrico Maria Artale, Audience Prize to *Felicità*, Micaela Ramazzotti's director debut).

A total of 22 entries were presented at the Rome Film Festival: *Mi fanno male i capelli* by Roberta Torre, the only film in competition, won the Monica Vitti Award for Best Actress with Alba Rohrwacher. Added to these are the 10 titles

presented at Alice nella Città: Gianluca Santoni's *Io e il secco* won a Special Mention and *Suspicious Minds* by Emiliano Corapi won the RB Casting Award for Best Emerging Actor thanks to its protagonist Amanda Campana.

Towards the end of the year, the company participated with no fewer than 13 films, documentaries and shorts at the TFF - Torino Film Festival: Claudia Brignone's *Tempo d'attesa* in competition in the Italian Documentaries section, won the Special Jury Prize and Barbara Ronchi was awarded a Special Mention for her performance in the film *Non riattaccare* by Manfredi Lucibello, competing in the Feature Film Competition.

The David di Donatello Awards Ceremony awarded to Rai Cinema 12 statuettes: 4 to Roberto Andò's *La stranezza*, including Best Producer, 2 to *Settembre*, Giulia Louise Steigerwalt's debut film as Best Director, and to Michele Placido's *L'ombra di Caravaggio*, winner of the David Giovani. Sophie Chiarello's *Il Cerchio* was awarded the Cecilia Mangini David - Best Documentary in the five finalist list along with three other titles co-produced by Rai Cinema (*In viaggio* by Gianfranco Rosi, *Kill me if you can* by Alex Infascelli and *Svegliami a mezzanotte* by Francesco Patierno).

To these are added 7 Golden Globes - including Best Film (Marco Bellocchio's *Rapito*), Best Director (Roberto Andò's *La stranezza*) and Best Debut Film (Giuseppe Fiorello's *Stranizza d'amuri*) - and countless Nastri d'Argento: among all Roberto Andò's *La stranezza*, awarded Film of the Year; Marco Bellocchio's Roberto Andò, premiato come Film dell'anno; *Rapito*, which won 7 Nastri, including Best Film and Best Director; Giuseppe Fiorello's *Stranizza d'amuri* (Best Debut Film); Sydney Sibilia's *Mixed by Erry* (Best Comedy); Michele Placido's *L'ombra di Caravaggio* (Special Nastro d'Argento); Valeria Bruni Tedeschi's *Forever Young (Les Amandiers)* (Best European Film). Many award-winning documentary films: *La generazione perduta* by Marco Turco (Documentary Cinema), *Las Leonas* by Chiara Bondi and Isabel Achaval (Special Mention), *La bella stagione* by Marco Ponti (The Great Football, Sports Herpses), *Er gol de Turone era bono* by Lorenzo Rossi Espagnet and Francesco Micciché (Special Mention), *Via Argine 310* by Gianfranco Pannone (Special "Cinema & Work" Award).

Among the last events of the year was the customary EFA ceremony, where *Io Capitano* received two important nominations (Best European Film and Best European Director), while Alice Rohrwacher's *La Chimera* won Best European Production Design.

The year ended with two major successes for *Io Capitano*, nominated for the Oscars 2024 in the Best International Film category and for the Golden Globes 2024 as Best Non-English Language Film.

Distribution

In 2023, the Italian cinema market recorded total takings of around € 496 million with 70.6 million tickets sold, confirming a clearly improving trend. O1 Distribution ranked sixth in the distribution ranking, with total takings of around € 41 million, distributing 25 titles and achieving a market share of 8.2%. The best box office results are: *Succede anche nelle migliori famiglie* by Alessandro Siani which, released on the last day of the year, has so far grossed € 5.7 million; *John Wick 4* by Chad Stahelsky with € 5.6 million; *Killers of the flower moon* by Martin Scorsese with € 5.2 million; *Io capitano* by Matteo Garrone with € 4.5 million; *Il sol dell'avvenire* by Nanni Moretti with € 4.2 million; *Comandante* by Edoardo De Angelis with € 3.6 million.

With regard to home video, the market was down by 20%. Rai Cinema, in collaboration with Eagle, distributed 30 new releases, 21 of which were Italian productions. The main performances were achieved by *John Wick 4*, *Diabolik-Ginko all'attacco*, *The Fabelmans*, *Dante*, *L'ombra di Caravaggio*, *Il sol dell'avvenire* and *Il colibrì*. The market share stands at 3.3%.

Commercial Agreements

In a difficult and ever-changing scenario, characterised by a widespread crisis, compared to expectations, in the growth of platform subscriptions, sales in the post-theatrical windows were in line with last year.

As part of the strategic partnership with Sky, titles released in theatrical windows with O1 Distribution or with other distributions between the end of 2022 and the beginning of 2023 were sold in first pay, some of which were sold on the basis of *ad hoc* fees, negotiated out of the scope of the agreement.

In coordination with Rai Com, an agreement was reached with Netflix for the sale of 14 films released in theatres in 2022 (selected, among others, the films *Bla Bla Baby*, *Dante*, *Settembre* and *Il colibrì*), as well as a package of 12 films from Rai Cinema's catalogue.

In line with previous years were the commercial results of the transactional segment (EST and TVoD exploitation)



and good results also came from ancillary rights, thanks to sales to Trenitalia and Ita Airways, with whom a two-year agreement was renewed. With regard to foreign sales, important results were achieved by *Io capitano*, *La chimera* and *Comandante*.

Digital activities

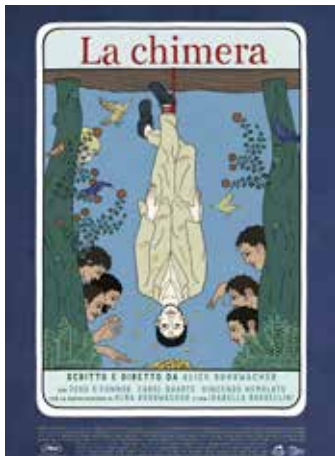
In 2023, the promotion, marketing, innovation and digital communication activities were expanded and consolidated, also thanks to the growth of the company's digital assets (website, company magazine, VR app, metaverse and social channels), the development of transmedia and cross-media projects, the supervision of festivals and events, and the implementation of new projects linked to new technologies.

An absolute novelty was the project related to generative artificial intelligence realised through the participation in the first AI Observatory and Laboratory promoted by Scuola Holden together with the TransMedia lab of La Sapienza University, which gave rise to *Cassandra*, the first short film conceived and realised together with artificial intelligence.

Work continued in the area of innovation and experimentation of new languages and technologies: the Dantedi project, a multi-platform project dedicated to the Divine Comedy, with Dante's universe as the protagonist of an innovative narrative expressed with different formats and different ways of access; the launch of *Anteo Rai Cinema Spazio Realtà Virtuale*, the first space in Italy dedicated to the VR experience located inside a cinema with a regular pay-per-view programme throughout the year; the synergy started with Fondazione Mondo Digitale with the opening of a VR corner inside the new Palestra dell'Innovazione of the Montessori Institute in Tufello; the donation of 10 visors to the Bambino Gesù Children's Hospital.

Noteworthy, the now customary transmedia production linked to the *La Realtà che non esiste* contest with *A voce nuda*, winner of 2023, and the second act of the *Sinfonie Urbane* project, a documentary on the Roman suburbs also produced in a videomapping version projected on the Tor Bella Monaca buildings.

This year also saw the continuation of the collaboration with Rai Pubblica Utilità in order to make the best content produced at the festivals accessible, and the promotion of film products for digital exploitation was consolidated, thanks to the collaboration with RaiPlay for the launch of short films and documentaries, in addition to the short films on the Rai Cinema Channel. Among the novelties is the collaboration with *Alice nella Città* for the first edition of the *Short Film Days*.



Technology activities

Chief Technology Officer– Technological Infrastructures

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 architectures and equipment of systems, networks and services necessary for the technological development of the Rai Group. In a scenario that is particularly complex due to strong national and international competitive pressures and in a macroeconomic context that shows significant tensions, technological development activities have been directed towards projects capable of continuing innovation, guaranteeing the continuity and reliability of services, also by strengthening their resilience, and improving the technical quality of broadcast programmes.

In 2023, many technological activities are still characterised by the recent refarming of the terrestrial television platform, i.e. the process of reconfiguring the national broadcasting system necessary for the allocation of the 700 MHz band to fifth-generation mobile phone systems. In this context, technology was implemented to optimise the transmission capacity of the macro-regional multiplexes containing local news, with the adoption of a dynamic configuration that alternates the transmission of a single national Rai 3 programme in high definition with three regional programmes. The broadcast of regional content in HD format was launched, which - already completed for Rai Südtirol and TgR Lazio, Lombardy and Emilia-Romagna - will be progressively extended to all sites. Cooperation with receiver manufacturers continued for the implementation of the service for the automatic updating of user receivers. Moreover, the launch of the broadcasting in hybrid mode - i.e. through the broadband connectivity allowed by smart TVs - of Rai4K, of RaiPlay, of the HD version of channels otherwise only available in SD, and of the entire thematic radio programme schedule should be highlighted. Moreover, in the HbbTV environment it is now possible to enjoy live broadcasts of all the regional editions of TgR (REA-Regional Exchange Action feature) anywhere in the country.

In the area of international technical activity, we would like to highlight the participation in WRC-23, the World Radiocommunication Conference organised by the ITU (International Telecommunication Union), which addressed, among others, the issue of preserving the UHF 470-694 MHz frequencies for digital terrestrial television. During the Conference and the preparatory work, the CTO - Technological Infrastructures Area played a pivotal role between the requests shared with the European Broadcasters Association (EBU) and the representatives of the Italian Administration. The outcome of the Conference was very positive for Rai and for the entire radio and television sector: in fact, digital terrestrial television will be able to remain the only "primary" service in Europe to use the 500 and 600 MHz Bands; the regulatory status of PMSE (Programme Making and Special Event) applications such as wireless microphones will also remain unchanged, and they will therefore be able to continue to be used in the current way.

With regard to DAB+ digital radio, the hosting on the Rai multiplex of the content of independent national radio providers has been discontinued following the ruling of the Lazio Regional Administrative Court (TAR Lazio) no. 8574/2022 which, upholding Rai's appeal, annulled with referral the AGCOM Resolution no. 455 of 27.11.2019 that imposed "must carry" obligations on Rai. Activities continued in relation to the analysis and monitoring of Rai's technological projects and the management of the Service Agreement between Rai and Rai Way, including requests for the activation of services for infrastructural requirements and/or related to the realisation of programmes.

The numerous collaborations with national and international technical bodies, Public Administrations, Universities, Research Organisations and Companies continued. Among others, the development and expansion of the experiments related to the Agreement with UNCEM-Unione Nazionale Comuni, Comunità, Enti Montani (National Union of Municipalities, Communities, Mountain Entities) for the realisation of innovative forms of distribution of the television signal in the most isolated areas, and with which the second project phase was launched, which involved equipping 80 receiver units and fine-tuning an expandable technological model, in the future, to all areas with a digital divide, as well as the signing of a series of agreements with local authorities to monitor the quality of the television signal in the relevant territorial areas.

Information and Communication Technology

The role of ICT technologies is pervasive and progressively more relevant. Indeed, they constitute a strategic asset that contributes to strengthening Rai in its role as Public Service and, as agents of transformation, they represent an opportunity to design scenarios for the innovation of models and processes, even outside current schemes.

Continuity and reliability in the delivery of services is constantly guaranteed by a prudent ordinary maintenance of technological platforms, by appropriate upgrades on infrastructural components and by an immediately reactive approach to any incidents. The growing demand for digital transformation solutions confirms a particular attention aimed at the progressive digitisation of operational processes in which solutions supporting electronic signature and dematerialisation, desk sharing model and mobile working have been implemented. Thanks also to the continuous innovation of infrastructures, design paths were launched to improve the services already available and to build specific solutions to be integrated into the overall application architecture. In addition, initiatives were undertaken for the technological upgrading of Rai's software assets, in order to maintain their characteristics of efficiency, resilience and security.

With regard to the strategic theme of cybersecurity, the governance model of the technological assets is structured to guarantee an adequate level of protection against the risks of malware, updated by the periodic assessment of the level of IT security and the implementation of appropriate preventive measures. With this in mind, guidelines and instructions have been revised, as well as specific areas such as the protection of information on workstations, access rights to services and IT infrastructures, the logics and minimum criteria to be applied when saving data and information, and the operational tools put in place to protect the Rai Group's IT and/or information infrastructure components from the threat posed by *malicious code*. Moreover, the pilot phase of the process for the detection, classification and processing of cyber security incidents has been launched.

The project to implement the *Intrusion Prevention System* (IPS) architecture for the corporate Data Centres, aimed at enhancing perimeter security and traffic analysis, is in the implementation phase, and the initiative to upgrade additional perimeter firewall architectures in the regional offices has continued, with the aim of strengthening the level of protection of services, with particular attention to journalistic services. The *Disaster Recovery Web Farm e Nodo Internet* project is currently being implemented at the RAI Turin - Cavalli site, which, with reference to the web offer, aims to guarantee service redundancy.

During the most important events, including the *Sanremo Festival*, the provision of the necessary services was guaranteed in close coordination with the Postal Police and the CNAIPIC-Centro Nazionale Anticrimine Informatico per la Protezione delle Infrastrutture Critiche (National Computer Crime Centre for the Protection of Critical Infrastructures), keeping a watchful eye on potential cyber attacks, in view of the criticality of the services exposed through the corporate network.

Research and Development

Research and Development activities are carried out by the Technological Innovation and Experimentation Research Centre Department (CRITS) - the main laboratory complex in Italy today in the field of broadcasting and media - and focus on the experimentation and implementation of new technological solutions in the field of production, distribution and multi-platform services, with a view to the continuous improvement of company production processes and services offered to users. CRITS operates within the technological and legislative frameworks that characterise the audiovisual world both nationally and internationally. The activities are developed in close synergy with other company directorates and in cooperation with third parties, within the framework of funded projects and international organisations. In addition, CRITS oversees the evolution of technology in the broadcasting and citizen services sector, focusing on the promotion of digital transformation, guiding and stimulating the digital transition of the audiovisual industry and of Italian and international decision-making bodies.

Production systems, audio-video coding and artificial intelligence. With a view to the transition to IP technology, new systems for encoding and delivering TV signals with very low latency were analysed for remote and distributed production applications. These technologies were successfully used for the production of the *5G Jazz Jam Session* held at Officine Grandi Riparazioni during the Torino Jazz Festival, which was realised as part of the *5G Audiovisual* project financed by the MIMIT and qualified as a finalist for the EBU Technical Award.

In the field of computer graphics and animation technologies applied to television production, the setting up at the

Turin Production Centre of a complete technological supply chain for "Virtual Production" was completed, which was used for the production of the Rai Gulp programme *Cloroffla*. The virtual sets, modelled in 3D using software platforms derived from the world of videogames, as well as the consequent savings on the materials of the sets and the transfer of the filming crews, has shown that realising even complex television productions in a more sustainable manner and with less impact on the environment is possible. For the programme *La posta di Yoyo*, 3D animated graphics were created with artificial intelligence-based systems.

In the context of TV augmented reality, an experiment was carried out for the programme *Macondo*, produced by the Milan Production Centre and broadcast in prime time on RAI 3, which made it possible to create various scenography elements directly in the studio in augmented reality, eliminating the need for post-production.

As part of the research on new video formats, a training course on HDR technology was organised for management and production technicians. A relevant element of the course was the creation of a special set for field tests and work on 4K OB-van, which created an environment in which participants could face the practical challenges of 4K HDR production. At IBC 2023, the *Synthetic Humans for Entertainment and Accessibility* project was presented for the enhancement of the Rai archive and the production of new entertainment content with photorealistic 3D avatars obtained from archive images. A case study of this project was the production of an avatar of Maria Callas. The project involved 17 partners, including BBC, Verizon, Epic and others, with CRITS as project leader.

With reference to the massive digitisation of Rai's film archives, the study of automatic metadata systems based on artificial intelligence to support manual documentation continued as part of an initiative financed by the Ministry of Culture for the recovery of the audiovisual heritage, and a processing architecture was designed for the integration of the most promising technologies in this field, starting the first implementation phases. With respect to quality control and testing of digitised content, which is essential to ensure the success of a mass, non-repeatable migration, experiments on process automation continued.

In the field of applications of artificial intelligence technologies, many projects are underway. These include a system for the automatic metadata of RaiPlay content; a project for the semantic analysis of programmes to improve the processes of *content recommendation* and analysis of user interactions; systems for the identification of faces and places of interest functional to the automatic documentation of audiovisual content, as well as an open source engine, alternative to commercial systems, for the transcription of speech experimentation of the Hyper Media News platform, for the analysis and classification of journalistic and news content from TV and the web; experimentation in the field of image generation and Large Language Models with the development of some demos in the journalistic area and in the archives area. In particular, a joint CRITS/TGR project was launched to develop a system for suggesting descriptive tags in the web articles of the regional newspaper based on the integration of latest-generation language models.

Interactive and multi-platform services. Within the framework of the RaiTv+ interactive platform - launched in July 2021 and available on HbbTV-DTT and TivùSat receivers connected to the internet - additional functions have been developed to make access to services even easier. Among these - in anticipation of the switchover to the DVB-T2 standard - the "hybrid channels" feature has been activated, for direct access via LCN to all Rai's HD radio and TV channels (including the Rai 4K channel) regardless of the number of multiplexes received, and the REA-Regional Exchange Action feature, for the automatic use of the regional news programme chosen from all the editorial offices of the TgR newspaper, even if not available from the DTT antenna.

In addition, a technical solution was designed for the DTT platform characterised by a dynamic management of the available capacity, capable of alternating the transmission of a single national Rai 3 content, in HD, with the three regional programmes, in standard SD definition, related to the area of interest. This obviated the need for the simultaneous transmission of three repetitions in lower quality of the national programmes of the third network, which differed only during the regional programming hours.

In the context of applications on the HbbTV platform, in addition to ensuring the constant maintenance of the RaiPlay application, the RaiPlay Sound application for connected TVs is also at an advanced stage of development.

The design activities of the technical infrastructure to enable the provision of customised advertising services on smart TVs with the HbbTV standard and the TA (Targeted Advertising) standard compliance checks of TV sets provided by manufacturers have continued, and tests with Rai Pubblicità are currently underway.

Distribution systems and networks. The study of 5G technologies for the diffusion of Rai's offer to mobile terminals continued, through participation in the activities of the 5G-MAG group, and the trial of the technology in test-beds in Turin and Valle d'Aosta. In addition, CRITS is involved in DVB activities to extend DVB-I to 5G broadcast and broadband technologies on mobile devices and is leading the working group that has defined the new DVB-Home Broadcasting standard to convert traditional broadcast signals (digital terrestrial or satellite) to IP format at the user's end and allow them to be used at home on devices not equipped with an antenna such as smartphones or tablets.

CRITS also contributed to the definition of the new DVB-Native IP (DVB-NIP) standard for satellite and terrestrial distribution in native IP format. In this context, the collaboration with UNCEM continues to reduce the digital divide and enable the reception of RAI signals in areas not reached by digital terrestrial broadcasting. The first phase of the project has been concluded, with the experimentation of a system based on the use of FWA technology over IP protocol, and studies have continued for the extension of the experimentation to areas with larger catchment areas and for the evaluation of alternative solutions based on 5G, DVB-HB and Native IP.

With a view to completing the offer of digital radio content, a project was launched to verify the possible introduction of regional content, currently only available on the analogue FM signal, also within the DAB+ platform.

Patents and funded projects. CRITS is distinguished by its attitude and constant commitment to research and development, delivering a series of national and international patents and supporting Rai Com in their commercial exploitation.

Current funded projects include: AI4Media, as part of the Horizon 2020 programme, for the study and development of artificial intelligence technologies and systems to support the media sector, where activities relating to the second phase of integration and demonstration have been completed; the ESA 5G-EMERGE project, funded by the Italian Space Agency, for the use of integrated 5G satellite and terrestrial technologies to efficiently deliver high-quality video content in different reception scenarios; the IDMO-Italian Digital Media Observatory project, as part of the Connecting Europe Facility programme, to develop technologies and processes to combat disinformation and for which, at the Turin Book Fair, the panel "AI-generative and deep fakes" was organised; the XRECO-eXtended Reality mEdia eCOsystem project, as part of the Horizon Europe programme, for the development, based on the integration of AI technologies, of a distributed ecosystem for the production of eXtended Reality content. The 5G Audiovisual project, funded by the Ministry of Enterprise and Made in Italy, to promote the use of 5G technologies in audiovisual content production and live distribution to mobile users was concluded.

Scientific Publications. Research and experimentation activities are accompanied by the drafting and publication of articles and scientific contributions to conferences and trade journals. In particular, in the field of artificial intelligence, two contributions to international peer-reviewed events and two reports on pre-print publication platforms were written in 2023.

Networks and Platforms

The consolidation of the refarming process of the 700 MHz band continued, with feasibility checks of the dynamic management of the transmission band and monitoring of the project implementation in the company sites. In anticipation of the forthcoming switchover of a DTT multiplex to the DVB-T2 standard, the configurations to be adopted on the three multiplexes were prepared. The project to strengthen the monitoring and simulation centre continued, with the study of more suitable technical solutions for the implementation of the regionalisation of the radio service on the DAB+ platform.

During the year, the development of the DTT, MF and DAB broadcasting platforms and networks implemented by Rai Way was addressed and followed, also by technically assessing the service offers produced by the subsidiary. The activities of evaluating the performance of the networks continued for the enhancement of any credits set forth by the Rai-Rai Way contract, also on the basis of users' reports at such a critical time as the reorganisation of the terrestrial television broadcasting system. With regard to the monitoring of inefficiencies in the broadcasting networks, activities were carried out to investigate the technical aspects of individual malfunctions in order to adequately respond to user reports and parliamentary interpellations and/or questions. The distribution of free RAI smartcards continued - as prescribed by the RAI-MIMIT Service Contract - to guarantee coverage of Public Service content throughout Italy.

For Rainews.it, a new application was developed in React Native (cross-platform technology that allows for optimisation and standardisation of developments on Apple and Android terminals), to replace the current hybrid application, for which an overall rewrite of the mobile application was required. Also in the area of news, new functional elements were introduced, such as "*editorial stories*", which increased the possibilities for journalistic narrative on both the RaiNews.it and TGR.it websites. For the editorial offices of the linguistic minorities in Trentino-Alto Adige, the first "*election special*" in German and Ladin was implemented and managed.

In the Corporate sector, the new Corporate project was implemented and tested in cooperation with the RaiPlay and Digital Directorate. Several initiatives were also completed for Rai.it, including: the creation and adaptation of the Rai Newsletter, the adjustment of the Prix Italia portal, and the upgrading of the Rai Casting infrastructure.

With regard to the RaiPlay offer, the graphic restyling of the application was carried out on all platforms in line with the corporate brand identity and with the introduction of trailer management on the TV and Browser interface. Moreover, the official release on PS5 was carried out, the re-engineering of the user management software was started in order to manage the more than 24 million registered users on the platform, and the integrations needed to bring RaiPlay to XPERI/BMW systems in the RaiPlay4Automotive project were developed. The special parental control and embedding projects were launched, and will be fully developed during 2024.

For RaiPlay Sound, the development of the TV app on the Samsung Tizen and LG WebOS systems was consolidated by introducing editorial notifications in the mobile environment. A new RaiPlay Sound prototype dedicated to the Android Automotive world was developed and the analysis and first developments of the new dedicated offer "*Millumino di meno*" and "*user registration for live participation*" were started.

Adaptations of web and streaming services in the IP sphere continued in order to support the constant growth in traffic and the changes in the patterns of use by internet surfers. The editorial, processing and editing systems of IP audio-video products were strengthened in order to guarantee their dimensional evolution and performance efficiency. Particular attention was paid to the management of the live and on-demand services of the national football team's Euro2024 qualifiers, the Davis Cup and the Venice and Rome Film Festivals.

The activity of positioning the RaiPlay, RaiPlay Sound and Rai News applications in the most popular OTT ecosystems and platforms on the market continued, in order to foster the penetration of the web offer among end users. In the medium term, Rai, in agreement with national and EU institutions, is working on the definition of regulatory instruments aimed at guaranteeing, ex lege, adequate visibility to services deemed to be of general interest, among which those ascribable to public broadcasting and multimedia service. A system for orchestrating descriptive artificial intelligence tools to improve the effectiveness of content recommendation and the delivery of profiled advertising is nearing completion.

As part of the development of multimedia applications, work continued on a traffic census platform with the creation of traffic data collection libraries for all operating environments. A project was launched to monitor linear listening curves in real time, which, with the support of artificial intelligence-based systems, will be enriched with additional metadata that will enable further analysis tools. The corrective and evolutionary maintenance activities of the Consent Management Platform (CMP) continued, in order to comply with the adjustment of the directives of the Privacy Authority and the changes of the IAB - Interactive Advertising Bureau.

Technologies

The equipment technological innovation process of production centres, regional and foreign offices, and for external filming continues, following the industrial context of market innovation, with the aim of completing the transition of HD production, tackling in a structured manner the launch of UHD production, and gradually migrating to IT and IP technologies in the processing and transport of audio video content, both file and live, in a multi-platform perspective.

Within the scope of the channel mission, central controls and networks, the projects for the disaster recovery of the broadcasting of television channels and the refarming of the encoding platforms for the broadcasting of RAI channels on DTT were implemented; the experimentation phase of targeted advertising for the implementation, through the HbbTV platform, of customised advertising on connected TVs continued. In addition, the implementation of the functional infrastructure for the News Films Digitisation project was completed, as well as the renewal of the reception system for IP connections (so-called backpacks, Skype receivers, SRT streams).

With regard to the IT infrastructures for the processing and storage of audio/video content, the technological upgrading of part of the digital archive infrastructure (Asset Repository 2) was completed, and a further project was launched to upgrade one of the components for LTO tape archiving. Finally, the new management system for digitalised television products (New Media Factory) is currently being implemented. With reference to the Media Asset Management (MAM) system, the updating of the platform to enable the management of the new 4K UHD digital formats was completed, and the News Film Digitisation Project is currently being implemented, which aims to offer services and workflows for the quality control and archiving of digitised materials.

In the area of Production Systems, Post Production, Graphics and Light Mobile Links Systems, the new Avid Media Central Cloud UX system for Rai Parlamento was completed, as well as the upgrades of the Dalet systems. For the Genre Directorates, the design of the new storage and video server systems for the integrated production between studios and edits was completed, with the so-called edit-while-ingest feature. New graphics and editing workstations were acquired and released for the production of large events in UHD resolution (La Scala, Sanremo), and support and materials were provided for the creation of workstations for web social media live recordings for news.

The release of new transmitters and receivers for 5G ultra-light links systems has started at some Regional Offices, as well as a design assessment for the architectural restructuring of receiver installations in order to increase overall IT security aspects and optimise signal delivery.

Renewal of the ultra-light equipment continued with the acquisition of equipment to complete the fleet of technologies present in the company, while with regard to technological interventions in the studios and control booths of production centres and regional and foreign offices, the executive design for the installation of the TV6 studio at the Fabrizio Frizzi-Nomentano CPTV was completed, and the renovation of the TV10-11-12 studios at the CPTV in Via Teulada is underway. As part of the activities relating to the transition to DVB-T2 and the refarming of broadcasting frequencies with the creation of Macro-regional MUXes, all the sites were put into operation on the new broadcasting platforms.

The refurbishment of the video matrixes in HD technology in the regional offices continued, as did the upgrade to HD of programme transmission and the acquisition of drones equipped with filming systems. As for the foreign offices, the two Ingest and Playout stations in London were renewed, as well as the two fixed editing stations and the portable one in Beijing.

In addition, the plan to renew the external filming assets continues with their technological upgrading to HD and UHD/HDR standards, in addition to the project to build an OBVan for remote production. The preliminary project for the renovation of the new courtroom control room and news studio, and the fixed system at the Senate was completed. In addition to this, there are projects for the construction of lighting systems both at the production centres and at the regional offices, which make it possible to optimise and encourage the use of LED lighting fixtures, with a significant reduction in energy costs.



Transmission and distribution activities

Rai Way is the Rai Group's leading provider of integrated network infrastructures and services for broadcasters, telecommunications operators, private companies and the public administration; the Company uses its assets and expertise to guarantee the public broadcasting service and its customers the sharing and broadcasting of television and radio content, in Italy and abroad, leveraging on an excellent heritage of technological, engineering and management know-how, as well as infrastructures.

Rai Way has been listed since 2014 on the Euronext Milan market (formerly called Mercato Telematico Azionario) of the Italian Stock Exchange following the Global Offering, promoted by the shareholder Rai, which allowed the Company to confirm the trend of opening to the market already started, strengthening its image as an independent company. The Company has a widespread presence throughout Italy with approximately 600 employees at its Rome headquarters and 21 regional offices, more than 2,300 telecommunication towers, a transmission network of radio links, satellite systems and approximately 6,000 km of proprietary fibre optics and 2 control centres.

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 and services for the sale of transmission capacity;
- 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“.

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.

Furthermore, following the development of a private CDN (Content Delivery Network) network and of the first data centres, which are part of a more extensive infrastructure under construction and distributed nationwide, Rai Way will soon expand its portfolio of services, offering server housing and low-latency connectivity to meet new communication needs, as well as network solutions for content distribution on public IP networks (Internet), with high quality of experience for end users.

Business activities

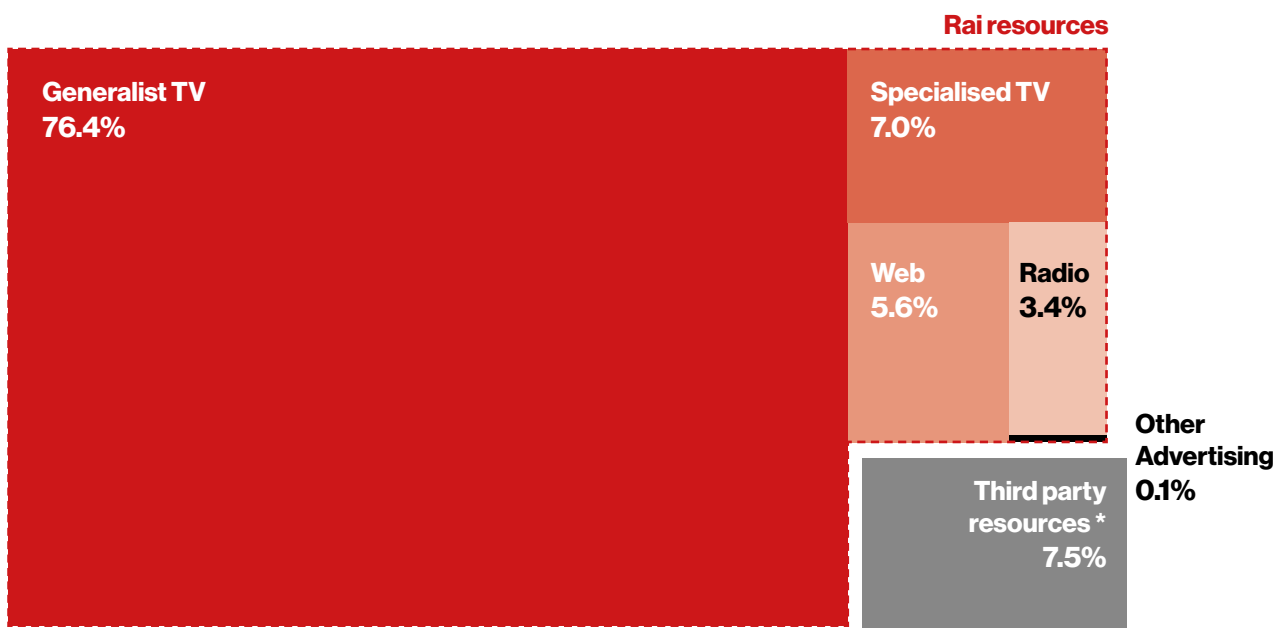
Advertising

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.

In a global context characterised by high levels of uncertainty and downside risks mainly linked to the escalation and spread of geo-political tensions, suboptimal financial conditions as well as decelerating levels of growth in the international economy compared to the previous year, the advertising investment market in Italy closed 2023 - according to Nielsen: *FCP Digital Homogeneous Universe Advertising* - at +1.9% compared to 2022 (+2.6% if digital advertising on search, social, classified and OTT is also considered), with television up +2.1% and the digital up +3.5% (including search, social classified and OTT). In this context - again according to Nielsen estimates - the market share of Rai television decreased by 0.2 points. This result is attributable both to the absence of Major Sporting Events in 2023 (2022 had benefited from the Football World Cup in Qatar), and to the penalisation resulting from the application of the TUSMA, which, from 2023, provides for a further tightening - compared to the previous year - of advertising crowding limits, with saleable seconds going from 7% to 6% for each time slot and for each individual channel. Nonetheless, the Rai Group, thanks to the significant growth in digital and CTV (with connected TV as the device used to watch RaiPlay content), the increase in sales from events in the area, the performance of cinema after the pandemic years and the expansion of sales perimeters to other publishers - in particular, the concessions stipulated in 2022 with Radio Italia SpA, CN Media Srl (Radio Kiss Kiss) and Vevo (UK) Ltd - improves its overall 2023 advertising sales results.

With regard to forecasts for the 2024 advertising market - based on Nielsen estimates released in November 2023 - it is assumed that the total market will grow by 2.3% (+0.7% for the FCP-Assointernet universe alone) and that performance will be positive for television (+0.8%), Digital (+4.4%), Radio (+2.6%) and Out Of Home (+6.8%). These estimates are made against a backdrop of considerable uncertainty resulting from ongoing conflicts and the critical nature of the general economic situation. In addition, the announced launch by Amazon Prime of a subscription offer at a lower cost against advertising placements could have a negative impact on the FCP-Assointernet universe forecasts.

Advertising sales breakdown by medium - 2023



(*) Third-party media include specialised TV channels, radio channels, cinema, web and other advertising.



Sales

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

Agreements, tenders and partnerships

There are always many subjects that invest in the quality and visibility of Rai's product, and in 2023 there was an increase in both the initiatives realised within the programme schedule and the events on the territory. Among the most important initiatives were those carried out with Calabria Region for a structured communication plan that involved television and radio programming and, in particular, the New Year's Eve show *L'Anno che verrà* broadcast live from Crotona; with SCABEC-Società Campana Beni Culturali that saw the broadcasting of 5 plays belonging to the Neapolitan tradition and the *Speciale Premio Carosone*; with CAI-Club Alpino Italiano for the production of numerous episodes of *Sentieri* and *Linea Verde Sentieri*; with Assolavoro for a communication plan within the framework of the TV drama *Un posto al sole*; with Cinecittà for the production of the *David di Donatello* special evening; with UNICEF for the charity evening in favour of children *Noi due e...* in prime time on Rai 1. But also with the Autonomous Province of Bolzano, the Telethon Foundation, the Regions of Puglia, Liguria, Calabria, Piedmont and Umbria.

With regard to events in the region, we would like to mention *La Festa di Radio 3* in Trani in cooperation with the Region of Puglia, and in Bolzano with the Autonomous Province of Bolzano; *La Presentazione dei Palinsesti Rai* in Naples in agreement with the Region of Campania and the Municipality of Naples; the *Festival Cartoons on The Bay 2023* Festival in Pescara and in L'Aquila, in agreement with the Region of Abruzzo; the *Prix Italia* in Bari in collaboration with the Apulia Region; *Caterraduno* in Pesaro with Rai Radio 2; *ADE-Apulia Digital Experience*, the international made-in-Italy conference dedicated to digital innovation in the creative industries, organised in Bari in collaboration with the Apulia Film Commission.

Also of note are the renewal of the agreements with the Presidency of the Council of Ministers for the protection of linguistic minorities and for the television and multimedia offer for foreign countries; the tour in Oman of the Rai National Symphony Orchestra; the awarding of funding for the implementation of the second phase of the European Call for Proposals on the fight against fake news.

Domestic and foreign sales

Collaboration agreements are continuing, particularly in Spain (with RTVE, FORTA, AXN of the Sony Group and Atresmedia) and in Greece (with OTE and Attica TV), and, even outside European territories, the great success of Rai's new productions (from *Imma Tataranni* to *Il Paradiso delle Signore*, and *Non uccidere* and of Andrea Camilleri's great classics (*Il giovane Montalbano*, *Il Commissario Montalbano*, *C'era una volta Vigata*) continues.

There is no lack of interest in classical music (with the agreements related to the concerts of La Fenice Theatre and La Scala Theatre in Milan), in the cinema production (with the distribution of the Titanus library), in the great classics of Italian television (with the sale of free TV and free VOD rights) and the archive material of the Teche Rai.

Football library agreements continued in Italy and abroad and with the football clubs of Empoli, Frosinone and Lecce, sales of the puzzle magazine *Reazione a Catena* and the cooking magazine *È sempre mezzogiorno*, and, in the home video area, distribution within the normal trade market, thanks to the partnership with Eagle. As for music editions, it is highlighted the excellent success of the soundtrack of the *Mare Fuori* series, whose single *O Mar For* has exceeded 40 million streaming views, and, as for licensing, we recall the agreements linked to some important entertainment brands (in particular *Sanremo* and *Mare fuori*), which allowed collaboration with numerous companies in the Italian market, including RCS, Oviessse and Lavazza.

Agreements with independent producers, both national and international, increased considerably thanks to the implementation of an on-line consultation system, the increase in productions linked to the digital world, and the optimisation of sales processes.

Significant volumes were also generated by the sale of production facilities and services, also thanks to the success of numerous major events in the region, including, in particular, the Venice International Film Festival, where a dedicated presidium was set up.

Patent management activities continued, particularly DVBT2, S2 and S2X, also thanks to commercial relations with Sisvel SpA, and an agreement was launched for the sale of the AV1 patent used by the main streaming platforms.

Online advertising (AVOD) also performed well, particularly that deriving from the *Sanremo Festival*, EST and TVOD rights, thanks to the recovery of film distribution after the pandemic years, and the SVOD 900 channel dedicated to the great classics of Italian cinema.

Rai Libri

Many publications in 2023. These include: *Noi siamo il nostro pianeta* by Frances More Lappè, a title that has made history in environmental policy and nutrition science; *Paesi miei* by Beppe Convertini, discovering Italy's artistic, landscape and gastronomic treasures; *Una pianta per amica* by Luca and Daniela Sardella, a valuable aid for tackling the ecological transition; *I diari del Provinciale* by Federico Quaranta, a journey into the lands that guard the deepest part of Italy to tell the story of the province, its culture and its people; *L'uomo che inventò il Cristianesimo* by Corrado Augias, the story of Saul of Tarsus, better known as Paul, the man who took up the teachings of Jesus of Nazareth; *Oltre il fango* by Mario Tozzi for a reflection on the challenge of the climate crisis, land degradation and hydrogeological risk; *Nella tana del coniglio* by Francesca Fialdini, six delicate and powerful interviews to reflect on addictions and eating disorders; Massimo Roscia's *L'errorario*, among curiosities, anecdotes and witticisms, a small dictionary with the most frequent grammatical, spelling, lexical and syntactical errors; *Rosa*, Veronica Pivetti's novel that tells a story of emancipation, redemption and hope; Luigi Tivelli's essay *I segreti del potere* to tell the real knots, secrets and vices of Power and the Country.

The collaboration with the most authoritative names in RAI journalism is always strong, from Giorgio Zanchini with the book *Esistono gli italiani?* To Marco Varvello with *Passo Falso* and Bruno Vespa with *Kennedy*. But also Ilaria Amenta with *Io sono l'uomo nero* and *Re Giorgio* by Daniela Tagliafico, a portrait of Giorgio Napolitano that goes beyond politics and institutions.

Also published during the year were the volumes *Sistemi di raccomandazione ed engagement per le nuove piattaforme multimediali pubbliche* (Recommendation and engagement systems for new public media platforms) edited by Rai Ufficio Studi and *Quando le donne contano. No women no panel* by Rai per la Sostenibilità-ESG, which retraced the steps of the campaign of the same name created within the European Commission to ensure equal representation of women in public talks and debates.

There are also many books on the theme of cooking, from *Profumo di buono* by Natalia Cattelani to *È sempre mezzogiorno* by Antonella Clerici. But also *Il cibo ti cura* by Vira Carbone with Marzia Valitutti, a handbook to eating well, living healthy and for a long time.

At the end of the year, the fanbook of the Rai 2 series *Noi siamo leggenda* was published with scene photos and a series of backstage shots to discover behind the scenes of the drama, its protagonists and the places where they live.

Distribution of Rai channels abroad

Rai channels are also distributed abroad through numerous commercial agreements.

In Europe, in addition to the consolidated contractual relationships - such as those in France, Belgium, Germany, Switzerland, Hungary, Luxembourg, Portugal, Malta, the Scandinavian countries and Eastern Europe - a new important agreement has been concluded with Il Globo TV, which has considerably widened the range of distribution by guaranteeing the rebroadcasting of Rai's channels in the United Kingdom and Spain, territories in which, in over 20 years of commercial and distribution activity, Rai Com had never managed to penetrate. The partnership, which covers a wide range of countries (in addition to the UK and Spain, also Southern Ireland, Portugal, Switzerland, France, Belgium, Malta, Greece, Cyprus, Turkey, Romania, Moldova, Finland, Latvia and Lithuania), covers not only the rebroadcasting of Rai Italia but also of the three generalist television channels, Rai Storia, Rai Scuola, Rai News and the radio networks Rai Radio 1, Rai Radio 2 and Rai Radio 3.

As regards non-European countries, the negative impact generated by the non-renewal of the Serie A football championship rights for Rai Italia has weighed heavily, resulting in a reduction in the number of subscribers, particularly in the United States and Canada, territories in which the channels are present in à la carte packages. Latin America and Australia, on the other hand, benefited from the renewal and signing of agreements with commercial partners such as Claro TV and Dharma Media in Latin America, Foxtel, Overlook and Il Globo TV in Australia.

Special projects

Among the most notable projects in 2023 was *Cartoons on the Bay International-Festival of Animation, Transmedia and Meta-Arts*, now in its 27th edition and organised in Pescara from 31 May to 4 June and in L'Aquila from 29 November to 1 December. The festival was characterised by workshops, round tables, masterclasses, exhibitions (including Monica Manganelli - *Monica Manganelli - Mondi Immaginati e Mondi Immaginati*), shows, meetings with personalities from the world of animation, lectures in collaboration with the International School of Comics, and live events involving not only professionals in the sector, but also children, students and families. The winter edition was characterised by differentiated programmes for schools, audiences and cinema, and numerous initiatives involved the city schools.

Other events in 2023 included the first edition of ADE-Apulia Digital Experience, organised in collaboration with the Apulia Film Commission to promote collaboration and imagine the future. The event, which focused on the connection between creativity and advanced technologies in the media, hosted international experts from the world of video games, digital, special effects, artificial intelligence, cinema and animation.

Other activities

Public Utility

Rai Pubblica Utilità, with daily appointments on radio and television networks and a rich offering on Televideo and the web, proposes useful service information for citizens, constantly updated and expanded on weather, climate, mobility, traffic and the environment. Almost all the programming of the generalist networks is made accessible to the sensory impaired with subtitles, Italian sign language (LIS) and audio descriptions, services that are gradually being extended to the schedules of other linear channels and to the web, for an increasingly inclusive Public Service offer.

Weather, Climate, Environment and Major Risks

The offer, which makes use of the collaboration with Institutions and Bodies - including the Italian Air Force, Civil Protection, Carabinieri, Coast Guard, etc. - for the acquisition and distribution of content is present on all RAI platforms. On the television channels there are numerous appointments on the generalist networks - also during numerous programmes, including *La Vita in Diretta* and *UnoMattina* - in the regional news programmes and in the RaiNews 24 schedule where *Meteo LIS* is also broadcast. Overall, there are more than 111 national weather forecasts and 140 editions of the TgR weekly, in addition to the weather forecasts of *di Buongiorno Regione* and *Buongiorno Italia* in 13 regions.

On the radio networks there are 167 weekly appointments that include the usual *Rai Meteo*, bulletins, the forecasts *Meteo Europa*, *Meteo Weekend*, *Bolmont* on the avalanche danger and *Bolmare* with updates to sailors.

With a specific focus on sustainability issues, *Green Meteo* and *Meteo Spazio* aired on Rai Gulp, and the podcasts *La Temperatura della Terra* and *Green Meteo Kids*, broadcast on Rai Isoradio.

Mobility and Traffic

Produced in cooperation - among others - with the Ministry of Infrastructures and Sustainable Mobility, the Ministry of the Interior, Autostrade per l'Italia and ANAS, the offer of information on mobility, traffic and sustainable mobility in 2023 has resulted in approximately 180 weekly contributions for the radio, including the *Onda Verde* information appointments, in addition to numerous appointments on television networks - also on the occasion of particular traffic problems, as was the case with *Buongiorno Regione Liguria* - and dedicated content for Televideo.

Televideo and Other Services

Televideo, the Rai teletext service inaugurated in 1984, has been a stable point of reference on the information landscape and an Italian habit. It is broadcast in its national format on all Rai channels and, in its regional format, on Rai 3. From the initial 300 pages in 1984, Televideo's offer has progressively grown and now stands at 15,500 pages per day between the National Televideo and the 21 Regional Televideo sites. Also available in a web version, it confirms itself as one of the most user-friendly and supportive products in the daily life of citizens.

The offer includes more than 70 sections dealing with the environment, social inclusion, digital literacy, books, culture and leisure, cooking, territory, children, traffic information, weather and citizen services.

Accessibility

Rai, in keeping with its constant commitment to real inclusion, offers accessible programming - also on the web and social networks - thanks to subtitling, audio descriptions and translations in Italian sign language.

In 2023, a total of approximately 25,500 hours of subtitled product were produced, of which 18 thousand aired on generalist channels (with coverage of more than 90% of programming from 06:00 a.m. to 12:00 a.m.); 2 thousand for regional programming; approximately 700 usable on Rai Premium, Rai Movie and Rai Gulp thematic channels; 1,000 hours a year in English on generalist channels and approximately 300, also in English, on Rai Italia; approximately 3,500 on the web and social networks.

As for audio descriptions, there were more than 4,960 total hours of audio-described productions on generalist channels (for a total of about 1,770), on Rai Premium (2,670), Rai Movie (440) and Rai 5 (80). In 2023 live audio descriptions were also made for products of particular relevance, including the 5 evenings of the *Sanremo Festival*, the concerts of May Day and Assisi, the *Eurovision Song Contest*, the opening and final ceremonies of the Venice Film Festival, the *Zecchino d'Oro*, *Don Carlo* and, for the first time, all the episodes of the programme *Il Cantante Mascherato*.

Part of Rai's programming is also made accessible in LIS with a daily edition of the news programmes on the three generalist channels, two daily news broadcasts on Rai News, all the live broadcasts from the Chamber of Deputies and the Senate during *Question Time* and other political-institutional appointments, election debates and live broadcasts of

liturgical celebrations for a total, in 2023, of approximately 200 hours.

LIS broadcasting has also involved products of great popular interest and cultural importance, which have been shared on the RaiPlay digital platform: *The Sanremo Festival*, the May Day Concert, the final evening of the *Eurovision Song Contest*, the Concert from Assisi, the opening and closing ceremonies of the Venice Film Festival, the final of the *Zecchino d'Oro* and 14 clips of the *Zecchino d'Oro* songs, in collaboration with the Antoniano choir, for a total of about 100 hours. Also for RaiPlay, *ad hoc* content in LIS was produced on the occasion of World Day of the Deaf and World Day of People with Disabilities.

Finally, LIS accessibility also concerned events organised directly by Rai, such as the Prix Italia, or in which Rai participated as a media partner (WMF, Accessibility Days, ASVIS, the Venice Film Festival, the Rome Film Festival, etc.).

On the web, accessibility services are also available through Rai Easy Web, the portal designed and implemented on the basis of the guidelines of Law 4/2004 "*Provisions to favour the access of disabled people to IT tools*". This site provides cultural entertainment and leisure content for all age groups in a form that is fully accessible to blind people and/or visually impaired people by means of Braille bars and speech synthesis.

In 2023, the offer continued with multimedia works, fairy tales, reflections on current affairs, up-to-date information on events, events and news of particular interest to the visually and hearing impaired. In addition, content was published about Braille Day, participation in the WMF and the Abu Rai Days, and the *Helmut Newton Legacy*.

The Facebook page RaiAccessibility, an accessible interface - thanks to subtitles, audio description and LIS - through which information, promos of programmes and cultural initiatives, awareness-raising campaigns, social spots and short versions of products are conveyed on a daily basis, now has over 32,500 followers. Furthermore, in 2023, a total of about 100 hours of products were made accessible on RaiPlay and more than 1,200 direct contacts with users were made through web and social channels.

Communication

Rai's communication activities are carried out with a view to protecting, improving and strengthening the corporate image, taking into account its priority role as Public Service and as a leading company in multiplatform production and distribution.

In 2023, Rai continued along the path already taken in previous years, renewing its editorial strategy with the aim of narrating, explaining and accompanying change, supporting the Company's image and reputation, enhancing its characteristics of quality and excellence. In addition, the company's transformation process to a gender model was supported, and integrated campaigns were launched to enable broader communication projects. Among these, in addition to the continuation of information activities relating to the transition to the new digital TV and the transition to high definition of Rai News 24, the communication plans have involved the launch of new products (from the drama *Il nostro Generale* dedicated to Carlo Alberto Dalla Chiesa, to the series *Mare Fuori 3*, from the documentary *Pooh - Un attimo ancora* to the original RaiPlay *Aracataca - Non voglio cambiare pianeta 2*, and to major events such as the *Eurovision Song Contest* and the *Prix Italia*, etc.), but also awareness-raising campaigns on issues of particular social relevance (from safety in the workplace to safeguarding the planet, from the fight against the mafias to gender equality, violence against women, etc.) on special celebratory days. New self-promotion tools were adopted - such as squeeze, bumper countdowns and mail banners on all outgoing Rai mail - in addition to the *Rai Settegiorni* newsletter, as well as the usual digital posters, web space, video communication, cinema and periodical press.

During 2023 there were 120 entries of Rai products (of which 81 were selected), resulting in 27 prizes won. Among these, at the Diversity Media Awards, the following programmes were awarded: *The voice senior* as best television programme for having broken "*those barriers that often confine certain target groups to specific television and entertainment formats*" and Tg3 with *Ius scholae e diritto alla cittadinanza: a che punto siamo?* as the best news report; at Cartoons on the Bay, the animated series *Il mondo di Leo* received the Best Preschool Tv Show-Pulcinella Award and *Nel mare ci sono i coccodrilli* was awarded the UNICEF Special Prize for the best social product; at the Nastri d'Argento the dramas *Mare Fuori* and *Esterno Notte* received awards.

A total of 6 Moige Prizes were awarded to Rai: to *Food Wizards*, *Fumbles-SOSTemibili* and *Le Cronache di Nanaria* for the children and teenager section; to *1492*, *Sei pezzi facili*, *Ci vuole un fibre*, *Da noi... a ruota libera* and *Nuovi Eroi* for the entertainment, culture, information and reality sections; to *Fernanda*, *Il nostro generale*, *Tina Anselmi - Una vita per la democrazia* e *Il segno delle donne* for the drama and docu-drama sections; the Coni Prize to *La Domenica Sportiva*; the FIC Prize and the Polizia Stradale Prize to *UnoMattina*; the Polizia Postale Prize to *Crush - La storia di Stella*. The historic Rai Tv Talk programme closed the 2022-2023 season with its customary Tv Talk Awards, awarding the Novità Fiction



Prize for social media to *Vincenzo Malinconico, avvocato d'insuccesso*; the Novità Intrattenimento Prize to *Viva Rai2!*, with press and social media agreeing; and the Novità Informazione Prize to two in-depth programmes: *CinAmerica*, for the press, and *Il Cavallo e la Torre* for social media.

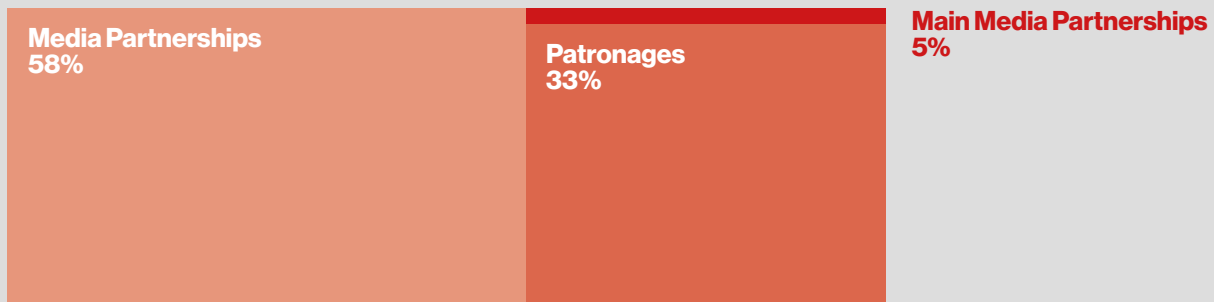
In addition, the seventh edition of the Goffredo Parise Prize - dedicated this year to human rights - awarded the Reportage Prize to Riccardo Iacona and the editorial staff of *Presa Diretta* for the investigative report *I poveri non esistono*, on labour issues in our country.

Rai always keeps a direct channel of communication open with its audience through the Contact Centre, which can be reached by telephone through the toll-free number 800 938362 or via the web with the *ScriveR@i* service. In 2023, through the various services offered, the Contact Centre registered more than 1.4 million useful contacts; there were more than 444 thousand incoming calls to the toll-free number and more than 14,000 contacts managed via the web. Also very intense was the support activity for the editors of programmes involving studio or telephone games, through the *GiocheRai* service, for a total of over 840 thousand applications collected in 2023.

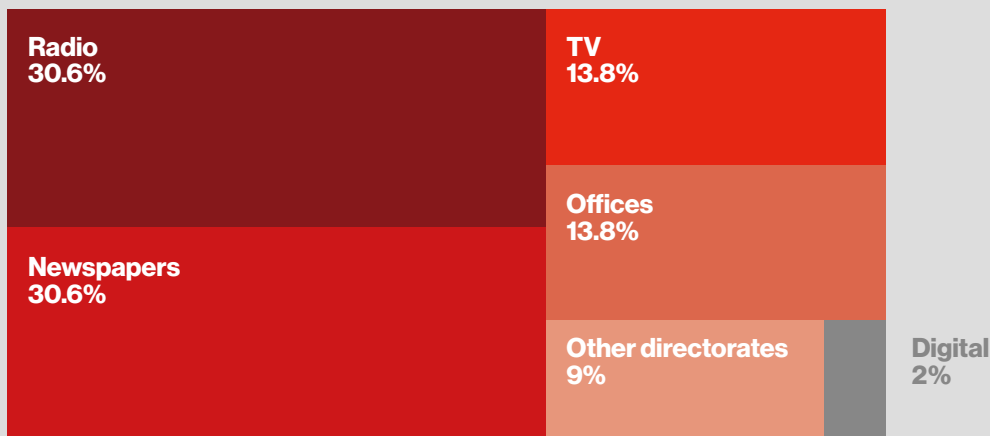
Not to be forgotten is the activity of the press office (which can be consulted at www.ufficiostampa.rai.it) which, in addition to the daily press review and the production of *Radiocorriere*, *NewsRai* and the company Newsletter, deals with institutional promotion, product and content communication activities of Servizio Pubblico. All press conferences and related photo/video content can also be accessed on the Facebook and X accounts and, since November, a Whatsapp channel has been active, which publishes daily news dedicated to the product, ratings and the company.

Rai Media Partnerships and Patronages - 2023

Over 620 initiatives throughout the country



Main publishers



Among the events realised in 2023 was the presentation of the third season of *Mare Fuori*, with the journey of the entire cast from the Rome headquarters of Viale Mazzini to that of Naples on a special Frecciarossa themed-train dedicated to the TV series, a train that travelled along the main high-speed lines from the north to the south of Italy for the entire following month. During the event, the results of the workshop held at the Nisida Juvenile Penal Institute as part of the project *La cultura rompe le sbarre*. (Culture breaks the bars) were presented. Other events organised included the presentation of the docutrip *Aracataca-Non voglio cambiare pianeta 2*, with the hall set up with backdrops, coloured totems, a large ledwall for the projection of the trailer, and recycled cardboard armchairs; the presentation of the results achieved in terms of gender equality; participation in the Turin International Book Fair with meetings dedicated both to children and to accessibility issues in public service broadcasting; the presentation of television schedules in Naples and radio schedules in Rome; participation in the Venice Film Festival followed this year by a new location, a 50 square-metre glass studio on two levels opposite the Red Carpet of the Palazzo del Cinema in Venice; the presentation of the new edition of *Viva Rai2!*

Within the framework of the initiative *Education to the knowledge of radio and television language through the role of the Public Service* - now in its eleventh edition and realised in collaboration with the Osservatorio Permanente Giovani-Editori (Permanent Observatory for Young People and Publishers) - Rai has once again collaborated in setting up an educational project in schools that has led to the creation of 6 educational fact sheets on 6 different topics.

Free from the limitations imposed in previous years due to the pandemic situation, *Rai Porte Aperte*, the project to tell students of all ages about the professionalism and excellence that work every day to make programmes, resumed. A space was dedicated to the initiative during *Cartoons on the Bay* in Pescara and during the *Prix Italia* in Bari, as well as at the Rai headquarters in Viale Mazzini in Rome on the occasion of the *Bimbo Rai* event dedicated to employees' children.

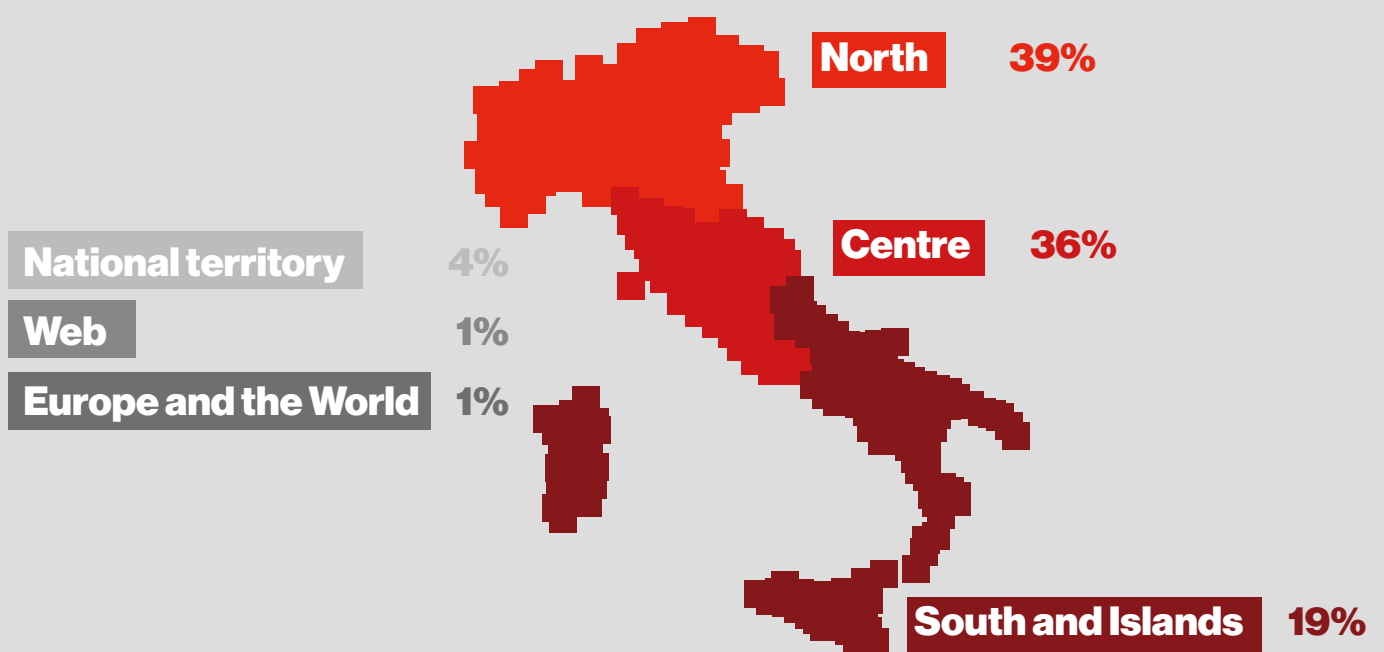
Rai per la Sostenibilità - ESG

11.4% of partnerships

Rai Pubblica Utilità

4.5% of partnerships

Geographical distribution





International Relations and European Affairs

The positioning of the Company at a global level is also pursued through the consolidation of its international dimension. In the national and European spheres, there is always intense dialogue on the dossiers that most involve Rai as a public service operator, such as, for example, the proposed regulations of the European Media Freedom Act (EMFA) and the Artificial Intelligence (AI) Act, on which the European institutions have reached an agreement, the implementation of the Digital Markets Act (DMA), the issue of copyright (in particular, with regard to issues with collecting societies, on-line piracy and the WIPO treaty) that of spectrum (with Rai's important contribution, during the WRC-23 in Dubai, for the safeguard of the fundamental sub-700 UHF band until 2031), that of *prominence* (with monitoring of the approval process of the AGCOM Guidelines and comparison with international experiences), that of the public service financing methods adopted abroad (with monitoring, in particular, of the French situation), that of sustainability and that of artificial intelligence (under ethical, privacy and copyright profiles). Rai actively participates in the EBU groups dealing with the various dossiers. With reference to international cooperation activities, Rai is present in the most relevant trade associations (such as EBU, COPEAM, CMCA, CIRCOM, ABU, ASBU, CRI, AUB, ATEI, LA RED MEXICO, TAL) and continues to consolidate its brand in various geographical areas, also through the renewal of several memoranda of understanding. In cooperation with the Asia-Pacific Broadcasting Union, the ABU-Rai Days were held in Florence in March, focusing on the theme of sustainability.

The involvement of the Rai delegation in major international co-productions, such as the *Eurovision Song Contest* held in Liverpool in May; the *Junior Eurovision Song Contest*, held in Nice in November; the *Women of Science* project (formerly *Women in STEM*), for which EBU also formalised the BBC's membership; the BBC 50:50 initiative on gender equality, with the participation of 59 programmes, was also intense.

There were many activities to promote the Italian language and culture in collaboration with the Italian-speaking Radio and Television Community (CRI), including the co-production *Ti presento i miei*, in which 15 radio stations took part, the broadcast of the series *Le città invisibili* and the 7th seminar for CRI journalists and radio operators. Also in the field of international training, it is worth mentioning: on the occasion of the 73rd edition of the *Sanremo Festival*, two days of training were organised for some foreign delegations taking part in the *Eurovision Song Contest*; at the invitation of the Maltese public television, an all-news broadcasting training course was held in Malta, with the participation of journalists from Rai newspapers; the *PriMed Giovani 2023* initiative was implemented, with the involvement of teachers and students; *The Podcast Revolution-New strategies in Radio broadcasting* course was organised, dedicated to broadcasters from the Balkan area, the Middle East and the southern Mediterranean.

The monitoring of international awards and festivals continued in 2023 in order to nominate Rai products and contribute to their promotion.

Major international events include the media partnership in the *UN Food System Summit+2*, a global summit on food system security held in Rome in July. Other partnerships with UN agencies on sustainability issues are being developed. Preceded by a great deal of planning, the 75th edition of the *Prix Italia* took place in Bari, from 2 to 6 October 2023, with broadcaster participation from all over the world, with the title *Engage Me*, an edition chosen as a pilot project for sustainable events and productions, with a journey of analysis and monitoring of all processes and the involvement of the relevant corporate sectors, which enabled the achievement of important results such as environmentally friendly and reusable set-ups, focus on transport, Km0 meals, innovative positioning of the stage to make the best and longest use of natural light.

Rai for Sustainability - ESG

Rai for Sustainability - ESG defines and coordinates the pursuit of sustainability objectives within the framework of corporate and Rai Group strategies, drawing up the Sustainability Plan, promoting the narration of social and environmental issues within the editorial product, proposing fundraising, donations and awareness campaigns, and managing relations with non-profit associations.

Sustainability Plan. In 2023, the Rai Group's new Materiality Matrix was defined: the material issues, i.e. the areas of the company's activities that are most relevant in terms of sustainability, were "weighted" both from the point of view of the organisation and from the point of view of some of its main stakeholders. In particular, the engagement activities started at the end of 2022 continued, aimed at illustrating to top management the material issues previously identified and acquiring their relative ranking. The engagement addressed to all Rai personnel was also very important: through a survey addressed to the Group employees, everyone had the opportunity to express their point of view on the proposed topics.

The definition of the Materiality Matrix, published in the Sustainability Report/DNF of the Rai Group approved by the Board of Directors in its meeting of 20 April 2023, has also provided an initial map to guide the definition of a strategy in the ESG sphere to be integrated in the Sustainability Plan. In this sphere, in 2023 the activity of constant alignment with the preparatory documents of the new Service Contract and the Industrial Plan continued. Therefore, the Guidelines of the 2024-2026 Sustainability Plan, approved by the Board of Directors in its meeting of 25 October 2023, were defined, and a dialogue began with the Strategic Initiatives Coordination Directorates and the CFO to verify the alignment between ESG projects and the commitments emerging from the new Service Contract, as well as the initiatives included in the Industrial Plan.

In line with the company's ESG strategy, the 75th edition of the Prix Italia *Engage me* - held in Bari from 2 to 6 October 2023 - was chosen as a pilot project for the realisation of sustainable events. The planning of the event included a preliminary mapping of the key areas of attention to promote sustainability, the identification of consequent organisational, production and programming methods, and an analysis/monitoring and reporting path for the various processes/activities. At the same time, the path - shared with EBU - continued in the European and international spheres of in-depth study of sustainability regulations.

Social campaigns. Among the fundraising campaigns (34 in total in 2023), those promoted following three natural disasters were particularly important: the earthquake in Syria and Turkey (which once again saw UNHCR, UNICEF and the Italian Red Cross working together); the flooding in Romagna (the intervention was activated by the Antoniano); the flooding in Libya (the collection was organised by the Italian Red Cross, UNICEF and Caritas).

There were 18 awareness-raising campaigns during the year and 33 social communication spots, covering the topics of the fight against mafias, gender equality, eating disorders, environmental protection and disability. They also included those sponsored by Pubblicità Progresso and UN spots (UNHCR, UNICEF, FAO).

The institutional communication campaigns of the Presidency of the Council of Ministers - Department for Information and Publishing, numbered 78 and covered the activities of the Government and Institutions and services for citizens. Particular attention was devoted to combating violence in all its forms: women, adolescents, violation of privacy, cyberbullying, racism. There were numerous campaigns with social and environmental themes: of these (78 in total), 63 were newly programmed, the others re-programmed, for a total of 16,455 TV and radio broadcasts.

To be noted, on the occasion of the annual Telethon Marathon, a special focus on social media as a new ground for involvement in solidarity actions, especially among young people.

Environment. On-screen activities include both the continuation of *Glossario della sostenibilità* in the programme *UnoMattina in Famiglia* - the weekly appointment made with ASviS and Ferpi on the 17 goals of the UN 2030 Agenda, whose "pills" are published on RaiPlay - and the contribution provided for the 19th edition of *M'illumino di meno*, the Energy Saving and Sustainable Lifestyles Day by *Caterpillar* and Rai Radio2. Of particular note was the collaboration started with *VivaRai2!*, which made it possible to deal with issues of environmental relevance with a pop tone, as happened on World Water Day.

Collaboration continued with Rai Fiction for the inclusion of references to environmental protection - to be aired in conjunction with national or world theme days - in the daily drama *Un posto al sole*. A synergy that led to the organisation in May in Naples - on the occasion of the 60th anniversary of the production centre and the opening of the Festival of Sustainable Development - of the meeting *Sustainability in RAI becomes pop - The case of Un posto al sole*, where the creative team and the actors talked about their work.

Also worth mentioning is the involvement in the production of the Rai Kids programme *Clorofilla*, which uses innovative virtual sets instead of physical sets to be dismantled and disposed of.

Awareness-raising activities on environmental issues and sustainable mobility also involve the company's employees, for whom initiatives have been launched to encourage their active participation.

Human Rights. Many initiatives, conferences, events and projects were sponsored concerning the fight against inequalities, work, family, addictions, legality, health, immigration, disability, educational poverty, gender equality, mafias, bullying. Themes are highlighted with television windows/broadcasts, narrative references, streaming and social media, in connection with associations and other RAI Directorates.

Among the most relevant initiatives are three Days dedicated to the memory of the victims of the Mafia massacres, the Day of Legality in memory of Via Capaci and Via D'Amelio, the anniversary of the Ustica massacre; the consolidation of the *La Rai incontra* project, a series of bimonthly meetings on social issues and human rights, always available on RaiPlay; monthly *podcasts* on the social value of sport and socio-environmental sustainability; the continuation of collaboration with *O Anche No*, a programme on the rights of people with disabilities; support for the MaBasta Movement's *Crescerete Sereni* campaign against bullying and cyberbullying; participation in Ro. Mens, a festival on

mental health; the presentation of the INC research *L'era del disagio - Il male oscuro del nostro tempo, le istanze del Terzo Settore*, on youth discomfort; support for the project with La Sapienza University *Parole che #disturbano* sull'hate speech; participation in the *Lavoro al sicuro* project, for a stable public service information focus; collaboration with Banca d'Italia for *Educazione finanziaria/Economia per tutti*.

Of particular note is the project *La cultura rompe le sbarre*, for the promotion and support of educational and cultural activities in Italian prisons. Within this framework, initiatives were developed at the Spoleto Festival dei Due Mondi with the cast of *Mare Fuori*; a music workshop at the IPM of Nisida; the project *Scuola esercizio di libertà*, to make the Rai Scuola programme *La Scuola in Tv* available also to students in the 190 Italian prisons.

The *Tavolo sulle diversità culturali*, a permanent space for the public service to meet with associations on the subject of cultural and ethnic diversity, continued its activities, and curricular internships for university students, disabled and otherwise, resumed at the Turin production centre after the break caused by the pandemic. In addition, dedicated to people with hearing disabilities and in close coordination with CRITS, the *Beethoven Project* continued, for music that is also accessible to the hearing impaired, and the project *LIS Teaching*, for the development of an avatar that communicates in the Italian Sign Language.

Governance. In cooperation with Internal Audit, Human Resources and Organisation and Legal and Corporate Affairs, the Regulations for access by associations to spaces dedicated to social campaigns were revised. The new text supports the corporate objectives of dematerialisation in the communication and transfer of editorial materials, and clarifies the forms of reporting required for the transparency of fundraising.

In terms of promoting digital transformation and in technological partnership, a project is being developed with Reti e Piattaforme that, using artificial intelligence, will be able to analyse and map the sustainability content in Rai's offerings in real time.

No Women No Panel. The project - born within the European Commission to promote a balanced and plural participation of women and men in communication events and adopted by RAI with the special support of the Presidency of the Republic - in the course of 2023 has seen the signing of numerous memorandums of understanding with Regions, Provinces, Municipalities and Universities, with the involvement of regional offices and TgR. Istat and Confindustria have also joined the project, following the first signatories of the Memorandum of Understanding of January 2022 (Prime Minister's Office, ANCI, UPI, Conferenza Regioni, CNEL, Accademia Nazionale dei Lincei, CRUI, CNR, European Commission Representation in Italy, Union for the Mediterranean). A scientific cooperation agreement was also signed with the National Research Council. Also supporting the project is the publication of the book *Quanto le donne contano* - published by Rai Libri and presented at various national and international cultural events - and an internal training seminar.

With *No Women No Panel*, Rai was included among the best brands according to the Diversity Brand Index.

Young People. Rai working group for *young people* - established in October 2022 - has examined and selected a number of operational proposals that will be put into practice during 2024. These include the construction of a social information offer with languages and themes capable of attracting young audiences and the *Ascolto* project, which will be headed by the Human Resources Directorate, for mapping the needs of employees under 40.

Rai Table for the NRRP. Interactions continued with civil society (coordination meetings with the Third Sector, ASVIS, CNEL, etc.) and with some corporate sectors that had launched the activities described in the action plan launched by the table in 2022. Of particular note is the production of the *Pillole sul PNRR* - a series of 20 short videos for the general public produced by Rai Parlamento - which the Italian representatives of the European institutions asked to be used in schools and for institutional communication, also in view of the June 2024 elections.

Institutional Agreements with Central Public Administration

Agreements with the Central Public Administration are managed directly by the Parent Company. Many activities were carried out in 2023, both for the continuation of communication campaigns started in the past and for the definition of new agreements. Among the most relevant activities are the collaborations with the Ministry of Labour and Social Policies on the issues of safety at work, social inclusion and the fight against poverty; with the National Agency for Active Employment Policies (ANPAL) with the production of the 9th edition of the programme *Il Posto Giusto*, broadcast for 20 episodes on Rai 3; with the Ministry of Foreign Affairs and International Cooperation for, among others, awareness-raising initiatives on the issues of food security and the development of sustainable and resilient food systems on the



occasion of the FAO World Summit, which took place in July in Rome and of which Rai was media partner with the Ministry of Culture for numerous communication campaigns for the enhancement of the cultural and archaeological heritage, including the *Via Appia, Regina Viarum* project; with the Digital Republic Fund for the promotion of knowledge and digital skills needed for the jobs of the future; with the European Parliament for the dissemination of knowledge about the activities of the European Union and its impact on society; with the Italian Navy for the enhancement of its activities, the dissemination of maritime culture, and the promotion of excellence in the field of Defence.

Numerous agreements are being implemented with the Presidency of the Council of Ministers for the promotion of youth policies, digital transition as a driver of inclusion and social cohesion, on the subject of sport with a view to health and wellbeing, and on the prevention of addiction risks.

Agreements and communication plans are also in place with La Sapienza University, the Campania Region, the Municipalities of Naples and Pesaro, the Italian Emigration Museum Foundation, the Umbria Foundation for the Prevention of Usury, etc.

The regulatory framework

Reduction of the ordinary fee

Paragraph 19 of Article 1 of Law no. 213 of 30 December 2023, no. 213 set forth the reduction of the ordinary licence fee from € 90 to € 70 for the year 2024 only; Paragraph 20 of the same article provided for an integration (amounting to € 430 million for 2024) of the financing allocated to Rai aimed at improving the quality of the public radio, television and multimedia service throughout the national territory, within the scope of the initiatives provided for by the Service Contract, the modernisation, development and infrastructural management of the networks and distribution platforms, as well as the realisation of in-house, radio-television and multimedia productions.

Special License Fee

The MIMIT decree of 28 December 2023 provided that, for 2024, the special subscription fees due for the possession of radio or television equipment in cinemas, theatres and similar premises shall remain unvaried according to the measures in Tables 3 and 4 annexed to the Ministerial Decree of 29 December 2014.

Whistleblowing

On 15 July 2023, Legislative Decree No. 24 of 10 March 2023, *implementing Directive (EU) 2019/1937 on whistleblowing, came into force for entities such as Rai*. The measure has innovated the protection regime for individuals who report unlawful conduct in violation of European and national provisions, expanding the list of conduct deemed worthy of reporting and has also introduced public disclosure as an additional method of reporting. Rai has adjusted its corporate provisions and related processes to the new regulations.

Combating the unlawful dissemination of copyright-protected content

Law No. 93 of 14 July 2023 introduced important provisions for the prevention and suppression of the unlawful dissemination of copyright-protected content through electronic communication networks; the Competent Authority (the Communications Guarantee Authority - AGCom) can now order service providers to disable access to unlawfully disseminated content, also by adopting precautionary measures as a matter of urgency. In the face of the attribution to the Authority of new competences and powers aimed at preventing and sanctioning the unlawful dissemination of content, the law (Article 7(2)) has established that the administrative costs incurred by AGCom for the performance of the new activities are to be covered by, among others, the holders of rights to cinematographic works, the holders of rights to audiovisual and musical works, and the holders of rights to television formats such as Rai, Rai Com and Rai Cinema.

The aforementioned companies paid the requested fee.

Prominence

The public consultation concerning the prominence of audiovisual and radio media services of general interest, and the accessibility of the automatic numbering system of digital terrestrial television channels initiated by the Communications Guarantee Authority (AGCom), in implementation of Article 29, paragraphs 1, 2 and 7, of the Consolidated Law on Audiovisual Media Services (TUSMA), is still ongoing.

In this context, Rai emphasised the need - in order to ensure pluralism, freedom of expression, cultural diversity and the effectiveness of information to the widest possible audience - to distinguish as far as possible the role played by the Company, the exclusive Concessionaire of the public radio, television and multimedia service *ex lege*, from that of the other providers of services of general interest, in line with what happens in the EU, where public service programming is considered the natural recipient of the protection guaranteed by the prominence legislation.

The Concessionaire has therefore argued that all services broadcast by RAI should be qualified as services of general interest, regardless of the transmission medium and technology, the distribution platform and the mode of use.

Automatic numbering of digital terrestrial television channels

By Resolution No. 294/23/CONS, AGCom approved the “*Regulation on the accessibility of the automatic numbering system of digital terrestrial television channels*”; on the basis of the provisions of the Regulation, the image or wording on the box or icon that allows access to digital terrestrial television channels must be identical on all devices and on all user interfaces. In order to define the implementation modalities of this provision, the Authority has established a special Technical Table, open to the participation of device manufacturers, managers and developers of user interfaces, media service providers, associations of media service providers and other interested parties.

Protection of pluralism

The public consultation promoted by AGCom with resolution no. 94/23/CONS of 4 April 2023 on the adoption of guidelines for verifying the existence of positions of significant market power detrimental to pluralism is still in progress, in the context of which Rai has specified the importance of focusing attention on the methods for obtaining the information and data necessary to ascertain the existence of positions potentially detrimental to competition, given the asymmetry between traditional and new media operators, in relation to which data are not always available and transparent.

Digital radio

With Resolution 99/23/CONS, the Authority initiated proceedings for the redetermination of the obligation to transfer broadcasting capacity to independent content providers that had been imposed years ago on Rai and the other network operators following the adoption of AGCom Resolution No. 455/19/CONS. The aforementioned obligation had to be redetermined, since the administrative judge, before which Rai had brought the case, had annulled the obligation imposed by AGCom on Rai to reserve broadcasting capacity quotas, in particular deeming it necessary for the Authority to verify the adequacy and proportionality of the quantitative dimensions of the obligation imposed on Rai, which was required to transfer much more broadcasting capacity than private operators, given the public service obligations that it was and is required to fulfil as Concessionaire. With Resolution No. 184/23/CONS of 27 July 2023, the Authority specified its intention to confirm Rai's obligation to transfer capacity, redefining it at 144 units of capacity (instead of the previous 216), and initiated a special consultation process in order to allow all interested parties to submit comments, information and documentation. In this context, the Concessionaire reiterated that broadcasting capacity available to the Company represents an indispensable resource for the performance of the public service tasks entrusted to RAI, the only national network operator that must ensure programming at a regional level.

By Resolution No. 292/23/CONS, the Authority redetermined the obligation to transfer broadcasting capacity, providing that all digital terrestrial radio broadcasting network operators at national level, including Rai, must transfer a share of the broadcasting block's capacity units to independent national radio content providers, in the amount of 108 capacity units each. Against this resolution, Rai appealed to the Administrative Judge, claiming that the must-carry obligation in question jeopardises the exact fulfilment of the Concessionaire's regional and national broadcasting obligations, due to the reduced available broadcasting capacity.

From another point of view, it must be pointed out that the case initiated by Rai for the annulment of the provisional National Plan for the assignment of the frequencies in the VHF-III band for the DAB+ digital radio broadcasting service (PNAF-DAB), adopted by the Authority in 2022 (Resolution No. 286/22/CONS), which does not incorporate the technical elements represented by Rai in consideration of the need to broadcast a service structured also at a macro-regional level, is still pending.

With regard to the concrete allocation of resources, it should be noted that on 12 July 2023, the Administrative Judge, before which Rai had appealed, annulled the decision to allocate to EURODAB the national network No. 3 (RN3), requested during the consultation process by the Concessionaire because it was suitable for hosting the plurality of programming, including regional programming, that make up Rai's radio offer.

The Ministry, without challenging the decision of the Regional Administrative Court, on 7 November 2023, invited Rai and EURODAB to submit an application to participate and a related expression of interest for the assignment of national networks No. 1 and No. 3 DAB+.

Since the two companies had expressed interest in the same network, the Ministry invited the two operators to a comparative procedure for the assignment of RN3, also establishing that the operator not awarded RN3 would be awarded RN1 at the end of the procedure.

The manner in which the procedure in question was conceived and called presents characteristics of illegitimacy that invalidate the best satisfaction of the public interest as well as burdening and jeopardising for Rai the assignment of RN3, the only network technically suitable to host the national and regional programming to be offered by the Concessionaire, also in the light of the specific obligations deriving from the new Service Contract; for these reasons, on 26 February 2024, Rai appealed to the Administrative Judge to annul the notes of calling and conducting the *beauty contest* in question.

Linguistic minorities

At its meeting of 29 March 2023, the Board of Directors resolved to authorise Rai Com to formalise the agreement with the Prime Minister's Office for the provision of television and multimedia services for foreign languages.

Public Contracts

On 1 April 2023, Legislative Decree no. 36 (new Public Contracts Code) came into force on 31 March 2023. Most of the provisions took effect on 1 July 2023, while the provisions on digitisation, transparency, access to documents, verification of the fulfilment of requirements and other provisions related to the operation of the National Public Contracts Database came into force on 1 January 2024.

The main changes in the new body of law include: (a) redefinition of the cardinal principles of the subject matter, among which the principles of result and trust are of particular importance; (b) digitisation of the life cycle of contracts; (c) extension to the three-year horizon also for the planning of goods and services; (d) redefinition of the design levels for public works and extension of the integrated procurement; (e) introduction of the figure of the Single Project Manager in place of the Single Procedure Manager; (f) redefinition of the qualification system of the contracting stations; (g) stabilisation, also with a view to simplification, of the procurement law involving amounts below the European threshold as well as of certain institutions introduced by the previous emergency legislation (e.g. obligation to introduce price revision clauses); (h) extension of the cases in which the establishment of the Technical Advisory Board is mandatory; (i) redefinition of the regulation of general requirements; (l) extension of the institution of subcontracting; (m) redefinition of the powers of ANAC (the power to regulate by means of the so-called "soft law" is abolished, as well as the retention of the list and control over in-house companies, while sanctioning powers are extended as part of the supervisory activity); (n) revision of the regulations on contracts excluded from the scope of the Code.

In relation to Legislative Decree 36/2023, the processes of updating the internal regulations on the subject were started. In particular, at the board meeting of 22 February 2024, the new Internal Instructions were approved for contracts falling within the so-called ordinary sector, which will enter into force on 1 June 2024.

The Company also obtained from ANAC the recognition of Qualified Contracting Station with a two-year validity and for the maximum level of qualification.

Cooperation Agreement on Radio and Television between the Government of the Italian Republic and the Government of the Republic of San Marino

Law no. 126 of 12 September 2023 was published in the Official Gazette, General Series no. 222 of 22-09-2023, ratifying and executing the Protocol amending the Agreement on cooperation in radio and television matters between the Government of the Italian Republic and the Government of the Republic of San Marino, with Annex, of 5 March 2008, concluded in Rome on 27 September 2021.



Corporate governance

Replacement of Rai Board of Directors Members

Following the resignation by the Chief Executive Officer Carlo Fuortes on 8 May 2023, effective as of the appointment of his substitute, the Shareholders' Meeting, at its meeting held on 15 May 2023, proposed Roberto Sergio (designated by the Council of Ministers) for the position of Chief Executive Officer; at the Board meeting held on the same date, the Board of Directors made the relevant appointment until the expiry of the current Board, i.e. until the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending on 31 December 2023.

Following the premature death of Director Riccardo Laganà, the Board of Directors, in its meetings of 1 and 14 September 2023, initiated the procedure for the election of a new member of the Board of Directors expressed by the Shareholders' Meeting; the procedure was concluded in November with the appointment by the Shareholders' Meeting of Director Davide Di Pietro.

Corporate General Manager

In May 2023, Giampaolo Rossi was appointed Corporate General Manager.

Conduct of Meetings and Meetings of Corporate Bodies

In 2023, a number of amendments to articles of Rai's Articles of Association were approved, aimed at simplifying the conduct of meetings of the Shareholders' Meeting and the Board of Directors, as well as meetings of the Board of Statutory Auditors, providing that they may also be held exclusively by telecommunication means.

Sustainability

At its meeting of 25 October 2023, the Board approved the Sustainability Plan Guidelines 2024-2026.

Personnel area

At its meeting of 14 December 2023, the Board approved the voluntary redundancy incentive plan for Office Staff, Workers, Middle Managers and Executives, which will be implemented in the financial year 2024.

The Prevention of Corruption

In the meeting of 30 January 2023, the Board approved the Three-Year Corruption Prevention Plan 2023-2025, which confirms the structure and methodology of the previous one, incorporates time and regulatory updates and some amendments, including the "*Regulation of management and coordination activities exercised by Rai in respect of its subsidiaries*", the Integrated Risk Assessment Project, the role of coordination between the Corruption Prevention Manager and the Internal Audit Directorate, as well as the integration of anomaly indicators for certain corporate areas.

At the meeting of 11 July 2023, the "*Policy on the Management of Whistleblowing*" was approved, which implements the legislative provisions introduced on the subject of whistleblowing with Legislative Decree no. 24/2023, and provides that the aforementioned management is entrusted to the RPC.

In order to optimise the flow of information on whistleblowing, the composition of the Standing Commission for the Code of Ethics was also supplemented with the inclusion of the Manager.

Administrative liability of entities

In its meeting of 25 July 2023, the Board of Directors approved the adjustment of Rai's Organisational, Management and Control Model, which provides for, as regards the General Section, the updating of new predicate offences, and as regards the Special Section, the structure by process logic, overcoming the approach by family of offences, in order to ensure a better understanding for internal users and to integrate the management of compliance with Legislative Decree 231/2001 to the business model and company operations.

Subsidiaries

At the meeting of 3 March 2023, the Board approved the "*Regulations for the Appointment of the Corporate Bodies of Subsidiaries*", consistent with the provisions of the Directive of the Minister of the Economy and Finance of 31 January 2023 concerning the procedures for identifying the members of the corporate bodies of the Companies directly and indirectly controlled by the Ministry of the Economy and Finance.

During the meeting of 23 March 2023, the Board defined the list for the renewal of the Board of Directors of Rai Way.

During 2023 Rai also exercised the right of withdrawal from two companies, Tavolo Editori Radio Srl (TER) and Player Editori Radio Srl (PER). With regard to the company TER, the withdrawal is suspended pending the establishment of a new audience survey body on the Audicom model.

In addition, the corporate bodies of the associated companies and subsidiaries were renewed in 2023. In particular: the Boards of Directors of Rai Cinema, Rai Com and Rai Way, the Board of Statutory Auditors of Tivù, the Board of Auditors of the Italian Centre for Advanced Studies for Training and Updating in Broadcast Journalism.

The General Manager of San Marino RTV was also appointed.

In the meeting of 16 November 2023, the Board appointed a Director of Auditel, to replace a resigning Director.

In addition, in the meeting of 29 March 2023, the Service Supply Agreement between Rai and Rai Cinema was approved, whereby the subsidiary entrusted Rai with the task of performing a series of services, with a view to ensuring efficiencies and optimisation at Group level.



Corporate Governance Report - The Rai Control Governance Model and the Internal Control and Risk Management System

The Internal Control and Risk Management System (SCIGR)

The Group's companies have set up their own Internal Control and Risk Management System (SCIGR), which, in terms of structure, 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 consists of the set of rules, procedures and organisational structures aimed at an effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the company.

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 SCIGR.

The regulatory framework and device of Rai's SCIGR is mainly represented by:

- Company Articles of Association;
- Service Agreement;
- Regulation for the management and coordination activities performed by Rai on its subsidiaries;
- 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;
- Policy on the management of reports;
- Guidelines on Internal Audit activities;
- Disciplinary system.

During 2023, the activities carried out on the SCIGR included:

- the updating of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01 structured by process logic by incorporating the results of the Integrated Risk Assessment, concluded in December 2022;
- the definition of risk mitigation actions on the basis of the results of the Integrated Risk Assessment and the start of the process to implement them;
- the adoption of the policy on the management of reports and the *Process for managing reports*¹ in accordance with the provisions of Decree No. 24/2023.

The Code of Ethics

The Code of Ethics regulates all the rights, duties and responsibilities that Rai expressly 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.

¹ Formalised with protocol AD/2024/0002362/P/C of 10/01/2024.

Rai's Control Governance Model



CCE: Standing Commission for the Code of Ethics
 RASA: Manager of the Register for the Contracting Entity
 RPC: Corruption Prevention Manager
 DPO: Data Protection Officer

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 in agreement with the principle above must tangibly guide Rai's activity: diligence, correctness, good faith and loyalty; 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 activities and the assessment of reports of alleged violations of the Code of Ethics are carried out by the Code of Ethics Standing Commission - which reports to the CEO - which ensures information flows to the Rai Supervisory Body pursuant to Legislative Decree 231/2001 and periodic reporting on the initiatives taken as a result of reports received and their outcome. In 2023, the Corruption Prevention Manager joined the Commission, concurrently with the adoption of the new Policy on the Management of Reports.

Other aspects to highlight, provided for in the Group's Code of Ethics, are the provision of a system of sanctions and an email address dedicated to reporting alleged violations of the Code to the Standing Commission for the Code of Ethics.

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 (MOGC), 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 latest 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 25 July 2023. The Model was structured according to a process logic with the aim of facilitating the integration of the management of compliance with Legislative Decree no. 231/2001 with the business model and company operations. The revision took into account the results of the mapping of compliance risks in the area of anti-corruption and administrative liability of entities, resulting from the integrated risk assessment project, which includes the most recent predicate offences (offences relating to non-cash payment instruments, tax and smuggling offences, offences against cultural heritage, money laundering of cultural assets, devastation and looting of cultural and landscape assets).

The control standards set out in the 231 Model consist of general control standards applicable to all sensitive activities

and specific control standards applicable to certain sensitive activities. They are drawn up not only on the basis of the principles and indications contained in the latest Confindustria Guidelines, but also on the basis of international best practices.

The Model also contains a description of the methods and responsibilities for its approval, implementation and updating. 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", after obtaining the opinion of the Supervisory Board.

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 to the results of the audits conducted by the Internal Audit Directorate and monitoring the resulting actions identified to improve the internal control system and strengthen controls established to prevent predicate offences of the administrative liability of entities.

The Supervisory Board has given impetus to risk assessment activities with reference to "231 risks" and to updating the Model, with the aim of keeping the framework of risks with an impact on the Model and the relevant prevention measures up-to-date, and promoting the identification and implementation of further actions to mitigate the risks of committing predicate offences. 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, periodically and each time the Model is updated, training initiatives and seminars for the management and employees are promoted, as well as the publication of reviews of legislation and case law. With reference to the updated Model, a training seminar for top management has already been held, and an e-learning course for all personnel is currently being prepared.

As part of the supervision carried out by the Body over processes and activities sensitive to the risk of committing offences, on the monitoring of risks, on procedures and on any criticalities, particular emphasis is placed on 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). In this regard, considering the current context of the war between the Russian Federation and Ukraine and the escalation of the Israeli-Palestinian conflict, monitoring activities continued with regard to risks, prevention and protection measures, and training for employees sent on missions in war zones.

The Supervisory Board functions of subsidiaries are carried out by autonomous control bodies, separate from the respective Boards of Statutory Auditors.

Periodically, at the instigation of the Parent Company's Supervisory Board, joint meetings are held with the Supervisory Boards of the subsidiaries, dedicated to the in-depth examination of issues of transversal interest within the Group through reciprocal information and methodological exchanges, for example on the update of Models, the supervisory programme, training and the management of relevant reports pursuant to the Organisational, Management and Control Model pursuant to Legislative Decree 231/01, in compliance with the respective autonomous powers, responsibilities and prerogatives.

The system for preventing and combating corruption

The system for preventing and combating corruption, also considering the context in which Rai operates and the reference business, is particularly relevant for the purposes of correct corporate management, according to principles of ethics and legality. In this respect, Rai has adopted, over time, procedural and organisational tools over the years that are able to manage and monitor what is established by the current legislation on the subject.

Since 2015, the Board of Directors of Rai SpA, in compliance with Law 190 of 6 November 2012, containing "Provisions

for the prevention and repression of corruption and illegality in the Public Administration”, has established the function of the Corruption Prevention Manager (RPC) and has adopted the Rai SpA Three-Year Corruption Prevention Plan (PTPC), updated, as a rule, annually.

Rai SpA's PTPC, published, also in English, on its institutional website www.rai.it/trasparenza/, to which reference should be made for any further details, describes the process of identifying, assessing and managing the risk of corruption. Moreover, the PTPC defines Rai's strategy for the prevention of corruption phenomena, providing guidelines and programmatic and preparatory activities for the adoption, development and implementation of anti-corruption measures, with the aim of creating an internal control and prevention system that is increasingly evolved and integrated with the other instruments already adopted by the Company, such as the MOGC, Code of Ethics, etc.

During 2023, the activities provided for by the PTPC in force were carried out, and the progress of the initiatives and activities launched in previous years was monitored.

In particular, the following:

- the analysis and control of the periodic and event-driven information flows provided for by the Protocols on the basis of Methodological Notes exchanged with the Directorates concerned, in order to detect any shortcomings in compliance with the regulations, including internal ones, of reference and suggesting, when necessary, risk management and/or minimisation strategies;
- the analysis and management of reports. It should be noted that, in the course of 2023, with a view to progressively strengthening the SCIGR, and in line with the new regulatory and corporate reference provisions², the report management activities³ - both whistleblowing and irregularities - of Rai have been entrusted to the Corruption Prevention Manager (RPC);
- the analysis of Audit Reports and Follow Up Reports, from an anti-corruption perspective, in order to assess the suitability of the prevention measures and sensitive activities contained in the PTPC;
- check of the implementation of the Guidelines' provisions for staff rotation, through the detection of organisational positions related to sensitive Processes and Activities at risk of corruption. The surveys were carried out on the basis of the risk values resulting from the mapping of Integrated Risk Assessment 190/231 in order to draw up, in cooperation with the Human Resources and Organisation Directorate, the 2024 Rotation Plan;
- the analysis of the Annual Information Sheets of the Anticorruption Contact Persons containing any anomalies, reports, suggestions useful to promote further training initiatives and to proceed with any updates of the PTPC, protocols, as well as updated assessments of the risks related to the activities they are in charge of.

As usual, the RPC has provided the various corporate Directorates with advice and specialist contributions for the management of cases of conflict of interest, non-transferability and incompatibility, even if only potential, by proposing and defining, on a case-by-case basis, prudential, precautionary and/or compensatory measures, as well as support for requests to assess compliance and/or conformity with the provisions of the PTPC and its protocols, also for the reply by the competent Directorates to requests from external Authorities/Bodies.

In addition, the RPC, for the profiles of competence, having received the results of the Integrated Risk Assessment 190/231, by the Internal Audit Directorate, which acted as Project Manager, has started the transposition of the relevant findings by updating the anti-corruption risk mapping of the PTPC 2023-2025, based on the Processes of the value chain and the related sensitive activities, overcoming the previous structure by Risk Areas.

Also during 2023, participation in the project for the implementation of a Continuous Monitoring system⁴ continued; initiatives to optimise information flows also continued.

As far as staff training is concerned, the training plan started in previous years continued in 2023, aimed at covering all RAI employees through the Anticorruption e-learning Course and addressed to newly hired employees, as well as to all those who were not trained in previous campaigns.

In consideration of the importance of the issue related to the procurement process and in order to strengthen the anti-corruption controls, the specific training course aimed at the pool of personnel that may be entrusted with the role of

2 The reference legislation is Legislative Decree no. 24 of 10 March 2023 (hereinafter the "Decree"). This Decree regulates "the protection of persons who report violations of national or European Union law provisions that harm the public interest or the integrity of the public administration or private entity, of which they have become aware in a public or private work context" implemented in the Policy on the Management of Reports approved by the Board of Directors on 11 July 2023.

3 In order to facilitate the sending and receipt of reports and to guarantee the confidentiality of the identity of the Whistleblower/Reporter, of the Involved Person and of the person who may have been sued, a single internal reporting channel is used, access to which is made known to all potential Whistleblowers by means of special notices and information on the Company's intranet/internet websites. Rai has set up the following reporting methods, also in order to guarantee the confidentiality of the reporter's identity: dedicated IT platform and paper mail.

4 The system is based on the automatic activation of alerts (linked to key indicators designed ad hoc), which signal - in the event that pre-set tolerance thresholds are exceeded - the presence of potential anomalies in the Procurement process.

Tender Commissioner, as well as the specific training course for Contract Execution Managers, continued through “*training pills*”, available on the corporate intranet. In this context, short training/information sessions were carried out by the Support Structure of the RPC on corruption control activities.

In addition to the customary update through periodic newsletters to the Anti-Corruption Contact Persons and Corruption Prevention Managers of the Group Companies on the main innovations and activities/initiatives undertaken in the area of Anti-Corruption and Transparency, during 2023, web meetings were held with the Group's Corruption Prevention Managers in order to examine and discuss specific issues, including the application of the new whistleblowing regulations.

The Top Management Bodies were kept up-to-date on the activities carried out through specific half-yearly and annual reports prepared by the RPC and brought to the attention of the Board of Directors

As far as transparency is concerned, also in 2023, the RPC carried out the publication of the data, documents and information he/she was in charge of, and the support in monitoring the publication and updating of the data provided for by the Transparency and Corporate Communication Plan (PTCA) on the corporate institutional website in the section called *Rai per la Trasparenza (Rai for transparency)*.

Other information

Human Resources and Organisation

Rai pays special attention to the activities of recruiting, managing, developing and enhancing human capital, considered a strategic factor for corporate growth, in a perspective that supports and encourages the creation of value and the achievement of corporate objectives, while ensuring (i) the sustainability of results and the full involvement of personnel in compliance with the principles of fairness, transparency and impartiality; (ii) the promotion of a culture based on the values of equal opportunities and inclusion; (iii) respect for diversity in terms of gender, sexual orientation and identity, religious faith, nationality, age and ability, and linguistic and cultural diversity; (iv) the fight against all forms of discrimination. With this in mind, the company:

- 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;
- implements human resources 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;
- values diversity in an inclusive manner so that everyone can express themselves to the full, in accordance with shared objectives.

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 Directorates, in line with centrally defined regulations and administrative procedures.

Workforce and turnover

During the first half of 2023, Rai's workforce decreased by 114 employees, from 11,259 at the beginning of the year (of which 113 with fixed-term employment contracts) to 11,373 at the end of the half-year (of which 62 with fixed-term employment contracts).

The number of employees with permanent employment contracts increased by 165, from 11,146 at the beginning of the year to 11,311 at year-end. This increase was due to the hiring of 444 resources, of which: i) 303 for new apprenticeship contracts; ii) 90 for the transformation of personnel with previous fixed-term contracts into permanent contracts; iii) 28 other hirings (Bolzano headquarters, Orchestra Professors,...); iv) 16 for litigation; v) 7 for new hires from Group companies and the departure of 279 resources.

With regard to fixed-term employees, there was a net negative balance of 51, from 113 employees at the beginning of the year to 62 at the end of the semester.

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*") in line with the Three-Year Prevention and Corruption Plan.

Before starting the process of recruiting personnel on the market, a survey the availability of adequate internal resources in terms of quality and quantity to fill the positions sought is carried out.

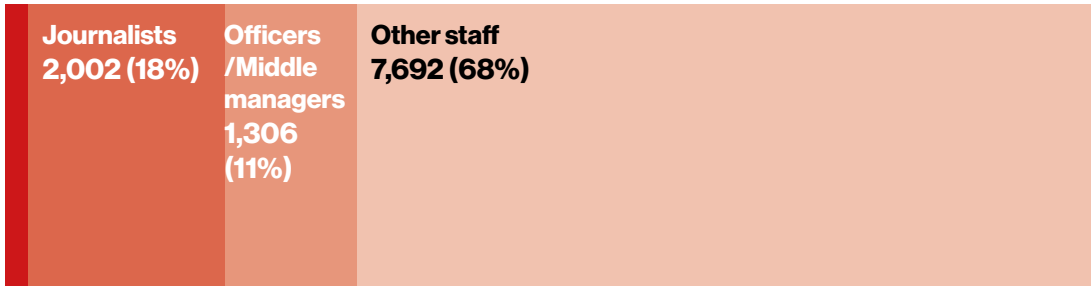
Personnel recruitment is carried out in accordance with the principles of transparency, publicity and impartiality for objective, motivated and tracked needs of the Company. The criteria for selecting and assessing candidates are identified in advance, adequately documented, specific and objective, linked 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

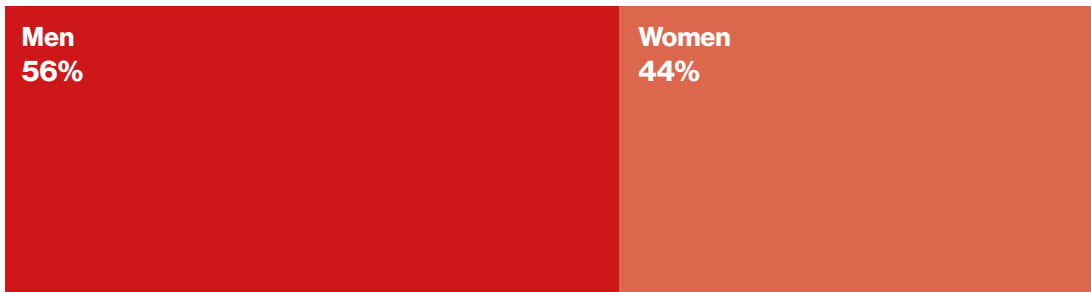
Breakdown of workforce by macro categories

Managers
248 (2%)

Orchestra players
125 (1%)



Breakdown of workforce by gender



Breakdown of hires by gender



Breakdown of terminations by gender





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.

With regard to recruitment policies during the first half of 2023:

- selections were concluded for: i) German-speaking and Slovene-speaking journalists for the Bolzano and Trieste regional newspapers, respectively; ii) Production Technicians for the Turin office; iii) Editorial Assistants and Graduate Office Staff iv) Orchestra Musicians in the role of First Bassoon, First Trombone, Second Oboe, Percussionist, Second Horn for the National Symphony Orchestra; v) Multimedia Programmers; vi) Set Designers; vii) Constructors; viii) Music Consultants; ix) Managerial and Specialist Profiles;
- selections were started for: i) Ladin-speaking journalists for the Bolzano Regional Newspaper; ii) Costume specialists; iii) Hairdressers; iv) Cello players for the National Symphony Orchestra;
- the evaluation activities 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*) and the so-called *Widows Orphans Agreement* of employees who died in the course of employment.

In terms of employer branding activities, in 2023, a series of initiatives were launched to promote the Rai image among young people (participation in Career Days, definition of the EVP, launch of certifications on HR processes, multi-channel strategies aimed at reaching the widest audience of potential candidates); in addition, collaborations with Italian universities and training institutions were resumed with the aim of activating company internships. In this regard, some 135 students were hosted in various directorates and newspapers.

In most 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 applied mainly: i) to workers belonging to the compulsory employment service, in respect of whom there are recruitment obligations in relation to the staff in service, and to those hired under the agreement signed with the “*Disabled Employment Placement Service*” of the Lazio Region; ii) to widows and orphans of employees who have while employed with the company.

Personnel management

During 2023, the main activities carried out concerned the management:

- of the so-called entry plan of successful candidates within the framework of selection initiatives carried out in the current and/or previous years. In particular, in order to cope with critical production/organisational staffing issues throughout the country, the recruitment of Journalists, Orchestra Professors and young apprentices as Production Technicians, Editorial Assistants, Editors, Videographers and Graphic Designers Animators, Assistant Directors, Camera Operators, Graduate Office Staff, Multimedia Programmers, Set Designers and Builders continued;
- of stabilisation with permanent service of resources previously employed under fixed-term contracts;
- of agile working, also in consideration of the minutes of the agreement between Rai and the trade unions of 18 September 2023 which, in line with the previous one, provided for the continuation of smart working until 31 May 2024;
- internal review activities aimed at identifying, also by means of job postings, the resources required by the various corporate Structures (in particular, by the Directorates/Newspapers recently set up or affected by organisational reorganisations).

With specific reference to staff development and enhancement activities, the following should be noted:

- the continuation of the internal survey activity with a view to enhancing the value of the resources operating in the Company and in line with the process of entrusting independent work assignments. This process is supported by the use of the so-called “needs form”, the compilation of which makes it possible to determine the specific needs of the various corporate structures while meeting the requirements of transparency and traceability of information and identifying internal staff before accessing external specialists;
- the cancellation of all Vice Director appointments outside newspapers, the redefinition of new parameters to be used for their assignment and their gradual reassignment in application of the new criteria defined, favouring the reduction of the gender gap;

- the launch of the *People 4 Transformation* project, aimed at supporting the Company within the wide-ranging transformational framework and the evolutionary pressures in which Rai is involved, with reference to a number of important drivers of change (new organisational structure for the Genres, smart working, desk sharing, sustainability and digitalisation directorates). The project, established with the aim of defining a prospectus of reference organisational skills and behaviours, as well as introducing a *mindset* and new approaches useful for facing the challenges posed by the change and the drivers indicated, is structured along three main lines:
 - knowledge and understanding of the deep-rooted reasons for the change underway and creation of the necessary engagement to activate it and bring it to fruition;
 - new leadership culture consistent with the new operating context and the new challenges posed, through the definition of a new Rai Leadership Model, with respect to which all company management must be pervasively involved;
 - development, among the personnel concerned, of the skills and *mindset* required to govern the challenges posed by the new working methods (smart working, desk sharing,...).

In this regard, the project activities aimed at the Organisational Diagnosis and the Definition of the new Rai Leadership Model, scheduled for completion in 2024, have been launched;

- the launch, following the adoption of the new Skills Model, of new initiatives for the further implementation of the model within the personnel management and development processes. More specifically:
 - recruitment initiatives, including competitions, training courses for apprentices, for the so-called professionalising part, and the new initiatives for the evaluation and analysis of the potential of audiences of interest to the company were aligned with the skill sets defined within the Skills for the roles concerned;
 - internal job postings were aligned with the sets of transversal and specialised skills surveyed in the Rai Skills Model;
 - the Skills Mapping initiative aimed at all journalists (about 2,000 resources in total) was completed. The survey made it possible to acquire a detailed view of the professional skills possessed by journalists, through which: i) information on the skills of journalists who had taken part in the previous campaign carried out in 2016 was updated; ii) further specific elements were acquired in order to understand in which areas it is necessary to invest in education, training and other interventions, in a targeted and calibrated manner on specific roles and skills in order to effectively support the activities of individuals and the corporate objectives; iii) feedback and suggestions were collected for any other interventions useful for the strengthening and continuous updating of the professional skills of Rai journalists;
 - activities were started for the operational planning of the new professional skills mapping initiatives dedicated to the staff:
 - merged into the new profile of Editorial Assistant (effective from December 2022);
 - pertaining to the Finance professional area, classified in the CFO - Finance and Planning area;
- continuation, by the *disability management* area, of support activities for employees with disabilities through careful monitoring of specific needs and the planning of individual meetings with newly recruited resources through compulsory placement;
- awareness and support, including specialist support, to corporate structures by the *extrajudicial litigation* area to prevent possible claims relating to demotion and/or de-qualification or to define, with appropriate settlement solutions, pre-litigation situations. The specialist contribution provided also extended to collaboration with the competent legal function in the management of requests for access to documents pursuant to Articles 22 et seq. Law 241/1990, with particular regard to the selection procedures carried out by the Company;
- examination, by the *discipline* area, of reported conduct in breach of the company's disciplinary 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 action. The investigations mainly concerned: (i) making improper statements to the press or on social media; (ii) inappropriate behaviour towards colleagues or third parties; (iii) lack of/poor diligence in the performance of duties; (iv) carrying out unauthorised external activities; (v) arbitrary absences; (vi) absences from medical check-ups.

Staff training

In continuity with the previous year, the 2023 training plan was characterised by the focus on building an appropriate learning environment in terms of approaches, teaching methods and channels of use, so that training activities would be available, flexible and easily accessible to all employees. In particular, following the easing of the constraints imposed to cope with the pandemic situation, there has been a return to designing in-person training activities, giving priority to initiatives aimed at specific and identifiable targets. With regard to what has been achieved so far, the most significant training initiatives, which, in the course of 2023, were added to the cyclical appointments constantly present in the training offer, are described below.

In an organisational context, whose major discontinuity can be found in the convergence towards “per Genre” model, the implementation of a series of training actions continued in 2023, differentiated by purpose and/or target, in support of the transformation phase started last year:

- training in support of the new editorial lines, with the involvement of editorial area personnel in the *People 4 Innovation* project, launched last year and repeated in 2023, aimed at stimulating the generation and development of ideas and proposals, through the introduction of innovation-oriented tools, methodologies and working methods;
- training as part of the *Exploring the Future* action line, launched in 2022 with the series of *Immersive Takeover & Metaverse* initiatives, aimed at providing knowledge on the current evolutionary trends in the production of audio-visual content and entertainment by means of new immersive digital technologies, continued also in 2023 with a number of specialised in-depth courses focused on storytelling and audiovisual production through immersive digital technologies.

To support the professional development of the journalistic editorial world, furthermore, various training initiatives have been implemented, both wide-ranging on relevant issues transversal to RAI news headings, and specific to meet the training needs identified for each individual publication. In particular, the following are worth mentioning:

- a training course carried out in February/March, in collaboration with experts from the Bank of Italy, consisting of 10 meetings of approximately two hours, with teaching classes intended for the economic editorial offices. The aim of the project was to provide elements to correctly address communication, in particular by clarifying the definition of contexts and the appropriate technical vocabulary;
- the continuation of the *Fake News* project, launched in 2022 and extended until the first half of 2023, aimed at providing all journalistic staff with elements of general culture and awareness, but also specialised insights, regarding the phenomena of disinformation and proliferation of fake news;
- the re-designing, following the positive feedback received in 2022, of training sessions on diction, proxemics and TV presenting techniques: taking into account what emerged from an initial processing of the results of the Skills Mapping project, it was agreed to switch from an on-demand mode to a scheduled one, extending the offer to all interested corporate journalists.

The massive language campaign for learning English, which, following a long planning and procurement phase, was launched in April 2022, saw its relaunch in spring 2023, with the 3 levels on which the training project is structured:

- *e-learning*: open to the entire RAI Group, usable in a continuous and customised learning mode;
- *blended*: aimed at those who want to strengthen their language skills while already having a knowledge of English, it offers content on an on-line platform, with individual lessons in distance learning;
- *one-to-one*: aimed at those who need to acquire a high level of language skills.

In 2023, great emphasis was also placed on sustainability issues, expressed by different themes.

In order to support the path that Rai has undertaken towards a widespread empowerment and a conscious culture on the subject of welcoming and enhancing the value of people with disabilities in its organisational and management structure, Rai Academy, in cooperation with Tor Vergata University and the appointed Rai Department, had already set up a training course in 2022, transversally aimed at the Directorates that, by mission and responsibility, are involved in the subject. The project saw its conclusion in the first half of 2023: the first phase of the initiative, which concerned the training of the teams that in the Human Resources and Organisation area deal directly with Disability Management, was integrated with training activities for the involvement and awareness of all corporate stakeholders, with various impacts on the subject in question.

In consideration, then, of the centrality of the issue concerning the protection of the environment, which is one of the founding principles of Rai's action that, through the Safety and Security Directorate, has for years been taking care of the Environmental Management System (EMS) tool, aimed at monitoring the impact of the Company's activities on the environment, in order to achieve its continuous improvement, the e-learning training course *Sustainable Development*:

Protection of the Environment through the Environmental Management System was implemented.

The training initiative is part of a broader course, aimed at obtaining certification for Rai on the Environmental Management System, in accordance with the 2015 UNI EN ISO14001 standard.

As part of a broader context concerning a series of initiatives to support the company's transformation plans, to be implemented over the two-year period, the *ConversAZION* training programme was launched, intended for managers appointed as of July 2021. The project was divided into two phases: i) the first, which started in mid-April, consisted of two appointments, with the aim of illustrating, through "conversa(c)tions" lasting about an hour with experts on the various topics, the main guidelines of current company projects; ii) the second, consisting of six individual coaching meetings, organised periodically but with flexibility, according to the needs of each individual. The project will end in 2024 with a third recall module on the main topics addressed.

With regard to initiatives aimed at increasing personal effectiveness, we would like to mention the project aimed at a group of clerks of the Rai Licence Fee Directorate, who, finding themselves in a position of coordinating and managing personnel both inside and outside the company, needed to develop and consolidate skills in relation to people management, communication and leadership.

As usual, there was no lack of initiatives aimed at professional development. In particular: i) within the framework of the technological renovation project of the Testata Giornalistica Regionale and Rai Parlamento, the Technology and the Human Resources and Organisation Directorates/Rai Academy designed refresher training courses, dedicated to each of the professional figures involved in the update process of the news production system ii) the organisation of the *MIC-Pellicole* training project was taken care of, which, being part of an initiative financed by the Ministry of Culture, is aimed at preserving, through digitisation, that part of the audiovisual heritage still available only on film; iii) on a different level, several cycles of courses were prepared to ensure the knowledge of the Public Procurement Code, with respect to the subjects involved, the main aspects of the tendering procedures, the type and methods for awarding and executing works, services and supply contracts. Taking into account that the new Contracts Code, Legislative Decree 36/2023, was published on 31 March 2023 and came into force on 1 July, the training programme already included the new elements impacting on the procurement process.

In order to support staff in charge of temporary functions that are not part of their usual duties, several sessions were held during the year, according to specific needs, both of courses to support those called upon to act as commissioners in the selection process, and of workshops for the tutors of apprentices, aimed at making available the knowledge useful to accompany the newly recruited staff in the Rai reality, building together a work and training path.

In the area historically receiving the greatest attention, relating to mandatory training activities on Compliance and Security, in addition to the broad and diversified Security Training Plan, two new e-learning courses were launched, one on specific security training, dedicated to about 1,900 employees, and the other on GDPR, intended for the entire Rai population. In this latter area, taking into account the approval by the Rai Board of Directors, at its meeting on 25 July 2023, of an important update to the Organisation, Management and Control Model pursuant to legislative decree 231/01 (MOGC), following which the Special Part of the Model was structured in a modern process logic, a meeting was held to illustrate the main changes to the responsible parties, at the instigation and with the support of the Supervisory Board.

Lastly, within the Apprenticeship Plan, we would like to mention the 11th edition of *Benvenuto in Rai*, a day of engagement for newly hired young colleagues hosted in the iconic Sala A in via Asiago, during which the Company's story was told through stories and speeches by the management.

Internal Communication

In order to foster a shared corporate culture, through Rai Place - a sophisticated and multifunctional portal capable of dialoguing with the various corporate systems and creating a unique and pleasant user experience for employees - Rai plans internal communication tools and actions to spread awareness of strategies and involve people in the achievement of corporate objectives. Through this tool, in fact, employees are offered the opportunity to enjoy live streaming of conferences, corporate news, previews, media partnerships, TV and radio channels, as well as the programmes of the weekly schedule.

At the same time, the company intranet publishes and constantly updates: i) information on selection and training initiatives; ii) communications for smart working staff; iii) public utility news (weather, mobility, etc.) and existing company

conventions.

Finally, Rai Place is also a tool:

- useful for the promotion of recreational activities dedicated to employees, of initiatives in the areas of volunteering, sustainability and compliance;
- functional for various corporate projects such as mapping the skills of multimedia programmers and journalists;
- of survey, through the publication of essential questionnaires to the company to identify needs, critical issues and possible good practices to be used;
- of staff enhancement through the invitation to constantly update their curriculum vitae on-line.

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 this context and in line with the previous year, Rai granted its employees a credit that can be spent through the use of a Welfare Platform that ensures access to a series 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).

This is a wide range of benefits that are added to those 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:

- 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);
- 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).

Finally, the existence of insurance protection that RAI constantly guarantees as required by collective bargaining for the various categories of personnel is highlighted, in addition to the protection provided by law (insurance pursuant to article 23 of the collective bargaining agreement for occupational and non-occupational accidents for middle managers, office staff, workers and players; insurance as per articles 38 and 39 of the National Collective Bargaining Agreement for journalists (CCNLG); insurance as per article 12 of the National Collective Bargaining Agreement for senior managers (CCNLD).

Labour relations

Rai has for years established and built a consolidated and effective system of trade union and industrial relations at all levels of representation. Trade union activity is made particularly complex due to the considerable heterogeneity of tasks, job positions and processes attributable to the four different Collective Bargaining Agreements active in the Company: Executives; Journalists; Middle Managers, Office Staff and Workers; Players.

In this context, with reference to personnel belonging to the Middle Managers, Office Staff and Workers categories, an agreement was reached on the application of the Agreement for the renewal of the Collective Labour Agreement of 9 March 2022 and, specifically, of the provisions on the classification: i) of workers; ii) of personnel with the profile of music consultant; iii) of certain specialised figures (Building Manager and the Prevention and Protection Service Coordinator, the Coordinator of the Videographic Departments, the Coordinator of Music Consultants).

On the journalistic side, at the end of an intense debate, on 30 March 2023 an agreement was signed with USIGRAI, assisted by the Federazione Nazionale della Stampa Italiana (National Federation of the Italian Press), which regulates the organisation (in terms of journalistic coordination and the regulation of the assignment of news correspondents) and trade union rights of journalistic personnel working in the programmes of the so-called journalistic perimeter of the In-depth Analysis Genre and Daytime Entertainment Directorates.

On 5 April 2023, the trade union agreement governing the use of holidays for journalistic personnel and, in particular, the use of unused holidays and missed rest, was extended for the year 2023; an agreement of similar content was reached, at the end of 2023, with reference to the year 2024.

Moreover, in line with the provisions of the Industrial Plan, by letter dated 28 December 2023, USIGRAI and Federazione Nazionale della Stampa Italiana were notified of the formal termination of the agreement on the performance bonus for

journalistic personnel dating back to the early 2000s, which will take effect as from the bonus payable in 2025 with respect to the year 2024, showing the same Trade Unions full availability to discuss the matter, in order to agree on a new configuration of the performance bonus, consistent with the Company's productivity and profitability results and with the regulations provided for all other categories of workers.

For managerial staff, the renewal of the supplementary agreement for the four-year period 2020-2023 was signed with the RAI Managers' Association (ADRAI), focusing mainly on the issues of professional retraining and with a view to further enhancing digital skills and welfare, with the aim of further fostering work-life balance. In October, an agreement was also signed by which the subject of the assignment of Deputy Director positions was updated.

For Orchestra Musicians, an agreement was signed for the renewal of the Collective Bargaining Agreement for the years 2019-2024, which updated - in addition to the economic aspects - the contractual articles referring to work obligations, change of duties, professional figures, quarterly rest periods and artistic leave.

With regard to the Performance Bonus for Middle Managers, Office Staff and Workers categories, in November, an agreement was signed that - in line with the previous agreements signed as of 2018 - regulates the payment of the Bonus for the financial year 2024, binding the payment to the achievement of a positive value, in the Rai Group's financial statements, of the item Result for the financial year of the consolidated income statement and in the presence of incremental values of the quality, innovation and productivity parameters (with the possibility of using the tax benefits provided on the subject). Similar agreements on the Performance Bonus were reached for Orchestra Musicians with reference to the financial years 2023 and 2024.

During 2023, agreements were signed with the trade unions representing the various categories of personnel to extend the regulations on Smart Working, which extended the duration of the experimentation until 31 March 2024 for Executives and until 31 May 2024 for Middle Managers, Employees, Workers and Journalists.

Organisation, processes and systems

Organisational activities in 2023 were characterised by organisational interventions aimed at strengthening top management support functions, optimising corporate functions and ensuring the further development of digital and transmedia offerings in the publishing sector.

In this regard, within the organisational perimeters reporting directly to the Chief Executive Officer, the establishment of the Strategic Initiatives Coordination Directorate (for the purpose of coordinating and organising the work groups defined for the various objectives identified by top management and within the scope of which the Service Contract and Related Strategic Projects Directorate was established) and the Foreign News Correspondents Department (for the purpose of facilitating a dialogue between the CEO and the journalistic staff with responsibilities in foreign offices), and the reorganisation of the following Directorates: Institutional Relation, Managing Director Staff, Communication and Legal and Corporate Affairs.

With regard to the Corporate General Management area, the main organisational changes are reported below:

- establishment of the Staff Directorate of the Corporate General Manager;
- updating of the organisational structure of the Chief Financial Officer-Finance and Planning with the establishment of the Tax Affairs and Tax Compliance Directorates (which incorporates the Tax Affairs department, in relation to the implementation of additional competencies for the management of tax risk for the implementation of the so-called Tax Compliance), as well as the Regulatory Affairs and Sustainability Report staff department, and the reorganisation of the Administration and Finance, Technical, Human Resources and Organisation, Purchasing and, within the Chief Technology Officer, the ICT Directorates;
- renaming of the Licensing and Artistic Heritage Directorate (which acquired the activities relating to institutional agreements previously allocated to the CEO Staff Directorate) to Licensing, Artistic Heritage and Institutional Agreements Directorate, and simultaneous reallocation of the aforementioned Directorate to report directly to the Corporate General Manager.

With regard to the publishing sector, the following is reported:

- within the Radio Directorate, the establishment of the Specialised Digital Radio and Podcasts Directorate, the reorganisation of the Radio Due Directorate and, in line with the objective of maximising the use and enhancement of products and rights in a transmedia perspective, the renaming of the Digital Content Directorate to Digital and Transmedia Content;



- the updating of the organisational structure of the TV Production, Editorial for Information Offering and Documentaries Directorates.

The main highlights in the area of policies and processes concerned the updating of corporate regulations concerning the protection of corporate information assets and the protection of personal data. These updates took place through the approval of the reference policy and secondary sources (including cyber-security incident management, request management and privacy by design). The company's service travel regulations were also updated.

The compliance activity also concerned the supervision and management of regulatory improvement actions as a result of specific audits. Below are the main interventions carried out:

- updating of the organisational model and of the operating rules for the issuance of Light External Shootings, Heavy External Shootings and UMTS connections;
- organisational revision and consequent management interventions within the TV Production Directorate and the Teche Directorate, necessary for the launch of the digitisation activities of the audiovisual assets at the TV Production Centres in Milan, Turin and Naples and the Regional Offices;
- implementation of an artistic heritage policy;
- organisational validation of a specific procedure for the management of the company's technical assets;
- formalisation of an *ad hoc* process for the planning and use of TV production centre studios.

Finally, with regard to personnel information systems, the evolutionary action was generally directed along the following main lines:

- continuation of the project for the implementation of a new personnel information system (centralised master data, payroll, attendance management), using a market application, with the aim of discontinuing applications in the main-frame environment;
- implementation and release of document workflows for the dematerialisation of documents with integration with the corporate systems in use (protocol and digital signature);
- launch, following in-depth analyses, of the project to overhaul the travel and expense note management system, with special focus on dematerialisation;
- release, to other corporate areas, of self-service management functions on the Rai per Me portal;
- digital implementation of company forms (declaration of dependent children for fringe benefits, parental leave, welfare, etc.) within the employee portal Rai per Me;
- consolidation of the smart working management process and automation of recurring activities (in particular, the remote working planning and the authorisation process function was implemented);
- implementation of a new management system for access control with the introduction of proximity technologies (RFID) instead of the traditional magnetic stripe in order to increase security levels and allow the introduction of virtual badges in the future;
- implementation of a desk sharing project within the Human Resources and Organisation Directorate at the headquarters of the General Management in Rome.

Real Estate Assets and Services

The Real Estate and Services Directorate is in charge of enhancing the Group's real estate assets, optimising their management and planning both ordinary and extraordinary operations, and is responsible for the development and control of services related to real estate and individual and office equipment.

In particular, in implementing the guidelines approved by the Board of Directors, activities were launched for the implementation of the Strategic Real Estate Plan, which provides for an articulated multi-year plan of interventions of varying degrees, aimed at optimising the real estate footprint through the redevelopment or replacement of existing assets, with a view to reducing costs and adapting infrastructures to the new working methods and ESG objectives.

In this context, the process for the construction of the new production centre in Milan saw, on 4 December, the signing of the Framework Agreement between Rai and Fondazione Fiera Milano for the long-term lease of a multi-purpose real estate complex that Fondazione Fiera Milano will build on the area currently designated for the MiCo Nord convention centre. The objective is to gather Rai's activities in Milan in a single location of innovative design and considerable architectural impact.

With regard to the Rai Headquarters in Rome, Viale Mazzini 14, on 29 September, the Services Conference called by the Interregional Superintendency for Public Works of the Ministry of Infrastructures and Transport was positively

concluded, resulting in the issuance of the authorisation for the works for the reclamation and redevelopment of the building, for which the executive project is currently being drafted. At the same time, a call for expressions of interest was published for properties to be leased in Rome, in order to identify one or more buildings in which to temporarily relocate the General Management offices and possibly other management offices, and the necessary in-depth analyses of the proposals received are currently underway, with the help of a sector advisor.

The activities preparatory to the transfers also included the dissemination of desk sharing methodologies with the progressive fitting out of buildings according to smart office logics, again with the aim of rationalising surfaces and reducing real estate costs. Within this framework, a pilot project was carried out on an entire floor of the Viale Mazzini 14 office, while new open-space editorial spaces were created on the ground floor of the Services building of the Via Teulada production centre.

As far as ordinary activities are concerned, major investments were made in 2023 to upgrade and innovate the real estate assets.

At the production centres of Milan C.so Sempione, Turin Via Verdi, and Naples V.le Marconi, the necessary works to comply with regulations and the upgrading of plant equipment are proceeding by functional batches. In addition, at 14 Via Verdi, the design of the new "Teche Rai Hub" was completed, and temporary film testing stations were built during the year. Adaptation works are nearing completion at the regional headquarters in Venice, Palazzo Labia.

Important investments are also being made in the Saxa Rubra production centre, where an expansion project has been

Rome Production Centre - Saxa Rubra



Rome Production Centre - Via Teulada



The Venice Regional Headquarters - Palazzo Labia



Turin Production Centre - Via Verdi





launched, using the additional building rights available, in order to increase the centre's production potential. After the demolition of the TV6 studio and Building H, construction sites were set up for the construction of two new buildings comprising two TV studios of 600 and 1,000 square metres with related services.

As part of the campaign to assess and make company buildings compliant with seismic risk regulations, seismic improvement works were started on the G2 building at the Saxa Rubra centre, while those for the Bologna Viale della Fiera, and Ancona Via dell'Industria sites are nearing completion.

Work continues on implementing BIM (Building Information Modeling) technology, which will enable the shared management of information during all phases of the building process and the optimisation of infrastructural interventions and facility management. In 2023, the modelling of the studios building of the production centre in Via Teulada 66 and the Salario 2 service centre was completed.

For the redevelopment project of the regional headquarters of Sardinia, which is leased in a historical building owned by the municipality, contacts are continuing with the municipality of Cagliari to finalise a long-term agreement for the redevelopment of the building.

Safety & Security

The protection of health and safety at work and respect for the environment represent ethical imperatives for Rai to be guaranteed at all times and in all contexts. With this in mind, therefore, the Company develops and promotes a solid safety culture for a healthy, sustainable and hazard-free working environment for all those who work with and for the Group.

In 2023, in addition to the activities concerning health surveillance and emergency medical assistance within the company, the usual health protection and first aid safety plans were put in place for the performance of major events, including the *Sanremo Festival*, *Viva Rai 2!*, *Prix Italia*, *L'anno che verrà*, etc.; in addition, new guidelines were defined for assessing work risks in the studios and safety procedures were revised in the stages of staging and dismantling of sets. Finally, with the aim of keeping the risk assessment up-to-date, a national campaign was launched to assess the risks of fire, noise, electromagnetic fields and atmospheric discharges, and emergency plans were reviewed. At the Bolzano and Trieste sites, the *Rai Cardio Protetta* project was launched - to be gradually extended to the other sites - to equip all workplaces with a defibrillator.

With reference to the war in Ukraine, collaboration continued with the Crisis Unit of the Ministry of Foreign Affairs and International Cooperation and with the diplomatic representations in Kiev and Lviv, and, for personnel to be sent to the conflict zone, specific training and the provision of appropriate protective equipment. Similar activities were implemented following the outbreak of the conflict in Israel, Gaza and the Palestinian Territories. In addition, a project was launched to improve methods and procedures to protect personnel on missions abroad in critical areas.

In April, Rai renewed its certification for the three-year period 2023-2026 for the UNI ISO 45001:2018 Standard for occupational health and safety, and in June it obtained certification for the ISO 14001 Standard for the environmental management system. These certifications are also relevant for sustainability, as they contribute to the achievement of the UN Sustainable Development Goals.

Internal audits were carried out at each company site to verify regulatory compliance and ongoing improvement actions, preparatory to maintaining the two certifications.

With regard to the Safety Management System, the computerised near-miss reporting system was extended to all company sites and the revision and standardisation of the Safety and Environment Regulatory Register required by UNI ISO 45001 (also useful for UNI EN ISO 14001 profiles) was completed.

In 2023, Rai continued to improve the levels of health and safety protection for workers, particularly with regard to external events and productions; compulsory training courses and the acquisition of knowledge on the subject; the definition of supplier qualification criteria; relations with inspection bodies.

In the year 2023, the Company updated its objectives to protect the company's information assets by launching a security management system that, through new standards, processes and procedures, pursues, in a virtuous cycle of continuous improvement, the minimisation of the risks of compromising security, understood as confidentiality, integrity and availability of information resources.

Intercompany relations

In 2023 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 its shares, listed on the Euronext Milan Market (formerly Mercato Telematico Azionario) of the Italian Stock Exchange, recorded a decrease of 5.5% in 2023 (-0.5% if dividend distribution is considered).

Rai Way ended 2023 with a capitalisation of approximately € 1,390 million.

As at 31 December 2023, 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.

Subsidiaries highlights

Rai Cinema

(€/million)	31 December 2023	31 December 2022
Revenue	274.4	272.5
EBIT	20.4	16.9
Profit/(loss) for the year	11.0	12.3
Total profit/(loss) for the year	11.0	12.4
Shareholders' equity	276.2	276.8
Net financial position	(173.7)	(131.3)
Net financial debt net of operating lease liabilities	(170.5)	(127.1)
Investments (including in rights of use for leasing)	209.9	219.3
Staff	156	159
Fixed-term contracts	2	5



Rai Com

(€/million)	31 December 2023	31 December 2022
Revenue	41.0	38.2
EBIT	12.6	12.0
Profit/(loss) for the year	12.1	8.7
Total profit/(loss) for the year	12.0	8.8
Shareholders' equity	118.4	115.0
Net financial position	139.4	160.3
Net financial debt net of operating lease liabilities	141.4	163.0
Investments (including in rights of use for leasing)	2.1	1.8
Staff	123	116
Fixed-term contracts	4	-

Rai Corporation in liquidation

(USD/million)	31 December 2023	31 December 2022
Revenue	-	-
EBIT	-	-
Profit/(loss) for the year	-	-
Total profit/(loss) for the year	-	-
Shareholders' equity	(5.1)	(5.0)
Net financial position	3.5	3.5
Net financial debt net of operating lease liabilities	3.5	3.5
Investments (including in rights of use for leasing)	-	-
Staff	-	-
Fixed-term contracts	-	-

Rai Pubblicità

(€/million)	31 December 2023	31 December 2022
Revenue	672.5	651.0
EBIT	8.8	11.1
Profit/(loss) for the year	6.2	8.2
Total profit/(loss) for the year	6.1	8.4
Shareholders' equity	35.9	37.9
Net financial position	(17.6)	(5.3)
Net financial debt net of operating lease liabilities	(11.3)	(1.3)
Investments (including in rights of use for leasing)	6.0	4.3
Staff	373	363
Fixed-term contracts	4	4

Rai Way

(€/million)	31 December 2023	31 December 2022
Revenue	274.0	248.6
EBIT	126.0	103.8
Profit/(loss) for the year	86.8	73.7
Total profit/(loss) for the year	86.0	75.4
Shareholders' equity	188.7	176.2
Net financial position	(105.2)	(105.0)
Net financial debt net of operating lease liabilities	(67.4)	(64.9)
Investments (including in rights of use for leasing)	68.5	88.5
Staff	580	584
Fixed-term contracts	23	23



Financial balances of Rai S.p.A. with subsidiaries as at 31 December 2023 and 31 December 2022

(Thousands €)	Rai Cinema	Rai Com	Rai Corporation in liquidation	Rai Pubblicità	Rai Way	Total subsidiaries
Lease rights of use						
As at 31 December 2023	-	-	-	-	475	475
As at 31 December 2022	-	-	-	-	335	335
Non-current financial assets						
As at 31 December 2023	11	-	-	-	-	11
As at 31 December 2022	-	-	-	-	-	-
Other non-current assets						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Trade receivables						
As at 31 December 2023	2,053	68,832	-	181,937	6,902	259,724
As at 31 December 2022	2,479	104,704	-	190,378	6,234	303,795
Current financial assets						
As at 31 December 2023	170,790	-	-	11,329	-	182,119
As at 31 December 2022	127,738	-	-	1,294	-	129,032
Other current receivables and assets						
As at 31 December 2023	2,803	2,910	-	2,410	31,194	39,317
As at 31 December 2022	583	1,474	-	9,571	23,718	35,346
Non-current financial liabilities						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Non-current lease liabilities						
As at 31 December 2023	-	-	-	-	(397)	(397)
As at 31 December 2022	-	-	-	-	(284)	(284)
Trade payables						
As at 31 December 2023	(49,044)	(3,419)	-	(281)	(63,440)	(116,184)
As at 31 December 2022	(13,472)	(7,416)	-	(166)	(58,201)	(79,255)
Current financial liabilities						
As at 31 December 2023	(1,060)	(141,405)	(3,135)	-	(39)	(145,639)
As at 31 December 2022	(597)	(163,000)	(3,248)	-	(376)	(167,221)
Current lease liabilities						
As at 31 December 2023	-	-	-	-	(105)	(105)
As at 31 December 2022	-	-	-	-	(62)	(62)
Other current payables and liabilities						
As at 31 December 2023	-	(160)	-	(10,077)	-	(10,237)
As at 31 December 2022	-	(97)	-	(2,800)	(91)	(2,988)

Financial balances of Rai SpA with joint ventures and associates as at 31 December 2023 and 31 December 2022

(Thousands €)	Auditel	Player Editori Radio	San Marino RTV	Tavolo Editori Radio	Tivù	Total joint ventures and associates
Lease rights of use						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Non-current financial assets						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Other non-current assets						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Trade receivables						
As at 31 December 2023	-	-	298	-	214	512
As at 31 December 2022	-	-	352	-	178	530
Current financial assets						
As at 31 December 2023	-	-	2,210	-	-	2,210
As at 31 December 2022	-	-	2,104	-	-	2,104
Other current receivables and assets						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Non-current financial liabilities						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Non-current lease liabilities						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Trade payables						
As at 31 December 2023	(327)	(21)	-	(244)	(444)	(1,036)
As at 31 December 2022	(2,248)	-	-	-	(407)	(2,655)
Current financial liabilities						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Current lease liabilities						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Other current payables and liabilities						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-



Income statement totals of Rai SpA with subsidiaries as at 31 December 2023 and 31 December 2022

(Thousands €)	Rai Cinema	Rai Com	Rai Corporation in liquidation	Rai Pubblicità	Rai Way	Total subsidiaries
Revenue from sales and services						
As at 31 December 2023	18	63,906	-	529,800	-	593,724
As at 31 December 2022	6	62,164	-	532,653	(9)	594,814
Other revenue and income						
As at 31 December 2023	3,348	4,552	-	3,786	10,177	21,863
As at 31 December 2022	3,729	4,229	-	3,640	9,768	21,366
Costs for the purchase of consumables						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Costs for services						
As at 31 December 2023	(247,517)	(5,694)	-	(210)	(246,957)	(500,378)
As at 31 December 2022	(237,039)	(8,710)	-	(51)	(227,806)	(473,606)
Other costs						
As at 31 December 2023	-	(407)	-	-	-	(407)
As at 31 December 2022	(2)	(364)	-	-	-	(366)
HR expenses						
As at 31 December 2023	1,288	846	-	1,418	24	3,576
As at 31 December 2022	1,038	1,583	-	1,531	46	4,198
Impairment of financial assets						
As at 31 December 2023	-	511	-	-	-	511
As at 31 December 2022	-	155	-	-	-	155
Depreciation, amortisation and write-downs						
As at 31 December 2023	-	-	-	-	(69)	(69)
As at 31 December 2022	-	-	-	-	(69)	(69)
Financial income						
As at 31 December 2023	18,655	8,650	-	8,247	48,510	84,062
As at 31 December 2022	17,239	6,658	-	10,369	43,049	77,315
Financial expense						
As at 31 December 2023	(130)	(3,599)	-	(19)	(226)	(3,974)
As at 31 December 2022	(43)	(202)	-	(19)	(8)	(272)

Income statement totals of Rai SpA with joint ventures and associates at 31 December 2023 and 31 December 2022

(Thousands €)	Auditel	Player Editori Radio	San Marino RTV	Tavolo Editori Radio	Tivù	Total joint ventures and associates
Revenue from sales and services						
As at 31 December 2023	-	-	1,024	-	728	1,752
As at 31 December 2022	-	-	1,004	-	686	1,690
Other revenue and income						
As at 31 December 2023	-	-	27	-	90	117
As at 31 December 2022	-	-	23	3	61	87
Costs for the purchase of consumables						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Costs for services						
As at 31 December 2023	(10,238)	(21)	4	(708)	(1,774)	(12,737)
As at 31 December 2022	(9,833)	(36)	7	(644)	(1,750)	(12,256)
Other costs						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
HR expenses						
As at 31 December 2023	-	-	100	-	-	100
As at 31 December 2022	-	-	159	-	-	159
Impairment of financial assets						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Depreciation, amortisation and write-downs						
As at 31 December 2023	-	-	-	-	-	-
as at 31 December 2022	-	-	-	-	-	-
Financial income						
As at 31 December 2023	-	-	150	-	-	150
As at 31 December 2022	-	-	46	-	-	46
Financial expense						
As at 31 December 2023	(6)	-	-	-	-	(6)
As at 31 December 2022	(11)	-	-	-	-	(11)



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.

Events following the balance sheet date

Service Contract 2023-2028

In its meeting of 18 January 2024, the Board of Directors of Rai approved, following the non-binding opinion of the Parliamentary Supervisory Committee, the outline of the Service Contract with the Ministry of Enterprises and Made in Italy. On 20 March 2024, the Council of Ministers resolved to approve the aforementioned Contract for the period 2023-2028. It should be noted that, as set forth in Article 30 of the 2018-2022 Service Contract, *"until the date of publication of the next Contract in the Official Gazette, the relations between Rai and the Ministry shall remain governed by the provisions of this Contract"*.

2024-2026 Business Plan

In its meeting of 18 January 2024, the Board, considering the development context of the reference scenario characterised by profound structural changes in the media ecosystem and in users' consumption patterns, oriented towards a progressive shift towards on-demand consumption and a strong increase in competitiveness, which makes it necessary to completely transform Rai into a *digital media* company, approved the 2024-2026 Business Plan.

ESG Sustainability Plan

In its meeting of 22 February 2024, the Board examined and approved the company's new ESG Sustainability Plan, which defines the lines that will guide Rai's sustainable development strategy over the next three years, and establishes priority areas for action: environment, inclusion and equal opportunities, youth, information quality, human capital, digital transformation, ethics and transparency. It should be noted that the initiatives defined in the 2024-26 Sustainability Plan are consistent with the strategic approach of the Business Plan and the Service Contract.

Outlook of operations

The 2024 Budget is framed within a highly uncertain external context characterised by high volatility and instability.

On the geopolitical front, in fact, the ongoing conflicts between Russia and Ukraine and in the Middle East, with the related risks of expansion, the competition between China and the US, and tensions in Africa and Latin America have accentuated the trend of fragmentation of the internationalisation process, fuelling "defensive" industrial policies and the growing formation of trade blocs.

In 2024, as regards the Italian economy, there are expectations for a recovery of growth in the second half of the year, supported by the reversal of monetary policies in the US and the Euro Area, the positive trend in household disposable income, the recovery of global demand and the acceleration of NRRP spending flows. Overall, Italy's annual GDP performance is not expected to deviate much from that of 2023, which did not reach 1%.

Rai's forecasts for 2024, the first year of the recently approved three-year Business Plan, incorporate the first important initiatives for the start of the transformation process into a digital media company, continuing the path of optimising expenditure, particularly in the corporate area and focusing resources on corporate priorities.

This transformation process is enabled by a specific investment plan aimed at the introduction of new technologies preparatory to the renewal of production models and the generation of savings, and is based on the procurement, already in the current financial year, of incremental resources through the enhancement of corporate assets.

From an economic point of view, on the revenue side, there is substantial stability in public resources, from the licence fee and the "replacement" tax recognised for 2024, against the reduction, for the current financial year, of the unit fee from € 90 to € 70, and an increase in the advertising component, especially in relation to the incremental revenue linked to the major sports events (Paris Olympics and UEFA Euro) that will be broadcast during the year. On the cost front, the acquisition of rights connected to the aforementioned events, typical of even-numbered financial years and an essential part of the public service mission entrusted to the Concessionaire, weighs particularly heavily.

Notwithstanding the considerable net impact of these events, the Budget projections foresee, at Group level, a potential loss of a limited amount, thanks also to stringent financial discipline.

The Group's net financial position, assuming the completion of the expected asset enhancement initiatives, will remain negative but significantly improving, at levels of certain sustainability.

We cannot, however, exclude the possibility that, both in relation to the actual trend of external variables during the year and in relation to the timing of extraordinary transactions, it may become necessary to reshape the structure of the initial projections, while still safeguarding, barring exceptional circumstances, the substantial balance of the income statement.

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**Separate Financial
Statements
as at 31 December 2023**



Analysis of the results and performance of economic and financial management of the financial year 2023

Reclassified Statements

Income statement

(€/million)	Financial Year 2023	Financial Year 2022	Change
Revenue	2,513.0	2,539.1	(26.1)
External costs net of major sports events	(1,334.9)	(1,276.8)	(58.1)
Major sports events	0.0	(176.7)	176.7
External costs	(1,334.9)	(1,453.5)	(118.6)
Employee expenses	(958.2)	(909.7)	(48.5)
EBITDA	219.9	175.9	44.0
Depreciation, amortisation and write-downs	(347.4)	(351.2)	3.8
Provisions	9.1	18.7	(9.6)
EBIT	(118.4)	(156.6)	38.2
Net financial income	60.4	65.0	(4.6)
Earnings from investments recognised at equity	(0.4)	0.6	(1.0)
Pre-tax profit/(loss)	(58.4)	(91.0)	32.6
Income tax	19.1	61.2	(42.1)
Profit/(Loss) for the year	(39.3)	(29.8)	(9.5)
Other comprehensive income	(4.5)	45.9	(50.4)
Total profit/(loss) for the year	(43.8)	16.1	(59.9)

Capital structure

(€/million)	31 December 2023	31 December 2022	Change
Fixed assets	2,232.4	2,241.3	(8.9)
Net working capital	(625.8)	(524.1)	(101.7)
Provisions for risks and charges	(184.4)	(170.5)	(13.9)
Employee benefits	(268.1)	(273.5)	5.4
Net invested capital	1,154.1	1,273.2	(119.1)
Equity	630.1	673.9	(43.8)
Net financial debt excluding liabilities for operating leases	464.0	551.0	(87.0)
Operating lease liabilities	60.0	48.3	11.7
Net financial position	524.0	599.3	(75.3)
Total	1,154.1	1,273.2	(119.1)

The financial statements for the year ended 31 December 2023 show a loss of € 39.3 million (loss of € 29.8 million was the result for the year 2022).

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 year.

Income statement

Revenue

This is made up of licence fees, advertising proceeds and other trade revenue, totalling € 2,513.0 million, decreased by € 26.1 million (-1.0%) compared to the previous financial year.

Revenue

(€/million)	Financial Year 2023	Financial Year 2022	Change
Licence fees	1,839.1	1,864.3	(25.2)
Advertising	529.6	531.6	(2.0)
Other revenue	144.3	143.2	1.1
Total	2,513.0	2,539.1	(26.1)

Licence fees

Licence fees of € 1,839.1 million, detailed in the table below, decreased by € 25.2 million (-1.4%) compared to the previous financial year.

Licence fees

(€/million)	Financial Year 2023	Financial Year 2022	Change
Licence fees for the year - household licences	1,686.4	1,725.1	(38.7)
Ordinary licence fees exemptions	10.0	13.4	(3.4)
Licence fees for the financial year - ordinary	1,696.4	1,738.5	(42.1)
Licence fees for the year - special licences	78.8	76.6	2.2
Special licence fees exemptions	0.1	0.1	0.0
Licence fees for the financial year - special	78.9	76.7	2.2
Licence fees collected by enforcement order - ordinary licence fees collected by the Government in the period	10.2	11.8	(1.6)
Licence fees collected by enforcement order - special licence fees	3.7	3.3	0.4
Licence fees collected by enforcement order	13.9	15.1	(1.2)
Licence fees for previous financial years - household licences	36.8	34.2	2.6
Licence fees for previous financial years - special licences Decree Law "Sostegni")	13.2	0.0	13.2
Licence fees redemption	(0.1)	(0.2)	0.1
Total	1,839.1	1,864.3	(25.2)



The reduction is mainly determined by ordinary licence fees for the year (-€ 38.7 million, -2.2% compared to 2022), due to lower collections as a result of extensions of payment terms granted to the flooded municipalities, delays in billing times attributable to some electricity supply companies and a significant increase in arrears (estimated at 1.5%) caused by the difficulties of households given the complexity of the socio-economic context.

Worthy of note is the proceeds from the recognition of the second tranche (amounting to € 13.2 million) of the sums provided for in Decree-Law "Sostegni" of 22 March 2021 No. 41, which provided for:

- 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, of which a first tranche equal to € 43.0 million was paid to Rai in 2021.

Advertising

International economic conditions were characterised, also in 2023, by high uncertainty and downside risks, mainly linked to the escalation and spread of geo-political tensions (Russian-Ukrainian and Israeli-Palestinian conflicts) and less favourable financial conditions.

Despite the international uncertainty, Italian GDP is expected to grow by 0.9% in 2023, decreasing compared to the +3.7% reported in 2022.

As far as the advertising market is concerned, 2023 had a positive trend in the first four months, negative in the next four, before turning positive again in the latter part of the year, with the exception of December.

The advertising investment market in Italy closes 2023 up by 2.6%; excluding from advertising sales the Nielsen estimate on search, social, classified (sponsored ads) and the so-called "Over The Top" (OTT), the positive trend in 2023 is reduced to +1.9%.

In detail by media, TV recorded an increase in investments of +2.1%, Radio of 6.0%, Digital grew overall by 3.5% (net of OTT, search, social, classified which recorded +2.4%). Cinema is also growing by 22.5%.

In this context, Rai's advertising revenues, amounting to € 529.6 million, detailed in the table below show a slight overall decrease of € 2.0 million (-0.4%), despite the fact that 2023 was affected by the negative effects produced by the entry into force, in 2022, of the new advertising limits introduced by Legislative Decree 208/2021 bearing the Consolidation Act on Audiovisual Media Services, so-called "TUSMA", which led to a redefinition of them for both Rai and commercial radio and TV.

In particular, Rai has switched to the new 6% advertising limit for 2023 (from the 7% established for 2022) to be calculated on each time slot (from 06:00 a.m. to 6:00 p.m. and from 6:00 p.m. to 12:00 a.m.) and for each individual channel, while maintaining the hourly limit of 12% on all hours of the day and with a reduction in the percentage of overrunning to be recovered from 2% to 1%.

The new limits, applied as of 1 January 2023, resulted in a further reduction of both the most valuable seconds (prime time) and those characterised by lower profitability and greater fungibility (day time) compared to 2022.

Advertising

(€/million)	Financial Year 2023	Financial Year 2022	Change
Television advertising on general-interest channels:			
– commercial	266.7	276.7	(10.0)
– promotions, sponsorships and other initiatives	178.6	172.2	6.4
	445.3	448.9	(3.6)
Television advertising on specialist channels	41.2	45.2	(4.0)
Radio advertising	20.4	20.4	0.0
Web advertising	23.2	17.2	6.0
Other advertising	0.1	1.1	(1.0)
Share due to third parties	(0.9)	(1.5)	0.6
Contingencies	0.3	0.3	0.0
Total	529.6	531.6	(2.0)

Other revenue

These amounted to € 144.3 million and increased by € 1.1 million (+0.8%) compared to the previous financial year.

Details of the item are presented in the table below.

Other revenue

(€/million)	Financial Year 2023	Financial Year 2022	Change
Special services under agreement	42.2	41.9	0.3
Service and other provisions of services to subsidiaries	20.0	19.8	0.2
Sale of rights over programmes	5.9	6.5	(0.6)
Distribution and sale of channels	42.5	22.0	20.5
Sundry services, mainly for institutional purposes	9.0	10.4	(1.4)
Public paid events	1.1	5.8	(4.7)
Operating grants	12.9	13.5	(0.6)
Production services and facility supply	0.4	3.6	(3.2)
Other	8.9	12.7	(3.8)
Share of sales due to third parties	(0.4)	(1.0)	0.6
Contingencies	1.8	8.0	(6.2)
Total	144.3	143.2	1.1

In this regard, the following should be noted:

- on the positive side, the increase in the item Distribution and Sale of Channels (+€ 20.5 million) as a result of an agreement for the retransmission of Rai channels and the Rai Play app on a third-party platform;
- on the negative side, the lower Contingencies (–€ 6.2 million) of 2022 due to the adjustment to the contractualised values of services provided in previous financial years, the reduction in Production Services and Facility Supply (–€ 3.2 million) determined by the services rendered as host broadcaster for the 2022 European Swimming Championship, the reduction in the item Public paid events (–€ 4.7 million) and the item Other (–€ 3.8 million) mainly due to ticket sales and the reimbursement of production costs for the Eurovision Song Contest held in 2022.



In relation to the above trends, licence fees recorded a percent-of-revenue decrease of total revenue by 0.3 pp compared to the previous financial year, to the benefit of advertising (+0.2 pp) and other revenue (+0.1 pp), as shown in the table below.

Percent of revenue

	Financial Year 2023	Financial Year 2022
Licence fees	73.2%	73.5%
Advertising	21.1%	20.9%
Other income	5.7%	5.6%
Total	100.0%	100.0%

Operating costs

These are made up of external costs and employee expenses, meaning both internal and external costs pertaining to the company's ordinary business except for those concerning financial management.

The item totals € 2,293.1 million, a decrease of € 70.1 million (-3.0%) compared to the 2022 financial year, the reasons for which are explained below.

External costs

This item amounted to €1,334.9 million, including 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.).

The item shows a reduction of € 118.6 million (-8.2%) caused by the presence in the last financial year of the major sporting events Football World Cup and Winter Olympics, the costs of which weighed on the 2022 income statement for € 176.7 million.

Net of Major Sporting Events, external costs show a growth of € 58.1 million (+4.6%), in detail highlighted in the table below.

External costs for goods and services net of major sports events

(€/million)	Financial Year 2023	Financial Year 2022	Change
Purchase of materials	10.3	10.2	0.1
Costs for services			
Freelance services	139.1	122.7	16.4
Services for programme acquisition and production	201.5	198.0	3.5
Duty travel and personnel costs	31.9	29.4	2.5
Signal broadcast and transmission – Rai Way	247.5	227.7	19.8
Maintenance, repairs, transport and similar	39.1	37.1	2.0
IT system documentation and assistance services	55.7	54.7	1.0
Other external services (telephone, supply services, cleaning, postal, insurance etc.)	94.2	123.6	(29.4)
Purchase of showings from subsidiaries	245.3	234.7	10.6
Leases and rentals	26.3	25.5	0.8
Recording rights (mainly Sports broadcasting rights)	98.3	84.2	14.1
Rights of Use	113.3	105.7	7.6
Recovery of expenses	(2.3)	(2.3)	0.0
Contingencies	(14.9)	(18.5)	3.6
	1,275.0	1,222.5	52.5
Other costs			
Administrative fees and rights for use of frequencies	13.4	10.6	2.8
Prizes and winnings	7.9	5.1	2.8
Fee to control authorities	5.3	4.8	0.5
TASI/IMU tax	8.0	7.8	0.2
Other indirect taxes, duties and fees	7.6	7.6	0.0
Newspaper, magazines, books and publications	1.6	1.6	0.0
Membership fees	3.4	3.1	0.3
Losses on disposals	0.4	1.0	(0.6)
Others	2.3	3.0	(0.7)
Contingencies	(0.3)	(0.5)	0.2
	49.6	44.1	5.5
Total	1,334.9	1,276.8	58.1

Specifically, increases are shown in the items:

- freelance services (+€ 16.4 million) related to the publishing product;
- signal broadcast and transmission – Rai Way (+€ 19.8 million) mainly due to the inflationary adjustment of fees;
- recording rights (+€ 14.1 million) up mainly due to the acquisition of the Europa League and higher costs related to the National Team and the Football Championship;
- purchase of showings from subsidiaries (+€ 10.6 million) in relation to the more valuable mix of films and series acquired by Rai Cinema.

On the other hand, there was a decrease in the item Other external services (-€ 29.4 million) mainly due to lower costs for electricity and gas compared to the previous financial year.



Employee expenses

These amounted to € 958.2 million, an increase of € 48.5 million (+5.3%) compared to the financial year of 2022.

This increase is attributable to the forecast of an extraordinary initiative of voluntary redundancy incentives for personnel to be implemented during 2024 (+€ 29.9 million) and to the physiological growth deriving from contractual automatic mechanisms and the renewal of collective labour contracts that impact on the item Salaries and social security costs (+€ 23.5 million).

The item Others decreased (-€ 7.1 million), mainly due to lower charges from labour disputes.

Employee expenses

(€/million)	Financial Year 2023	Financial Year 2022	Change
Salaries and social security costs	887.6	864.1	23.5
Provision for employee severance indemnity	40.1	40.1	0.0
Pensions and similar obligations	11.5	11.4	0.1
Others	5.4	12.5	(7.1)
	944.6	928.1	16.5
Redundancy incentives	30.8	0.9	29.9
Recovery of expenses	(4.6)	(5.4)	0.8
Capitalised employee expenses	(11.8)	(13.1)	1.3
Contingencies	(0.8)	(0.8)	0.0
	13.6	(18.4)	32.0
Total	958.2	909.7	48.5

The **average number of employees** in service during the financial year, including fixed-term staff, was 11,164, down by 13 compared to the figure for the financial year 2022; in detail, there was an increase of 5 in fixed-term staff and a decrease of 18 in permanent staff.

The **staff employed** as of 31 December 2023 is equal to 11,373, 11,311 of which have a permanent contract (including 3 senior staff hired on a fixed-term contract) and 62 on a fixed-term contract.

The increase of 165 employees of permanent contract compared to 31 December 2022 is due to the leave of 279 employees, of which 10 subject to redundancy incentive and 444 new hires, of which 303 hired with new apprenticeship contracts, 90 will sign fixed-term contracts, 16 due to litigation and 7 due to new hires from Group companies.

As for the staff under fixed-term contracts, there was a decrease of 51 employees compared to 31 December 2022.

EBITDA

In connection with the changes stated above, EBITDA was positive and totalled € 219.9 million, up by € 44.0 million compared to the figure for financial year 2022.

Depreciation, amortisation and write-downs

The item, equal to € 347.4 million, decreased by € 3.8 million (-1.1%) compared to the 2022 financial year and refers to depreciation, amortisation and write-downs of current and non-current assets, including the effect, equal to € 31.3 million, deriving from the write-down of sports libraries carried out in relation to the foreseeable possibility of utilisation.

The table below provides a breakdown of the item.

Depreciation, amortisation and write-downs

(€/million)	Financial Year 2023	Financial Year 2022	Change
Amortisation and depreciation			
of programmes			
Drama	131.6	161.8	(30.2)
Cartoons	14.1	13.0	1.1
Sports libraries	2.2	2.2	0.0
Others	3.3	1.5	1.8
	151.2	178.5	(27.3)
of property, plant and equipment			
Buildings	14.5	13.7	0.8
Plant and machinery	55.0	52.3	2.7
Industrial and commercial equipment	2.3	2.3	0.0
Other assets	6.9	7.1	(0.2)
	78.7	75.4	3.3
of intangible assets			
Software	10.8	10.8	0.0
Digital terrestrial frequencies	0.8	0.5	0.3
	11.6	11.3	0.3
Of lease rights of use			
Land and buildings	14.2	13.6	0.6
Other assets	1.9	1.7	0.2
	16.1	15.3	0.8
Total amortisation	257.6	280.5	(22.9)
Write-downs (write-backs)			
Of intangible assets			
Programmes under amortisation	58.6	60.7	(2.1)
Programmes in progress	0.3	0.5	(0.2)
Sports libraries	31.3	0.4	30.9
	90.2	61.6	28.6
Of property, plant and equipment			
	0.0	6.3	(6.3)
Of investments valued at cost			
	(0.1)	0.3	(0.4)
Of other non-current assets			
Minimums guaranteed on commercial activities	(0.2)	0.0	(0.2)
Other non-current assets	0.1	0.1	0.0
	(0.1)	0.1	(0.2)
Of trade receivables and other current assets			
Trade receivables	0.1	0.0	0.1
Receivables from subsidiaries	(0.5)	(0.1)	(0.4)
Other current receivables and assets	0.2	2.5	(2.3)
	(0.2)	2.4	(2.6)
Total write-downs	89.8	70.7	19.1
Total	347.4	351.2	(3.8)



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 positive balance of € 9.1 million (negative for € 18.7 million in the previous financial year) caused by provisions for € 4.6 million and by uses of provisions set aside in previous financial years and now in excess by € 13.7 million.

EBIT

The trends in revenues and costs illustrated above resulted in a negative EBIT of € 118.4 million, up by € 38.2 million compared to -€ 156.6 million in 2022.

Net financial income

The item, as detailed in the following table, was positive by € 60.4 million (€ 65.0 million in 2022) and shows the economic effects arising from the distribution of the dividends by the subsidiaries, from the recognition of the actuarial interest for employee benefits, the effects of financial management, such interest income/expense from banks and bondholders, Group companies 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 2023	Financial Year 2022	Change
Dividends			
Rai Cinema	11.6	13.7	(2.1)
Rai Way	48.5	43.0	5.5
Rai Com	8.7	6.7	2.0
Rai Pubblicità	8.2	10.4	(2.2)
Others	0.1	0.2	(0.1)
	77.1	74.0	3.1
Other net financial income (charges)			
Net bank interest expenses	(0.1)	(0.5)	0.4
Net interest income from subsidiaries and associates	3.2	3.2	0.0
Interest expense on lease contracts	(1.5)	(0.7)	(0.8)
Interest expense on bonds	(7.5)	(7.5)	0.0
Interest on employee benefit liabilities	(9.1)	(1.6)	(7.5)
Net exchange rate income	0.2	(0.1)	0.3
Others	(1.9)	(1.8)	(0.1)
	(16.7)	(9.0)	(7.7)
Net financial income	60.4	65.0	(4.6)

Dividends increased by € 3.1 million, mainly as a result of the higher contribution of Rai Way and Rai Com.

Other Net financial expenses increased by € 7.7 million (€ 16.7 million compared to € 9.0 million in the previous year), mainly due to higher interest expenses on employee benefits as a result of the increase in actuarial rates.

Net financial expenses of a banking and intercompany nature were substantially in line with the previous year's values due to the offsetting of higher interest expenses applied to short-term lines, as a consequence of the rise in market rates, and higher income generated by the use of infra-annual liquidity. The cost of the bond financing, issued at a fixed rate, remained unchanged.

The average cost of financing, consisting of uncommitted credit lines, revolving line and the bond maturing in December 2024, is 2.8%, up compared to 2022 (2.2%).

Earnings from equity investments recognised at equity

The item, resulting from the valuation of associates and joint ventures using the equity method, shows a negative balance of € 0.4 million (positive for € 0.6 million in the year 2022), mainly determined by the full write-down of the investment in San Marino RTV.

Income tax

This item posted a positive value of € 19.1 million (€ 61.2 million in 2022) and this is due to the balance between current and deferred taxes, as itemised in the following table:

Income tax

(€/million)	Financial Year 2023	Financial Year 2022	Change
IRES	0.0	0.0	0.0
IRAP	0.0	0.0	0.0
Deferred tax liabilities	1.9	1.9	0.0
Deferred tax assets	17.2	59.3	(42.1)
Direct taxes of previous financial years	0.0	0.0	0.0
Total	19.1	61.2	(42.1)

As in the previous financial year, 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 € 1.9 million due to the re-entry of the temporary differences recognised in the previous financial years.

Deferred tax assets had a positive economic effect of € 17.2 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 € 2,232.4 million, down by € 8.9 million compared to 31 December 2022.

A breakdown of this item is shown in the table below:

Fixed assets

(€/million)	31 December 2023	31 December 2022	Change
Tangible assets	912.5	909.1	3.4
Lease rights of use	58.1	47.5	10.6
Assets in programmes	307.4	334.1	(26.7)
Long-term investments	919.2	920.1	(0.9)
Others	35.2	30.5	4.7
Total	2,232.4	2,241.3	(8.9)

The **tangible assets**, detailed in the table below, increased by € 3.4 million.

Tangible assets

(€/million)	31 December 2023	31 December 2022	Change
Land	360.4	360.7	(0.3)
Buildings	281.6	288.6	(7.0)
Plant and machinery	170.3	162.4	7.9
Industrial and commercial equipment	5.5	6.3	(0.8)
Other assets	22.4	24.5	(2.1)
Assets under construction and payments on account	72.3	66.6	5.7
Total	912.5	909.1	3.4

Lease rights of use amounted to € 58.1 million, up by € 10.6 million compared to 31 December 2022.

Lease rights of use

(€/million)	31 December 2023	31 December 2022	Change
Land and buildings	51.1	45.7	5.4
Other assets	7.0	1.8	5.2
Total	58.1	47.5	10.6

Assets in programmes, down by € 26.7 million compared 31 December 2022 and detailed in the table below, are mostly represented by Drama, on which, as shown below, most investments in the year were concentrated. With regard to the Sports libraries, the decrease is attributable to what is indicated under the item Depreciation, amortisation and write-downs

Assets in programmes

(€/million)	31 December 2023	31 December 2022	Change
Drama	245.0	243.0	2.0
Cartoons	53.3	51.1	2.2
Sports libraries	0.0	33.6	(33.6)
Others	9.1	6.4	2.7
Total	307.4	334.1	(26.7)

Long-term investments consisting of shareholdings and other financial assets with expiration after 12 months, show a decrease of € 0.9 million, mainly due to the change in value of related companies as calculated using the equity method, and the full write-down of the equity investment in San Marino RTV SpA.

The item is broken down in detail in the table below.

Long-term investments

(€/million)	31 December 2023	31 December 2022	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	1.5	1.3	0.2
Tavolo Editori Radio Srl	0.1	0.1	0.0
Tivù Srl	1.8	1.3	0.5
San Marino RTV SpA	0.0	1.5	(1.5)
	3.4	4.2	(0.8)
Other equity investments	1.0	1.0	0.0
Fixed-income securities	2.4	2.4	0.0
Other	0.1	0.2	(0.1)
Total	919.2	920.1	(0.9)



Other fixed assets, detailed in the table below, increased by € 4.7 million determined by software.

Other fixed assets

(€/million)	31 December 2023	31 December 2022	Change
Software	28.4	22.9	5.5
DVB-T2 frequencies	6.6	7.4	(0.8)
Commercial rights with football clubs	0.2	0.2	0.0
Total	35.2	30.5	4.7

Investments for the period, detailed in the table below, amounted to € 340.7 million and increased by € 20.2 million (+6.3%) compared to the year 2022.

In detail:

- greater investments in programmes for € 9.0 million (+4.4%) mainly referring to the drama genre;
- higher technical investments for € 2.6 million (+2.7%);
- higher investments in lease rights of use for € 8.6 million (+47.3%), more significant in relation to the renewal of lease contracts for certain company premises and the renewal of the car fleet.

Investments

(€/million)	31 December 2023	31 December 2022	Change
Drama	192.5	184.9	7.6
Cartoons	16.2	16.4	(0.2)
Other	6.1	4.5	1.6
Investments in programmes	214.8	205.8	9.0
Tangible Investments	84.2	86.6	(2.4)
Software	14.9	9.9	5.0
Technical investments	99.1	96.5	2.6
Investments in lease rights of use	26.8	18.2	8.6
Total investments	340.7	320.5	20.2

Net working capital

Net working capital

(€/million)	31 December 2023	31 December 2022	Change
Inventories	0.1	0.1	0.0
Trade receivables	275.2	337.0	(61.8)
Other receivables	208.8	123.8	85.0
Trade payables	(589.1)	(561.4)	(27.7)
Other debts	(504.1)	(415.8)	(88.3)
Net deferred tax liabilities	(16.7)	(7.8)	(8.9)
Total	(625.8)	(524.1)	(101.7)

The most significant changes compared to 31 December 2022 regard the following items:

- **trade receivables** decreased by € 61.8 million, mainly due to lower receivables from subsidiaries;
- **other receivables** up by € 85.0 million for advances on future sporting events, mainly for the European Football Championship and the Summer Olympics;
- **trade payables** up by € 27.7 million due to increase in accounts payable to subsidiaries;
- **other payables** increased by € 88.3 million mainly for advances on licence fees resulting from the difference between the amounts paid by the Ministry of Economy and Finance with respect to the accrued value and deferred income related to the contribution granted by the Ministry of Industry and Made in Italy for the adjustment of broadcasting equipment to the new DVB-T2 standard;
- **net deferred tax liabilities** increased by € 8.9 million due to lower deferred tax assets arising from the recognition of a tax loss in the year that was lower than in the previous one.

Provisions for risks and charges

The item Provisions for risks and charges, amounting to € 184.4 million, increased by € 13.9 million compared to 31 December 2022, mainly due to provisions related to the management of employees and to the provision of the contribution for the use of digital television frequencies, whose amount for the years 2022 and 2023 has not yet been determined by the competent authorities.

Employee benefits

Employee Benefits, amounting to € 268.1 million, shows a decrease of € 5.4 million compared to 31 December 2022, due to payments to beneficiaries and to actuarial valuation elements related to financial and demographic assumptions detailed in the specific section of the notes to Separate Financial Statements.

The table below shows the details of the provisions and relevant changes compared to 31 December 2022.

Employee benefits

(€/million)	31 December 2023	31 December 2022	Change
Employee severance pay	(135.0)	(138.1)	3.1
Supplementary company pension provisions	(74.2)	(75.2)	1.0
Provisions in lieu of the former fixed indemnity for journalists	(45.8)	(46.9)	1.1
FASDIR assistance provision for the retired	(12.9)	(13.1)	0.2
Other	(0.2)	(0.2)	0.0
Total	(268.1)	(273.5)	5.4

Net financial position

The net financial position broken down in the table below, was negative at € 542.0 million, up by € 75.3 million compared to 31 December 2022.



Net financial position

(€/million)	31 December 2023	31 December 2022	Change
Cash and cash equivalents	5.6	4.4	1.2
Other current financial assets			
Securities	0.0	0.0	0.0
Restricted bank deposits	0.9	3.3	(2.4)
Receivables from subsidiaries/associates	184.3	131.1	53.2
Derivative hedging instruments	0.0	0.0	0.0
Other financial receivables	0.6	0.3	0.3
	185.8	134.7	51.1
Current financial debt			
Due to banks	(208.4)	(223.3)	14.9
Payables to subsidiaries/associates	(145.6)	(167.2)	21.6
Derivative hedging instruments	0.0	0.0	0.0
Lease liabilities	(17.6)	(14.3)	(3.3)
Other Financial Debt	(1.6)	0.0	(1.6)
Bond loan - current portion	(299.8)	0.0	(299.8)
	(673.0)	(404.8)	(268.2)
Non-current financial debt			
Bond issues	0.0	(299.6)	299.6
Derivative hedging instruments	0.0	0.0	0.0
Lease liabilities	(42.4)	(34.0)	(8.4)
	(42.4)	(333.6)	291.2
Net financial debt	(524.0)	(599.3)	75.3
<i>of which:</i>			
– due to subsidiaries/associates	38.7	(36.1)	74.8
– due to third parties	(562.7)	(563.2)	0.5
	(524.0)	(599.3)	75.3
<i>of which: operating lease liabilities</i>	(60.0)	(48.3)	(11.7)
Net financial debt excluding operating lease liabilities	(464.0)	(551.0)	87.0

Net of liabilities for operating leases, financial debt amounted to € 464.0 million, an improvement of € 87.0 million compared to 31 December 2022.

The reduction in debt, consequent to the realisation of a positive cash flow, was mainly due to higher collections for ordinary and special licence fees and the collection of trade receivables from third parties and intercompany, which, together with the reduction in disbursements for major sports events (in the 2022 financial year of a significant amount as a result of the balance instalments paid for the Winter Olympics and World Cup), offset the increase in payment flows for operating and investment expenses.

The average financial position (excluding liabilities for operating leases) was negative by € 252 million, also an improvement compared to the financial year 2022 (-€ 273 million), as a result of the improved financial profile recorded in the second half of the year.

On 28 November 2023, Moody's published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with outlook improvement from negative to stable.

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 fees receivables) and equity, was 1.83 (1.89 as at 31 December 2022);
- the financial debt coverage ratio, which is the ratio between net financial debt (net of the licence fees receivables and liabilities resulting from application of IFRS 16 for operating leases) and equity, was 0.74 (0.82 as at 31 December 2022);
- the liquid funds ratio, which is the ratio between current assets (inventories, working capital net of licence fees 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 0.39 (0.44 as at 31 December 2022).

The financial risks to which the Company is exposed are monitored using appropriate IT and statistical tools. A policy regulates financial management according to best practices, with the objective of preserving the value of the company a risk-averse attitude, pursued by actively monitoring exposure and implementing appropriate hedging strategies, also on behalf of Group companies (with the exception of Rai Way).

Detailed information on financial risks can be found in the specific section of the notes to the Separate Financial Statements, to which reference should be made.



Financial Statements of Rai SpA

Statement of Financial Position

(Euro)	Note	Year ended	
		31 December 2023	31 December 2022
Property, plant and equipment	11.1	912,495,121	909,053,406
Lease rights of use	11.2	58,052,929	47,512,649
Intangible assets	11.3	342,701,918	364,577,247
Equity investments	11.4	916,806,390	917,709,738
Non-current financial assets	11.5	2,416,061	2,456,755
Deferred tax assets	11.6	-	-
Other non-current assets	11.7	16,342,759	28,184,930
Total non-current assets		2,248,815,178	2,269,494,725
Inventory	12.1	60,336	70,093
Trade receivables	12.2	275,236,886	336,993,605
Current financial assets	12.3	185,833,976	134,670,526
Current income tax assets	12.4	881,385	78,928
Other current receivables and assets	12.5	191,560,572	95,608,351
Cash and cash equivalents	12.6	5,585,641	4,421,231
Total current assets		659,158,796	571,842,734
Total assets		2,907,973,974	2,841,337,459
Share Capital		242,518,100	242,518,100
Reserves		439,011,696	465,696,938
Retained earnings (losses)		(51,427,650)	(34,310,005)
Total Group shareholders' equity	13	630,102,146	673,905,033
Non-current financial liabilities	14.1	10,881	299,556,779
Non-current lease liabilities	14.2	42,369,056	34,020,182
Employee benefits	14.3	268,131,963	273,485,760
Provisions for non-current risks and charges	14.4	184,375,479	170,497,065
Deferred tax liabilities	14.5	16,663,738	7,835,663
Other non-current payables and liabilities	14.6	72,334,475	52,636,722
Total non-current liabilities		583,885,592	838,032,171
Trade payables	15.1	589,133,294	561,389,218
Current financial liabilities	15.2	655,444,074	390,576,342
Current lease liabilities	14.2	17,643,348	14,278,725
Current income tax liabilities	15.3	35,937,018	27,305,843
Other current payables and liabilities	15.1	395,828,502	335,850,127
Total current liabilities		1,693,986,236	1,329,400,255
Total liabilities		2,277,871,828	2,167,432,426
Total shareholders' equity and liabilities		2,907,973,974	2,841,337,459

Income Statement

(Euro)	Note	Year ended	
		31 December 2023	31 December 2022
Revenues from sales and services	16.1	2,473,214,718	2,495,812,084
Other revenue and income	16.2	39,751,716	43,259,676
Total revenue		2,512,966,434	2,539,071,760
Costs for the purchase of consumables	16.3	(10,350,553)	(10,160,558)
Costs for services	16.3	(1,274,964,009)	(1,399,225,491)
Other costs	16.3	(49,635,452)	(44,125,955)
HR expenses	16.4	(958,151,942)	(909,682,293)
Impairment of financial assets	16.5	396,786	120,642
Depreciation, amortisation and other write-downs	16.6	(347,771,385)	(351,298,562)
Provisions	16.7	9,079,539	18,671,842
Total costs		(2,631,397,016)	(2,695,700,375)
EBIT		(118,430,582)	(156,628,615)
Financial income	16.8	88,089,733	78,359,162
Financial expense	16.8	(27,655,163)	(13,403,443)
Earnings from equity investments recognised at equity	16.9	(424,421)	633,813
Pre-tax profit/(loss)		(58,420,433)	(91,039,083)
Income tax	16.10	19,160,855	61,200,098
Profit/(loss) for the year		(39,259,578)	(29,838,985)

Statement of comprehensive income

(Euro)	Year ended	
	31 December 2023	31 December 2022
Profit/(Loss) for the year	(39,259,578)	(29,838,985)
Items that can be reclassified to the income statement:		
Profit/(Loss) on cash flow hedge	3,153,744	3,153,744
Total	3,153,744	3,153,744
Items that cannot be reclassified to the income statement:		
Recalculation of defined-benefit plans	(7,697,053)	42,753,570
Total	(7,697,053)	42,753,570
Total profit/(loss) for the year	(43,802,887)	16,068,329



Cash Flow Statement

(Thousands €)	Note	Year ended	
		31 December 2023	31 December 2022
Pre-tax profit/(loss)		(58,420)	(91,039)
Adjustments for:			
Depreciation, amortisation and write-downs	16.5 16.6	347,375	351,178
Provisions and (issues) of personnel provisions and other provisions		84,914	64,924
Net financial charges (income)	16.8	(60,434)	(64,956)
Earnings from equity investments recognised at equity	16.9	425	(634)
Other non-monetary items		392	968
Cash flow generated by operating activities before changes in net working capital		314,252	260,441
Change in inventory		10	36
Change in trade receivables	12.2	62,154	(29,675)
Change in trade payables	15.1	27,744	17,762
Change in other assets and liabilities		29,204	75,204
Use of provisions for risks	14.4	(30,737)	(60,768)
Payment of employee benefits and to external provisions	14.3	(62,485)	(72,066)
Taxes paid		-	-
Net cash flow generated by operating activities		340,142	190,934
Investments in property, plant and equipment	11.1	(84,235)	(86,596)
Disposal of property, plant and equipment	11.1	110	140
Investments in intangible assets	11.3	(229,661)	(215,754)
Disposal of intangible assets	11.3	11	-
Equity investment transfer	11.4	-	3
Dividends collected		77,566	80,861
Net interest collected		50	50
Change in financial assets	11.5 12.3	(50,718)	(7,658)
Net cash flow generated by operating activities		(286,877)	(228,954)
Long-term loan repayments	14.1 15.2	(7)	(7)
Increase (Decrease) in short-term borrowings and other loans	15.2	(35,307)	16,931
Repayments of lease liabilities	14.2	(14,938)	(15,122)
Net interest paid (*)		(1,848)	(1,897)
Net cash flow generated by financial activities		(52,100)	(95)
Change in cash and cash equivalents		1,165	(38,115)
Cash and cash equivalents at the beginning of the year	12.6	4,421	42,536
Cash and cash equivalents at the end of the year	12.6	5,586	4,421

(*) Referring to financial assets/liabilities.

Statement of changes in equity

(Thousands €)	Share Capital	Legal reserve	Other reserves	Retained earnings (losses)	Total shareholders' equity
Balances as at 1 January 2022	242,518	12,042	480,938	(77,661)	657,837
Allocation of profit/loss	-	-	(30,437)	30,437	-
Profit/(Loss) for the year	-	-	-	(29,839)	(29,839)
Statement of comprehensive income components	-	-	3,153	42,754	45,907
Total profit/(loss) for the year	-	-	3,153	12,915	16,068
Balances as at 31 December 2022	242,518	12,042	453,654	(34,309)	673,905
Balances as at 1 January 2023	242,518	12,042	453,654	(34,309)	673,905
Allocation of profit/loss	-	-	(29,839)	29,839	-
Profit/(Loss) for the year	-	-	-	(39,260)	(39,260)
Statement of comprehensive income components	-	-	3,154	(7,697)	(4,543)
Total profit/(loss) for the year	-	-	3,154	(46,957)	(43,803)
Balances as at 31 December 2023	242,518	12,042	426,969	(51,427)	630,102

Notes to the Separate Financial Statements as at 31 December 2023

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 2023 (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. Pursuant to Article 12 of Law No. 14 of 24 February 2023, which converted into law Decree-Law No. 198 of 29 December 2022, the expiry date of the current Contract was postponed to 30 September 2023. According to the provisions of Article 30 of the Contract, the same expires on the date of publication in the Official Gazette of the next Contract

With regard to the Service Contract relating to the period 2023-2028, reference is made to note no. 18 "Events following the balance sheet date".

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 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 2022, are described below.

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.

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.

3

Evaluation criteria



Activities

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 fees;
- 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. 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 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 revised in each financial year, in which they will generate economic benefits from their use; they 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 are 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 utility 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 months
Soap operas	13
Dramas (excluding soap operas)	36
Documentary works	36
Exploitation rights of football library	48
Cartoons	60



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, specialist programmes, 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 write-down 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 with 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. The analysis of the receivables by due date (before provisions for write-downs) is provided below:

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. 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 cash 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. 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, or the amount of which cannot be reliably estimated, 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 over the expiration period and is net of any plan assets. The liability is measured by independent actuaries.

Net interest includes the interest cost to be recognised in profit or loss net of any return component of plan assets. 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.

The actuarial gains and losses arising from the actuarial assessment of the defined-benefit plans are recognised as other comprehensive income. The actuarial gains and losses for the other long-term benefits are recognised to 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 and 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.

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.

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

The 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 accounting recognition lead one to believe that this value is not recoverable. 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.

Accounting standards approved by the European Union but still not mandatorily applicable

- Regulation No. 2023/2579 issued by the European Commission on 20 November 2023 endorsed the "Amendments to IFRS 16 *Leases: Lease Liabilities in a Sale and leaseback*" issued by the IASB on 22 September 2022. The amendment specifies the criteria to be used by a lessee to measure the lease liability arising from a leaseback in order to avoid recognising gains or losses on the right of use recognised in the balance sheet.
- Regulation No. 2023/2822 issued by the European Commission on 19 December 2023 endorsed the documents "Amendments to IAS 1 *Presentation of Financial Statements: Classification of Liabilities as Current and Non-Current*", the document "*Classification of Liabilities into Current and Non-Current - Deferral of the Effective Date*" and the document "*Non-Current Liabilities with Covenants*" issued by the IASB on 23 January 2020, 15 July 2020 and 31 October 2022, respectively. The documents clarify the requirements for classifying liabilities as current or non-current. More specifically:
 - 1) 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;
 - 2) 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;
 - 3) the amendments clarify situations that are considered as the payment of a liability.

5**Recently-
issued
accounting
principles**



The amendments are effective starting from reporting periods beginning on or after 1 January 2024. Early application is permitted.

The Company has considered these changes will not have a significant impact on its Financial Statements.

Accounting principles not yet approved by the European Union

- On 25 May 2023, the IASB issued the document “Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Supplier Finance Arrangements”.

The amendments introduce a requirement to provide specific disclosures on “Supplier Finance Arrangements” (SFAs), i.e. those transactions in which:

- a lender pays amounts that a company owes to its suppliers:
 - a) on the due date of the invoices;
 - b) or on a date prior to the due date of the invoices;
- the company repays the lender:
 - a) in case (a) according to the terms and conditions of the agreements on a date subsequent to the date on which the suppliers are paid;
 - b) in case sub b) on the due date of the invoices.

In case sub a) the company obtains a deferred payment of the debts to suppliers, in case sub b) it is the suppliers who benefit from an early payment.

The amendments respond to investors' need to obtain more information on SFAs in order to better understand the effects of these transactions on liabilities, cash flows and liquidity risks.

The information requested concerns:

- the terms and conditions of the SFAs;
- the carrying amount of the financial liabilities arising from these transactions and the budget lines in which they are recognised;
- the value of the financial liabilities referred to in the previous point for which the suppliers have already received payment;
- the range of payments by due date for both financial liabilities that are part of SFAs and comparable trade payables that are not part of these agreements;
- the non-cash changes in the carrying amounts of financial liabilities arising from SFAs;
- the arrangements for access to SFAs and the concentration of liquidity risk with lenders.

The amendments are effective as of annual reporting for the financial year beginning on or after 1 January 2024, and certain deferred payments on comparative information are granted.

- On 15 August 2023, the IASB issued the document “Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability”.

The amendment clarifies, when one currency cannot be converted into another, how to estimate the exchange rate and the disclosures to be made in the notes to the financial statements.

The amendment is effective starting from reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

At present, the Company is analysing the amendments specified and is assessing whether their adoption will have a significant impact on its 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 (hereinafter "Board", 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 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

Management
of financial
risks

The financial risks to which the Company is exposed are managed according to the approach and procedures defined in a specific policy. Those documents establish procedures, limits and tools for the monitoring and minimisation of financial risk, to preserve the company's 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 needed 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;
- Forward currency purchase options to hedge exposure to the exchange risk, also on behalf of Rai Cinema.

Details of derivatives outstanding as at the reporting date, compared with the situation at 31 December 2022, are shown in the table below, measured at fair value; in both periods all positions referred to derivatives on EUR/USD exchange rate to hedge Rai Cinema contracts.

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Non-current assets		
Receivables from the subsidiary Rai Cinema for currency-option derivative instruments	11	-
	11	-
Current financial assets		
Receivables from the subsidiary Rai Cinema for currency-option derivative instruments	15	19
Receivables from the subsidiary Rai Cinema for forward currency purchase - derivatives	17	15
	32	34
Non-current liabilities		
Options on currency for Rai Cinema	11	-
	11	-
Current financial liabilities		
Options on currency for Rai Cinema	15	19
Forward purchase of currency for Rai Cinema	15	15
	30	34



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 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, the change to the spot forward purchase component (that is the spot exchange rate between the purchase date and 31 December) and the total fair value of currency options are suspended 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.

(Thousands €)	Cash flow hedge reserve
Balance as at 31 December 2022	(6,075)
Reclassification from OCI to financial expense	3,154
Balance as at 31 December 2023	(2,921)

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, the 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.

As at 31 December 2023, debt consisted entirely of short-term positions. With the exception of the position referring to the bond loan maturing in December 2024, which is at a fixed rate, the effects of the change in rates impact the items 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 IFRS 16), outstanding at 31 December, considering a shift, in the curve of +/- 50 b.p.

(Thousands €)	Interest rate change	Change in economic result before tax effect
Year ended 31 December 2023	+50 b.p.	(819)
	-50 b.p.	819
Year ended 31 December 2022	+50 b.p.	(1,260)
	-50 b.p.	1,260

Exchange rate risk

In 2023, Rai made payments in USD for approximately 6 million for various contracts (USD 7 million in 2022), as well as payments in additional currencies, mainly Swiss Francs and British Pounds, for a total value of approximately € 8 million. As of 31 December, there are positive balances on current accounts in USD for 1.8 million and negative intercompany balances in USD for approximately 4.6 million with Rai Cinema and Rai Corporation.

Hedging transactions are not in place as at 31 December 2023 considering the limited commitments in foreign currency, but only 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 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:

(Thousands €)	Year ended 31 December 2023		Year ended 31 December 2022	
	USD	Other foreign currencies	USD	Other foreign currencies
Trade Receivables	-	-	-	-
Trade payables	(1,308)	(630)	(1,544)	(542)
Cash	1,657	278	741	230
Current financial assets	-	3	-	3
Other non-current assets	5	82	6	82
Other current receivables and assets	1	11	-	2
Non-current lease liabilities	(1,409)	(24)	(1,104)	(187)
Current financial liabilities	(4,196)	-	(3,845)	-
Current lease liabilities	(368)	(154)	(277)	(270)
Other current payables and liabilities	(367)	(71)	(353)	(76)

Sensitivity analysis

As at 31 December 2023 and 31 December 2022 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 Cinema and Rai Cinema, offset partly by the liquid assets on USD current accounts.



(Thousands €)	EUR/USD exchange rate	Change EUR/USD exchange rate	EUR/USD exchange rate	Change in economic result before tax effect
Year ended 31 December 2023	1.1050	-10%	0.9945	(665)
		+10%	1.2155	544
Year ended 31 December 2022	1.0666	-10%	0.9599	(708)
		+10%	1.1733	579

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 Company 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:

The following is an analysis of receivables by maturity (before the provisions for write-down trade):

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Invoices to be issued	140,660	192,463
Falling due	129,754	142,039
Expired from 0 to 90 days	2,389	1,568
Expired from 91 to 180 days	1,038	9
Expired over 180 days	17,080	17,032
Invoices issued	150,261	160,648
Total trade receivables	290,921	353,111

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. During the 2023 financial year, only time or demand deposits with bank counterparties having investment grade rating were used.

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 bond issued in December 2019 for € 300 million (for further details, please refer to Note 14.1 "Non-current financial liabilities and current portions of non-current financial liabilities") matures in December 2024, for which the necessary procedures for a new issue have already been started.

Furthermore, 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 € 400 million and revolving credit facilities with a pool of banks of € 320 million maturing on 31 December 2024, which is scheduled to be renewed (or replaced) by 2024.

The revolving line, used as at 31 December 2023 for € 160 million requires that the following Consolidated Financial Statements parameters/ratios be met:

- net financial debt (adjusted for receivables from the Government for licence fees, financial items relating to Rai Way and liabilities resulting from application of IFRS 16 for operating leases)/net equity ≤ 2.2 .

This ratio was fully met as at the reporting date, posted at 1.48.

The cash situation is constantly monitored with a financial forecasting process that highlights any financial critical issues considerably in advance so that appropriate corrective measures can be taken.

The following table includes the analysis by due date of the financial liabilities as at 31 December 2023 and 31 December 2022. 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.

(Thousands €)

	Year ended 31 December 2023			Total	Year ended 31 December 2022			Total
	Within 12 months	Between 1 and 5 years	Over 5 years		Within 12 months	Between 1 and 5 years	Beyond 5 years	
Trade payables and other								
liabilities:								
Trade payables	589,133	-	-	589,133	561,389	-	-	561,389
Other payables and liabilities	395,829	33,495	38,840	468,164	335,850	22,569	30,068	388,487
Medium/long-term financial liabilities:								
Medium/long-term loans	-	-	-	-	6	-	-	6
Bonds	-	-	-	-	4,125	304,125	-	308,250
Short-term financial liabilities:								
Due to banks	208,406	-	-	208,406	223,315	-	-	223,315
Bonds	304,125	-	-	304,125	-	-	-	-
Receivables from subsidiaries (c/a transactions)	145,639	-	-	145,639	167,221	-	-	167,221
Financial payables for assessments	1,183	-	-	1,183	-	-	-	-
Current financial accrued charges	399	-	-	399	-	-	-	-
Derivative financial instruments:								
Derivative instruments on exchange rates to third parties	32	11	-	43	34	-	-	34

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

**Management
of capital
risk**

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 to realise a profit and to access external sources of funding. The Company 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:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Shareholders' equity	630,102	673,905
Total shareholders' equity and liabilities	2,907,974	2,841,338
<i>Contents</i>	21.7%	23.7%

Note no. 19.2 "Net financial debt" reports of the Company's net financial debt for the periods under analysis.

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 2023 and 31 December 2022 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

**Reconcilia-
tion between
classes
of financial
assets and
financial
liabilities and
types of finan-
cial 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:

(Thousands €)

Year ended 31 December 2023

	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 (*)
Activities					
Trade receivables	275,237	-	-	275,237	12.2
Current financial assets	185,802	32	-	185,834	12.3
Cash and cash equivalents	5,586	-	-	5,586	12.6
Non-current financial assets	2,405	11	-	2,416	11.5
Equity investments in other companies (**)	-	977	-	977	11.4
Total financial assets	469,030	1,020	-	470,050	
Liabilities					
Trade payables	(589,133)	-	-	(589,133)	15.1
Current financial liabilities	(655,412)	(32)	-	(655,444)	15.2
Current lease liabilities	(17,643)	-	-	(17,643)	14.2
Non-current financial liabilities	-	(11)	-	(11)	14.1
Non-current lease liabilities	(42,369)	-	-	(42,369)	14.2
Total financial liabilities	(1,304,557)	(43)	-	(1,304,600)	

(*) 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.

(Thousands €)

Year ended 31 December 2022

	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 (*)
Activities					
Trade receivables	336,994	-	-	336,994	12.2
Current financial assets	134,637	34	-	134,671	12.3
Cash and cash equivalents	4,421	-	-	4,421	12.6
Non-current financial assets	2,457	-	-	2,457	11.5
Equity investments in other companies (**)	-	977	-	977	11.4
Total financial assets	478,509	1,011	-	479,520	
Liabilities					
Trade payables	(561,389)	-	-	(561,389)	15.1
Current financial liabilities	(390,542)	(34)	-	(390,576)	15.2
Current lease liabilities	(14,279)	-	-	(14,279)	14.2
Non-current financial liabilities	(299,557)	-	-	(299,557)	14.1
Non-current lease liabilities	(34,020)	-	-	(34,020)	14.2
Total financial liabilities	(1,299,787)	(34)	-	(1,299,821)	

(*) 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

11.1 Property, plant and equipment

Property, plant and equipment, which amounted to € 912,495 thousand (€ 909,053 thousand as at 31 December 2022), are broken down as follows:

Non-current assets

(Thousands €)	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under development and payments on account	Total
Cost	366,943	509,542	1,565,168	76,876	114,680	66,638	2,699,847
Accumulated depreciation	-	(220,974)	(1,402,768)	(70,555)	(90,239)	-	(1,784,536)
Provisions for write-downs	(6,258)	-	-	-	-	-	(6,258)
Balance as at 31 December 2022	360,685	288,568	162,400	6,321	24,441	66,638	909,053
Change in the year							
Increases and capitalisation	-	4,319	33,446	1,194	2,517	42,759	84,235
Disposals (1)	(320)	(20)	(33)	(1)	(45)	(85)	(504)
Reclassifications (2)	-	3,210	29,627	241	2,455	(35,533)	-
Transfers (3)	-	-	(132)	3	-	(1,411)	(1,540)
Amortisation and depreciation	-	(14,472)	(55,041)	(2,288)	(6,948)	-	(78,749)
Balance as at 31 December 2023	360,365	281,605	170,267	5,470	22,420	72,368	912,495
<i>broken down as follows:</i>							
Cost	366,623	516,626	1,608,754	76,108	114,399	72,368	2,754,878
Accumulated depreciation	-	(235,021)	(1,438,487)	(70,638)	(91,979)	-	(1,836,125)
Provisions for write-downs	(6,258)	-	-	-	-	-	(6,258)
<i>Detail:</i>							
(1) Cost	(320)	(443)	(19,358)	(2,159)	(5,270)	(85)	(27,635)
Accumulated depreciation	-	423	19,325	2,158	5,225	-	27,131
	(320)	(20)	(33)	(1)	(45)	(85)	(504)
(2) Cost	-	3,210	29,627	241	2,455	(35,533)	-
Accumulated depreciation	-	-	-	-	-	-	-
	-	3,210	29,627	241	2,455	(35,533)	-
(3) Cost	-	(2)	(129)	(44)	17	(1,411)	(1,569)
Accumulated depreciation	-	2	(3)	47	(17)	-	29
	-	-	(132)	3	-	(1,411)	(1,540)

Investments in the financial year amounting to € 84,235 thousand (€ 86,596 thousand in 2022) fall within the scope of the modernisation and technological development initiatives that the Company initiated, mostly related to the plant and equipment class.

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 rights of use

Lease rights of use, which amounted to € 58,053 thousand (€ 47,513 thousand as at 31 December 2022), are broken down as follows:

(Thousands €)	Land and buildings	Other assets	Total
Cost (1)	86,672	4,895	91,567
Accumulated depreciation (1)	(41,002)	(3,052)	(44,054)
Balance as at 31 December 2022	45,670	1,843	47,513
Change in the year			
Increases	19,743	7,053	26,796
Reductions (2)	(190)	-	(190)
Amortisation and depreciation	(14,143)	(1,923)	(16,066)
Balance as at 31 December 2023	51,080	6,973	58,053
<i>broken down as follows:</i>			
Cost (3)	93,538	9,385	102,923
Accumulated depreciation (3)	(42,458)	(2,412)	(44,870)

Detail:

(1) Values net of amounts related to contracts expired in the previous year, equal to:	4,152	3,284	7,436
(2) Cost	(211)	-	(211)
Accumulated depreciation	21	-	21
	(190)	-	(190)
(3) Values net of amounts related to expired contracts, equal to:	12,666	2,563	15,229

Investments, amounting to € 26,796 thousand (€ 18,182 thousand in 2022), refer mainly to property rental contracts or contracts for the rental of transport vehicles that entered into effect during the financial year.

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".



11.3 Intangible assets

Intangible assets, which amounted to € 342,702 thousand (€ 364,577 thousand as at 31 December 2022), are broken down as follows:

(Thousands €)	Programmes	Software	Digital terrestrial	Other Rights	Assets under development and payments on account	Total
Cost (1)	625,490	34,297	7,900	200	203,091	870,978
Accumulated depreciation (1)	(352,259)	(17,338)	(461)	(200)	-	(370,258)
Provisions for write-downs	(83,975)	-	-	-	(52,168)	(136,143)
Balance as at 31 December 2022	189,256	16,959	7,439	-	150,923	364,577
Change in the year						
Increases and capitalisation	128,265	8,617	-	-	92,779	229,661
Disposals/Value recoveries (2)	-	(11)	-	-	-	(11)
Reclassifications (3)	97,783	5,497	-	-	(103,280)	-
Transfers (4)	-	128	-	-	1,412	1,540
Write-downs (5)	(61,406)	-	-	-	(28,833)	(90,239)
Use of provisions for write-downs	54,421	-	-	-	-	54,421
Amortisation and depreciation	(205,649)	(10,808)	(790)	-	-	(217,247)
Balance as at 31 December 2023	202,670	20,382	6,649	-	113,001	342,702
<i>broken down as follows:</i>						
Cost (6)	674,110	35,220	7,900	-	192,066	909,296
Accumulated depreciation (6)	(380,040)	(14,838)	(1,251)	-	-	(396,129)
Provisions for write-downs	(91,400)	-	-	-	(79,065)	(170,465)
Detail:						
(1) Amounts net of totally amortised assets, amounting to:	222,860	7,457	-	-	-	230,317
(2) Cost	-	(11)	-	-	-	(11)
Provisions for write-downs	-	-	-	-	-	-
	-	(11)	-	-	-	(11)
(3) Cost	98,223	5,497	-	-	(103,721)	(1)
Provisions for write-downs	(440)	-	-	-	441	1
	97,783	5,497	-	-	(103,280)	-
(4) Cost	-	158	-	-	1,412	1,570
Provisions for write-downs	-	(30)	-	-	-	(30)
	-	128	-	-	1,412	1,540
(5) Cost	-	-	-	-	(1,495)	(1,495)
Provisions for write-downs	(61,406)	-	-	-	(27,338)	(88,744)
	(61,406)	-	-	-	(28,833)	(90,239)
(6) Amounts net of totally amortised assets, amounting to:	177,868	13,338	-	200	-	191,406

Investments, which amounted to € 229,661 thousand (€ 215,754 thousand in 2022) mainly refer to dramas for € 192,537 thousand and cartoons for € 16,214 thousand.

The amount of assets under development and payments on account refers to programmes for € 104,790 thousand, software for € 7,980 thousand and other rights for € 231 thousand.

The write-downs recognised during the financial year amounted to € 90,239 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 € 916,806 thousand (€ 917,710 thousand as at 31 December 2022), are broken down as follows:

Equity investments in subsidiaries

(Thousands €)	Year ended as at 31 December 2022			Change in the year	Year ended as at 31 December 2023		
	Cost	Write-down	Carrying amount		Cost	Write-down	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 € 4,571 thousand is covered by provisions for charges of an equal amount.

- **Rai Cinema SpA** (100% Rai): the share capital, equal to € 200,000 thousand, consists of 38,759,690 shares of a nominal value of € 5.16 each. The equity investment was recorded at a value of €267,848 thousand. In 2023, a dividend of € 11,630 thousand was paid from the 2022 result recorded in financial income.
- **Rai Com SpA**(100% Rai): the share capital, equal to € 10,320 thousand, consists of 2,000,000 shares of a nominal value of € 5.16 each. The equity investment was recorded at a value of €107,156 thousand. In 2023, a dividend of € 8,650 thousand was paid from the 2022 result recorded in financial income.
- **Rai Corporation in liquidation**(100% Rai): the share capital, which is USD 500,000.00, consists of 50,000 shares of a unitary nominal value of USD 10.00 each. At 31 December 2023, the company's shareholders' equity, at the exchange rate in effect on 31 December 2023, was negative by € 4,571 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 2023, a dividend of € 8,201 thousand was paid from the 2022 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 nominal value. The equity investment was recorded at a value of € 506,260 thousand. In 2023, a dividend of € 73,669 thousand was paid out. The amount due to Rai, amounting to € 48,510 thousand, was posted under financial income.



Equity investments in joint ventures and associates

(Thousands €)

	Year ended 31 December 2022			Change in the year			Year ended 31 December 2023			
	Cost	Adjust Adjust- ment to sharehold- ers' equity	Carrying amount	Profit/ (loss)	Decrease due to dividends	(Depre- ciation)/ Re-appre- ciation	Cost	Adjust Adjust- ment to sharehold- ers' equity	Provisions for write- downs	Carrying amount
Joint venture:										
San Marino RTV SpA	258	1,228	1,486	-	-	(1,486)	258	1,228	(1,486)	- (a)
Tivù Srl	483	827	1,310	951	(479)	-	483	1,299	-	1,782
Associates:										
Auditel Srl	10	1,405	1,415	110	-	-	10	1,515	-	1,525 (b)
Player Radio Publishers Srl	1	25	26	-	-	-	1	25	-	26 (b)
Tavolo Editori Radio Srl	22	128	150	-	-	-	22	128	-	150 (b)
Total equity investments in joint ventures and associates	774	3,613	4,387	1,061	(479)	(1,486)	774	4,195	(1,486)	3,483

(a) Balance as of 31 December 2022, latest version available. The equity investment was completely written down in relation to the company's state of economic and financial crisis.

(b) Values resulting from the balance as at 31 December 2022, latest available.

- **Auditel Srl** (33% Rai): the share capital amounts to € 300 thousand. The equity investment was recognised for the value of € 1,525 thousand, corresponding to the percentage concerning Rai on the shareholders' equity of the company posted in the Financial Statements as at 31 December 2023. In relation to the positive result recorded by the company in 2023, equal to € 332 thousand, the equity investment was revalued for Rai's share in the amount of 110 thousand.
- **Player Editori Radio Srl** (13.90 % Rai): the share capital, € 10 thousand, is divided between national radio publishers (70%, of which Rai 13.9%) and local ones (30%). On 31 July 2023, Rai declared its intention to withdraw from the shareholding, requesting the liquidation of the amount corresponding to the value of the shares. The equity investment was recognised at a value of € 26 thousand, corresponding to Rai's share of the company's shareholders' equity at 31 December 2022, the latest available financial statements.
- **San Marino RTV SpA** (50% Rai): the company, incorporated in 1991 with joint shares of Rai and E.R.A.S. - ("Ente di Radiodiffusione Sammarinese") pursuant to Law No. 99 of 9 April 1990 ratifying the Radio and Television Cooperation 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. The equity investment, originally recognised at the value of € 1,486 thousand, corresponding to Rai's share of the company's net equity as of 31 December 2022, the latest available financial statements, in relation to the economic and financial crisis situation the company is going through, and pending extraordinary measures to rebalance the management, was entirely written down.
- **Tavolo Editori Radio Srl** (13.6% Rai): the share capital, € 160 thousand, is divided between national publishers (70%, of which Rai 13.6%) and local ones (30%). On 27 June 2023, Rai declared its intention to withdraw from the shareholding, requesting the liquidation of the amount corresponding to the value of the shares. At present, the withdrawal from the company is suspended pending the establishment of a new audience survey organisation on the Audicom model. The equity investment is recognised at a value of € 150 thousand corresponding to Rai's share of the company's shareholders' equity as of 31 December 2022, the latest available financial statements.

- **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 2023, the distribution of a dividend of € 994 thousand was resolved. The total amount due to Rai, amounting to € 479 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 2023, equal to € 1,975 thousand, the equity investment was revalued for Rai's share in the amount of € 951 thousand. The equity investment was recognised at a value of € 1,782 thousand, corresponding to Rai's share of the company's shareholders' equity as at 31 December 2023.

Equity investments in other companies

(Thousands €)

	Year ended as at 31 December 2022			Change in the year Change in the year	Year ended as at 31 December 2023		
	Cost	Write-down	Carrying amount		Cost	Write-down	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 financial 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 nominal value of € 1.00 each. In 2023, the distribution of an ordinary dividend paid from the 2022 result recorded in financial income for an amount of € 11,900 thousand was resolved. The total amount - equal to € 96 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** (0.76% 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 financial years. Current share capital, equal to € 82,852 thousand, is represented by 82,852,121 shares of a nominal value of € 1.00 each.



11.5 Non-current financial assets

Non-current financial assets, which amounted to € 2,416 thousand (€ 2,457 thousand as at 31 December 2022), break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Securities	2,376	2,418
Financial receivables from employees	29	39
Receivables from the subsidiary Rai Cinema for derivative instruments	11	-
Total non-current financial assets	2,416	2,457

The item Securities, equal to € 2,376 thousand (€ 2,418 thousand as at 31 December 2022), was made up of government bonds maturing in June 2027, securing the Service Agreement and the special services agreement with the Government.

The maturity of current and non-current financial assets is broken down as shown below:

(Thousands €)	Year ended 31 December 2023			Total
	Within 12 months	Between 1 and 5 years	Beyond 5 years	
Receivables from subsidiaries- c/a transactions	182,087	-	-	182,087
Receivables from joint ventures - c/a San Marino RTV	2,060	-	-	2,060
Tied current accounts	857	-	-	857
Assessed financial receivables from associate San Marino RTV SpA	150	-	-	150
Securities	-	2,376	-	2,376
Receivables from the subsidiary Rai Cinema for derivative instruments	32	11	-	43
Financial receivables from employees	31	29	-	60
Other financial assets	617	-	-	617
Total financial assets	185,834	2,416	-	188,250

(Thousands €)	Year ended 31 December 2022			Total
	Within 12 months	Between 1 and 5 years	Beyond 5 years	
Receivables from subsidiaries- c/a transactions	128,998	-	-	128,998
Tied current accounts	3,293	-	-	3,293
Receivables from joint ventures - c/a San Marino RTV	2,104	-	-	2,104
Receivables from the subsidiary Rai Cinema for derivative instruments	34	-	-	34
Securities	-	2,418	-	2,418
Financial receivables from employees	31	39	-	70
Other financial assets	211	-	-	211
Total financial assets	134,671	2,457	-	137,128

The short-term portion of the financial assets, which amounted to € 185,834 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

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Deferred tax assets	134,420	145,126
Deferred tax liabilities	(151,084)	(152,962)
Net deferred tax liabilities	(16,664)	(7,836)

As at 31 December 2023, at 31 December 2022 the net balance of deferred tax assets and liabilities shows a negative amount, and is therefore recognised under liabilities in the statement of 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 € 16,343 thousand (€ 28,185 thousand as at 31 December 2022), are broken down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Advances for sport events	20,648	32,196
Advances for trade initiatives	7,475	7,837
Amounts committed to cautionary deposit with third parties	1,590	1,605
Receivables from personnel	417	494
Provisions for write-down of other non-current assets	(13,787)	(13,947)
Total other non-current assets	16,343	28,185

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 € 13,787 thousand (€ 13,947 thousand as at 31 December 2022), is broken down below:

(Thousands €)	Balances as at 31 December 2022	Provisions	Absorption to the income statement	Balances as at 31 December 2023
Provisions for write-down of advances for sports events	(6,279)	(33)	-	(6,312)
Provisions for write-down of advances for trade initiatives	(7,668)	-	193	(7,475)
Total provisions for write-down of other non-current assets	(13,947)	(33)	193	(13,787)

12

12.1 Inventory

Inventory, net of its provisions for write-downs, amounted to € 60 thousand (€ 70 thousand as at 31 December 2022), and is broken down as follows:

Current assets

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Inventory	10,414	10,621
Provisions for write-down of inventory	(10,354)	(10,551)
Total inventory	60	70

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 € 275,237 thousand (€ 336,994 thousand as at 31 December 2022), are broken down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Trade:		
Italian Tax Revenue Office for services under agreement	6,000	24,000
Other receivables	23,867	23,422
Provision for write-downs of trade receivables	(14,866)	(14,753)
Subsidiaries:		
Receivables	260,542	305,159
Provisions for write-downs of trade receivables from subsidiary Rai Com SpA	(818)	(1,364)
Joint ventures and associates	512	530
Total trade receivables	275,237	336,994

Receivables, excluding the provisions for write-downs, from subsidiaries and from joint ventures and associates refer to:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Subsidiaries:		
Rai Cinema SpA	2,053	2,479
Rai Com SpA	68,832	104,704
Rai Pubblicità SpA	181,937	190,378
Rai Way SpA	6,902	6,234
Receivables from subsidiaries	259,724	303,795
Joint ventures and associates:		
San Marino RTV SpA	298	352
Tivù Srl	214	178
Receivables from joint ventures and associates	512	530

The breakdown of trade receivables by geographical area shows the predominance of the domestic market.

Receivables from the Italian Revenue Agency for services under agreement amounted to € 6,000 thousand for the management of ordinary licence fees, referring to the 2023 financial year.

The other receivables are recognised for a nominal value of € 23,867 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 € 15,684 thousand (€ 16,117 thousand as at 31 December 2022) as detailed below:

(Thousands €)	Balances as at 31 December 2022	Provisions	Drawdowns	Absorption to the income statement	Balances as at 31 December 2023
Provisions for write-downs of trade receivables	(14,753)	(113)	-	-	(14,866)
Provisions for write-downs of trade receivables from subsidiary Rai Com	(1,364)	-	36	510	(818)
Total provisions for write-downs of trade receivables	(16,117)	(113)	36	510	(15,684)

As at 31 December 2022, 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 € 185,834 thousand (€ 134,671 thousand at 31 December 2022). The breakdown of the item and the comparison with the previous year are shown below:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Receivables from subsidiaries - c/a transactions	182,087	128,998
Tied current accounts	857	3,293
Receivables from joint ventures - c/a San Marino RTV	2,060	2,104
Assessed receivables from associate San Marino RTV SpA	150	-
Financial receivables from employees	31	31
Receivables from the subsidiary Rai Cinema for derivative instruments	32	34
Other current financial assets	617	211
Total current financial assets	185,834	134,671

The receivables from subsidiaries - c/a transactions break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Receivables from subsidiaries - c/a transactions:		
Rai Cinema SpA	170,758	127,704
Rai Pubblicità SpA	11,329	1,294
Receivables from subsidiaries - c/a transactions	182,087	128,998

Tied current accounts, which came to € 857 thousand (€ 3,293 thousand as at 31 December 2022) 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:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Receivables from the subsidiary Rai Cinema for derivative instruments	32	34
Total derivative financial instruments - current portion	32	34
Receivables from the subsidiary Rai Cinema for derivative instruments	11	-
Total derivative financial instruments - non-current portion	11	-
Total derivative financial instruments	43	34

Derivative financial assets, recorded at fair value, as of 31 December 2023 related to the current portion of receivables from the subsidiary Rai Cinema, amounting to € 32 thousand (€ 34 thousand as of 31 December 2022) and to the non-current portion of receivables from the subsidiary Rai Cinema, amounting to € 11 thousand (nil value as of 31 December 2022).

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 assets, which totalled € 881 thousand (€ 79 thousand as at 31 December 2022), are specified as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
IRES requested as refund for IRAP deductibility for employee expense and similar	79	79
Deductions on assignments to foreign companies	1,272	1,134
Provisions for write-downs of current income tax assets	(470)	(1,134)
IRES receivable	881	79
IRAP receivable	-	-
Total current income tax assets	881	79

Current income tax assets are shown net of the provisions for write-downs of € 470 thousand (€ 1,134 thousand as at 31 December 2022) related to withheld taxes on income risking recoverability.

(Thousands €)	Balances as at 31 December 2022	Absorption to the income statement	Provisions	Balances as at 31 December 2023
Provisions for write-downs of current income tax assets	(1,134)	669	(5)	(470)

The taxes are commented in Note 16.10 "Income taxes".

12.5 Other current receivables and assets

Other current receivables and assets, which totalled € 191,561 thousand (€ 95,608 thousand as at 31 December 2022) break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Advances for sport events	113,898	10,800
Advances to suppliers, collaborators and agents	7,763	4,770
Receivables from entities, companies, bodies and others	7,170	7,914
Receivables from personnel	6,586	8,186
Receivables from subsidiaries	37,764	34,377
Other tax receivables	7,769	8,793
Receivables from social security and welfare institutions	3,055	3,421
Receivables for subsidies and grants from EU	479	338
Receivables for compensatory measures for upgrading broadcasting systems, MISE Decree dated 27 June 2022	-	7,510
Other receivables (current deferrals)	13,529	15,289
Provision for write-downs of other current receivables and assets	(6,452)	(5,790)
Total other current receivables and assets	191,561	95,608

The breakdown of receivables from subsidiaries is as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Receivables from subsidiaries:		
Rai Cinema SpA	2,803	583
Rai Com SpA	2,910	1,474
Rai Pubblicità SpA	2,410	9,571
Rai Way SpA	29,641	22,749
Receivables from subsidiaries	37,764	34,377

It should also be noted 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");
- receivables from personnel relate to various items, as detailed below:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Labour disputes	2,163	2,599
Travel expenses	2,455	3,051
Production expense advances	1,493	1,086
Others	475	1,450
Receivables from personnel	6,586	8,186



Other tax receivables break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
VAT refund requested	2,133	2,044
Group VAT	909	-
Other tax receivables	4,727	6,749
Total other tax receivables	7,769	8,793

The provisions for write-downs of other current receivables and assets, which amounted to € 6,452 thousand (€ 5,790 thousand as at 31 December 2022), is broken down below:

(Thousands €)	Balances as at 31 December 2022	Provisions	Drawdowns	Balances as at 31 December 2023
Provision for write-downs of other current receivables and assets	(5,790)	(835)	173	(6,452)

Considering the short period of time elapsing between when the receivable arises and its due date, it is not believed there are 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 € 5,586 thousand (€ 4,421 thousand as at 31 December 2022), are broken down into the following items:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Bank and postal deposits	5,320	4,161
Cash and securities in hand	266	260
Total cash and cash equivalents	5,586	4,421

Bank and postal deposits amounted to € 5,320 thousand (€ 4,161 thousand as at 31 December 2022) 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 € 266 thousand (€ 260 thousand as at 31 December 2022) and include the liquidity represented by cash in the company's coffers as at 31 December 2023.

The Company's cash is shown in the following table by currency as at 31 December 2023 and as at 31 December 2022:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Cash (€)	3,651	3,450
Cash in USD	1,657	741
Cash in other currencies	278	230
Total cash and cash equivalents	5,586	4,421

13

Shareholders'
equity

Reported below is the breakdown of shareholders' equity:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Share Capital	242,518	242,518
Legal reserve	12,042	12,042
IFRS first-time adoption reserve – restricted	425,339	447,114
IFRS first-time adoption reserve – free	4,551	12,615
Cash flow hedge reserve	(2,921)	(6,075)
Total other reserves	426,969	453,654
Actuarial reserves for employee benefits	(8,829)	(1,132)
Losses carried forward	(3,338)	(3,338)
Profit (Loss) for the year	(39,260)	(29,839)
Total retained earnings (losses carried forward)	(51,427)	(34,309)
Total Group shareholders' equity	630,102	673,905

Shareholders' equity – Possibilities for distribution

(Thousands €)	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	425,339	1 - 4	425,339	17,224	-
IFRS first-time adoption reserve – free	4,551	1 - 2 - 3	4,551	63,756	-
Cash flow hedge reserve	(2,921)		(2,921)		
Total other reserves	426,969				
Actuarial reserves for employee benefits	(8,829)	(8,829)			
Losses carried forward	(3,338)	(3,338)			
Loss in the year	(39,260)	(39,260)			
Total Group shareholders' equity	630,102	387,584	80,980		-
Restricted amount:					
Legal reserve		(12,042)			
IFRS first-time adoption reserve – restricted		(425,339)			
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 – Legislative Decree 28/2/2005, no. 38 art. 7, paragraph 6.

Share Capital

As at 31 December 2023, the share capital consisted of 242,518,100 ordinary shares with a unitary nominal 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%.

Legal reserve

The legal reserve amounted to € 12,042 thousand.

Other reserves and retained earnings (losses carried forward)

Other Reserves, which amounted to € 426,969 thousand (€ 453,654 thousand as at 31 December 2022), are broken down as follows:

- the IFRS first-time adoption reserve totalled € 429,890 thousand (€ 459,729 thousand as at 31 December 2022) and is recognised as an increase in shareholders' equity, to be obligatorily integrated with future profits. 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 € 425,339 thousand;
 - IFRS first-time adoption reserve – free, totalling € 4,551 thousand;
- the cash flow hedge reserve recognised as a reduction of shareholders' equity, for € 2,921 thousand (€ 6,075 thousand as at 31 December 2022), refers to the portion deriving from the closure (in December 2019) 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 € 51,427 thousand (€ 34,309 thousand as at 31 December 2022), including the loss in the year, break down as follows:

- losses from actuarial reserves for employee benefits, recognised for € 8,829 thousand; the change compared to 31 December 2022 (€ 1,132 thousand) had negative effects on the comprehensive income statement for € 7,697 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 financial year totalling € 39,260 thousand.

14

14.1 Non-current financial liabilities and current portions of non-current financial liabilities

Non-current financial liabilities, including current portions, totalled € 299,785 thousand (€ 299,536 thousand as at 31 December 2022). The figure breaks down as follows:

(Thousands €)	Year ended 31 December 2023			Year ended 31 December 2022		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds	-	299,785	299,785	299,557	-	299,557
M/L-term payables to banks	-	-	-	-	6	6
Total	-	299,785	299,785	299,557	6	299,563

Financial liabilities mainly consisted of a bond loan with a notional amount of € 300,000 thousand as of 31 December 2023.

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 for which the necessary procedures for a new issue have already been started, and contains the usual covenants for issues with

Non-current liabilities

an Investment Grade rating, such as:

- 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 28 November 2023, Moody’s published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), changing the outlook from negative to stable.

The final due date of financial liabilities held (current and non-current) is shown in the following table:

(Thousands €)	Year ended 31 December 2023			Total
	Within 12 months	Between 1 and 5 years	Beyond 5 years	
Bonds	299,785	-	-	299,785
Short-term payables to banks	208,406	-	-	208,406
Payables to subsidiaries- current account positions	145,639	-	-	145,639
Financial debts accruing for assessments	1,183	-	-	1,183
Liabilities for derivatives taken out on behalf of Rai Cinema	32	11	-	43
Current financial accrued charges	399	-	-	399
Total	655,444	11	-	655,455

(Thousands €)	Year ended 31 December 2022			Total
	Within 12 months	Between 1 and 5 years	Beyond 5 years	
Bonds	-	299,557	-	299,557
Short-term payables to banks	223,315	-	-	223,315
Payables to subsidiaries- current account positions	167,221	-	-	167,221
Liabilities for derivatives taken out on behalf of Rai Cinema	34	-	-	34
M/L-term payables to banks	6	-	-	6
Total	390,576	299,557	-	690,133

All medium/long-term debt is held at fixed interest rates.

In compliance with accounting standards, the measurement of the fair value of significant financial liabilities not recognised in the financial statements according to this criterion, shows that the fair value at 31 December 2023 of the bond issued by the Company in 2019, maturing in December 2024, including accrued interest, was 97.38370.

(Thousands €)	Year ended 31 December 2023		Year ended 31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Bond issue € 300 million - maturity 04/12/2024	299,785	292,151	299,557	283,356



14.2 Lease liabilities

Non-current lease liabilities, including the current portion, amounted to € 60,012 thousand (€ 48,299 thousand as of 31 December 2022), and related entirely to operating leases. An analysis is provided below:

(Thousands €)	Year ended 31 December 2023			Year ended 31 December 2022		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Operating lease liabilities	42,369	17,643	60,012	34,020	14,279	48,299
Total	42,369	17,643	60,012	34,020	14,279	48,299

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 for the financial year was € 14,938 thousand, plus interest of € 1,370 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:

(Thousands €)	Year ended 31 December 2023			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Operating lease liabilities	17,643	30,227	12,142	60,012
Total	17,643	30,227	12,142	60,012

(Thousands €)	Year ended 31 December 2022			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Operating lease liabilities	14,279	23,876	10,144	48,299
Total	14,279	23,876	10,144	48,299

14.3 Employee benefits

Employee benefits, which amounted to € 268,132 thousand (€ 273,486 thousand as at 31 December 2022), are broken down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Provisions for employee severance pay	135,080	138,106
Provisions for supplementary pension benefits	74,200	75,178
Provisions in lieu of the former fixed indemnity for journalists	45,766	46,928
Health insurance fund for Rai senior managers (FASDIR)	12,888	13,050
Others	198	224
Total employee benefits	268,132	273,486

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. These supplementary pensions are in turn paid directly by the negotiated funds, which have been responsible for the management of supplementary pensions for Rai personnel since 1989, C.RAI.PI. (Rai employees' supplementary pension fund, hereinafter referred to as "CRAIPI") for former middle managers, office staff and workers, and F.I.PD.RAI (Rai managers' supplementary pension fund, hereinafter referred to as "FIPDRAI") for former 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, in the last 4 years, multiplied by the average residual life of the retired senior managers at the valuation date, which as at 31 December 2023 was found to be 12 years.



Provisions for employee benefits measured using actuarial techniques break down as follows:

(Thousands €)

	Year ended 31 December 2023					Year ended 31 December 2022				
	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 financial year	138,106	75,178	46,928	13,050	224	172,770	101,809	62,770	13,433	272
Current cost of defined benefit plans	-	-	-	-	(15)	-	-	-	-	15
Current cost of defined contribution plans	40,078	-	-	507	-	40,120	-	-	574	-
Interest expenses	4,642	2,357	1,711	387	-	494	686	279	95	-
Actuarial gains/(losses) resulting from changes in financial assumptions	2,730	3,208	855	-	-	(24,339)	(18,052)	(9,128)	-	-
Actuarial gains/(losses) from past experience	(1,282)	2,331	(145)	-	-	9,205	(135)	(305)	-	-
Cost of past benefits and (gains) losses on settlement	-	-	(305)	-	-	-	-	(4,551)	-	-
Benefits paid	(9,054)	(8,874)	(3,278)	(1,056)	(11)	(19,987)	(9,130)	(2,137)	(1,052)	(51)
Transfers to external funds for defined contribution plans	(40,150)	-	-	-	-	(39,671)	-	-	-	-
Other movements	10	-	-	-	-	(486)	-	-	-	(12)
Present value of the liability at the end of the financial year	135,080	74,200	45,766	12,888	198	138,106	75,178	46,928	13,050	224

Costs for employee benefits, as measured using actuarial assumptions and recognised in the income statement, break down as follows:

(Thousands €)	Year ended 31 December 2023					Year ended 31 December 2022				
	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	-	-	-	-	15	-	-	-	-	(15)
Current cost of defined contribution plans	(40,078)	-	-	(507)	-	(40,120)	-	-	(574)	-
Cost of past benefits and (gains) losses on settlement	-	-	305	-	-	-	-	4,551	-	-
Interest expense on the liability	(4,642)	(2,357)	(1,711)	(387)	-	(494)	(686)	(279)	(95)	-
Total	(44,720)	(2,357)	(1,406)	(894)	15	(40,614)	(686)	4,272	(669)	(15)
of which recognised as labour cost	(40,078)	-	305	(507)	15	(40,120)	-	4,551	(574)	(15)
of which recognised in financial expense	(4,642)	(2,357)	(1,711)	(387)	-	(494)	(686)	(279)	(95)	-

Costs for defined benefit plans recognised in other comprehensive income components break down as follows:

(Thousands €)	Year ended 31 December 2023					Year ended 31 December 2022				
	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	(2,730)	(3,208)	(855)	-	-	24,339	18,052	9,128	-	-
- Actuarial gains/(losses) from past experience	1,282	(2,331)	145	-	-	(9,205)	135	305	-	-
Total	(1,448)	(5,539)	(710)	-	-	15,134	18,187	9,433	-	-



The main actuarial assumptions adopted are reported below:

	Year ended 31 December 2023	Year ended 31 December 2022
Financial assumptions:		
Average discount rate (1):		
- Provisions for employee severance pay	2.95%	3.48%
- Provisions for supplementary pension benefits former employees	2.85%	3.35%
- Provisions for supplementary pension benefits former managers	2.84%	3.31%
- Provisions in lieu of the former fixed indemnity for journalists	2.99%	3.54%
Inflation rate:		
- Provisions for employee severance pay	2.00%	2.30%
- Provisions for supplementary pension benefits	2.00%	2.30%
- Provisions in lieu of the former fixed indemnity for journalists	2.00%	2.30%
Expected rate of growth in remuneration/benefits (2):		
- Provisions for employee severance pay	3.00%	3.23%
- Provisions for supplementary pension benefits	1.60%	1.84%
- Provisions in lieu of the former fixed indemnity for journalists	2.00%	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	11.19%	9.89%
- Provisions for supplementary pension benefits	-	-
- Provisions in lieu of the former fixed indemnity for journalists	12.90%	9.10%
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 2023 interest rate curve for 31 December 2023 and Eur Composite AA 2022 31 December 2022.

(2) Including inflation.

The effects of a reasonably possible change in the discount rate for the year as at 31 December 2023 and as at 31 December 2022 are shown below:

Provisions for employee severance pay – sensitivity analysis

(Thousands €)	Sensitivity	Year ended 31 December 2023	Year ended 31 December 2022
Discount rate	+0.50%	131,714	134,424
	-0.50%	138,531	141,985

Provisions for supplementary pension benefits – sensitivity analysis

(Thousands €)	Sensitivity	Year ended 31 December 2023	Year ended 31 December 2022
Discount rate	+0.50%	71,751	72,729
	-0.50%	76,819	77,794

Provisions in lieu of the former fixed indemnity for journalists – Sensitivity Analysis

(Thousands €)	Sensitivity	Year ended 31 December 2023	Year ended 31 December 2022
Discount rate	+0.50%	44,772	45,909
	-0.50%	46,799	47,988

Expected future payments under defined benefit plans for employees are as follows:

(Thousands €)	Employee severance pay	Supplementary Pension		Provisions in lieu of former fixed indemnity for journalists
		Former employees	Former senior managers	
Expected payments as at 31.12.2024	24,977	4,997	3,472	8,356
Expected payments as at 31.12.2025	18,496	4,737	3,274	5,539
Expected payments as at 31.12.2026	15,208	4,467	3,076	4,420
Expected payments as at 31.12.2027	7,347	4,189	2,877	5,912
Expected payments as at 31.12.2028	11,113	3,903	2,677	5,371
Payments planned from 01.01.2029 and subsequent years	83,658	31,918	24,625	23,770



14.4 Provisions for non-current risks and charges

Provisions for non-current risks and charges, which amounted to € 184,375 thousand (€ 170,497 thousand as at 31 December 2022), are broken down as follows:

(Thousands €)	Balances as at 31 December 2022	Provisions	Drawdowns	Reversals	Balances as at 31 December 2023
Provisions for legal disputes	63,700	6,541	(9,358)	(183)	60,700
Provisions for accrued remuneration costs	31,945	33,437	(19,903)	(763)	44,716
Provisions for building renovation and refurbishment	28,300	4,571	(471)	-	32,400
Provision for user rights to digital television frequencies contributions	9,915	12,701	-	-	22,616
Provisions for the risk of recourse on bad debts by the concessionaires Rai Pubblicità and Rai Com	4,655	165	(178)	-	4,642
Provision for write-downs of surplus investments	4,690	-	-	(119)	4,571
Provisions for dismantling and restoration costs	3,911	32	(35)	(310)	3,598
ISC and ICM agents provisions	702	63	(17)	(11)	737
Other provisions	22,679	1,795	(775)	(13,304)	10,395
Total Provisions for non-current risks and charges	170,497	59,305	(30,737)	(14,690)	184,375

Provisions for legal disputes, totalling € 60,700 thousand, show the prudential, forecasted estimate of charges for pending lawsuits in which the Company is involved in various ways. Specifically, the figure includes € 37,900 thousand in provisions for civil, administrative and criminal litigation (including legal costs) and € 22,800 thousand in provisions for labour law disputes.

Provisions for accrued remuneration costs, totalling € 44,716 thousand, include the overall costs estimated in relation to employment contracts in place.

Provisions for building renovation and refurbishment, totalling € 32,400 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 € 22,616 thousand, was set aside pending the issue of the decree that will determine the amount to be paid for the years 2022 and 2023. The amount was provided as per Ministerial Decree of 17 April 2023 of the Ministry of Enterprises and Made in Italy, published in the Official Gazette of 10 July 2023, which is currently being revised.

Provisions for the risk of recourse on bad debts by the concessionaires Rai Pubblicità and Rai Com, totalling € 4,642 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 in liquidation, as explained in Note 11.4 "Investments", to be referred to.

Provisions for dismantling and restoration costs, totalling € 3,598 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 (by which is meant the circumstance of the release of the premises where the lease will not be renewed).

ISC (supplementary customer indemnities) and ICM (meritocratic customer indemnities) provisions for agents, totalling € 737 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 € 151,084 thousand are shown net of deferred tax assets eligible for offset amounting to € 134,420 thousand. The net balance as at 31 December 2022 recorded deferred tax liabilities of € 7,836 thousand.

The nature of the temporary differences that gave rise to deferred tax liabilities and the deferred tax assets is reported in the table below:

(Thousands €)	Balances as at 31 December 2022	Changes		Balances as at 31 December 2023
		Income statement	Balance sheet	
Statutory/tax differences on property, plant and equipment	(146,283)	1,870	-	(144,413)
Taxable difference equity investments	(6,679)	8	-	(6,671)
Deferred tax liabilities	(152,962)	1,878	-	(151,084)
Negative taxable income	145,126	17,283	(27,989)	134,420
Deferred taxes assets	145,126	17,283	(27,989)	134,420
Net deferred tax liabilities	(7,836)	19,161	(27,989)	(16,664)

Deferred tax assets were recognised when their future recoverability was considered reasonably certain.

Deferred tax assets on tax losses carried forward totalled € 134,420 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, overall amounted to € 72,335 thousand (€ 52,637 thousand as at 31 December 2022), entirely in Euro, refer to the non-current component of deferred income, as detailed in Note 15.1 "Trade payables and other current payables and liabilities", and is analysed as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Deferrals for compensatory measures in favour of network operators:		
- for upgrading transmission facilities	71,074	51,136
- for release of radio links	1,124	1,349
Deferred income on the contribution for capital equipment (Law 160/ 2019, Law 178/ 2020 and Law 198/2022)	137	152
Total other non-current payables and liabilities	72,335	52,637

In this regard, it should be noted that deferrals for compensatory measures in favour of network operators refer to amounts assigned to:

- upgrading of broadcasting, pursuant to the MISE Decree of 27 June 2022, allocated for a total amount of € 60,082 thousand and pursuant to the MIMIT Decree of 13 October 2023, allocated for the amount of € 32,132 thousand, in relation to the investment expenses made by Rai Way, subject to remuneration under the service contract in place between the two companies;
- release of radio links in the 3.6-3.8 GHz bands, pursuant to the MISE-MEF interministerial decree of 4 September 2019, allocated for a total amount of € 3,142 thousand, in relation to the investment expenses made by Rai Way, which are remunerated under the service contract in place between the two companies.

Both duties are charged to the income statement for each period in relation to the depreciation charge that would have been recognised if the investment had been made by Rai, taking Rai Way's amortisation plan as a reference. The current portion is recorded under item no. 15.1 "Trade and other payables and current liabilities".

Payables to related parties are disclosed in Note 17.4 "Transactions with related parties".

15

15.1 Trade payables and other current payables and liabilities

Trade payables and other current payables and liabilities amounted to a total € 984,962 thousand (€ 897,239 thousand as at 31 December 2022). The figure breaks down as follows:

Current liabilities

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Payables to suppliers	471,914	479,479
Trade payables to subsidiaries	116,184	79,255
Trade payables from joint ventures and associates	1,035	2,655
Total trade payables	589,133	561,389
Payables to personnel	167,594	144,872
Payables to social security and welfare institutions	58,654	72,559
Other tax payables	32,298	37,243
Other payables from subsidiaries	716	154
Other payables accruing for assessments	5,497	6,868
Other debts	3,815	4,328
Advances:		
- Licence fees	106,899	57,374
- Other advances	1,046	1,444
Accruals for fees and interest	106	437
Deferrals	19,204	10,571
Total other current payables and liabilities	395,829	335,850
Total trade payables and other current payables and liabilities	984,962	897,239

The breakdown of trade payables and other payables to subsidiaries, joint ventures and associates is shown in the following tables:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Subsidiaries:		
Rai Cinema SpA	49,044	13,472
Rai Com SpA	3,419	7,416
Rai Pubblicità SpA	281	166
Rai Way SpA	63,440	58,201
Trade payables to subsidiaries	116,184	79,255

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Joint ventures and associates:		
Auditel Srl	327	2,248
Player Radio Publishers Srl	21	-
Tavolo Editori Radio Srl	244	-
Tivù Srl	443	407
Trade payables from joint ventures and associates	1,035	2,655

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Subsidiaries:		
Rai Com SpA	-	63
Rai Pubblicità SpA	716	-
Rai Way SpA	-	91
Other payables from subsidiaries	716	154

Payables to personnel totalled € 167,594 thousand (€ 144,872 thousand as at 31 December 2022). The figure breaks down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Untaken paid annual leave	48,135	51,122
Untaken time in lieu	45,137	45,131
Salary assessment	42,486	46,163
Redundancy incentives	30,542	1,476
Others	1,294	980
Payables to personnel	167,594	144,872

Payables to social security and welfare institutions totalled € 58,654 thousand (€ 72,559 thousand as at 31 December 2022). The figure breaks down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Payables to INPS	24,552	23,048
Payables to INPGI	14,557	13,897
Payables to supplementary pension funds for personnel	8,750	24,349
Contributions on assessed salaries	8,713	9,516
Payables to CASAGIT	1,411	1,405
Other debts	671	344
Payables to social security and welfare institutions	58,654	72,559

Other tax payables show taxes payable to the Inland Revenue other than current income tax. The item breaks down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Withholding tax on salaries and wages for employees and contractors, substitution tax and other withholdings	31,440	31,828
Payables for suspended VAT	858	858
Group VAT payables	-	4,557
Other tax payables	32,298	37,243

The item Deferred income, amounting to € 19,204 thousand (€ 10,571 thousand as of 31 December 2022) and analysed in detail in the table below, includes the current portion of deferrals related to compensatory measures in favour of network operators assigned to Rai and capital goods contributions, as mentioned in Note 14.6 "Other payables and non-current liabilities".



(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Deferrals for compensatory measures in favour of network operators:		
- for upgrading broadcasting systems	8,449	5,512
- for release of radio links	225	226
Other deferrals:		
- adjustment to advertising revenues	9,361	2,800
- special licence fees	885	1,899
- information actions for institutional purposes	150	-
- contribution for capital equipment under Law 160/ 2019, Law 178/ 2020 and Law 198/2022	124	99
- others	10	35
Total deferrals	19,204	10,571

Total payables due in currencies other than the euro are reported in Note 7.1 "Market risk".

Payables to related parties are disclosed in Note 17.4 "Transactions with related parties".

15.2 Current financial liabilities

Current financial liabilities, which amounted to € 655,444 thousand (€ 390,576 thousand as of 31 December 2022), included the bond loan with a notional amount of € 300,000 thousand that will mature on 4 December 2024, illustrated in Note 14.1 "Non-current financial liabilities and current portions of non-current financial liabilities".

The breakdown of the item and the comparison with the previous year are shown below:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Bonds	299,785	-
Short-term payables to banks	208,406	223,315
Payables to subsidiaries- current account positions	145,639	167,221
Liabilities for derivatives taken out on behalf of Rai Cinema	32	34
Financial debts accruing for assessments	1,183	-
Current financial accrued charges	399	-
M/L-term payables to banks (current portion)	-	6
Total current financial liabilities	655,444	390,576

Short-term payables to banks amounted to € 208,406 thousand (€ 223,315 thousand as at 31 December 2022) and consisted of € 160,000 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:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Rai Cinema SpA	1,060	597
Rai Com SpA	141,405	163,000
Rai Corporation in liquidation	3,135	3,248
Rai Pubblicità SpA	-	-
Rai Way SpA	39	376
Payables to subsidiaries- current account positions	145,639	167,221

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:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Liabilities for derivatives taken out on behalf of Rai Cinema	32	34
Total derivative financial instruments - current portion	32	34
Liabilities for derivatives taken out on behalf of Rai Cinema	11	-
Total derivative financial instruments - non-current portion	11	-
Total derivative financial instruments	43	34

Derivative financial liabilities, recorded at fair value, as at 31 December 2023 related to the current portion of derivatives from third parties equal to € 32 thousand (€ 34 thousand as at 31 December 2022) and the non-current portion of derivatives from third parties equal to € 11 thousand (nil values as at 31 December 2022), implemented through the mandate entrusted to Rai Cinema and reflected in the inter company accounts in the financial payable to the subsidiary itself.

Information on risks hedged and on hedging policies is disclosed in Note 7.1 "Market risk".

15.3 Current income tax liabilities

Current income tax liabilities totalled € 35,937 thousand (€ 27,306 thousand as at 31 December 2022), 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

Income
statement

16.1 Revenue from sales and services

They consist of:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Licence fees	1,839,063	1,864,285
Advertising	529,585	531,589
Other revenue	104,567	99,938
Total revenue from sales and services	2,473,215	2,495,812

The breakdown of Revenue by geographical area shows a predominantly national origin.

Licence fees

Licence fees, amounting to € 1,839,063 thousand (€1,864,285 thousand in 2022), break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Licence fees for the year - household licences	1,696,395	1,738,479
Licence fees for the year- special licences	78,901	76,695
Licence fees collected by enforcement order	13,856	15,084
Licence fees for previous financial years- household licences	36,821	34,227
Licence fees for previous financial years- special licences, pursuant to Decree Law "Sostegni" 2021	13,240	-
Licence fees redemption	(150)	(200)
Total licence fees	1,839,063	1,864,285

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, which provided that the revenue from the radio and TV licence fee 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.

In relation to the amounts reported above:

- licence fees collected by enforcement order refer to licence fees, levied under an enforcement order addressed to households with overdue payments;
- licence fees for previous financial years - household licences related to 2022 fees which became known in the year 2023, as they were paid to the State during the year;
- Licence fees for previous financial years - special licences, pursuant to Decree Law "Sostegni" 2021 relate to the recognition of the second tranche of the sums provided for by Decree-Law No. 41 of 22 March 2021, which had

provided for:

- 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 a first tranche of € 43,0 million was paid to Rai in 2021.

The separate annual accounts, aimed at determining the cost of providing public service activities to be covered by licence fee resources, show a public funding shortfall for the period 2005-2022 in the amount of € 2.66 billion. It is recalled that the separate accounts are certified by Independent auditors selected through a public procedure over which the Regulatory Authority supervises.

Advertising

Advertising revenues, for € 529,585 thousand (€ 531,589 thousand in 2022), break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Television advertising on general-interest channels:		
- commercial	266,698	276,750
- promotions, sponsorships and special initiatives	171,672	165,086
- product placement and branded content	6,959	7,036
Television advertising on specialist channels	41,178	45,181
Radio advertising	20,433	20,359
Web advertising	23,228	17,251
Other advertising	47	1,092
Share due to third parties	(964)	(1,503)
Contingencies	334	337
Total advertising	529,585	531,589

Other revenue

Other revenue from sales and services, for € 104,567 thousand (€ 99,938 thousand in 2022), break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Distribution and sale of channels	42,499	22,043
Special services under agreement	42,191	41,885
Sundry services, mainly for institutional purposes	9,014	10,429
Sale of rights over programmes	5,888	6,367
Broadcasting by digital terrestrial technology signal	1,090	1,193
Public paid events	1,088	5,806
Transfer of patent rights of use and trademarks	1,047	1,339
Production and facility services	449	3,629
Agreements with telephone service providers	63	40
Home video distribution	42	81
Other	14	20
Share due to third parties	(430)	(1,001)
Contingencies	1,612	8,107
Total other revenue	104,567	99,938



16.2 Other revenue and income

Other revenue and income, for € 39,752 thousand (€ 43,260 thousand in 2022), break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Other income from investees	18,218	18,130
Operating grants	12,957	13,464
Compensation for damages	1,988	178
Income from operating subleasing from Group companies	1,789	1,691
Recovery of expenses	999	2,088
Contribution to programme production	704	4,930
Income from real estate investments	254	237
Other	2,636	2,642
Contingencies	207	(100)
Total other revenue and income	39,752	43,260

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.

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Rai Cinema SpA	3,168	3,566
Rai Com SpA	2,766	2,715
Rai Pubblicità SpA	2,328	2,313
Rai Way SpA	9,956	9,533
Tavolo Editori Radio Srl	-	3
Total other income from investees	18,218	18,130

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 € 1,334,950 thousand (€ 1,453,512 thousand in 2022), are broken down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Purchases of consumables	10,351	10,161
Costs for services	1,274,964	1,399,225
Other costs	49,635	44,126
Total costs for the purchase of consumables, services and other costs	1,334,950	1,453,512

Purchases of consumables totalled € 10,351 thousand (€ 10,161 thousand in 2022), are broken down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Sundry production materials	4,332	3,813
Purchase of fuel and oil	1,946	2,052
Sundry non-production materials	1,656	1,759
Technical inventories	243	294
Changes in inventory	10	36
Other materials	2,150	2,217
Contingencies	14	(10)
Purchases of consumables	10,351	10,161

The breakdown is shown in the table below: The breakdown of costs for services is shown in the table below. The item totalled € 1,274,964 thousand (€ 1,399,225 thousand in 2022), net of discounts and rebates obtained. It includes, inter alia, emoluments, indemnities of office and expense refunds paid to Directors, for a total of € 953 thousand, and to Statutory Auditors, for a total of € 159 thousand.

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Recording rights	98,255	255,186
Purchase of showings	245,324	234,696
Signal broadcast and transmission – Rai Way	247,541	227,821
Programme production services	201,511	200,426
Freelance services	139,069	123,212
Rights of Use	113,338	105,708
IT system documentation and assistance services	55,688	54,706
Maintenance, repairs, transport and similar	39,127	37,331
Rentals, leases and service component of lease contracts	26,277	26,143
Per diem, duty travel and personnel costs	31,904	31,089
Other external services	94,189	123,832
Recovery of expenses	(2,326)	(2,382)
Contingencies	(14,933)	(18,543)
Costs for services	1,274,964	1,399,225

Pursuant to Article 2427, no. 16-*bis* of the Italian Civil Code, please note that fees accruing to the period ended 31 December 2023 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 € 191 thousand, € 24 thousand and € 133 thousand, respectively.



Other costs totalled € 49,635 thousand (€ 44,126 thousand in 2022) break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Administrative fees and rights for use of frequencies	13,375	10,575
Other indirect taxes, duties and fees	7,648	7,592
TASI/IMU tax	8,013	7,843
Contributions to control authorities	5,309	4,762
Membership fees	3,457	3,158
Prizes and winnings	7,886	5,132
Newspaper, magazines, books and publications	1,566	1,579
Losses on disposals	393	968
Others	2,304	3,043
Contingencies	(316)	(526)
Other costs	49,635	44,126

16.4 HR expenses

HR expenses, which amounted to € 958,152 thousand (€ 909,682 thousand in 2022), break down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Salaries and social security costs	887,644	864,050
Employee severance pay	40,078	40,120
Pensions and similar obligations	11,493	11,417
Others	5,419	12,484
HR expenses	944,634	928,071
Costs for redundancy incentives	30,812	923
Recovery of expenses	(4,661)	(5,421)
Capitalised employee expenses	(11,858)	(13,133)
Other staff costs	14,293	(17,631)
Contingencies and releases of provisions	(775)	(758)
Total HR expenses	958,152	909,682

The item includes € 40,585 thousand of charges for defined contribution plans and € 320 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, expired on 31 December 2022;
- the collective bargaining agreement for orchestra musicians was renewed by agreement on 25 July 2023 for the period from 2019 to 2024;
- 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 January 2019 - 31 December 2023 is still in force, while the Rai–AD Rai Addendum Agreement was renewed for the four-year period 2020-2023 on 2 February 2023.

The average number of Company employees is shown below by employment category:

	Year ended 31 December 2023			Year ended 31 December 2022		
	Permanent employees (average no.) (1)	Fixed-term employees (average no.)	Total	Permanent employees (average no.) (1)	Fixed-term employees (average no.)	Total
Senior managers (2)	247	-	247	244	-	244
Middle managers	1,293	-	1,293	1,146	-	1,146
Journalists (3)	1,953	59	2,012	1,961	59	2,020
Office staff (4)	6,715	28	6,743	6,836	24	6,860
Workers	753	-	753	788	-	788
Orchestra players	114	2	116	118	1	119
Total	11,075	89	11,164	11,093	84	11,177

(1) Of which apprentices

385

229

(2) Of which senior staff with temporary contracts

3

2

(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.

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, which shows a negative economic effect of € 397 thousand (negative effect of € 121 thousand in 2022), refers to the provisions detailed below, already illustrated in Note 12.2 "Trade receivables", to which reference should be made.

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Trade receivables	113	34
Receivables from the subsidiary Rai Com SpA	(510)	(155)
Total impairment of financial assets	(397)	(121)



16.6 Depreciation, amortisation and other write-downs

Depreciation, amortisation and other write-downs totalled € 347,772 thousand (€ 351,299 thousand in 2022) and are broken down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Amortisation and depreciation		
Property, plant and equipment		
Buildings	14,472	13,651
Plant and machinery	55,041	52,257
Industrial and commercial equipment	2,288	2,360
Other assets	6,948	7,169
Total depreciation of property, plant and equipment	78,749	75,437
Lease rights of use		
Buildings	14,143	13,613
Other assets	1,923	1,720
Total amortisation of lease rights of use	16,066	15,333
Intangible assets		
Programmes	151,228	178,491
Software	10,808	10,778
Digital terrestrial	790	461
Total amortisation of intangible assets	162,826	189,730
Total amortisation and depreciation	257,641	280,500
Other write-downs		
Property, plant and equipment	-	6,258
Programmes under amortisation	58,594	60,726
Programmes in progress	311	536
Sports libraries	31,334	-
Other intangible assets	-	400
Equity investments recognised at cost	(119)	304
Other non-current receivables and assets	(160)	115
Current income tax receivables	(664)	896
Other current receivables and assets	835	1,564
Total other write-downs	90,131	70,799
Total depreciation, amortisation and other write-downs	347,772	351,299

16.7 Provisions

The item, recognising provisions for risks and charges and any risks not classifiable under specific income statement items, shows net uses for € 9,080 thousand (net uses amounting to € 18,672 thousand in 2022), caused by provisions for € 4,614 thousand, offset by releases for € 13,694 thousand.

16.8 Financial income and expenses

Net financial income, which amounted to € 60,434 thousand (€ 64,955 thousand in 2022), breaks down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Financial income:		
Dividends	77,087	74,014
Interest income from subsidiaries	7,071	3,504
Interest income from banks	2,581	46
Interest income from joint ventures – San Marino RTV	150	46
Foreign exchange gains realised	484	488
Gains from currency valuation	39	90
Interest on securities	8	8
Others	670	163
Total financial income	88,090	78,359
Financial expense:		
Interest expense on bonds	(7,507)	(7,504)
Interest on employee benefit liabilities	(9,097)	(1,554)
Interest expense due to subsidiaries	(3,960)	(266)
Interest expense due to banks	(2,679)	(645)
Interest expense on lease contracts	(1,535)	(693)
Foreign exchange losses realised	(164)	(491)
Foreign exchange losses	(148)	(245)
Others	(2,566)	(2,006)
Total financial expense	(27,656)	(13,404)
Net financial income	60,434	64,955

Breakdown of dividends:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Rai Cinema SpA	11,630	13,744
Rai Com SpA	8,650	6,658
Rai Pubblicità SpA	8,201	10,361
Rai Way SpA	48,510	43,049
Almaviva SpA	96	202
Total dividends	77,087	74,014



16.9 Earnings from equity investments recognised at equity

Earnings from equity investments recognised at equity amounted to a positive € 425 thousand (income € 634 thousand in 2022). The figure breaks down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Auditel Srl	110	78
Player Radio Publishers Srl	-	2
San Marino RTV SpA	(1,486)	(44)
Tavolo Editori Radio Srl	-	26
Tivù Srl	951	572
Total effect of recognition under the equity method	(425)	634

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 € 19,161 thousand (€ 61,200 thousand in 2022) due to the effect of deferred tax assets and liabilities. The figure breaks down as follows:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
IRES	-	-
IRAP	-	-
Total current taxes	-	-
Deferred tax liabilities	1,878	1,938
Deferred tax assets	17,283	59,262
Total deferred taxes	19,161	61,200
Direct taxes of previous financial years	-	-
Total income tax	19,161	61,200

For IRES purposes, in 2023, as well as in 2022, the Company recognised tax losses for which deferred tax assets have been allocated and which have had a positive effect on profit or loss.

The difference between the theoretical tax rate and the effective tax rate is shown below:

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
Loss before tax	(58,421)	(91,039)
IRES tax rate	24.00%	24.00%
Theoretical tax gain	14,021	21,849
Tax differences	5,140	39,351
IRAP	-	-
Total income tax	19,161	61,200

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).

Starting from the financial year 2024, the Rai Group falls within the subjective scope of application of the Global Minimum Tax (hereinafter referred to as "GMT"); in relation to the requirements of the document "Amendments to IAS 12 Income Taxes: International Tax Reform - Pillar Two Model Rules", in order to provide useful information to understand the effects determined by the GMT provisions, simulations were carried out to calculate the simplified tests provided for by the Transitional Safe Harbour on the basis of the latest available data relating to the financial year ended 31 December 2022.

At present, on the basis of the tests performed and preliminary calculations of the effective tax rate (ETR), taking into account the fact that the ministerial decrees implementing certain GMT rules have yet to be issued and awaiting the consequent interpretative clarifications, it is deemed reasonable to assume that the Group will not have to recognise any charges from GMT.

17.1 Guarantees

Guarantees given, which amounted to € 4,748 thousand (unchanged compared to 31 December 2022), break down as follows:

(Thousands €)

	Year ended 31 December 2023		
	Personal guarantees Sureties	Collateral	Total
Subsidiaries	2,514	-	2,514
Others	-	2,234	2,234
Total	2,514	2,234	4,748

(Thousands €)

	Year ended 31 December 2022		
	Personal guarantees Sureties	Collateral	Total
Subsidiaries	2,514	-	2,514
Others	-	2,234	2,234
Total	2,514	2,234	4,748

Guarantees given included the assumption of payment obligations to the Tax Authorities, as security for the early repayment of the VAT surplus of € 2,514 thousand (unchanged compared to 31 December 2022) in favour of subsidiaries.

The Company also recognised € 71,404 thousand of guarantees provided by third parties (€ 94,429 thousand as at 31 December 2022) on own commercial and financial obligations; the most significant include:

- guarantees issued for the acquisition of television rights relating to the UEFA EURO 2028 football events, various UEFA events;
- guarantee in favour of the Ministry of Enterprises and Made in Italy (former Ministry of Economic Development) to secure prize.

There are also guarantees received from banks and insurance companies, provided in the interest of suppliers and other obliged entities, for a total value of € 220,306 thousand (€ 198,683 thousand as of 31 December 2022), related to the supply of works, goods and services to Rai.

17

Other
information



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 2023	Year ended 31 December 2022
Sports broadcasting rights	451.9	461.9
Investments in drama and cartoons	96.4	136.3
Rights and services for the production of programmes	29.4	40.2
Technical investments	45.7	62.4
Total commitments	623.4	700.8

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 2023 and 31 December 2022.

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 2023 and as at 31 December 2022 of the transactions between the Company and related parties in the years ended 31 December 2023 and 31 December 2022:

(Thousands €)	Subsidiaries	Senior management	Other related parties	Total
Lease rights of use				
As at 31 December 2023	475	-	-	475
As at 31 December 2022	335	-	-	335
Non-current financial assets				
As at 31 December 2023	11	-	-	11
As at 31 December 2022	-	-	-	-
Current financial assets				
As at 31 December 2023	182,119	-	2,210	184,329
As at 31 December 2022	129,032	-	2,104	131,136
Trade Receivables				
As at 31 December 2023	259,724	-	512	260,236
As at 31 December 2022	303,795	-	530	304,325
Other current receivables and assets				
As at 31 December 2023	39,317	-	-	39,317
As at 31 December 2022	35,346	-	-	35,346
Non-current lease liabilities				
As at 31 December 2023	(397)	-	-	(397)
As at 31 December 2022	(284)	-	-	(284)
Employee Benefits				
As at 31 December 2023	-	(3,839)	(12,888)	(16,727)
As at 31 December 2022	-	(3,970)	(13,050)	(17,020)
Current financial liabilities				
As at 31 December 2023	(145,639)	-	-	(145,639)
As at 31 December 2022	(167,221)	-	-	(167,221)
Current lease liabilities				
As at 31 December 2023	(105)	-	-	(105)
As at 31 December 2022	(62)	-	-	(62)
Trade payables				
As at 31 December 2023	(116,184)	-	(1,054)	(117,238)
As at 31 December 2022	(79,255)	-	(2,655)	(81,910)
Other current payables and liabilities				
As at 31 December 2023	(10,237)	(5,748)	(31)	(16,016)
As at 31 December 2022	(2,988)	(5,552)	(15,627)	(24,167)



The following table details the income effects of transactions between the Company and related parties conducted in the years ended 31 December 2023 and 31 December 2022:

(Thousands €)	Subsidiaries	Senior management	Other related parties	Total
Revenue from sales and services				
As at 31 December 2023	593,724	-	1,752	595,476
As at 31 December 2022	594,814	-	1,690	596,504
Other revenue and income				
As at 31 December 2023	21,863	-	117	21,980
As at 31 December 2022	21,366	-	87	21,453
Costs for services				
As at 31 December 2023	(500,378)	(1,149)	(12,756)	(514,283)
As at 31 December 2022	(473,606)	(1,238)	(12,256)	(487,100)
Other costs				
As at 31 December 2023	(407)	-	-	(407)
As at 31 December 2022	(366)	-	-	(366)
HR expenses				
As at 31 December 2023	3,576	(19,871)	(11,373)	(27,668)
As at 31 December 2022	4,198	(17,460)	(11,197)	(24,459)
Impairment of financial assets				
As at 31 December 2023	511	-	-	511
As at 31 December 2022	155	-	-	155
Depreciation, amortisation and other write-downs				
As at 31 December 2023	(69)	-	-	(69)
As at 31 December 2022	(69)	-	-	(69)
Financial income				
As at 31 December 2023	84,062	-	150	84,212
As at 31 December 2022	77,315	-	46	77,361
Financial expense				
As at 31 December 2023	(3,974)	-	(6)	(3,980)
As at 31 December 2022	(272)	-	(11)	(283)

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 and Rai.

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, an intra-company current account agreement is in force, to settle some credit and debit positions of limited amount deriving from residual services.

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 € 36,999 thousand as at 31 December 2023.

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 2023. 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 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. There is also an ordinary credit line from Rai, with scaled limits of € 2,000 thousand until 31 August 2024 and € 1,400 thousand from 1 September 2024 to 31 December 2024, which the company can use for overdrafts arising from ordinary operations. 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

Tavolo Editori Radio Srl provides the service of surveying and dissemination of listening data of radio channels.

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.

Service Contract 2023-2028

In its meeting of 18 January 2024, the Rai's Board of Directors approved, following the non-binding opinion of the Parliamentary Supervisory Committee, the outline of the Service Contract with the Ministry of Enterprises and Made in Italy. On 20 March 2024, the Council of Ministers resolved to approve the aforementioned Contract for the period 2023-2028. It should be recalled that, as set forth in Article 30 of the 2018-2022 *Service Contract*, "until the date of publication in the Official Gazette of the subsequent Contract, the relations between Rai and the Ministry shall remain governed by the provisions of this Contract".



18

Events
following
the balance
sheet date

2024-2026 Business Plan

In its meeting of 18 January 2024, the Board, considering the context of evolution of the reference scenario characterised by profound structural changes in the media ecosystem and in users' consumption patterns, oriented towards a progressive shift towards on-demand consumption and a strong increase in competitiveness, which makes it necessary to completely transform Rai into a digital media company, approved the 2024-2026 Business Plan.

ESG Sustainability Plan

In its meeting of 22 February 2024, the Board examined and approved the company's new ESG Sustainability Plan, which defines the lines that will guide Rai's sustainable development strategy over the next three years and establishes priority areas for action: environment, inclusion and equal opportunities, youth, information quality, human capital, digital transformation, ethics and transparency. It should be noted that the initiatives defined in the 2024-2026 Sustainability Plan are consistent with the strategic approach of the Industrial Plan and the Service Contract.



19

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.

Appendix

(Values as at 31 December 2023)

	Registered office	No. shares/ units held	Nominal value (€)	Share Capital (€/thousand)	Shareholders' equity (€/thousand)	Profit (loss) (€/thousand)	Equity interest share %	Carrying amount (€/thousand)
Subsidiaries								
Rai Cinema SpA	Rome	38,759,690	5.16	200,000	276,150	10,990	100.00%	267,848
Rai Com SpA	Rome	2,000,000	5.16	10,320	118,368	12,057	100.00%	107,156
Rai Corporation in liquidation	New York (USA)	50,000	10.00 (1)	500 (2)	(4,571) (3)	(44) (4)	100.00%	- (5)
Rai Pubblicità SpA	Turin	100,000	100.00	10,000	35,877	6,170	100.00%	31,082
Rai Way SpA	Rome	176,721,110	- (6)	70,176	188,693	86,721	64.971%	506,260
								912,346
Joint ventures and associates								
Auditel Srl	Milano	1	99,000.00	300	4,621	332	33.00%	1,525
Player Radio Publishers Srl	Milano	1	1,390.00	10	184	13	13.90%	26 (7)
San Marino RTV SpA	S. Marino (RSM)	500	516.46	516	2,971	(89)	50.00%	- (8)
Tavolo Editori Radio Srl	Milano	1	1,390.00	160	1,104	189	13.60%	150 (7)
Tivù Srl	Rome	1	482,500.00	1,002	3,700	1,975	48.16%	1,782
								3,483

(1) Values in USD.

(2) Values in USD/thousand.

(3) USD -5,050,707 at the exchange rate of 31 December 2023 of EUR/USD 1:1050.

(4) USD -48,288 at the exchange rate of 31 December 2023 of EUR/USD 1:1050.

(5) The balance sheet deficit of € 4,571 thousand is covered by provisions for charges of an equal amount.

(6) Ordinary shares with no nominal value.

(7) Balance as of 31 December 2022, latest version available.

(8) Balance as of 31 December 2022, latest version available. The equity investment was fully written down in relation to the company's economic-financial crisis.

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"):

(Thousands €)	Year ended 31 December 2023	Year ended 31 December 2022
A. Cash	5,586	4,421
B. Cash equivalents	-	-
C. Other current financial assets	185,835	134,671
D. Liquidity (A+B+C)	191,421	139,092
E. Current financial debt	(373,302)	(404,849)
F. Current portion of non-current financial debt	(299,785)	(6)
G. Current financial debt (E + F)	(673,087)	(404,855)
H. Net current financial debt (G - D)	(481,666)	(265,763)
I. Non-current financial debt	(42,380)	(34,020)
J. Debt instruments	-	(299,557)
K. Non-current trade payables and other payables	-	-
L. Non-current financial debt (I + J + K)	(42,380)	(333,577)
M. Total financial debt (H + L)	(524,046)	(599,340)
Of which operating lease liabilities	(60,012)	(48,299)
Net financial debt excluding operating lease liabilities	(464,034)	(551,041)

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)

The following table shows the amounts collected in the year 2023 that fall within the scope of application of IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance", which are not attributable, directly or indirectly, to public entities of foreign states, where the total amount collected by the entity is greater than or equal to € 10 thousand.

Entity	Grant paid in 2023	Amount (Thousands €)
Ministry of Enterprises and Made in Italy	Compensatory measures for upgrading broadcasting systems following the release of frequencies for digital terrestrial television service - MIMIT Directorial Decree of 13 October 2023	39,643



Contributions made (art. 1, paragraph 126)

The following table includes sums paid in 2023 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 2023	Amount (Thousands €)
AIRC Foundation for Cancer Research	Prize money donated to charity	120
Mission Bambini ETS Foundation	Prize money donated to charity	106
Emergency NGO Onlus	Prize money donated to charity	100
Dottor Sorriso Onlus Foundation	Prize money donated to charity	100
UNICEF Italy	Prize money donated to charity	60
Sant'Orsola Onlus Polyclinic Foundation	Prize money donated to charity	57
Agency for Territorial Security and Civil Protection	Prize money donated to charity	50
Telethon Foundation	Prize money donated to charity	50
Association "Associazione amici di Roberto Morrione"	Roberto Morrione Prize	30

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Climate change

With reference to the risks related to climate change, the Company is carrying out in-depth assessments on the potential effects on business with a view to continuous monitoring.

The main risks, which derive from the Company's activities, have been identified as part of the broader Integrated Risk Assessment approved by the Board of Directors on 21 December 2022, and have been associated with Rai's Value Chain processes. In this context, among the risks with the highest degree of residual risk, the increase in costs linked to the trend in the price of gas and electricity was identified, for which energy saving initiatives were launched with the aim of mitigating it.

In this sense, at the beginning of 2024, the Company launched a project aimed at analysing its emission sources and defining a progressive decarbonisation strategy.

In addition, it has started a path to approach the requirements of the EU Directive 2464/2022 (so-called CSRD), as part of which specific assessments of impacts, risks and opportunities related to sustainability issues will be carried out. In this context, the Company will monitor the evolution of climate change risks with an approach that will take into consideration the applicable regulations and its role as a Public Service.

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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 € 39,259,577.97, together with the Report on Operations;
- to cover the loss for the year amounting to € 39,259,577.97 by using:
 - the "IFRS first-time adoption reserve - free" in the amount of € 4,550,609.09;
 - the "IFRS First-time Adoption Reserve - restricted" for € 34,708,968.88, to be obligatorily integrated with future profits.

Certification pursuant to article 154-*bis* of Italian Legislative Decree 58/98

The undersigned Roberto Sergio, 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 taken 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 2023 during the 2023 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 2023 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, 17 April 2024

Roberto Sergio
Chief Executive Officer

Marco Brancadoro
*Manager in charge of drawing up
the corporate accounting documents*



Board of Statutory Auditors' Report

on Rai - Radiotelevisione Italiana SpA's separated financial statements as at 31 December 2023 pursuant to Article 2429, Paragraph 2, Italian Civil Code

To Rai Radiotelevisione italiana SpA shareholders

Rai SpA'S Separated Financial Statements as at 31 December 2023

Dear Shareholders,

The Board of Statutory Auditors ensures, together with the other corporate bodies of the Parent Company, the systematic control of the correct application of the principles of corporate governance and, in addition to supervising compliance with the law and the Articles of Association, it monitors compliance with the principles of proper administration, in particular, the adequacy of the organisational, administrative and accounting structure adopted by Rai SpA and its actual functioning.

With the qualification acquired by Rai SpA as a Public Interest Entity (EIP), the Parent Company's Board of Statutory Auditors also performs the role of 'Internal Control and Audit Committee', pursuant to art. 19 of Legislative Decree 39/2010, with supervisory functions on financial reporting, on the effectiveness of the internal control, internal audit and risk management systems, on the statutory audit of the accounts and, finally, on the independence of the statutory audit firm, in particular with regard to the type of services, other than auditing, possibly provided to the entity subject to the statutory audit.

Board of Statutory Auditors' activities

During the 2023 financial year, the Board of Statutory Auditors carried out its supervisory activities in fulfilment of its duties under the law, taking into account the rules of conduct recommended by the National Council of Chartered Accountants.

With reference to the activities performed, we report the following.

The Board of Statutory Auditors met 20 times during the 2023 financial year. The minutes of these meetings are transcribed in the appropriate book.

The Board of Statutory Auditors also attended 25 meetings of the Board of Directors.

The aforementioned meetings were held in compliance with the laws, by-laws and regulations governing their functioning. During the board meetings, the obligations of periodic reporting to the Board of Directors and the Board of Statutory Auditors pursuant to Article 2381 of the Italian Civil Code were fulfilled.

During the 2023 financial year and after the end of the financial year, no complaints pursuant to Article 2408 of the Italian Civil Code were submitted to the Board of Statutory Auditors.

No complaints were made pursuant to Article 2409, paragraph 7, of the Italian Civil Code.

No action had to be taken for omissions by the Board of Directors pursuant to Art. 2406 of the Italian Civil Code.

Sufficient information was acquired on the general performance of operations and its foreseeable development, as well as on the most significant transactions, in terms of size or characteristics, carried out by the Company.

The transactions carried out complied with the law and the Articles of Association and were not in potential conflict

with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the Company's assets.

The Board of Statutory Auditors did not find any atypical and/or unusual transactions carried out with third parties and/or related parties during the financial year 2023 and after the year-end. Ordinary transactions, at market conditions, carried out with Group companies and with related parties are congruous and in the Company's interest.

The Board of Statutory Auditors became aware of and supervised the adequacy of the Company's internal control system, as well as, in its capacity as the Internal Control and Audit Committee, the effectiveness of the internal control and risk management system and of internal auditing with regard to financial reporting.

The Board of Statutory Auditors also monitored the statutory audit of the financial statements and verified and monitored the independence of the statutory auditors pursuant to Articles 10, 10-bis, 10-ter, 10-quater and 17 of Legislative Decree No. 39/2010 and Article 6 of EU Regulation 537/2014.

The supervisory activity was also conducted through: (i) the information received during the periodic meetings held with the Internal Audit Department; (ii) the examination of corporate documents and the information received during the periodic meetings held with the Company appointed to perform the statutory audit of the accounts; (iii) the information provided by the Supervisory Board established pursuant to Legislative Decree No. 231 of 2001; (iv) the constant participation in Board meetings; (v) the information acquired from the heads of corporate functions.

The Board of Statutory Auditors also acquainted itself with and supervised, to the extent of its competence, the adequacy of the Company's organisational structure and its functioning, both through the acquisition of information from the heads of the competent corporate functions, and through meetings and exchanges of information with the Company appointed to audit the accounts. On the part of the individual Boards of Statutory Auditors of the Subsidiaries, no significant elements were communicated to be the subject of this report.

With particular regard to the organisational and procedural controls put in place pursuant to Legislative Decree No. 231 of 2001, the Board of Statutory Auditors reports that it has received adequate information on the activities carried out during the 2023 financial year and has no observations in this regard.

The Board of Statutory Auditors monitored the adequacy of the administrative-accounting system and its reliability in correctly representing operating events and, in this regard, has no specific observations to make.

The Board's analysis of these aspects was also carried out by means of: (i) the information and documents acquired during the meetings with the Manager in charge of preparing the company's financial reports and the examination of the attestations issued by him jointly with the Chief Executive Officer on 17 April 2024; (ii) obtaining information from the heads of the relevant company departments; (iii) examining company documents; (iv) the information received during the periodic meetings held by the Company appointed to perform the statutory audit of the accounts.

The Board of Statutory Auditors, in light of the supervisory activity performed, considers, to the extent of its competence, that the administrative-accounting system is substantially adequate and reliable for the purposes of the correct representation of management events.

During the year, the Board of Statutory Auditors met periodically with the representatives of the Company appointed for the legal audit of the accounts in order to exchange relevant data and information, also for the purposes of its duty to supervise the legal audit of the annual and consolidated accounts.

Based on the information received from the Independent Auditors, no facts, circumstances or irregularities emerged that need to be reported in this Report.

During the year, following the resignation tendered by the Chief Executive Officer, Carlo Fuortes, the Shareholders' Meeting, at its meeting of 15 May 2023, proposed Roberto Sergio for the position of Chief Executive Officer; at the Board meeting held on the same date, the Board of Directors appointed him to the position until the expiry of the current Board of Directors.

Following the untimely death of Director Riccardo Laganà, the Board of Directors initiated the procedure for the election of a new member of the Board of Directors expressed by the employees; the procedure was concluded with the appointment by the Shareholders' Meeting of Director Davide Di Pietro (5 December 2023).



In May 2023, the new Corporate General Manager was appointed.

During 2023, the company implemented the following actions regarding governance tools and risk control and management:

- Update of the Three-Year Corruption Prevention Plan 2023/2025 (30 January 2023);
- Update of the Organisation, Management and Control Model of Rai SpA (25 July 2023), following the conclusion of the corporate risk assessment;
- Issuance of the corporate policy concerning the management of reports, whereby the Head of Corruption Prevention was entrusted with the management of all reports, in compliance with Article 4, paragraph 5, of Legislative Decree no. 24/2023 (11 July 2023); integration of the composition of the Stable Commission for the Code of Ethics with the Head of Corruption Prevention (4 October 2023).

In addition, the 2023 reports of the Head of Corruption Prevention and the Internal Audit Department were brought to the attention of the Board of Directors, as well as the reports of the Supervisory Board.

In 2023, a number of amendments to Rai's Articles of Association were approved, aimed at simplifying the conduct of the Shareholders' Meeting and Board of Directors' meetings, as well as the meetings of the Board of Statutory Auditors, providing that they may also be held exclusively by telecommunication means.

In addition, the Shareholders' Meeting of Rai SpA in its meeting of 27 April 2023, following a tender procedure, resolved to appoint Ernst & Young SpA to carry out the legal auditing of the accounts, as well as of the Rai Group's Sustainability Report/Consolidated Non-Financial Statement (DNF) for the nine-year period 2024-2032.

Other relevant activities in 2023 include:

- the approval of the Sustainability Plan Guidelines 2024-2026 (25 October 2023);
- the approval of the Plan for voluntary redundancy incentives (14 December 2023).

Examination of the Financial Statements

The draft financial statements for the financial year ended 31 December 2023 of Rai SpA, which are submitted for your attention, were approved by the Board of Directors at its meeting on 17-18 April - meeting of 17 April 2024.

The Independent Auditors PricewaterhouseCoopers SpA today issued the Report pursuant to Article 14 of Legislative Decree. 27 January 2010, no. 39, and Article 10 of Regulation (EU) no. 537 of 16 April 2014 on the Separate Financial Statements as at 31 December 2023 of Rai SpA, with a positive opinion, without recourse to disclosure requirements and without reservations on the conformity of the financial statements with the IFRSs adopted by the European Union and on the ability of the financial statements to present clearly and fairly the financial position and results of operations and cash flows of the Company. The same certifies that the Report on Operations and certain specific information contained in the Report on Corporate Governance and Ownership Structure are consistent with Rai SpA's Separate Financial Statements as of 31 December 2023.

On today's date, the Independent Auditors also issued their Report on the Rai Group's Consolidated Financial Statements as at 31 December 2023, 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 of the accounts, the Board of Statutory Auditors - in its capacity as the Internal Control and Audit Committee - points out that in the Additional Report issued pursuant to Article 11 of EU Regulation 537/2014, PricewaterhouseCoopers SpA confirmed its independence, pursuant to Article 6, paragraph 2), letter a), of EU Regulation 537/2014. The Board of Statutory Auditors, on the basis of the documentation and information received, does not believe that there are any aspects to be highlighted regarding the independence of PricewaterhouseCoopers SpA.

The information referred to sustainability in the Rai Group pursuant to Legislative Decree 30 December 2016, no. 254, are reported in a separate document (Sustainability Report/Consolidated non-financial statement) approved by the Board of Directors at the 17-18 April - meeting of 17 April 2024.

The Board of Statutory Auditors examined the draft financial statements for the financial year ending 31 December 2023, in respect of which we report the following:

- a) we have verified that the financial statements correspond to the facts and information of which we are aware, following the performance of our duties, and have no observations to make in this regard;

- b) since the Board of Statutory Auditors has not been entrusted with the analytical control of the contents of the financial statements, we have supervised the layout of the same, its general compliance, as regards its formation and structure, with the law and the reference accounting principles and, in this regard, we have no observations to report;
- c) we have also verified compliance with the legal provisions concerning the preparation of the Management Report as well as the consistency of this document with the information acquired in the course of our supervisory activities. In this regard, there are no observations to report;
- d) to the best of our knowledge, the Directors, in preparing the financial statements, have not departed from the laws pursuant to Article 2423, paragraph 5, of the Italian Civil Code.

It should be noted that the financial year as of 31 December 2023 of Rai SpA closed with a loss of € 39,259,577.97 and the Board of Directors proposes to cover the loss for the year by using:

- the "IFRS first-time adoption reserve - distributable" for € 4,550,609.09
- the "IFRS first-time adoption reserve - non-distributable" for € 34,708,968.88, to be obligatorily replenished with future profits.

For further details, please refer to the notes accompanying the Financial Statements.

* * *

In conclusion, having acknowledged the Separate Financial Statements as of 31 December 2023 and the information provided by the directors, considering the results of the work performed by the independent auditors, the Board of Statutory Auditors, to the extent of its competence, has no objection to make to the proposed resolution on the draft financial statements of Rai SpA for the year ended 31 December 2023, as presented by the Board of Directors to the Shareholders' Meeting.

Rome, 10/05/2024

The Board of Statutory Auditors

<i>Carmine di Nuzzo</i>	<i>Chairman</i>
<i>Emanuela Capobianco</i>	<i>Statutory Auditor</i>
<i>Giovanni Caravetta</i>	<i>Statutory Auditor</i>



Independent Auditors' 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 2023, 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 material accounting policy information.

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 2023, 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

Evaluation of the recoverability of investments in programmes

“Measurement criteria” paragraphs “Intangible assets” and “Impairment of non-financial assets” and Note 11.3 “Intangible assets” of the financial statements as at 31 December 2023

The item “Intangible assets” of the financial statements of the RAI – Radiotelevisione Italiana SpA as at 31 December 2023 includes programmes totalling Euro 307.5 million (of which Euro 104.8 million as intangible assets under development), which account for 99 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 60 months (5 years). Such duration represents the estimate made by the Company’s management of the period in which, on the basis of historical experience and their estimated useful life, the economic benefits generated by them are supposed to be utilised.

The recoverability of investments in programmes is verified by the Company’s management at least once a year, coinciding with the closing of each fiscal year.

If external or internal indicators are identified which lead to presume an impairment loss of the programmes’ value, their recoverability is verified by comparing the book value with the corresponding recoverable amount, represented by the higher between the fair value and the value in use 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 financial statements as at 31 December 2023, its direct correlation with the company business, as well as the degree of complexity characterising the

Auditing procedures performed in response to key audit matters

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 the recoverability of investments in programmes:

- i) discussions with the management of RAI – Radiotelevisione Italiana SpA regarding their analyses and conclusions on the existence of possible impairment losses in the item “programmes”;
- 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;
- iii) analysis of the assumptions underlying the identification of impairment losses, if any, in the programmes’ value and of the reasonableness of the related write-downs performed by the Company’s management, mainly based on the share recorded by the programmes during the financial year, as well as on their future possibility to be repeated hinged on their expected rebroadcasting;
- 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 of programmes 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 financial statements.



estimates adopted by Company's management.

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 2023, 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 2023 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 2023 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, 10 maggio 2024

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.

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**Consolidated Financial
Statements
as at 31 December 2023**



Analysis of the results and performance of economic and financial management of the financial year 2023

Reclassified statements

Income statement

(€/million)	Financial Year 2023	Financial Year 2022	Change
Revenue	2,736.2	2,737.6	(1.4)
External costs net of major sports events	(1,013.6)	(966.3)	(47.3)
Major sports events	0.0	(176.7)	176.7
External costs	(1,013.6)	(1,143.0)	129.4
Employee expenses	(1,069.2)	(1,007.4)	(61.8)
EBITDA	653.4	587.2	66.2
Depreciation, amortisation and write-downs	(610.6)	(616.6)	6.0
Provisions	6.9	17.6	(10.7)
EBIT	49.7	(11.8)	61.5
Net financial expense	(24.3)	(14.5)	(9.8)
Equity investments measured using the equity method	(0.4)	0.6	(1.0)
Pre-tax profit/(loss)	25.0	(25.7)	50.7
Income tax	(25.0)	25.7	(50.7)
Profit/(loss) for the year	0.0	0.0	0.0
of which attributable to minority interests	29.7	25.2	4.5
Other comprehensive income	(5.1)	47.8	(52.9)
Total profit/(loss) for the year	(5.1)	47.8	(52.9)
of which attributable to minority interests	29.5	25.8	3.7

Capital structure

(€/million)	31 December 2023	31 December 2022	Change
Fixed assets	2,163.7	2,154.1	9.6
Net working capital	(656.3)	(629.0)	(27.3)
Provisions for risks and charges	(226.0)	(207.5)	(18.5)
Employee benefits	(281.4)	(288.1)	6.7
Net invested capital	1,000.0	1,029.5	(29.5)
Equity	338.9	369.0	(30.1)
Net financial debt excluding liabilities for operating leases	567.7	578.1	(10.4)
Operating lease liabilities	93.4	82.4	11.0
Net financial position	661.1	660.5	0.6
Total	1,000.0	1,029.5	(29.5)

The consolidated financial statements as at 31 December 2023 ends with a balanced net profit in line with the previous financial year.

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 year.

Income statement

Revenue

This is made up of licence fees, advertising proceeds and other trade revenue, totalling € 2,736.2 million, decreased by € 1.4 million (-0.1%) compared to the previous financial year.

Revenue

(€/million)	Financial Year 2023	Financial Year 2022	Change
TV licence fees	1,839.1	1,864.3	(25.2)
Advertising	664.7	642.6	22.1
Other revenue	232.4	230.7	1.7
Total	2,736.2	2,737.6	(1.4)

TV licence fees

Licence fees, of € 1,839.1 million, detailed in the table below, decreased by € 25.2 million (-1.4%) compared to the previous financial year.

TV licence fees

(€/million)	Financial Year 2023	Financial Year 2022	Change
Licence fees for the year - household licences	1,686.4	1,725.1	(38.7)
Ordinary licence fee exemptions	10.0	13.4	(3.4)
Licence fees for the year - ordinary	1,696.4	1,738.5	(42.1)
Licence fees for the year- special licences	78.8	76.6	2.2
Special licence fee exemptions	0.1	0.1	0.0
Licence fees for the year - special	78.9	76.7	2.2
Licence fees collected by enforcement order - ordinary licence fees collected by the Government in the period	10.2	11.8	(1.6)
Licence fees collected by enforcement order- special licences	3.7	3.3	0.4
Licence fees collected by enforcement order	13.9	15.1	(1.2)
Licence fees for prior years - household licences	36.8	34.2	2.6
Licence fees for prior years - household licences ("Sostegni" Legislative Decree)	13.2	0.0	13.2
Licence fees redemption	(0.1)	(0.2)	0.1
Total	1,839.1	1,864.3	(25.2)



The decline is mainly due to the ordinary licence fees for the year (€ -38.7 million, -2.2% compared to 2022), the minor revenue resulted from the extensions of payment deadlines for the Municipalities affected by the floods, the delays in invoicing times attributable to some electricity supply undertakings and a marked increase in arrears (estimated to be 1.5%) due to the households' economic hardship in the socio-economic context.

To be noted the revenue resulting from the payment of the second instalment (equal to € 132 million) of the amounts provided under the "Sostegni" Legislative Decree no. 41 of 22 March 2021, envisaging:

- 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 € 43.0 million have been already paid and recognised to Rai in 2021.

Advertising

The international economic conditions have been characterised, also in 2023, by high uncertainty and downside risks, mainly connected to the increase and spread of geopolitical tensions (the Russian-Ukrainian and Israeli-Palestinian conflicts) and to less favourable financial conditions.

Despite international instability, in 2023, the Italian GDP recorded a growth of 0.9%, decreasing compared to +3.7% reported in 2022.

As far as the advertising market is concerned, the year 2023 recorded a positive trend over the first four months, which became negative in the next four months, and then positive in the final part of the year, except for December.

The advertising investment market in Italy recorded a growth of 2.6% in 2023; by excluding the Nielsen estimate on search, social, classified (sponsored ads) and "Over The Top" (OTT), from the web collection, the positive trend on 2023 drops to +1.9%.

More specifically, in terms of media, TV recorded an investment increase equal to +2.1%, Radio 6.0%, while Digital shows an overall growth of 3.5% (net of OTT, search, social, classified equal to 2.4%). Also Cinema recorded a growth of 22.5%.

In this context, Rai's advertising income of € 664.7 million, detailed in the table below, increased by € 22.1 million (+3.4%).

In more detail, the advertising collection of Rai Group's media (including ads in the form of content distributed by third-party internet platforms), equal to € 615.1 million, reduced by € 0.4 million (-0.1%) despite year 2023 was negatively affected after the introduction of new limits on advertising crowding in 2022 as under Legislative Decree 208/2021, Consolidated text on audiovisual and radio media services, so-called 'TUSMA', which set new advertising crowding limits for Rai as well as other commercial radios and broadcasters.

More specifically, in 2023, Rai's new crowding limit shifted to 6% (already 7% in 2022), calculated by time slot (from 6 am to 6 pm and from 6 pm to 12 pm) and channel by keeping a time limit of 12% on all hours of the day and with a 1% reduction on the overrun percentage (from 2% to 1%).

Compared to year 2022, the new crowding limits, in force from 1st January 2023, resulted in a reduction of prime time (more valuable item) and day time (lower profitability and fungibility).

The advertising collection of third-party media, equal to € 49.6 million, shows an increase of € 22.5 million (+83.0%), which was positively affected by the extension of Rai Pubblicità's sales perimeter in 2022, following the ratification of new advertising collection contracts.

Advertising

(€/million)	Financial Year 2023	Financial Year 2022	Change
Television advertising on general-interest channels:			
– commercial	303.3	315.5	(12.2)
– promotions, sponsorships, branded content and other initiatives	205.9	197.5	8.4
	509.2	513.0	(3.8)
Television advertising on specialist channels	46.8	51.5	(4.7)
Radio advertising	23.2	23.2	0.0
Web advertising	37.5	28.5	9.0
Other advertising	0.1	1.6	(1.5)
Share due to third parties	(2.1)	(2.7)	0.6
Contingencies	0.4	0.4	0.0
Total advertising of Rai Group Media	615.1	615.5	(0.4)
Television advertising on specialist channels	4.0	2.6	1.4
Radio advertising	33.2	20.6	12.6
Cinema advertising	2.8	2.1	0.7
Web advertising	5.2	0.4	4.8
Other advertising	4.4	1.4	3.0
Total advertising of third-party media	49.6	27.1	22.5
Total	664.7	642.6	22.1

Other revenue

These amount to € 232.4 million and show an increase of € 1.7 million (+0.7%).

Details of the item are presented in the table below.

Other revenue

(€/million)	Financial Year 2023	Financial Year 2022	Change
Special services under agreement	48.6	48.2	0.4
Sale of rights over programmes and musical editions	52.1	58.8	(6.7)
Film and home video distribution	16.5	8.6	7.9
Distribution and sale of channels	44.5	24.0	20.5
Fees for hosting plant and equipment	30.4	28.2	2.2
Sundry services, mainly for institutional purposes	11.9	13.3	(1.4)
Signal diffusion services, rental of circuits, radio links and connections	11.9	7.6	4.3
Public paid events	1.1	5.6	(4.5)
Production services and facility supply	0.5	3.7	(3.2)
Gains	0.1	0.0	0.1
Operating grants	21.4	29.9	(8.5)
Other	11.1	15.8	(4.7)
Share of sales due to third parties	(24.7)	(25.2)	0.5
Contingencies	7.0	12.2	(5.2)
Total	232.4	230.7	1.7



In detail:

- Positive items, Distribution and sale of channels increased (+€ 20.5 million) following the ratification of a rebroadcast agreement for Rai and Rai Play app's content on third-party platforms; Cinema and home video distribution showed a positive trend (+€ 7.9 million) due to the relaunch of cinema distribution after the crisis suffered by the sector during the pandemic,
- Negative items, lower Operating grants (-€ 8.5 million) related to cinema products and energy consumption, minor Contingencies (-€ 5.2 million), which were present in 2022 for adjustment to contractualised values of services rendered in previous years, the reduction in Production services and facility supply (-€ 3.2 million) resulted from the services supplied by Rai as host broadcaster for the European swimming championships of 2022, the decrease in Public paid events (-€ 4-5 million) and Other (-€ 4.7 million) mainly related to ticket sale and compensation of production costs for the Eurovision Song Contest held in 2022.

In relation to the above trends, advertising recorded a percent-of-revenue decrease of total revenue by 0.9 pp compared to the previous financial year, to the benefit of licence fees (+0.8 pp) and other revenue (+0.1 pp), as shown in the table below.

Percent of revenue

	Financial Year 2023	Financial Year 2022
Licence fees	67.2%	68.1%
Advertising	24.3%	23.5%
Other income	8.5%	8.4%
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 totals € 2,082.8 million, with a decrease of € 67.6 million (-3.1%) compared to the 2022 financial year, the reasons for which are explained below.

External costs

These amount to € 1,013.6 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.).

The item shows a decrease of € 129.4 million (-11.3%) due to the large sports events broadcast in the previous financial year, the World Football Championship and the Winter Olympics, which costs have affected the income statement of 2022 by € 176.7 million.

Net of Major Sporting Events, external costs show a growth of € 47.3 million (+4.9%), in detail highlighted in the table below.

External costs net of major sports events

(€/million)	Financial Year 2023	Financial Year 2022	Change
Purchase of materials	12.2	12.2	0.0
Costs for services			
Freelance services	144.4	126.3	18.1
Services for programme acquisition and production	208.6	207.6	1.0
Daily allowances, travel expenses and accessory costs for personnel	35.7	32.6	3.1
Maintenance, repairs, transport and similar	47.1	44.4	2.7
IT system documentation and assistance services	61.1	59.0	2.1
Shares owned by third parties on advertising invoicing, agent and media centre commissions	69.1	48.3	20.8
Other outsourced services (telephone, supply services, cleaning, postal, insurance etc.)	131.9	161.9	(30.0)
Leases and rentals	54.0	53.4	0.6
Recording rights (mainly Sports broadcasting rights)	100.6	86.5	14.1
Rights of Use	114.7	107.0	7.7
Recovery of expenses	(8.5)	(7.2)	(1.3)
Contingencies	(14.7)	(17.3)	2.6
	944.0	902.5	41.5
Other costs			
Administrative fees and rights for use of frequencies	13.4	10.6	2.8
Prizes and winnings	7.9	5.1	2.8
Fee to control authorities	6.0	5.4	0.6
TASI/IMU	9.1	8.9	0.2
Other indirect taxes and other duties	10.3	9.9	0.4
Newspaper, magazines, books and publications	1.6	1.6	0.0
Membership fees	3.9	3.6	0.3
Losses on disposals	0.6	1.8	(1.2)
More	4.6	4.9	(0.3)
Contingencies	0.0	(0.2)	0.2
	57.4	51.6	5.8
Total	1,013.6	966.3	47.3

Specifically, increases are shown in the items:

- Third-parties shares on advertising invoicing, agents and media centres commissions (+€ 20.8 million) resulted from higher shared recognised on advertising income made on third-party media;
- freelance services (+€ 18.1 million) related to the publishing product;
- recording rights (+€ 14.1 million) recorded an increasing due to the acquisition of the Football European League and higher costs connected to the Football national team and championship.

As opposite, the item Other outsourced services recorded a reduction (-€ 30.0 million compared to the same item in the previous financial year) mainly related to minor costs of energy and gas supply.



Employee expenses

These amounted to € 1,069.2 million, increasing by € 61.8 million (+6.1%) compared to the financial year of 2022.

Such an increase is mainly ascribable to charges connected to redundancy incentives resolved by the Group's companies (+€ 37.6 million) and the physiological growth resulting from contractual clauses and the renewal of collective labour agreements which weigh on the Salaries and social security costs item (+€ 29.1 million).

The item Other recorded a decrease (-€ 7.7 million) for minor charges resulted by labour litigations.

Employee expenses

(€/million)	Financial Year 2023	Financial Year 2022	Change
Salaries and social security costs	985.3	956.2	29.1
Employee severance pay provisions	44.5	44.5	0.0
Pensions and similar obligations	13.1	12.9	0.2
More	6.8	14.5	(7.7)
	1,049.7	1,028.1	21.6
Redundancy incentives	39.1	1.5	37.6
Recovery of expenses	(1.3)	(1.5)	0.2
Capitalised HR expenses	(17.4)	(18.4)	1.0
Contingencies	(0.9)	(2.3)	1.4
	19.5	(20.7)	40.2
Total	1,069.2	1,007.4	61.8

The **average number of employees** in service during the period, including temporary staff, was 12,390, down by 9 compared to the figure for year 2022; in detail, there was a decrease of 6 units in permanent staff and 3 units in temporary staff.

The **staff employed** as of 31 December 2023 is equal to 12,605 units, 12,510 of which have a permanent contract (including 4 senior staff hired on a fixed-term basis) and 95 hired on a fixed-term contract.

The increase of 174 units of the staff employed, compared to 31 December 2022, is due to the leave of 322 resources, of which 42 subject to redundancy incentive and 496 new hires, 123 of which will sign a fixed-term contract, 303 hired with apprenticeship contracts and 3 for litigations.

As for the staff under fixed-term contracts, there was a decrease of 50 units compared to 31 December 2022.

EBITDA

In connection with the changes stated above, EBITDA was positive and totalled € 653.4 million, up € 66.2 million compared to the figure for year 2022.

Depreciation and amortisation

The item, equal to € 610.6 million, recorded a decrease of € 6.0 million (-1.0%) compared to the year 2022 and refers to depreciation and amortisation of current and non-current assets, including the effect, equal to € 31.3 million deriving from the Parent Company's write-down of sports libraries carried out in view of the foreseeable possibilities of use.

The following table provides details on this item.

Depreciation and amortisation

(€/million)	Financial Year 2023	Financial Year 2022	Change
Amortisation			
Of programmes			
Drama	217.4	257.3	(39.9)
Film	110.3	104.7	5.6
Cartoons	17.7	16.8	0.9
Sports libraries	2.2	2.2	0.0
More	7.0	4.7	2.3
	354.6	385.7	(31.1)
Of property, plant and equipment			
Buildings	16.3	15.1	1.2
Plant and machinery	83.3	81.5	1.8
Industrial and commercial equipment	3.4	3.6	(0.2)
Other assets	7.3	7.5	(0.2)
	110.3	107.7	2.6
Of real estate investments			
	0.2	0.2	0.0
Of intangible assets			
Software	17.4	16.7	0.7
Digital terrestrial	0.8	0.5	0.3
Other rights	0.2	0.2	0.0
	18.4	17.4	1.0
Of lease rights of use			
Land and buildings	22.6	21.8	0.8
Other assets	3.6	2.9	0.7
	26.2	24.7	1.5
Total amortisation	509.7	535.7	(26.0)
Write-downs (write-backs)			
Of property, plant and equipment			
	0.0	6.3	(6.3)
Of intangible assets			
Programmes under amortisation	69.1	69.7	(0.6)
Programmes in progress	0.9	0.8	0.1
Sports libraries	31.3	0.4	30.9
	101.3	70.9	30.4
Of other non-current assets			
Minimums guaranteed on commercial activities	0.0	0.7	(0.7)
Other non-current assets	0.0	0.1	(0.1)
	0.0	0.8	(0.8)
Of trade receivables and other current assets			
Trade receivables	(0.6)	0.6	(1.2)
Current income tax receivables	(0.7)	0.9	(1.6)
Other receivables	0.9	1.4	(0.5)
	(0.4)	2.9	(3.3)
Total write-downs	100.9	80.9	20.0
Depreciation, amortisation and write-downs	610.6	616.6	(6.0)



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 positive balance of € 6.9 million (compared to € 17.6 million in the previous financial year) caused by provisions for € 7.5 million and uses of provisions set aside in previous years and now in excess by € 14.4 million.

EBIT

The trends in revenues and costs illustrated above resulted in a positive EBIT of € 49.7 million, up by € 61.5 million compared to the negative figure of € 11.8 million in 2022.

Net financial expense

The item, as detailed in the following table, was negative by € 24.3 million (-€ 14.5 million in 2022) 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 2023	Financial Year 2022	Change
Net interest expense with banks and other lenders	(4.1)	(1.5)	(2.6)
Interest expense on bonds	(7.5)	(7.5)	0.0
Interest on employee benefit liabilities	(9.6)	(1.7)	(7.9)
Interest expense on lease contracts	(2.0)	(1.1)	(0.9)
Net exchange rate income	0.4	(0.7)	1.1
Income from interest rate hedging transactions	0.9	0.0	0.9
Other	(2.4)	(2.0)	(0.4)
Net financial expense	(24.3)	(14.5)	(9.8)

Net financial expenses recorded increased by € 9.8 million, mainly due to higher interest expenses on liabilities for employee benefits (+€ 7.9 million) resulted from the increase in actuarial interest rates.

Further variances of a more limited amount relate to the item "Net interest expenses with banks and other lenders", decreasing by € 2.6 million, due to the higher use of credit lines on behalf of Rai Way and the applied rates based on market trends, only partly offset by interest rate hedging transactions (€ 0.9 million).

The average cost of financing, consisting of uncommitted credit lines, revolving and term lines and the Rai bond maturing in December 2024, was 2.9%, in increase compared to 2022.

Earnings from equity investments recognised at equity

The item, resulting from the valuation of associates and joint ventures using the equity method, recorded a negative balance equal to € 0.4 million (positive by € 0.6 million in the 2022 financial year) mainly due to the entire write-off of San Marino RTV's share.

Income tax

This item presented a negative value of € 25.0 million (positive by € 25.7 million in 2022) due to the balance between current and deferred taxes, as itemised in the following table:

Income tax

(€/million)	Financial Year 2023	Financial Year 2022	Change
IRES	(38.1)	(28.0)	(10.1)
IRAP	(8.1)	(6.2)	(1.9)
Deferred tax liabilities	1.8	1.8	0.0
Deferred tax assets	19.4	58.1	(38.7)
Direct taxes of previous years and others	0.0	0.0	0.0
Total	(25.0)	25.7	(50.7)

Earnings performance in the year resulted in taxable results for Group companies, for which a total of € 38.1 million for IRES and € 8.1 million for IRAP was set aside.

Deferred tax liabilities had a positive effect on the income statement of € 1.8 million due to the re-entry of the temporary differences recognised in the previous years.

Deferred tax assets had a positive economic effect of € 19.4 million mainly arising from the recognition of the parent company's tax loss for the year, which is offset against the income contributed by Group companies in the tax consolidation.



Capital structure

Fixed assets

This item amounted to € 2,163.7 million, up by € 9.6 million compared to 31 December 2022.

A breakdown of this item is shown in the table below:

Fixed assets

(€/million)	31 December 2023	31 December 2022	Change
Property, plant and equipment	1,216.8	1,197.3	19.5
Lease rights of use	91.6	79.8	11.8
Assets in programmes	786.2	816.4	(30.2)
Long-term investments	6.9	7.9	(1.0)
Others	62.2	52.7	9.5
Total	2,163.7	2,154.1	9.6

The **tangible assets**, detailed in the table below, increased by € 19.5 million.

Property, plant and equipment

(€/million)	31 December 2023	31 December 2022	Change
Land	372.5	372.8	(0.3)
Buildings	323.9	319.7	4.2
Plant and machinery	390.2	375.1	15.1
Industrial and commercial equipment	9.9	10.6	(0.7)
Other assets	23.6	25.8	(2.2)
Assets under construction and payments on account	96.7	93.3	3.4
Total	1,216.8	1,197.3	19.5

Lease rights of use amounted to € 91.6 million, up by € 11.8 million compared to 31 December 2022.

Lease rights of use

(€/million)	31 December 2023	31 December 2022	Change
Land and buildings	73.7	70.4	3.3
Other assets	17.9	9.4	8.5
Total	91.6	79.8	11.8

Assets in programmes, down by € 30.2 million compared to 31 December 2022, 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. As for Sports libraries, the drop is ascribable to the details of the Depreciation and amortisation item.

Assets in programmes

(€/million)	31 December 2023	31 December 2022	Change
Drama	375.5	376.4	(0.9)
Film	331.0	332.8	(1.8)
Cartoons	59.6	56.7	2.9
Sports libraries	0.0	33.6	(33.6)
Other	20.1	16.9	3.2
Total	786.2	816.4	(30.2)

Fixed **financial assets**, consisting of investments in companies and other financial assets falling due beyond 12 months, decreased by € 1.0 million mainly due to the change in the value of associates accounted for using the equity method and the entire write-off of San Marino RTV's share.

The item is broken down in detail in the table below.

Long-term investments

(€/million)	31 December 2023	31 December 2022	Change
Equity investments in joint ventures and associates			
Auditel Srl	1.5	1.4	0.1
San Marino RTV SpA	0.0	1.5	(1.5)
Tavolo Editori Radio Srl	0.2	0.2	0.0
Tivù Srl	1.8	1.3	0.5
	3.5	4.4	(0.9)
Other equity investments	1.0	1.0	0.0
Fixed-income securities	2.4	2.4	0.0
Other	0.0	0.1	(0.1)
Total	6.9	7.9	(1.0)



Other **tangible assets**, detailed in the table below, increased by € 9.5 million determined by the Software.

Other fixed assets

(€/million)	31 December 2023	31 December 2022	Change
Software	47.7	37.2	10.5
Goodwill	5.8	5.8	0.0
Sud Engineering customer portfolio	1.9	2.1	(0.2)
DVB-T2 Frequency Purchase	6.6	7.4	(0.8)
Commercial rights with football clubs	0.2	0.2	0.0
Total	62.2	52.7	9.5

Investments for the period, detailed in the table below, amounted to € 623.0 million, down by € 11.4 million (-1.8%) compared to the data relating the 2022 financial year.

In detail, the table below shows:

- Investments in programmes, overall stable (-€ 0.2 million) with drops in the Film genre offset by the increase in Drama and other programmes;
- lower technical investments for € 17.8 million (-10.1%);
- higher investments in lease rights of use for € 6.6 million (+20.8%), more significant in relation to the renewal of lease contracts for certain company premises.

Investments

(€/million)	31 December 2023	31 December 2022	Change
Drama	284.5	277.5	7.0
Film	110.9	120.5	(9.6)
Other programmes	30.7	28.3	2.4
Total investments in programmes	426.1	426.3	(0.2)
Property, plant and equipment	132.2	157.9	(25.7)
Software	26.3	18.4	7.9
Total technical investments	158.5	176.3	(17.8)
Investments in lease rights of use	38.4	31.8	6.6
Total investments	623.0	634.4	(11.4)

Net working capital

Net working capital

(€/million)	31 December 2023	31 December 2022	Change
Inventories	1.1	1.3	(0.2)
Trade receivables	379.1	407.2	(28.1)
Other receivables	194.9	122.7	72.2
Trade payables	(683.4)	(713.2)	29.8
Other debts	(543.5)	(449.0)	(94.5)
Assets (Liabilities) for deferred taxes	(4.5)	2.0	(6.5)
Total	(656.3)	(629.0)	(27.3)

The most significant changes compared to 31 December 2022 regard the following items:

- **trade receivables** decreased by € 28.1 million due to lower receivables from subsidiaries;
- **other receivables** increased by € 72.2 million due to advances for future sports events, more specifically the European Football Championships and the Summer Olympics;
- **trade payables** down by € 29.8 million mainly due to increase in accounts payable to suppliers;
- **other payables** increasing by € 94.5 million mainly due to the advance payments on fees resulting from the difference between the amounts paid by the Ministry of Economy and Finance with respect to the accrued value, and deferred income related to the contribution granted by the Ministry of Industry and Made in Italy for the adaptation of broadcasting equipment to the new DVB-T2 standard;
- **assets (liabilities) for deferred taxes** liabilities for deferred taxes equal to € 4.5 million (net assets equal to € 2.0 million as at 31 December 2022): this change can be ascribable to minor receivables for deferred taxes resulting from a lower tax loss in the Parent Company compared to that experienced in the previous financial year.

Provisions for risks and charges

The item Provisions for risks and charges, equal to € 226.0 million, recorded an increase of € 18.5 million compared to 31 December 2022, mainly due to the provisions connected to the management of employed personnel and for the provision for the use of digital TV frequencies, still not calculated by the competent authorities for the years 2022 and 2023.

Employee benefits

Employee benefits, amounting to € 281.4 million, shows a decrease of € 6.7 million compared to 31 December 2022, due to payments to beneficiaries and actuarial valuation elements related to financial and demographic assumptions detailed in the specific section of the notes to the consolidated financial statements.

The table below shows the details of the provisions and relevant changes compared to 31 December 2022.

Employee benefits

(€/million)	31 December 2023	31 December 2022	Change
Employee severance pay	(147.4)	(151.8)	4.4
Supplementary company pension provisions	(74.5)	(75.4)	0.9
Provisions in lieu of the former fixed indemnity for journalists	(45.8)	(46.9)	1.1
FASDIR assistance provision for the retired	(13.0)	(13.2)	0.2
Other	(0.7)	(0.8)	0.1
Total	(281.4)	(288.1)	6.7



Net financial position

The net financial position broken down in the table below, was negative at € 661.1 million, up by € 0.6 million compared to 31 December 2022.

Net financial position

(€/million)	31 December 2023	31 December 2022	Change
Cash and cash equivalents	39.7	39.7	0.0
Other current financial assets			
Restricted bank deposits	0.9	3.3	(2.4)
Receivables from associates	2.2	2.1	0.1
Derivative hedging instruments	0.0	0.9	(0.9)
Other financial receivables	0.8	0.4	0.4
	3.9	6.7	(2.8)
Current financial debt			
Due to banks	(208.4)	(324.3)	115.9
Bond - current portion	(299.8)	0.0	(299.8)
Operating lease liabilities	(31.8)	(25.7)	(6.1)
Other financial debt	(2.7)	(0.6)	(2.1)
	(542.7)	(350.6)	(192.1)
Non-current financial debt			
Bond issues	0.0	(299.6)	299.6
Due to banks	(100.4)	0.0	(100.4)
Operating lease liabilities	(61.6)	(56.7)	(4.9)
	(162.0)	(356.3)	194.3
Net financial debt	(661.1)	(660.5)	(0.6)
<i>of which: operating lease liabilities</i>	<i>(93.4)</i>	<i>(82.4)</i>	<i>(11.0)</i>
Financial debt excluding operating lease liabilities	(567.7)	(578.1)	10.4

Net of liabilities for operating leases, financial debt amounted to € 567.7 million, worsening by € 10.4 million compared to 31 December 2022. The improvement is fully ascribable to the Parent Company, with debt to third parties falling from € 513 million to about € 501 million today, while it is substantially stable for Rai Way (from € 65 million to € 67 million).

The result is calculated after implementing a positive, though modest, cash flow mainly deriving from major revenue for ordinary and special license fees and advertising, along with the recovery of further trade receivables that allowed, along with the reduction of disbursements for major sports events (during the financial year 2022 it was of a relevant import as a result of the final instalments paid for the Winter Olympics and the World Cup), to offset the increase in payment flows for operating and investment expenses.

The average financial position (excluding operating lease liabilities and derivative assets/liabilities) was a negative for € 328 million, an improvement compared to the financial year 2022 (-€ 305 million) due to the higher average debt of Rai Way.

On 28 November 2023, Moody's published a rating action that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with improvement from a negative to a stable 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 2.95 (2.79 as at 31 December 2022);
- 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 1.68 (1.57 as at 31 December 2022);
- 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 0.36 (0.39 as at 31 December 2022).

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 and maturing on 31/12/2024, requires compliance with a parametric/asset index on the consolidated financial statements lower or equal to 2.2, 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 IFRS 16 for operating leasing and net worth; this parameter is fully complied with, equalling to 1.48;
- the funding ratified by Rai Way for a total usable amount equal to € 185 million requires compliance with an index lower or equal to 3.0 defined by the ratio between the Net financial position and the EBITDA, and widely complied with.

The financial risks to which the Group is exposed are monitored using appropriate IT and statistical tools. A policy regulates financial management according to best practices, with the aim of 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 financial risks can be found in the specific section of the notes to the consolidated financial statements, to which reference should be made.



Financial statements of the Rai Group

Consolidated Statement of Financial Position

(€/million)	Note	Year ended	
		31 December 2023	31 December 2022
Property, plant and equipment	12.1	1,214.1	1,194.5
Real estate investments	12.2	2.7	2.8
Lease rights of use	12.3	91.6	79.8
Intangible assets	12.4	848.4	869.1
Equity investments	12.5	4.5	5.4
Non-current financial assets	12.6	2.4	2.5
Deferred tax assets	12.7	-	2.0
Other non-current assets	12.8	18.4	30.6
Total non-current assets		2,182.1	2,186.7
Inventory	13.1	1.1	1.3
Trade receivables	13.2	378.8	406.8
Current financial assets	13.3	3.9	6.7
Current income tax assets	13.4	1.0	1.1
Other current receivables and assets	13.5	175.8	91.4
Cash and cash equivalents	13.6	39.7	39.7
Total current assets		600.3	547.0
Total assets		2,782.4	2,733.7
Share Capital		242.5	242.5
Reserves		74.3	96.5
Retained earnings (losses)		(43.0)	(30.8)
Total Group shareholders' equity		273.8	308.2
Third-party capital and reserves		35.3	35.5
Third-party retained earnings		29.8	25.3
Total shareholders' equity attributable to minority interests		65.1	60.8
Total Group shareholders' equity	14	338.9	369.0
Non-current financial liabilities	15.1	100.4	299.6
Non-current lease liabilities	15.2	61.6	56.7
Employee benefits	15.3	281.4	288.1
Provisions for non-current risks and charges	15.4	226.0	207.4
Deferred tax liabilities	15.5	4.5	-
Other non-current payables and liabilities	15.6	73.5	53.0
Total non-current liabilities		747.4	904.8
Trade payables	16.1	683.4	713.2
Provisions for current risks and charges		-	0.1
Current financial liabilities	16.2	510.9	324.9
Current lease liabilities	15.2	31.8	25.7
Current income tax liabilities	16.3	37.3	27.7
Other current payables and liabilities	16.1	432.7	368.3
Total current liabilities		1,696.1	1,459.9
Total liabilities		2,443.5	2,364.7
Total shareholders' equity and liabilities		2,782.4	2,733.7

Consolidated Income Statement

(€/million)	Note	Year ended	
		31 December 2023	31 December 2022
Revenues from sales and services	17.1	2,705.5	2,695.8
Other revenue and income	17.2	30.7	41.8
Total revenue		2,736.2	2,737.6
Costs for the purchase of consumables	17.3	(12.2)	(12.2)
Costs for services	17.3	(944.0)	(1,079.2)
Other costs	17.3	(57.4)	(51.6)
HR expenses	17.4	(1,069.2)	(1,007.4)
Impairment of financial assets	17.5	0.6	(0.6)
Depreciation and other write-downs	17.6	(611.2)	(616.0)
Provisions	17.7	6.9	17.6
Total costs		(2,686.5)	(2,749.4)
EBIT		49.7	(11.8)
Financial income	17.8	6.0	1.7
Financial expense	17.8	(30.3)	(16.2)
Earnings from equity investments recognised at equity	17.9	(0.4)	0.6
Pre-tax profit/(loss)		25.0	(25.7)
Income tax	17.10	(25.0)	25.7
Profit/(loss) for the year		0.0	0.0
<i>of which attributable:</i>			
– to the Group		(29.7)	(25.2)
– to third parties		29.7	25.2

Consolidated Statement of Comprehensive Income

(€/million)	Year ended	
	31 December 2023	31 December 2022
Profit/(loss) for the year	0.0	0.0
Items that can be reclassified to the income statement:		
Profit/(loss) on cash flow hedge	2.5	3.7
Conversion of balances with currency that is not the Euro	0.2	(0.3)
Total	2.7	3.4
Items that cannot be reclassified to the income statement:		
Recalculation of defined-benefit plans	(7.8)	44.4
Total	(7.8)	44.4
Total profit/(loss) for the year	(5.1)	47.8
<i>of which attributable:</i>		
– to the Group	(34.6)	22.0
– to third parties	29.5	25.8



Consolidated Cash Flow Statement

(€/million)

	Note	Year ended	
		31 December 2023	31 December 2022
Pre-tax profit/(loss)		25.0	(25.7)
Adjustments for:			
Depreciation and amortisation	17.5 - 17.6	610.6	616.6
Provisions and (issues) to personnel provisions and other provisions	17.7	98.6	76.5
Net financial charges (income)	17.8	24.3	14.5
Earnings from equity investments recognised at equity	17.9	0.4	(0.6)
Other non-monetary items		0.4	1.8
Cash flow generated by operating activities before changes in net working capital		759.3	683.1
Change in inventory	13.1	0.2	0.3
Change in trade receivables	13.2	28.6	(37.8)
Change in trade payables	16.1	(28.9)	27.1
Change in other assets/liabilities		4.5	44.5
Use of provisions for risks	15.4	(36.5)	(68.4)
Payment of employee benefits	15.3	(69.1)	(77.8)
Taxes paid		(3.9)	(4.7)
Net cash flow generated by operating activities		654.2	566.3
Investments in property, plant and equipment and real estate investments	12.1 - 12.2	(132.2)	(157.9)
Disposal of property, plant and equipment and real estate investments	12.1 - 12.2	0.1	0.2
Investments in intangible assets	12.4	(452.4)	(444.7)
Disposal of intangible assets	12.4	0.5	1.2
Dividends collected		0.6	7.0
Interest collected		3.1	0.4
Change in financial assets	12.6 - 13.3	2.4	0.7
Net cash flow generated by investment activity		(577.9)	(593.1)
Long-term loans taken out	15.1	100.4	-
Long-term loan repayments	15.1	(101.0)	(0.1)
Repayments of lease liabilities	15.2	(25.3)	(23.5)
(Decrease)/increase in short-term borrowings and other loans	16.2	(13.9)	58.8
Interests paid [1]		(11.4)	(6.3)
Dividend paid		(25.1)	(22.2)
Net cash flow generated by financial activities		(76.3)	6.7
Change in cash and cash equivalents		-	(20.1)
Cash and cash equivalents at the beginning of the year	13.6	39.7	59.8
Cash and cash equivalents at the end of the year	13.6	39.7	39.7

[1] Referring to financial interest.

Statement of changes in consolidated equity

(€/million)	Share Capital	Legal reserve	Others reserves	Profit (loss) retained	Group shareholders' equity	Non-controlling interests	Total Shareholders' equity (note 14)
Balances as at 1 January 2022	242.5	12.0	103.7	(72.2)	286.0	57.2	343.2
Allocation of profit/loss	-	-	(22.6)	22.6	-	-	-
Distribution of dividends	-	-	-	-	-	(22.3)	(22.3)
Reserve for share-based payments	-	-	0.2	-	0.2	0.1	0.3
Transactions with shareholders	-	-	0.2	-	0.2	(22.2)	(22.0)
Profit/(loss) for the year	-	-	-	(25.2)	(25.2)	25.2	-
Statement of comprehensive income components	-	-	3.2	44.0	47.2	0.6	47.8
Total profit/(loss) for the year	-	-	3.2	18.8	22.0	25.8	47.8
Balances as at 31 December 2022	242.5	12.0	84.5	(30.8)	308.2	60.8	369.0
Allocation of profit/loss	-	-	(25.2)	25.2	-	-	-
Distribution of dividends	-	-	-	-	-	(25.2)	(25.2)
Reserve for share-based payments	-	-	0.1	0.1	0.2	-	0.2
Transactions with shareholders	-	-	0.1	0.1	0.2	(25.2)	(25.0)
Profit/(loss) for the year	-	-	-	(29.7)	(29.7)	29.7	-
Statement of comprehensive income components	-	-	2.9	(7.8)	(4.9)	(0.2)	(5.1)
Total profit/(loss) for the year	-	-	2.9	(37.5)	(34.6)	29.5	(5.1)
Balances as at 31 December 2023	242.5	12.0	62.3	(43.0)	273.8	65.1	338.9

Notes to the Consolidated Financial Statements as at 31 December 2023

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 2023 (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 Journal on 7 March 2018. Pursuant to Article 12 of Law No. 14 of 24 February 2023 converting into law Decree-Law No. 198 of 29 December 2022, the expiry date of the current Contract was postponed to 30 September 2023. Pursuant to the provisions of Article 30 of the Agreement, the same is to expire upon the date of publication of the following Agreement on the Official Journal.

As for the Service Agreement related to 2023-2028, reference should be made to note no. 19 "Events following the balance sheet date".

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 of the provisions of Legislative Decree 38 of 28 February 2005, when 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 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 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 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 euro, unless indicated otherwise.

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 2023 and 31 December 2022 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.

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Principles of consolidation

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.

On the date control is acquired, the shareholders' equity of investee companies is calculated attributing their fair value at the acquisition date 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 income statement as income for the period.

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. Jointly controlled arrangements in which the parties have rights to the net assets of the arrangement are referred to as joint ventures. Equity investments of joint ventures are recognised under the equity method as indicated in Note 4 "Measurement criteria".

Equity investments in associate companies

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 they represent an effective lesser value of the asset transferred.

Conversion of balances with currency that is not the Euro

The Euro is the reporting currency of the Consolidated Financial Statements, as well as the functional currency of the Parent Company and its subsidiaries, with the exception of Rai Corporation in liquidation (hereinafter referred to as 'Rai Corporation') whose financial statements are drawn up in US Dollars (USD). For the purposes of consolidation, Rai Corporation's financial statements are converted into Euro by applying year-end exchange rates to asset and liability items, historical exchange rates to equity items, and average exchange rates for the year to income statement items.

Exchange differences arising from the application of different exchange rates for assets and liabilities, for equity and for the income statement, are recognised in the equity item other reserves as a reserve for translation exchange differences. The exchange rate difference reserve is recognised in the consolidated income statement when the investee is no longer a subsidiary.

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.

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 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.

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 2022, are described below.

Activities

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.



Evaluation
criteria



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	14
Industrial and commercial equipment	5	7
Other assets	4	9

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.

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 or 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.

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 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.

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 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. 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 with repeated usefulness is shown in the following table:

	Useful life in months
Production soap opera	13
Rights to use pay TV, video on demand and similar related to films and series acquired by Rai Cinema	18
Production drama (other than soap operas)	36
Documentary works	36
Rights other than free-to-air TV, pay TV, video on demand and the like related to films and series acquired by Rai Cinema	36
Exploitation rights of football library	48
Cartoons	60
Free TV rights related to films and series acquired by Rai Cinema	60
"Full rights", i.e. products for which Rai Cinema has purchased the full chain of rights (film, television, home video, etc.)	84



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) Software produced in-house: depreciated over three years on a straight-line basis from the year in which it is ready for use.
- d) 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 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 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 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. 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 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.

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. 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 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 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. Discounting is performed by applying 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 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 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 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 cash 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). 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 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. 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 Group 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 Group's control, or the amount of which cannot be reliably estimated, 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 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 over the vesting period and is net of any plan assets. The liability is measured by independent actuaries.

Net interest includes the interest expense to be recognised in profit or loss net of any return component of plan assets. 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 are recognised as other components of the consolidated comprehensive income statement. 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 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 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 and 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.

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 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 Group 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 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 Group 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 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 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.

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 contributions 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 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.

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 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 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 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 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 accounting recognition lead one to believe that this value is not recoverable. 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

A part of Group employees are registered with plans allocating benefits after employment has been terminated (such as employee severance pay plus supplementary pension schemes indicated 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. 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 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. 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.

6

Recently- issued accounting principles

Accounting standards approved by the European Union but still not mandatorily applicable

- Regulation n. 2023/2579 issued by the European Commission on 20 November 2023 approved the document “*Lease Liability in a Sale and Leaseback*” issued by IASB on 22 September 2022. The provision specifies the criteria that the lessee must use to measure the lease liability arising from a leaseback transaction to avoid recognising gains or losses on the right of use recognised in the balance sheet.
- Regulation no. 2023/2822 issued by the European Commission on 19 December 2023 approved the following documents “*IAS 1 Presentation of Financial Statements: classification into current and non-current liabilities*”, the “*Classification of Liabilities into Current and Non-Current - Deferral of Effective Date*” and “*Non-current liabilities with covenants*” issued by the IASB on 23 January 2020, 15 July 2020 and 31 October 2022, respectively. The documents clarify the requirements for the classification of liabilities into current or non-current. More specifically:
 - 1) 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;
 - 2) 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;
 - 3) the amendments clarify situations that are considered as the payment of a liability.

The amendments are effective starting from reporting periods beginning on or after 1 January 2024. Early application is allowed.

The Group has considered these changes will not have a significant impact on the Financial Statements.

Accounting principles not yet approved by the European Union

- On 25 May 2023, the IASB issued the document “*Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures Supplier Finance Arrangements*”. The arrangements introduce the obligation to provide a special disclosure on “Supplier Finance Arrangements” (SFAs), namely the transactions in which:
 - a lender pays amounts that a company owes to its suppliers:
 - a) on the due date of the invoices;
 - b) or on a date prior to the due date of the invoices.
 - the company repays the lender:
 - a) in sub (a) in accordance with the terms and conditions of the agreements at a date later than the date on which the suppliers are paid;
 - b) in sub b) on the due date of the invoices.

In sub a) the Company obtains a deferred payment of its debts to suppliers; in sub b) it is the suppliers who benefit from an advance payment.

The amendments respond to investors’ need to obtain more information on SFAs in order to better understand the effects of these transactions on liabilities, cash flows and liquidity risks.

The requested information concerns:

 - SFAs’ terms and conditions;
 - the carrying amount of the financial liabilities arising from these transactions and the lines of the balance sheet in which they are recognised;
 - the value of the financial liabilities referred to in the previous point for which suppliers have already received

payment;

- the range of payments by due date for both financial liabilities that are part of SFAs and comparable trade payables that are not part of these agreements;
- the non-cash changes in the carrying amounts of financial liabilities arising from SFAs;
- the arrangements for access to SFAs and the concentration of liquidity risk with lenders.

The amendments are effective for annual reporting for the financial year beginning on, or after, 1 January 2024, and certain facilitations on comparative information are granted.

- On 15 August 2023, the IASB issued the document “*Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*”.

The amendment clarifies, when one currency cannot be translated into another, how to estimate the exchange rate and the disclosures to be made in the notes to the financial statements.

The amendment is effective starting from reporting periods beginning on or after 1 January 2025. Early application is allowed.

At present, the Group is analysing the amendments specified and assessing whether their adoption will have a significant impact on its consolidated financial statements.

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 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 Group, 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.



**Information
by operating
segment**

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 SpA (hereinafter “Rai Way”) which, following listing, adopted its own policy which is however similar to Rai’s. 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.



**Management
of financial
risks**

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 2022, are shown in the table below, valued at fair value;



(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Current financial assets		
Rate options	-	0.9
Total	-	0.9

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 (*)	Forward purchases of currency	Interest rate swap	Rate options	Total Cash flow hedge reserve
Year ended 31 December 2022	-	-	(6.1)	0.7	(5.4)
Change in fair value (**)	-	-	-	-	-
Hedging costs deferred and recognised in OCI (time value)	-	-	-	-	-
Reclassification to the value of the acquired right	-	-	-	-	-
Reclassification from OCI to financial expense and income	-	-	3.2	(0.9)	2.3
Deferred tax	-	-	-	0.2	0.2
Year ended 31 December 2023	-	-	(2.9)	-	(2.9)

(*) It includes the time value recognised as at 31 December 2023 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. 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 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 of 31 December 2023, the Parent Company's indebtedness consisted entirely of positions maturing by 2024, and therefore, the effects of changes in rates fell solely on short-term items, of variable duration and sign during the year.

During the year under review, the Interest Rate Cap contract, entered into in 2021 by the affiliate Rai Way on a notional amount of € 34.5 million of the Term Loan repaid in October 2023, reduced the interest expense cost by about € 0.9 million.

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 bps. As of 31 December 2022, the change in the Cash Flow Hedge Reserve refers to the Interest Rate Cap contract entered into by Rai Way.

(€/million)	Interest rate change	Change in economic result before tax effect	Total Cash flow hedge reserve
Year ended 31 December 2023	+50	(1.3)	-
	-50	1.2	-
Year ended 31 December 2022	+50	(1.2)	0.1
	-50	1.2	(0.1)

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 2023, these commitments generated payments for about USD 87 million (USD 90 million in 2022). Further exposure currencies, with split disbursements, are to the Swiss Franc and British Pound Sterling totalling approximately € 11 million.

As at 31 December 2023 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 2023		Year ended 31 December 2022	
	USD	Other foreign currencies	USD	Other foreign currencies
Trade receivables	2.6	0.9	2.5	1.0
Trade payables (*)	(4.2)	(0.9)	(5.7)	(1.2)
Cash on hand	1.6	0.3	0.8	0.2
Other non-current assets	-	0.1	-	0.1
Non-current lease liabilities	(1.4)	(0.3)	(1.1)	(0.3)
Current lease liabilities	(0.4)	(0.2)	(0.3)	(0.3)
Other current payables and liabilities	(0.4)	(0.1)	(0.4)	(0.1)

(*) Amount hedged by derivatives and foreign currency deposits for a nominal value of USD 1.3 million as at 31 December 2023 and USD 0.5 million as at 31 December 2022.

Below is a table summing up the financial effects of hedging instruments in place as at 31 December 2023, for invoices, assessments or binding commitments of Rai Cinema:

(€/million)	Year ended 31 December 2023		Year ended 31 December 2022	
	Options on currencies	Forward purchases of currency	Options on currencies	Forward purchases of currency
Book value	-	-	-	-
Notional amount in USD	6.9	3.1	5.6	4.5
Maturity of transactions	Jun. 24-Jun. 25	Feb. 24-Mar. 24	Jun. 23-Jul. 23	Feb. 23-Jun. 23
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of the hedging instruments (*)	-	-	-	-
Change in value of the hedged item	-	-	-	-
Average weighted exchange rate for the year	1.10	1.10	1.06	1.06

(*) 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 2023 and as at 31 December 2022 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 are determined by the net positions which are hedged for 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 refers solely to the subsidiary Rai Cinema.

(€/million)	Eur/USD exchange rate	Change Eur/USD exchange rate	Eur/USD exchange rate (recalculated)	Change in economic result before tax effect	Total Cash flow hedge reserve
Year ended 31 December 2023	1.1050	-10%	0.9945	(0.1)	0.7
		+10%	1.2155	0.1	(0.6)
Year ended 31 December 2022	1.0666	-10%	0.9599	(0.4)	0.9
		+10%	1.1733	0.3	(0.7)

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.

Moreover, 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. Discounting, where applicable, is performed by applying the effective interest rate of the financial asset.

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.

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Invoices to be issued	105.0	135.3
Falling due	221.0	223.8
Expired from 0 to 90 days	59.8	60.0
Expired from 91 to 180 days	4.4	2.6
Expired over 180 days	37.7	38.2
Invoices issued	322.9	324.6
Total trade receivables	427.9	459.9

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. During the 2023 financial year, only time or demand deposits with bank counterparties having investment grade rating were used.

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.

The Group financial structure as of 31 December 2023 mainly consists of:

- bond loan issued by Rai in December 2019 for € 300 million (for more details, please refer to Note 15.1 'Non-current financial liabilities and current portions of non-current financial liabilities'), maturing in December 2024, for which the necessary procedures for a new issue were already started in the last quarter of the year-end;
- a syndicated Rai Way loan signed in October 2023 with a duration of 3 years, to replace the one expiring in October 2023, for a total of € 185 million, divided into a maturity credit line (Term Line) of a maximum of € 143 million and a revolving credit line of € 42 million, usable in several tranches. At the reporting date the loan was used only for € 101 million from the Term credit line, while the Revolving line was not used.

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 € 400 million and revolving line with a pool of banks totalling € 320 million maturing on 31 December 2024 with renewal (or replacement) is planned by 2024.



The new Rai revolving line, € 160 million of which used as at 31 December 2023, requires that the following Consolidated Balance Sheet parameters/ratios be met:

- net financial debt (adjusted for receivables from the Government for licence fees, financial items relating to Rai Way and liabilities resulting from application of IFRS 16 for operating leases)/net equity ≤ 2.2 .

This ratio was fully met as at the reporting date, posted at 1.48.

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 ≤ 3.0) 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 appropriate corrective measures can be taken.

The following table includes the analysis by due date of the financial liabilities as at 31 December 2023 and 31 December 2022. 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 2023				Year ended 31 December 2022			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Trade payables and other liabilities:								
Trade payables	683.4	-	-	683.4	713.2	-	-	713.2
Other payables and liabilities	432.7	34.5	39.0	506.2	368.3	22.7	30.3	421.3
Medium/long-term financial liabilities:								
Medium-long-term loans	4.9	107.6	-	112.5	104.6	-	-	104.6
Bonds	304.1	-	-	304.1	4.1	304.1	-	308.2
Medium/long-term financial liabilities:								
Due to banks	208.4	-	-	208.4	223.3	-	-	223.3
Other current financial liabilities	1.2	-	-	1.2	0.2	-	-	0.2

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".



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 2023	Year ended 31 December 2022
Shareholders' equity	338.9	369.0
Total shareholders' equity and liabilities	2,782.4	2,733.7
<i>Ratios</i>	12.2%	13.5%

Note no. 21.2 "Consolidated net financial debt" reports the Group's net financial debt for the periods under analysis.

10

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, 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;
- 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 2023 and 31 December 2022 have been valued according to the methodology of level 2.

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".

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:

11

Reconciliation
between
classes of
financial assets
and financial
liabilities
and types of
financial assets
and financial
liabilities

(€/million)

Year ended 31 December 2023

	Activities 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 (***)
Activities					
Trade receivables (*)	379.0	-	-	379.0	12.8 - 13.2
Current financial assets	3.9	-	-	3.9	13.3
Cash and cash equivalents	39.7	-	-	39.7	13.6
Non-current financial assets	2.4	-	-	2.4	12.6
Equity investments in other companies (**)	-	1.0	-	1.0	12.5
Total financial assets	425.0	1.0	-	426.0	
Liabilities					
Trade payables	(683.4)	-	-	(683.4)	16.1
Current financial liabilities	(510.9)	-	-	(510.9)	16.2
Current lease liabilities	(31.8)	-	-	(31.8)	15.2
Non-current financial liabilities	(100.4)	-	-	(100.4)	15.1
Non-current lease liabilities	(61.6)	-	-	(61.6)	15.2
Total financial liabilities	(1,388.1)	-	-	(1,388.1)	

(*) 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.



(€/million)

Year ended 31 December 2022

	Activities 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 (***)
Activities					
Trade receivables (*)	407.2	-	-	407.2	12.8 - 13.2
Current financial assets	5.8	-	0.9	6.7	13.3
Cash and cash equivalents	39.7	-	-	39.7	13.6
Non-current financial assets	2.5	-	-	2.5	12.6
Equity investments in other companies (**)	-	1.0	-	1.0	12.5
Total financial assets	455.2	1.0	0.9	457.1	
Liabilities					
Trade payables	(713.2)	-	-	(713.2)	16.1
Current financial liabilities	(324.9)	-	-	(324.9)	16.2
Current lease liabilities	(25.7)	-	-	(25.7)	15.2
Non-current financial liabilities	(299.6)	-	-	(299.6)	15.1
Non-current lease liabilities	(56.7)	-	-	(56.7)	15.2
Total financial liabilities	(1,420.1)	-	-	(1,420.1)	

(*) 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.

12.1 Property, plant and equipment

Property, plant and equipment, which amounted to € 1,214.1 million (€ 1,194.5 million as at 31 December 2022), are broken down as follows:

(€/million)	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under development and payments on account	Total
Cost	379.1	643.4	2,457.7	110.0	122.6	93.3	3,806.1
Provisions for write-downs	(6.3)	-	-	-	-	-	(6.3)
Accumulated depreciation	-	(326.5)	(2,082.6)	(99.4)	(96.8)	-	(2,605.3)
Balance as at 31 December 2022	372.8	316.9	375.1	10.6	25.8	93.3	1,194.5
Change in the year							
Increases and capitalisation	-	13.4	58.0	2.2	2.7	55.8	132.1
Disposals (1)	(0.3)	(0.1)	(0.1)	-	-	(0.1)	(0.6)
Reclassifications (2)	-	7.3	40.5	0.5	2.4	(52.2)	(1.6)
Amortisation and depreciation	-	(16.3)	(83.3)	(3.4)	(7.3)	-	(110.3)
Balance as at 31 December 2023	372.5	321.2	390.2	9.9	23.6	96.7	1,214.1
<i>broken down as follows:</i>							
Cost	378.8	662.6	2,518.8	110.0	122.3	96.7	3,889.2
Provisions for write-downs	(6.3)	-	-	-	-	-	(6.3)
Accumulated depreciation	-	(341.4)	(2,128.6)	(100.1)	(98.7)	-	(2,668.8)
Details:							
(1) Of which:							
Cost	(0.3)	(1.5)	(37.4)	(2.7)	(5.4)	(0.1)	(47.4)
Accumulated depreciation	-	1.4	37.3	2.7	5.4	-	46.6
	(0.3)	(0.1)	(0.1)	-	-	(0.1)	(0.6)
(2) Reclassifications broken down as follows:							
Cost	-	7.3	40.5	0.5	2.4	(52.3)	(1.6)

Investments for the year, which amounted to € 132.1 million (€ 157.4 million in 2022), fall within the scope of the modernisation and technological development initiatives that the Group implemented.

The write-downs recognised during the year amounted to € 6.3 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 property, plant and equipment is specified in Note 18.2 "Commitments".



12.2 Real estate investments

Real estate investments amount to € 2.7 million (€ 2.8 million as at 31 December 2022) 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 2023 (€ 1.7 million as at December 2022). Real estate investments break down as follows:

(€/million)	Buildings	Assets under construction and payments on account	Total
Cost	7.2	0.5	7.7
Accumulated depreciation	(4.9)	-	(4.9)
Balance as at 31 December 2022	2.3	0.5	2.8
Change in the year:			
Increases and capitalisation	-	0.1	0.1
Depreciation, amortisation	(0.2)	-	(0.2)
Balance as at 31 December 2023	2.1	0.6	2.7
<i>broken down as follows:</i>			
Cost	7.2	0.6	7.8
Accumulated depreciation	(5.1)	-	(5.1)

During financial year 2023 investments for € 0.1 million were carried out for plant and seismic upgrading of buildings in Rome - Via Teulada, not completed as of 31 December 2023.

Based on the latest estimates, the market value as at 31 December 2023 of the buildings entered under real estate investments equals to € 20.3 million.

12.3 Lease rights of use

Lease rights of use, which amounted to € 91,6 thousand (€ 79,8 million as at 31 December 2022), are broken down as follows:

(€/million)	Land and buildings	Other assets	Total
Cost	140.1	15.4	155.5
Accumulated depreciation	(69.7)	(6.0)	(75.7)
Balance as at 31 December 2022	70.4	9.4	79.8
Change in the year			
Increases	26.3	12.1	38.4
Reductions (1)	(0.4)	-	(0.4)
Amortisation and depreciation	(22.6)	(3.6)	(26.2)
Balance as at 31 December 2023	73.7	17.9	91.6
<i>broken down as follows:</i>			
Cost (2)	152.9	27.3	180.2
Accumulated depreciation (2)	(79.2)	(9.4)	(88.6)
Details:			
(1) Of which:			
Cost	(1.0)	(0.2)	(1.2)
Accumulated depreciation	0.6	0.2	0.8
	(0.4)	-	(0.4)
(2) Amounts net of totally amortised assets, amounting to:			
Cost	12.5	-	12.5
Accumulated depreciation	(12.5)	-	(12.5)
	-	-	-

Investments in the year, amounting to € 38.4 million (€ 31.8 million in 2022), 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.



12.4 Intangible assets

Intangible assets, which amounted to € 848.4 million (€ 869.1 million as at 31 December 2022), are broken down as follows:

(€/million)	Programmes	Software	Digital terrestrial	Goodwill	Other intangible assets	Fixed assets under construction and payments on account	Total
Cost	1,334.9	51.1	7.9	5.8	3.5	339.6	1,742.8
Provisions for write-downs	(94.8)	-	-	-	-	(52.1)	(146.9)
Accumulated depreciation	(700.4)	(24.5)	(0.5)	-	(1.4)	-	(726.8)
Balance as at 31 December 2022	539.7	26.6	7.4	5.8	2.1	287.5	869.1
Change in the year							
Increases and capitalisation	267.1	16.1	-	-	-	169.2	452.4
Disposals (1)	-	-	-	-	-	(0.4)	(0.4)
Reclassifications (2)	179.8	8.2	-	-	-	(186.4)	1.6
Write-downs (3)	(71.9)	-	-	-	-	(29.4)	(101.3)
Amortisation (4)	(354.6)	(17.4)	(0.8)	-	(0.2)	-	(373.0)
Balance as at 31 December 2023	560.1	33.5	6.6	5.8	1.9	240.5	848.4
<i>broken down as follows (5):</i>							
Cost	1,402.3	54.9	7.9	5.8	3.3	319.6	1,793.8
Provisions for write-downs	(102.5)	-	-	-	-	(79.1)	(181.6)
Accumulated depreciation	(739.7)	(21.4)	(1.3)	-	(1.4)	-	(763.8)
Details:							
(1) Of which:							
Cost	-	-	-	-	-	(0.4)	(0.4)
(2) Reclassifications broken down as follows:							
Cost	180.2	8.2	-	-	-	(186.8)	1.6
Provisions for write-downs	(0.4)	-	-	-	-	0.4	-
	179.8	8.2	-	-	-	(186.4)	1.6
(3) Write-offs broken down as follows:							
Cost	-	-	-	-	-	(1.5)	(1.5)
Provisions for write-downs	(71.9)	-	-	-	-	(27.9)	(99.8)
	(71.9)	-	-	-	-	(29.4)	(101.3)
(4) Net of use of the provisions for write-downs for:							
Provisions for write-downs	64.6	-	-	-	-	-	64.6
Accumulated depreciation	(64.6)	-	-	-	-	-	(64.6)
	-	-	-	-	-	-	-
(5) Amounts net of assets amortised in full at year end and, for work in progress, net of assets eliminated, amounting to:							
Cost	(379.9)	(20.5)	-	-	(0.2)	(0.5)	(401.1)
Provisions for write-downs	-	-	-	-	-	0.5	0.5
Accumulated depreciation	379.9	20.5	-	-	0.2	-	400.6
	-	-	-	-	-	-	-

Investments, which amounted to € 452.4 million (€ 444.7 million as at 2022) mainly refer to Dramas for € 284.5 million and films for € 110.9 million.

The amount of assets under construction and payments on account refers to programmes for € 226.1 million, software for € 14.2 million and other rights for € 0.2 million.

The write-downs recognised during the year amounted to € 101.3 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 € 4.5 million (€ 5.4 million as at 31 December 2022), are broken down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Joint venture	1.8	2.8
Associates	1.7	1.6
Equity investments in joint ventures and associates	3.5	4.4
Equity investments in other companies	1.0	1.0
Total equity investments	4.5	5.4

Here below are the movements of investments measured using the equity method:

Equity investments in joint ventures and associates

(€/million)	Year ended 31 December 2022			Change in the year				Year ended 31 December 2023				
	Cost	Adjust- ment to share- holders' equity	Carrying amount	Acquisitions /Transfers	Profit/ (loss)	(Write- off) Revalua- tion	Decrease due to dividends	Cost	Adjust- ment to share- holders' equity	Provi- sions for write- downs	Carrying amount	
Joint venture:												
San Marino RTV SpA	0.3	1.2	1.5	-	-	(1.5)	-	0.3	1.2	(1.5)	-	(a)
Tivù Srl	0.5	0.8	1.3	-	1.0	-	(0.5)	0.5	1.3	-	1.8	
Associates:												
Auditel Srl	-	1.4	1.4	-	0.1	-	-	-	1.5	-	1.5	
Player Radio Publishers Srl	-	-	-	-	-	-	-	-	-	-	-	(b)
Tavolo Editori Radio Srl	-	0.2	0.2	-	-	-	-	-	0.2	-	0.2	(b)
Total equity investments in joint ventures and associates	0.8	3.6	4.4	-	1.1	(1.5)	(0.5)	0.8	4.2	(1.5)	3.5	

(a) Balance as of 31 December 2022, latest version available. The shareholding was fully written down in connection with the company's state of economic and financial crisis.

(b) Values resulting from the balance as at 31 December 2022, latest available.

Investments in joint ventures concern:

- **San Marino RTV SpA** (50% Rai): the company, established in 1991 with equal shares of Rai and E.R.A.S. ("Ente di Radiodiffusione Sammarinese"), pursuant to Law n. 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. The equity investment, originally recorded at a value of € 1.5 million, corresponding to Rai's share of the company's net equity as of 31 December 2022, the last available



financial statements, in relation to the economic and financial crisis situation the company is going through and pending extraordinary measures to rebalance the management, has been entirely written down.

- **Tivù Srl** (48.16% Rai): the share capital of € 1 million 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 2023, a dividend of € 1 million was paid out. The total amount due to Rai, amounting to € 0.5 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 2023, equal to € 2.0 million, the equity investment was revalued for Rai's share in the amount of € 1.0 million. The equity investment is, therefore, recognised at a value of € 1.8 million, corresponding to Rai's share of the company's shareholders' net equity as at 31 December 2023.

Equity investments in associates concern:

- **Auditel Srl** (33% Rai): the share capital amounts to € 0.3 million. The equity investment was recognised for the value of € 1.5 million, corresponding to the percentage concerning Rai on the shareholders' equity of the company as in the Financial Statements as at 31 December 2023. In relation to the positive result recorded by the company in 2023, equal to € 0.3 million, the equity investment was revalued for Rai's share in the amount of € 1.0 million.
- **Player Editori Radio Srl** (13.90 % Rai): the share capital, € 10 thousand, is divided between national radio publishers (70%, of which Rai 13.9%) and local ones (30%). On 31 July 2023, Rai declared its intention to withdraw from the participation, requesting the liquidation of the amount corresponding to the value of the shares. 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 2022, latest financial statements available.
- **Tavolo Editori Radio Srl** (13.6% Rai): the share capital, € 0.2 million, is divided between national publishers (70%, of which Rai 13.6%) and local ones (30%). On 27 June 2023, Rai declared its intention to withdraw from the participation, requesting the liquidation of the amount corresponding to the value of the shares. At present, the withdrawal from the company is suspended pending the establishment of a new audience survey organisation on the Audicom model. The equity investment was recognised for € 0.2 million, which corresponds to Rai's portion of the company's shareholders' equity as at 31 December 2022, latest financial statements available.

Below are the changes in the investments in other companies:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
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 fallimento and Immobiliare Editori Giornali Srl.

Equity investments in associates 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 € 154,899 thousand, is represented by 107,567,301 ordinary shares and by 47,331,764 special shares, both of the face value of € 1.00 each. In 2023, the distribution of a dividend of € 11.9 million dividend from the result of the financial year 2022 was resolved. The total amount - equal to € 0.1 million - to be allocated to Rai, was calculated under the item financial income.
- **Istituto della Enciclopedia Italiana Treccani SpA** (0.76% 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. The share capital, which is € 82.9 million, is represented by 82,852,121 with nominal value of € 1.00 each.
- **Banca di Credito Cooperativo di Roma Scpa** (company with variable capital, with non-significant percentage held by Rai): 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 book value of the equity investment was totally written down since there is no longer certainty of recovering the amounts paid in.

12.6 Non-current financial assets

Non-current financial assets, which amounted to € 2.4 million (€ 2.5 million as at 31 December 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Financial receivables from personnel	-	0.1
Securities	2.4	2.4
Total non-current financial assets	2.4	2.5

The item Securities, equal to € 2.4 million (€ 2.4 million as at 31 December 2022), was entirely made up of government bonds maturing in June 2027, securing the Service Agreement and the special services agreement with the Government.

The maturity of current and non-current financial assets is broken down as shown below:

(€/million)	Year ended 31 December 2023			Total
	Within 12 months	Between 1 and 5 years	Beyond 5 years	
Financial receivables from personnel	-	-	-	-
Securities	-	2.4	-	2.4
Receivables from joint ventures and associates	2.2	-	-	2.2
Blocked bank deposits	0.9	-	-	0.9
Other financial assets	0.8	-	-	0.8
Total current and non-current financial assets	3.9	2.4	-	6.3

(€/million)	Year ended 31 December 2022			Total
	Within 12 months	Between 1 and 5 years	Beyond 5 years	
Financial receivables from personnel	-	0.1	-	0.1
Securities	-	2.4	-	2.4
Receivables from joint ventures and associates	2.1	-	-	2.1
Derivative financial instruments	0.9	-	-	0.9
Blocked bank deposits	3.3	-	-	3.3
Other financial assets	0.4	-	-	0.4
Total current and non-current financial assets	6.7	2.5	-	9.2

The short-term portion of the financial assets, which amounted to € 3.9 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

As of 31 December 2023, the net balance of deferred tax assets and liabilities showed a negative amount of € 4.5 million (positive amount of € 2.0 million as of 31 December 2022) and is therefore shown under liabilities in the consolidated statement of financial position. Please refer to Note 15.5 "Deferred tax liabilities" for the relevant analyses.

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Deferred tax assets	142.5	151.1
Deferred tax liabilities	(147.0)	(149.1)
Net deferred tax assets	-	2.0
Net deferred tax liabilities	(4.5)	-

Income taxes are reported in Note 17:10 "Income tax".

12.8 Other non-current assets

Other non-current assets, which amounted to € 18.4 million (€ 30.6 million as at 31 December 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Advances for sport events	20.6	32.2
Advances for trade initiatives	14.4	15.6
Non-current portion of trade receivables	0.3	0.4
Receivables from personnel	0.4	0.5
Amounts committed to cautionary deposit with third parties	2.1	2.1
Other non-current receivables	1.1	0.7
– Provisions for write-down of other non-current assets	(20.5)	(20.9)
Total other non-current assets	18.4	30.6

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 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 € 20.5 million (€ 20.9 million as at 31 December 2022), is broken down below:

(€/million)	Year ended 31 December 2022	Provisions	Drawdowns	Reversals	Year ended 31 December 2023
Provisions for write-down of advances for trade initiatives	(14.6)	(0.2)	0.4	0.2	(14.2)
Provision for write-down of advances for sports events	(6.3)	-	-	-	(6.3)
Total provisions for write-down of other non-current assets	(20.9)	(0.2)	0.4	0.2	(20.5)

13.1 Inventory

Inventory, net of its provisions for write-downs, amounted to € 1.1 million (€ 1.3 million as at 31 December 2022), and is broken down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Technical materials	10.9	11.2
Provisions for write-down of technical materials	(10.3)	(10.6)
Contract work in progress	0.2	0.2
Finished products and goods	0.3	0.5
Total inventory	1.1	1.3

The final inventory of technical materials, equal to € 0.6 million net of the provision for write-down (€ 0.6 million as at 31 December 2022), 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 2022), 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 € 0.3 million (€ 0.5 million as at 31 December 2022), mainly concern inventories related to magazines and books and home video distribution.

13.2 Trade receivables

Trade receivables, which amounted to € 378.8 million (€ 406.8 million as at 31 December 2022), are broken down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Trade:		
Government and other public bodies for services under the agreement	60.4	78.4
Other receivables	367.0	380.9
Provision for write-downs of trade receivables	(49.2)	(53.1)
Joint ventures and associates	0.6	0.6
Total trade receivables	378.8	406.8

Receivables from joint ventures and associates refer to:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
San Marino RTV SpA	0.4	0.4
Tivù Srl	0.2	0.2
Total trade receivables from joint ventures and associates	0.6	0.6

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 € 60.4 million (€ 78.4 million as at 31 December 2022), refers to:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Prime Minister's Office:		
Operating grants to be paid to San Marino RTV	2.9	2.9
Radio, television and multimedia offer for abroad	6.2	6.2
Broadcasts from Trieste in Slovenian	14.2	14.2
Radio and TV broadcasts in French for the Valle d'Aosta Autonomous Region	2.5	2.5
Radio and television broadcasts in Sardinian for the Autonomous Region of Sardinia	1.1	1.1
Revenue Office:		
Management of ordinary TV licence fees	6.0	24.0
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	8.3	8.3
Total receivables from the Government and other public bodies for services under the agreement	60.4	78.4

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 € 49.2 million (€ 53.1 million as at 31 December 2020), with movements itemised below:

(€/million)	Year ended 31 December 2022	Provisions	Drawdowns	Reversals	Year ended 31 December 2023
Provisions for write-downs of trade receivables	(53.1)	(1.1)	3.4	1.6	(49.2)

Receivables in foreign currency amount to € 3.5 million (€ 3.5 million as at 31 December 2022) as indicated in Note 8.1 "Market risk".

13.3 Current financial assets

Current financial assets amounted to € 3.9 million (€ 6.7 million at 31 December 2022). The breakdown of the item and the comparison with the previous year are shown below:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Receivables from joint ventures and associates	2.2	2.1
Derivative financial instruments	-	0.9
Blocked bank deposits	0.9	3.3
Other current financial assets	0.8	0.4
Total current financial assets	3.9	6.7

Receivables from joint ventures and associates as at 31 December 2023 and 31 December 2022 refer to San Marino RTV.

Blocked bank deposits, which came to € 0.9 million (€ 3.3 million as at 31 December 2022) 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 2023	Year ended 31 December 2022
Rate hedging derivatives	-	0.9
Total derivative financial instruments - current portion	-	0.9
Total derivative financial instruments - non-current portion	-	-
Total derivative financial instruments	-	0.9

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".

Interest rate hedging derivatives, nil in the current financial year (€ 0.19 million as of 31 December 2022), refer to the fair value relative to the Cap option purchased by Rai Way to hedge the risk of an increase in the 6-month Euribor interest rate and matured in October 2023. No non-current portions are recognised.

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 € 1.0 million (€ 1.1 million as at 31 December 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
IRES refund requested	0.1	0.1
Withheld taxes	1.2	1.1
Total IRES	1.3	1.2
IRAP	0.1	0.9
Advance for substitute tax on goodwill	0.1	0.1
Provisions for write-downs of current income tax assets	(0.5)	(1.1)
Total current income tax assets	1.0	1.1

Current income tax assets are shown net of the provisions for write-downs of € 0.5 million (€ 1.1 million as at 31 December 2022) related to withheld taxes on income risking recoverability.

(€/million)	Year ended 31 December 2022	Provisions	Reversals	Year ended 31 December 2023
Provisions for write-downs of current income tax assets	(1.1)	-	0.7	(0.5)

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 € 0.6 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 € 175.8 million (€ 91.4 million as at 31 December 2022) break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Advances for sport events	113.9	10.8
Advances to suppliers, collaborators and agents	15.6	11.5
Credits for compensatory measures for upgrading broadcasting facilities - MISE Decree 27/6/2022	-	7.5
Receivables from social security and welfare institutions	3.4	3.6
Other tax receivables	8.4	10.7
Receivables from personnel	6.7	8.5
Receivables from entities, companies, bodies and others	20.7	28.2
Receivables for subsidies and grants from the Government, EU and other public entities	0.5	0.3
Other receivables	13.1	16.1
- Provision for write-downs of other current receivables and assets	(6.5)	(5.8)
Total other current receivables and assets	175.8	91.4

It should be noted that:

- Advances for sports events mainly 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 2023	Year ended 31 December 2022
Group VAT	0.9	-
VAT refund requested	2.6	2.5
Energy and gas tax credit	-	7.8
Other taxes claimed for reimbursement	4.4	-
Other	0.5	0.4
Total other tax receivables	8.4	10.7

The provisions for write-down of other current receivables and assets, which amounted to € 6.5 thousand (€ 5.8 million as at 31 December 2022), is broken down below:

(€/million)	Year ended 31 December 2022	Provisions	Drawdowns	Year ended 31 December 2023
Provision for write-downs of other current receivables and assets	(5.8)	(0.9)	0.2	(6.5)

Considering the short period of time elapsing between when the receivable arises and its due date, it is not believed there are 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 € 39.7 million (unchanged compared to the figure as at 31 December 2022), are broken down into the following items:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Bank and postal deposits	39.4	39.4
Cash at bank and in hand	0.3	0.3
Total cash and cash equivalents	39.7	39.7

Bank and postal deposits amounted to € 39.4 million (unchanged compared to the same item as at 31 December 2022) 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 at bank and in hand amounted to € 0.3 million (unvaried as at 31 December 2022) and include the liquidity represented by cash in hand as at 31 December 2023.

The Company's cash on hand is shown in the following table by currency as at 31 December 2023 and as at 31 December 2022:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Bank and postal deposits	37.8	38.7
Cash on hand in USD	1.6	0.8
Cash on hand in other currencies	0.3	0.2
Total cash and cash equivalents	39.7	39.7

Reported below is the breakdown of shareholders' equity, attributable to the Group and minority interests:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Share Capital	242.5	242.5
Legal reserve	12.0	12.0
IFRS first-time adoption reserve	(199.3)	(169.4)
Translation difference reserve	0.5	0.3
Cash flow hedge reserve	(2.9)	(5.6)
Reserve for share-based payments	0.7	0.5
Other reserves	263.3	258.7
Total other reserves	62.3	84.5
Actuarial reserves for employee benefits	(10.1)	(2.3)
Retained earnings (losses)	(3.2)	(3.3)
Profit (Loss) for the year	(29.7)	(25.2)
Total retained earnings (losses carried forward)	(43.0)	(30.8)
Total Group shareholders' equity	273.8	308.2
Third-party capital and reserves	35.3	35.5
Third-party retained earnings (losses)	29.8	25.3
Total shareholders' equity attributable to minority interests	65.1	60.8
Total Group shareholders' equity	338.9	369.0

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Shareholders'
equity

Third-party equity interests

The profit/(loss) for the period and the shareholders' equity of third-party equity interests refer to the subsidiary Rai Way, with Rai holding a 64.971% share.

Share Capital

As at 31 December 2023, the share capital of the Parent Company 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) which holds 241,447,000 shares, equal to 99.5583% of the share capital; and
- Società Italiana Autori Editori (SIAE) which holds 1,071,100 shares, equal to 0.4417% of the share capital.

Legal reserve

The legal reserve amounts to € 12.0 million.

Other reserves and retained earnings (losses carried forward)

The other reserves, for € 62.3 million (€ 84.5 million as at 31 December 2022) and losses carried forward, for € 43.0 million (€ 30.8 million as at 31 December 2022) 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 € 400.2 million (€ 400.6 million as at 31 December 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023			Year ended 31 December 2022		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Bonds	-	299.8	299.8	299.6	-	299.6
M/L-term payables to banks	100.4	-	100.4	-	101.0	101.0
Total non-current financial liabilities and current portions of non-current financial liabilities	100.4	299.8	400.2	299.6	101.0	400.6

Non-current financial liabilities as of 31 December 2023 consisted of the Term credit line granted to Rai Way by a pool of banks and drawn for a nominal value of € 101 million, maturing in October 2026.

The *senior unsecured* bond 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 for which the necessary procedures for a new issue have already been initiated and contains the usual covenants for issues with an Investment Grade rating:

- 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 28 November 2023, Moody's published a Credit Opinion that confirmed the Long-Term Issuer Baa3 for Rai (Investment Grade), with improvement from a negative to a stable outlook.

Derivative financial instruments, inscribed to the fair value, under liabilities, and including current and non-current share, are not relevant as at 31 December 2023, as it was the case as of 31 December 2022.

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 2023			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Bonds	299.8	-	-	299.8
M/L-term payables to banks	-	100.4	-	100.4
Short-term payables to banks	208.4	-	-	208.4
Other financial liabilities	2.7	-	-	2.7
Total current and non-current financial liabilities	510.9	100.4	-	611.3

(€/million)	Year ended 31 December 2022			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Bonds	-	299.6	-	299.6
M/L-term payables to banks	101.0	-	-	101.0
Short-term payables to banks	223.3	-	-	223.3
Other financial liabilities	0.6	-	-	0.6
Total current and non-current financial liabilities	324.9	299.6	-	624.5

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 following parameters:

- bond issued by the Company in 2019, maturing in December 2024: the fair value as at 31 December 2023, amounting to 97,38370, was measured at the market price, including accrued interest;

(€/million)	Year ended 31 December 2023		Year ended 31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Rai Bond issue € 300 million - maturity 04/12/2024	299.8	292.2	299.6	283.4

As for the Term loan held by Rai Way, its *fair value* is deemed to be substantially in line with its book value, given its recent subscription.

15.2 Lease liabilities

Non-current financial liabilities, including current portions, total € 93.4 million (€ 82.4 million as at 31 December 2022) fully refer to operating leases and are analysed as follows:

(€/million)	Year ended 31 December 2023			Year ended 31 December 2022		
	Non-current portion	Current portion	Total	Non-current portion	Current portion	Total
Liabilities for operating lease contracts	61.6	31.8	93.4	56.7	25.7	82.4
Total lease liabilities	61.6	31.8	93.4	56.7	25.7	82.4

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 € 25,6 million, plus interest of € 1.5 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 2023			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Liabilities for operating lease contracts	31.8	44.2	17.4	93.4
Total lease liabilities	31.8	44.2	17.4	93.4

(€/million)	Year ended 31 December 2022			
	Within 12 months	Between 1 and 5 years	Beyond 5 years	Total
Liabilities for operating lease contracts	25.7	40.1	16.6	82.4
Total lease liabilities	25.7	40.1	16.6	82.4

15.3 Employee benefits

Employee benefits totalled € 281.4 million (€ 288.1 million as at 31 December 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Provisions for employee severance pay	147.4	151.8
Provisions for supplementary pension benefits	74.5	75.4
Provisions in lieu of the former fixed indemnity for journalists	45.8	46.9
Health insurance fund for Rai senior managers (FASDIR)	13.0	13.2
Seniority bonuses	0.5	0.6
Other	0.2	0.2
Total employee benefits	281.4	288.1

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. These supplementary pensions are in turn paid directly by the negotiated funds,

which have been responsible for the management of supplementary pensions for Rai personnel since 1989, C.RAI.P.I. (Cassa di Previdenza Integrativa dei dipendenti Rai, hereinafter referred to as 'Craipi') for former managers, clerks and workers, and F.I.P.D.RAI (Fondo Integrativo Previdenza dei Dirigenti Rai, hereinafter referred to as 'Fipdrai') for former 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, in the last 4 years, multiplied by the average residual life of the retired senior managers at the valuation date, which as at 31 December 2023 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 2023					Year ended 31 December 2022				
	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 financial year	151.8	75.4	46.9	13.2	0.8	189.4	102.3	62.8	13.5	0.9
Current cost of defined benefit plans	-	-	-	-	-	1.4	-	-	-	-
Current cost of defined contribution plans	44.5	-	-	0.5	-	43.1	-	-	0.6	-
Interest expenses	5.1	2.4	1.7	0.4	-	0.6	0.7	0.3	0.1	-
Revaluations:										
- Actuarial gains/(losses) resulting from changes in financial assumptions	3.0	3.3	0.8	-	-	(27.0)	(18.1)	(9.1)	-	-
- Actuarial gains/(losses) from past experience	(1.4)	2.3	(0.1)	-	-	10.1	(0.3)	(0.3)	-	-
Cost of past benefits and (gains)/losses on settlement	-	-	(0.3)	-	-	-	-	(4.6)	-	-
Benefits paid	(11.1)	(8.9)	(3.2)	(1.1)	(0.1)	(21.3)	(9.2)	(2.2)	(1.0)	(0.1)
Transfers to external funds for defined contribution plans	(44.7)	-	-	-	-	(44.0)	-	-	-	-
Other movements	0.2	-	-	-	-	(0.5)	-	-	-	-
Present value of the liability at the end of the financial year	147.4	74.5	45.8	13.0	0.7	151.8	75.4	46.9	13.2	0.8

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 2023					Year ended 31 December 2022				
	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	-	-	-	-	-	(1.4)	-	-	-	-
Current cost of defined contribution plans	(44.5)	-	-	(0.5)	-	(43.1)	-	-	(0.6)	-
Cost of past benefits and (gains)/losses on settlement	-	-	0.3	-	-	-	-	4.6	-	-
Net interest expense (income):										
- Interest expenses	(5.1)	(2.4)	(1.7)	(0.4)	-	(0.6)	(0.7)	(0.3)	(0.1)	-
Total	(49.6)	(2.4)	(1.4)	(0.9)	-	(45.1)	(0.7)	4.3	(0.7)	-

Costs for defined benefit plans recognised in other comprehensive income break down as follows:

(€/million)	Year ended 31 December 2023					Year ended 31 December 2022				
	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	(3.0)	(3.3)	(0.9)	-	-	27.0	18.1	9.1	-	-
- Effect of past experience	1.4	(2.3)	0.1	-	-	(10.1)	0.3	0.3	-	-
- Actuarial gains/(losses) from returns assets serving the plan	-	-	-	-	-	-	-	-	-	-
Total	(1.6)	(5.6)	(0.8)	-	-	16.9	18.4	9.4	-	-

The main actuarial assumptions adopted are reported below:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Financial assumptions		
Average discount rate (1)	2.84% to 2.99%	3.31% to 3.54%
Inflation rate	2.00%	2.30%
Expected rate of growth in remuneration/benefits (2)	1.60% to 3%	1.84% to 3.23%
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:	4.04% to 12.90%	4.34% to 11.9%
Annual probability of advance requests:	1.50%	1.50%

(1) Measured as the weighted average of the Eur Composite AA 2023 interest rate curve for 31.12.2023 and Eur Composite AA 2022 for 31.12.2022.

(2) Including inflation.



The effects of a reasonably possible change in the discount rate for the year as at 31 December 2023 and as at 31 December 2022 are shown below:

(€/million)	Year ended 31 December 2023				Year ended 31 December 2022				
	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%	143.7	72.0	44.8	-	147.7	73.0	45.9	-
	-0.50%	151.2	77.1	46.8	-	156.1	78.1	48.0	-

Expected future payments under defined benefit plans for employees are as follows:

(€/million)	Severance Pay	Supplementary Pension	Pay in lieu of the former fixed indemnity for journalists
Expected payments as at 31.12.2024	26.2	8.5	8.4
Expected payments as at 31.12.2025	19.9	8.0	5.5
Expected payments as at 31.12.2026	16.5	7.6	4.4
Expected payments as at 31.12.2027	7.9	7.1	5.9
Expected payments as at 31.12.2028	12.3	6.6	5.4
Payments planned from 01.01.2029 and subsequent years	93.2	56.8	23.8

15.4 Provisions for non-current risks and charges

Provisions for non-current risks and charges, which amounted to € 226,0 million (€ 207,4 million as at 31 December 2022), are broken down as follows:

(€/million)	Year ended 31 December 2022	Provisions	Drawdowns	Reversals	Conversion differences	Other movements	Year ended 31 December 2023
Provisions for legal disputes	74.0	7.1	(9.8)	(0.2)	(0.3)	(0.1)	70.7
Provisions for accrued remuneration costs	36.2	39.2	(23.4)	(0.9)	-	-	51.1
Provisions for building renovation and refurbishment	28.3	4.6	(0.5)	-	-	-	32.4
Provisions for dismantling and restoration costs	14.9	0.2	-	(0.3)	-	0.9	15.7
Provision for user rights to digital television frequencies contributions	9.9	12.7	-	-	-	-	22.6
ISC and ICM provisions Agents	2.6	0.3	(0.1)	(0.1)	-	-	2.7
Provisions for default interest payment risks	0.2	0.2	(0.2)	-	-	-	0.2
Provisions for disputes over leases	0.2	0.1	-	(0.1)	-	-	0.2
Provisions for default interest payment risks	0.5	-	-	-	-	-	0.5
Other provisions	40.6	5.9	(2.4)	(14.3)	-	0.1	29.9
Total provisions for risks and charges	207.4	70.3	(36.4)	(15.9)	(0.3)	0.9	226.0

Provisions for legal disputes, totalling € 70.7 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 € 39.2 million, and € 31.5 million in provisions for labour law disputes.

Provisions for accrued remuneration costs, totalling € 51.1 million, include the overall costs estimated in relation to employment contracts in place.

Provisions for building renovation and refurbishment, totalling € 31.4 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 € 15.7 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 € 22.6 million, is set aside pending the issue of the decree that will determine the amount to be paid for the years 2022 and 2023.

ISC (Supplementary Customer Indemnities) and ICM (Meritocratic Customer Indemnities) provisions for agents, for € 2.7 million, include 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 and growth in the customer portfolio or in business volumes with customers already in the 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.

15.5 Deferred tax liabilities

Deferred tax liabilities of € 4.5 million (positive by € 2 million as of 31 December 2022) are shown net of deferred tax assets amounting to € 142.5 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 2022	Changes			Year ended 31 December 2023
		Economics	Other comprehensive income	Balance sheet	
Statutory/tax differences on property, plant and equipment	(146.3)	1.8	-	0.1	(144.4)
Currency and interest-rate derivatives	(0.2)	-	0.2	-	-
Other equity investments	(1.7)	-	-	-	(1.7)
Deferred tax liabilities on consolidation adjustments	(0.8)	(0.1)	-	-	(0.9)
Other	(0.1)	0.1	-	-	-
Deferred tax liabilities	(149.1)	1.8	0.2	0.1	(147.0)
Negative taxable income	145.1	17.3	-	(28.0)	134.4
Estimate of provisions recovered	3.4	1.7	-	-	5.1
Write-downs of programmes	0.9	0.3	-	-	1.2
Statutory/tax difference on programmes	0.1	0.1	-	-	0.2
Employee benefits	0.2	-	-	-	0.2
Deferred tax assets on consolidation adjustments	0.9	(0.1)	-	-	0.8
Other	0.5	0.1	-	-	0.6
Assets (Liabilities) for deferred taxes	151.1	19.4	-	(28.0)	142.5
Net deferred tax liabilities	2.0	21.2	0.2	(27.9)	(4.5)



Deferred tax assets were recognised when their future recoverability was considered reasonably certain.

Deferred tax assets on tax losses carried forward totalled € 134.4 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.

Changes in other comprehensive income essentially consisted of deferred tax assets and liabilities 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.

15.6 Other non-current payables and liabilities

Other non-current payables and liabilities, relating to items denominated in Euros, amounted to € 73.5 million (€ 53 million as at 31 December 2022), entirely referring to items in Euro, relate to the non-current component of deferred income detailed as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Trade payables and other current payables and liabilities	1.1	0.3
Deferrals:		
- Compensatory measure deferred income for upgrading broadcasting systems	71.1	51.1
- Compensatory measure deferred income for the release of radio links	1.1	1.3
- Other deferrals	0.2	0.3
Total other non-current payables and liabilities	73.5	53.0

In this regard, it should be noted that deferrals for compensatory measures in favour of network operators refer to amounts assigned to the Parent Company for:

- upgrading of broadcasting systems, pursuant to the MISE decree of 27 June 2022, allocated for a total amount of € 60,1 million, in relation to the investment expenses incurred from 1 January 2020 to 8 February 2022 by Rai Way, subject to remuneration under the service agreement;
- release of radio links in the 3.6-3.8 GHz bands, pursuant to the MISE-MEF interministerial decree of 4 September 2019, allocated for a total amount of € 3,1 million in relation to the investment expenses made by Rai Way, which are remunerated under the service agreement.

Both duties are charged to the income statement for each period in relation to the depreciation charge that would have been recognised if the investment had been made by Rai, taking Rai Way's amortisation plan as a reference.

The current portion is recorded under trade and other payables and current liabilities, to which reference should be made.

Payables to related parties are disclosed in Note 13.4 "Transactions with related parties".

16.1 Trade payables and other current payables and liabilities

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**Current
liabilities**

Trade payables and other current payables and liabilities, which totalled € 1,116.1 million (€ 1,081.5 million as at 31 December 2022) break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Trade payables to suppliers	679.5	707.7
Trade payables from joint ventures and associates	3.9	5.5
Total trade payables	683.4	713.2
Payables to personnel	185.2	157.0
Payables to social security and welfare institutions	64.4	78.7
Other tax payables	36.4	41.5
Other payables for assessments	6.2	7.5
Advances:		
- Ordinary licence fees	106.9	57.4
- Other advances	5.1	7.4
Compensatory measures	22.3	11.9
Accruals	0.1	0.4
Other debts	6.1	6.5
Total other current payables and liabilities	432.7	368.3
Total trade payables and other current payables and liabilities	1,116.1	1,081.5

Trade payables to joint ventures and associates are as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Auditel Srl	0.3	2.2
San Marino RTV SpA	2.9	2.9
Tavolo Editori Radio Srl	0.3	-
Tivù Srl	0.4	0.4
Total trade receivables from joint ventures and associates	3.9	5.5

Payables to personnel totalled € 185.2 million (€ 157.0 million as at 31 December 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Untaken paid annual leave	51.4	54.3
Untaken time in lieu	45.4	45.4
Salary assessment	48.3	52.0
Redundancy incentives	38.8	4.3
Other	1.3	1.0
Total payables to personnel	185.2	157.0



Payables to social security and welfare institutions totalled € 64,4 million (€ 78,7 million as at 31 December 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Payables to supplementary pension funds for personnel	9.0	25.1
Payables to INPGI	14.6	13.9
Payables to INPS	28.2	26.5
Payables to INAIL	0.2	-
Payables to CASAGIT	1.4	1.4
Contributions on assessed salaries	10.0	10.9
Other debts	1.0	0.9
Total payables to social security and welfare institutions	64.4	78.7

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 2023	Year ended 31 December 2022
Group VAT	-	4.6
Suspended VAT	0.9	0.9
Withholding tax on salaries and wages for employees and contractors, substitution tax and other withholdings	34.4	35.2
Other	1.1	0.8
Total other tax payables	36.4	41.5

Equity investments, which amounted to € 22.3 million (€ 11.9 million as at 31 December 2022), are broken down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Compensatory measures in favour of network operators:		
- Compensatory measures for upgrading broadcasting systems	8.4	5.5
- Compensatory measures for radio links	0.2	0.2
Other compensatory measures:		
- Adjustment to advertising revenues	10.6	3.2
- Ordinary licence fees	0.9	1.9
- Other compensatory measures	2.2	1.1
Total compensatory measures	22.3	11.9

Deferrals include the current portion of compensatory measures in favour of network operators assigned to the Parent Company, the details of which are shown in Note 15.6 "Other non-current payables and liabilities" to which reference should be made.

Total payables due in currencies other than the euro are reported in Note 8.1 "Market risk".

Payables to related parties are disclosed in Note 18.4 "Transactions with related parties".

16.2 Current financial liabilities

Current financial liabilities totalled € 510.9 million (€ 324.9 million as at 31 December 2022). The breakdown is shown in the table below:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Bonds (current portion)	299.8	-
M/L-term payables to banks (current portion)	-	101.0
Short-term payables to banks	208.4	223.3
Other current financial liabilities	2.7	0.6
Total current financial liabilities	510.9	324.9

Short-term payables to banks amounted to € 208.4 million (€ 223.3 as at 31 December 2022) and consisted of € 160.0 million for the use of the revolving line of the Parent Company 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 € 37.3 million (€ 27.7 million as at 31 December 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
IRES	35.9	27.3
IRAP	1.4	0.4
Total current income tax liabilities	37.3	27.7

As concerns amounts payable to the Inland Revenue for IRES, totalling € 35.9 million (€ 27.3 million as at 31 December 2022), 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 - Tax consolidation".

Income taxes are reported in Note 17.10 "Income tax".

17.1 Revenue from sales and services

They consist of:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
TV licence fees	1,839.1	1,864.3
Advertising	664.7	642.6
Other revenue	201.7	188.9
Total revenue from sales and services	2,705.5	2,695.8

The breakdown of revenues by geographical area shows a predominantly national origin.

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Consolidated
income
statement



TV licence fees

Licence fees, amounting to € 1,839.1 million (€ 1,864.3 million in 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Licence fees for the year - household licences	1,696.4	1,738.5
Licence fees for the year- special licences	78.9	76.7
Licence fees collected by enforcement order	13.9	15.1
Licence fees for prior years- household licences	36.8	34.2
Licence fees for prior years- household licences ("Sostegni" Legislative Decree)	13.2	-
Licence fees redemption	(0.1)	(0.2)
Total TV licence fees	1,839.1	1,864.3

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, which provided that the revenue from the radio and TV licence fee 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 art. 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.

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 2022 fees which became known in the year 2023, as they were paid to the State during the year.
- licence fees for prior years- household licences ("Sostegni" Legislative Decree) relate to the recognition of the second instalment of the sums provided for by Decree-Law No. 41 of 22 March 2021, which had 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 one hundred per cent 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 € 43.0 million have been already paid and recognised to Rai in 2021.

The separate annual accounts, designed to determine the cost of providing public service activities to be covered by licence fee resources, show a public funding shortfall for the period 2005-2022 in the amount of € 2.66 billion. It is recalled that the separate accounts are certified by an auditing company selected through a public procedure overseen by the Regulatory Authority.

Advertising

Revenue from advertising amounted to € 664.7 million (€ 642.6 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Advertising on proprietary media:		
Television advertising on general-interest channels:		
- commercial	303.3	315.5
- promotions, sponsorships and special initiatives	192.8	185.7
- product placement and branded content	13.1	11.8
Television advertising on specialist channels	46.8	51.5
Radio advertising	23.2	23.2
Web advertising (1)	37.5	28.5
Other advertising	0.1	1.6
Share due to third parties	(2.1)	(2.7)
Contingencies	0.4	0.4
Total advertising on proprietary media	615.1	615.5
Advertising on third-party media:		
Television advertising on specialist channels	4.0	2.6
Radio advertising	33.2	20.6
Cinema advertising	2.8	2.1
Web advertising	5.2	0.4
Other advertising	4.4	1.4
Total advertising of third-party media	49.6	27.1
Total advertising	664.7	642.6

(1) Includes advertising on Rai content broadcast on third-party platforms.

Other revenue

Other revenue from sales and services amounted to € 201.7 million (€ 188.9 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Special services under agreement	48.6	48.2
Sale of rights over programmes and musical editions	52.1	58.8
Film and home video distribution	16.5	8.6
Distribution and sale of channels	44.5	24.0
Sale of patents and trademarks	1.6	2.0
Fees for hosting plant and equipment	30.4	28.2
Sundry services, mainly for institutional purposes	11.9	13.3
Signal diffusion services, rental of circuits, radio links and connections	11.9	7.6
Public paid events	1.1	5.6
Production services and facility supply	0.5	3.7
Revenues from sales	0.9	0.8
Other	0.1	1.2
Share due to third parties	(24.7)	(24.4)
Contingencies	6.3	11.3
Total other revenue	201.7	188.9



17.2 Other revenue and income

Other revenue and income amounted to € 30.7 million (€ 41.8 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Operating grants	21.4	29.9
Contribution to programme production	0.7	5.0
Income from real estate investments and rentals	1.9	1.9
Compensation for damages	2.1	0.3
Gains on disposals	0.1	-
NCI grants related to income	-	(0.8)
Contingencies	0.7	0.9
Other	3.8	4.6
Total other revenue and income	30.7	41.8

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 € 1,013.6 million (€ 1,143.0 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Costs for the purchase of consumables	12.2	12.2
Costs for services	944.0	1,079.2
Other costs	57.4	51.6
Total costs for the purchase of consumables, services and other costs	1,013.6	1,143.0

Costs for the purchase of consumables, equal to € 12.2 million (€ 12.2 million in 2022), referred to purchases of various production materials for € 4.5 million (€ 3.9 million in 2022), technical inventories for € 0.2 million (€ 0.3 million in 2022) and other materials for € 7.5 million (€ 8.0 million in 2022).

The breakdown of costs for services is shown in the table below. The item totalled € 944.0 million (€ 1,079.2 million in 2022), net of discounts and rebates obtained. These include, inter alia, fees, allowances and reimbursements paid by the Parent Company to the Directors for € 1.0 million and to the Statutory Auditors for € 0.2 million. It should also be noted that none of the members of the Board of Directors and Board of Statutory Auditors of the Parent Company held overlapping, similar positions in other subsidiaries.

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Freelance services	144.4	126.8
Services for programme acquisition and production	208.6	210.0
Daily allowances, travel expenses and accessory costs for personnel	35.7	34.3
Maintenance, repairs, transport and similar	47.1	44.6
IT system documentation and assistance services	61.1	59.0
Third-party shares of advertising turnover, commissions and media centres	69.1	48.3
Other outsourced services (telephone, supply services, cleaning, postal, insurance etc.)	131.9	162.1
Leases and rentals	54.0	54.1
Recording rights	100.6	257.5
Rights of Use	114.7	107.0
Contingencies	(14.7)	(17.3)
Recovery of expenses	(8.5)	(7.2)
Total costs for services	944.0	1,079.2

Pursuant to article 2427, no. 16-*bis* of the Italian Civil Code, fees for the year ended 31 December 2023 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: € 0.2 million.

Other costs, equal to € 57.4 million (€ 51.6 million in 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Administrative fees and rights for use of frequencies	13.4	10.6
Contributions to control authorities	6.0	5.4
TASI/IMU	9.1	8.9
Other indirect taxes and other duties	10.3	9.9
Prizes and winnings	7.9	5.1
Newspaper, magazines, books and publications	1.6	1.6
Membership fees	3.9	3.6
Losses on disposals	0.6	1.8
Other	4.6	4.9
Contingencies	-	(0.2)
Total other costs	57.4	51.6

17.4 HR expenses

HR expenses, amounting to € 1,069.2 million (€ 1,007.4 million in 2022), break down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Salaries and social security costs	985.3	956.2
Employee severance pay	44.5	44.5
Pensions and similar obligations	13.1	12.9
Other	6.8	14.5
HR expenses	1,049.7	1,028.1
Costs for redundancy incentives	39.1	1.5
Recovery of expenses	(1.3)	(1.5)
Capitalised HR expenses	(17.4)	(18.4)
Other HR expenses	20.4	(18.4)
Contingencies and releases of provisions	(0.9)	(2.3)
Total HR expenses	1,069.2	1,007.4

The item includes € 45.0 million of charges for defined contribution plans and € 0.3 million of income from defined benefit plans, net of past benefits, as reported in Note 15.3 "Employee benefits".

The Company applies five Collective Bargaining Agreements, respectively the Collective Labour Agreement for middle managers, office staff and workers employed by Rai, Rai Way, Rai Cinema and Rai Com; 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 labour agreement for middle managers, office staff and workers was renewed, by agreement made on



09 March 2022, for the period 2019-2022;

- the collective labour agreement for middle managers, office staff and workers was renewed, by agreement made on 25 July 2023, for the period 2019-2024;
- 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 labour agreement for the period 1/1/2019- 31/12/2023 is still in force, while the Rai–AD Rai Addendum Agreement for the period 2020-2023 was renewed on 02 February 2023.
- the collective labour agreement for middle managers, office staff and workers was renewed, by agreement made on 1 August 2022, for the period 2019-2022 expired on 31 December 2022.

The average number of employees of the companies included in the scope of consolidation broken down by category is as follows:

	Year ended 31 December 2023			Year ended 31 December 2022		
	P.C. Average number	Permanent Employment Contract Average Number (1)	Total	P.C. Average number	Permanent Employment Contract Average Number (1)	Total
Senior managers (2)	0	322	322	0	311	311
Middle managers	0	1,602	1,602	0	1,445	1,445
Journalists (3)	59	1,953	2,012	59	1,961	2,020
Office Personnel (4)	66	7,515	7,581	70	7,639	7,709
Workers	0	757	757	0	795	795
Orchestra players	2	114	116	1	118	119
Total	127	12,263	12,390	130	12,269	12,399
(1) Of which apprentices		389			239	
(2) Of which senior staff with temporary contracts		4			3	
(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.

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 € 0.6 million (negative for € 0.6 million in 2022), 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 2023	Year ended 31 December 2022
Write-downs trade receivables	0.6	(0.6)
Total write-down of financial assets	0.6	(0.6)

17.6 Depreciation, amortisation and other write-downs

Depreciation, amortisation and other write-downs totalled € 611.2 million (€ 616.0 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Depreciation, amortisation		
Property, plant and equipment		
Buildings	16.2	15.1
Plant and machinery	83.2	81.5
Industrial and commercial equipment	3.5	3.6
Other assets	7.4	7.5
Total depreciation of property, plant and equipment	110.3	107.7
Depreciation of real estate investments	0.2	0.2
Lease rights of use		
Land and buildings	22.6	21.8
Other assets	3.6	2.9
Total amortisation and depreciation of lease rights of use	26.2	24.7
Intangible assets:		
Programmes	354.6	385.7
Software	17.4	16.7
Digital terrestrial frequencies	0.8	0.5
Other intangible assets	0.2	0.2
Total amortisation of intangible assets	373.0	403.1
Total amortisation	509.7	535.7
Other write-downs		
Property, plant and equipment	-	6.3
Programmes under amortisation	69.1	69.7
Programmes in progress	0.9	0.8
Sports libraries	31.3	-
Other intangible assets	-	0.4
Other non-current receivables and assets	-	0.8
Current income tax receivables	(0.7)	0.9
Other current receivables and assets	0.9	1.4
Total other write-downs	101.5	80.3
Total depreciation, amortisation and other write-downs	611.2	616.0

17.7 Provisions

This item, which includes provisions for risks and charges and any releases not classifiable in specific items of the income statement, shows net releases of € 6.9 million (net releases of € 17.6 million in 2022), determined by releases of € 14.4 million (€ 25.1 million in 2022) offset by provisions of € 7.5 million (€ 7.5 million in 2022).



17.8 Financial income and expenses

Net financial expenses totalled € 24.3 million (€ 14.5 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Financial income		
Dividends	0.1	0.2
Equity investments in joint ventures and associates	0.1	-
Interest income from banks	3.0	0.1
Gains from currency valuation	0.2	0.4
Currency gains realised	0.6	0.4
Income from interest rate derivatives	1.0	-
Income from currency derivatives	0.1	0.1
Other	0.9	0.5
Total financial income	6.0	1.7
Financial expense		
Interest expense due to banks	(7.1)	(1.6)
Interest expense on bonds	(7.5)	(7.5)
Expenses on exchange hedging derivatives	(0.1)	-
Foreign exchange losses	(0.3)	(0.6)
Foreign exchange losses realised	(0.2)	(1.0)
Interest on employee benefit liabilities	(9.6)	(1.7)
Interest on leases	(2.0)	(1.1)
Other	(3.5)	(2.7)
Total financial expense	(30.3)	(16.2)
Total net financial income (expense)	(24.3)	(14.5)

17.9 Earnings from investments recognised at equity

Earnings from equity investments recognised at equity amounted to an amount negative by € 0.4 million (positive by € 0.6 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Auditel Srl	0.1	-
San Marino RTV SpA	(1.5)	-
Tavolo Editori Radio Srl	-	0.1
Tivù Srl	1.0	0.5
Total earnings from equity investments recognised at equity	(0.4)	0.6

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 € 25.0 million (positive by € 25.7 million in 2022). The figure breaks down as follows:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
IRES	(38.1)	(28.0)
IRAP	(8.1)	(6.2)
Total current taxes	(46.2)	(34.2)
Deferred tax liabilities	1.8	1.8
Deferred tax assets	19.4	58.1
Total deferred taxes	21.2	59.9
Total income tax	(25.0)	25.7

The difference between the theoretical tax rate and the effective tax rate is shown below:

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
Pre-tax profit/(loss)	25.0	(25.7)
IRES tax rate	24.0%	24.0%
Theoretical tax gain (expense)	(6.0)	6.2
Tax differences	(10.9)	25.7
IRAP	(8.1)	(6.2)
Total income tax	(25.0)	25.7

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.

Starting from the financial year 2024, the RAI Group falls within the subjective scope of application of the Global Minimum Tax (hereinafter referred to as 'GMT'); in relation to the requirements of the document '*Amendments to IAS 12 Income Taxes: International Tax Reform - Pillar Two Model Rules*', in order to provide information useful to understand the effects determined by the GMT provisions, simulations were carried out to calculate the simplified tests provided for by the Transitional Safe Harbour on the basis of the latest available data relative to the financial year ended 31 December 2022.

At present, based on the verifications performed and the preliminary calculations of the effective tax rate (ETR), taking into account the fact that the ministerial decrees implementing certain GMT rules have yet to be issued and awaiting the consequent interpretative clarifications, it is deemed reasonable to assume that the Group will not have to recognise any expenses from GMT.

18.1 Guarantees

Guarantees provided, which amounted to € 4.7 million (€ 4.7 million as at 31 December 2022), are broken down as follows:

(€/million)	Year ended 31 December 2023			Total
	Sureties	Other personal guarantees	Collateral	
Due to third parties	2.5	-	2.2	4.7
Total	2.5	-	2.2	4.7

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Other
information



(€/million)	Year ended 31 December 2022			
	Sureties	Other personal guarantees	Collateral	Total
Due to third parties	2.5	-	2.2	4.7
Total	2.5	-	2.2	4.7

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 € 2.5 million (unchanged from the figure as at 31 December 2022) in favour of subsidiaries.

The Group has also recognised € 419.3 million of guarantees provided by third parties (€ 412.4 million as at 31 December 2022) 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 for Group obligations: mainly for sureties for the acquisition of television rights related to the UEFA Euro 2028 football events and various UEFA events and for the surety issued in favour of the Parent Company by the Ministry of Economic Development to guarantee prize competitions.

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 2023	Year ended 31 December 2022
Sports broadcasting rights	451.9	461.9
Investments in audiovisual works	228.8	264.7
Rights and services for the production of programmes	29.4	40.2
Technical investments	77.7	104.5
Total commitments	787.8	871.3

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 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 2023 and 31 December 2022.

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 managers 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 follow table details the balance sheet totals as at 31 December 2023 and as at 31 December 2022 and the income effects of transactions between the Group and related parties conducted in the half years ended 31 December 2023 and 31 December 2022, except transactions between Group companies, consolidated on a line-by-line basis:

(€/million)	Senior management	Other related parties	Total
Trade receivables			
As at 31 December 2023	-	0.6	0.6
As at 31 December 2022	-	0.6	0.6
Current financial assets			
As at 31 December 2023	-	2.2	2.2
As at 31 December 2022	-	2.1	2.1
Employee benefits			
As at 31 December 2023	(4.3)	(13.0)	(17.3)
As at 31 December 2022	(4.4)	(13.2)	(17.6)
Trade payables			
As at 31 December 2023	-	(4.0)	(4.0)
As at 31 December 2022	-	(5.6)	(5.6)
Other current payables and liabilities			
As at 31 December 2023	(6.6)	(0.2)	(6.8)
As at 31 December 2022	(6.2)	(16.3)	(22.5)



(€/million)	Senior management	Other related parties	Total
Revenue from sales and services			
As at 31 December 2023	-	2.0	2.0
As at 31 December 2022	-	1.8	1.8
Other revenue and income			
As at 31 December 2023	-	0.1	0.1
As at 31 December 2022	-	0.1	0.1
Costs for services			
As at 31 December 2023	(1.8)	(12.9)	(14.7)
As at 31 December 2022	(1.9)	(12.4)	(14.3)
HR expenses			
As at 31 December 2023	(26.7)	(12.5)	(39.2)
As at 31 December 2022	(23.5)	(12.3)	(35.8)
Financial income			
As at 31 December 2023	-	0.2	0.2
As at 31 December 2022	-	-	-

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.

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, an intra-company current account agreement is also in force, instrumental in settling certain credit and debit positions of limited amounts arising from residual services.

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 09 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 2023. 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 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. There is also an ordinary credit line from Rai, with scaled-up ceilings of € 2.0 million until 31 August 2024 and € 1.4 million from 1 September 2024 to 31 December 2024, which the company can use for overdrafts from ordinary operations. This line is 50% counter-guaranteed by E.R.A.S. ("Ente per la Radiodiffusione Sammarinese").

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

Tavolo Editori Radio Srl provides the service of surveying and dissemination of listening data of radio channels.

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 TivùSat platform and its promotion.

Service Contract 2023-2028

In its meeting of 18 January 2024, the Board of Directors of Rai approved, following the non-binding opinion of the Parliamentary Supervisory Commission, the outline of the Service Contract with the Ministry of Enterprise and Made in Italy. On 20 March 2024, the Council of Ministers resolved to approve the aforementioned Contract for the period 2023-2028. It is recalled that, as provided for in Article 30 of the Service Agreement 2018-2022, "until the date of publication in the Official Gazette of the next Agreement, the relations between Rai and the Ministry shall remain governed by the provisions of this Agreement".

2024-2026 Business Plan

In its meeting of 18 January 2024, the Board, considering the evolving context of the reference scenario characterised by profound structural changes in the media ecosystem and in users' consumption patterns, oriented towards a progressive shift towards on-demand consumption and a strong increase in competitiveness, which makes it necessary to completely transform Rai into a digital media company, approved the 2024-2026 Business Plan.

ESG Sustainability Plan

At its meeting on 22 February 2024, the Board examined and approved the company's new ESG Sustainability Plan, which defines the lines that will guide Rai's sustainable development strategy for the next three years and establishes priority areas for action: environment, inclusion and equal opportunities, youth, information quality, human capital, digital transformation, ethics and transparency. It should be noted that the initiatives defined in the 2024-2026 Sustainability Plan are consistent with the strategic approach of the Business Plan and the Service Contract.

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	
	2023	2022	2023	2022
RAI Financial Statements	(39.3)	(29.8)	630.1	673.9
Elimination of the value of equity investments against respective shareholders' equity and of dividends distributed against profits for the period	38.8	29.3	(293.3)	(306.4)
Adjustment of deferred taxes on the Rai Way equity investment revaluation	-	-	5.0	5.0
Other consolidation adjustments	0.5	0.5	(2.9)	(3.5)
Consolidated Financial Statements	-	-	338.9	369.0
of which: minority interests	29.7	25.2	65.1	60.8

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Events subsequent the reference date of the Consolidated Financial Statements

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Reconciliation between the Separate and Consolidated Financial Statements



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21.1 Rai equity investments in subsidiaries

The following table reports the equity investments held by Rai in domestic and foreign subsidiaries.

As at 31 December 2023, the above investments are unchanged from 31 December 2022.

Appendix

(Values as at 31 December 2023)	Registered office	No. shares/ units held	Nominal value (Euro)	Share capital (in €/'000) (Euro)	Equity interest held %
Subsidiaries					
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 29 December 2023 was € 5.11.

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, the so-called "Prospectus Regulation"):

(€/million)	Year ended 31 December 2023	Year ended 31 December 2022
A. Cash	39.7	39.7
B. Cash equivalents	-	-
C. Other current financial assets (*)	3.9	6.7
D. Liquidity (A+B+C)	43.6	46.4
E. Current financial debt	(242.9)	(249.6)
F. Current portion of non-current financial debt	(299.8)	(101.0)
G. Current financial debt (E + F)	(542.7)	(350.6)
H. Net current financial debt (G - D)	(499.1)	(304.2)
I. Non-current financial debt	(162.0)	(56.7)
J. Debt instruments	-	(299.6)
K. Non-current trade payables and other payables	-	-
L. Non-current financial debt (I + J + K)	(162.0)	(356.3)
M. Total financial debt (H + L)	(661.1)	(660.5)
Of which operating lease liabilities	(93.4)	(82.4)
Net financial debt excluding operating lease liabilities	(567.7)	(578.1)

(*) It includes financial assets for hedging derivatives for an amount equal to:

-

0.9

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)

The following table shows the amounts collected in the year 2023 that fall within the scope of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, which are not attributable, directly or indirectly, to public entities of foreign states, if the total amount collected by the entity is € 10 thousand or more.

Entity	Grant paid in 2023	Amount (€/thousand)
Ministry of Enterprises and Made in Italy	Compensatory measures for upgrading broadcasting facilities following the release of frequencies for digital terrestrial television service - MIMIT Directorial Decree of 13 October 2023	39,643

Contributions made (art. 1, paragraph 126)

The following table includes sums paid in 2023 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 2023	Amount (€/thousand)
AIRC Foundation for Cancer Research	Prize money donated to charity	120
Mission Bambini ETS Foundation	Prize money donated to charity	106
Emergency ONG Onlus	Prize money donated to charity	100
Dottor Sorriso Onlus Foundation	Prize money donated to charity	100
UNICEF Italia	Prize money donated to charity	60
Sant'Orsola Onlus Hospital Foundation	Prize money donated to charity	57
Agency for Territorial Security and Civil Protection	Prize money donated to charity	50
Telethon Foundation	Prize money donated to charity	50
Association "Associazione amici di Roberto Morrione"	Roberto Morrione Prize	30

With regard to climate change risks, the Company is deepening its assessments of the potential effects on business with a view to continuous monitoring.

The main risks, which derive from the Company's activities, were identified as part of the broader Integrated Risk Assessment approved by the Board of Directors on 21 December 2022 and were associated with Rai's Value Chain processes. In this context, among the risks with the highest degree of residual risk, the increase in costs linked to the trend in the price of gas and electricity was identified, for which energy saving initiatives were launched with the aim of mitigating it.

In this sense, the Company, at the beginning of 2024, launched a project aimed at analysing its emission sources and defining a progressive decarbonisation strategy.

In addition, it has started a path to approach the requirements of the EU Directive 2464/2022 (so-called CSRD) within which specific assessments of impacts, risks and opportunities related to sustainability issues will be carried out. In this context, the Company will monitor the evolution of risks related to climate change with an approach that will take into account the applicable legislation and its role as a Public Service.



Climate
Change



Certification pursuant to art. 154-*bis* of Italian Legislative Decree 58/98

The undersigned Roberto Sergio, 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 taken 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 2023 during the 2023 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 2023 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, 17 April 2024

Roberto Sergio
Chief Executive Officer

Marco Brancadoro
*Manager in charge of drawing up
the corporate accounting documents*

Statutory Auditors' Report

on Rai - Group's consolidated financial statements as at 31 December 2023 pursuant to Article 2429, Paragraph 2, Italian Civil Code

To Rai Radiotelevisione italiana SpA shareholders

Rai SpA'S Separated Financial Statements as at 31 December 2023

Dear Shareholders,

RAI Group's consolidated financial statements as at 31 December 2023, made available to you, consist of the prescribed consolidated financial statements and related explanatory notes; they have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Commission and integrated with the International Accounting Standards (IAS) and are accompanied by the directors' report on operations, as well as the certification of the Chief Executive Officer and the Manager responsible for preparing the financial reports on the RAI Group's consolidated financial statements and a statement on the Group's scope of consolidation and equity investments, the latter being an integral part of the consolidated financial statements.

A comparison statement between the Separate Financial Statements of RAI S.p.A. and the consolidated financial statements of the RAI Group as at 31 December 2023 is also provided, with respect to the result for the year and shareholders' equity, compared to the corresponding figures in the financial statements as at 31 December 2022.

In the Report on Operations, submitted for examination for consistency by the independent auditors PricewaterhouseCoopers S.p.A., the Directors have illustrated the overall performance of the Group's economic, equity and financial situation, together with that of the Parent Company, also providing details on 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 of the Board of Statutory Auditors issued by the National Council of Chartered Accountants. In accordance with these principles, we referred to the legal provisions governing the preparation of consolidated financial statements.

The Board of Auditors ascertained the following:

- a) the correctness of the methods adopted in identifying the scope of consolidation and the adoption of principles for the consolidation of investee companies in compliance with IFRS;
- b) the observance of legal provisions concerning the drafting and layout of the financial statements and the Report on Operations;
- c) the compliance with the principles of consolidation regarding the elimination of income and expenses, as well as receivables and payables, of consolidated companies;
- d) the consistency of the Group's Report on Operations with the data and results of the consolidated financial statements with a view to providing information on the Group's economic-financial performance and the risks to which it is subject, in addition to significant events occurring after the end of the financial year that did not have an impact on the 2023 Consolidated Financial Statements.

The documents examined and the information obtained do not show any deviations from the laws governing the preparation of the Consolidated Financial Statements.

On today's date, the Independent Auditors issued their report pursuant to Articles 14 of Legislative Decree 39/2010 and 10 of Regulation (EU) No. 537 of 16 April 2014, which states that the Consolidated Financial Statements for the financial year ended 31 December 2023 comply with IFRSs and have been prepared clearly and give a true and fair view of the financial position, results of operations and cash flows for the year ended 31 December 2023 of the RAI Group. This report contains neither remarks nor disclosures.



Accordingly, the Board of Statutory Auditors has no observations to make on the consolidated financial statements.

Rome, 10/05/2024

The Board of Statutory Auditors

<i>Carmine di Nuzzo</i>	<i>Chairman</i>
<i>Emanuela Capobianco</i>	<i>Statutory Auditor</i>
<i>Giovanni Caravetta</i>	<i>Statutory Auditor</i>

Independent Auditors' 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 2023, 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 material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2023, 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

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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 2023

The item “Intangible assets” of the consolidated financial statements of the RAI Group as at 31 December 2023 includes programmes totalling Euro 786.2 million (of which Euro 226.1 million as intangible assets under development), which account for 93 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 84 months (7 years). Such duration represents the estimate made by the management of RAI Radiotelevisione Italiana SpA (hereinafter “RAI”) of the period in which, on the basis of historical experience and their estimated useful life, the economic benefits generated by them are supposed to be utilised.

The recoverability of investments in programmes is verified by the management of RAI at least once a year, coinciding with the closing of each fiscal year.

If external or internal indicators are identified which lead to presume an impairment loss of the programmes’ value, their recoverability is verified by comparing the book value with the corresponding recoverable amount, represented by the higher between the fair value and the value in use determined on the basis of the assumptions made by the management of RAI 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

Auditing procedures performed in response to key audit matters

As part of our audit, we mainly performed the following procedures aimed at verifying the evaluations made by the RAI Group with reference to the recoverability of investments in programmes:

- i) discussions with the contact persons of RAI regarding their analyses and conclusions on the existence of possible impairment losses in the item “programmes”;
- 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;
- iii) analysis of the assumptions underlying the identification of impairment losses, if any, in the programmes’ value and of the reasonableness of the related write-downs performed by the management of RAI, mainly based on the share recorded by the programmes during the financial year, as well as on their future possibility to be repeated hinged on their expected rebroadcasting;
- 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 of programmes estimated by the management of RAI 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



the consolidated financial statements as at 31 December 2023, its direct correlation with the Group business, as well as the degree of complexity characterising the estimates adopted by the management of RAI .

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.

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 2023, 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 2023 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 2023 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, 10 May 2024

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 28 May 2024, the Shareholders' Meeting of Rai resolved:

- 1) to approve the Separate Financial Statements as at 31 December 2023 which show a loss of €39,259,577.97 (thirty-nine million two hundred and fifty-nine thousand five hundred seventy-seven point ninety-seven), which in the financial statements is rounded to the nearest unit, that is to Euro €39,259,578 (thirty-nine million two hundred and fifty-nine thousand five hundred seventy-eight);
- 2) to cover the loss of the year of €39,259,577.97 (thirty-nine million two hundred and fifty-nine thousand five hundred seventy-seven point ninety-seven) using the amount of:
 - €4,550,609.09 (four million five hundred fifty thousand six hundred nine point zero nine) of the IFRS first time adoption reserve - distributable;
 - €34,708,968.88 (thirty-four million seven hundred eight thousand nine hundred sixty-eight point eighty-eight) of the IFRS first time adoption reserve – not distributable, to be compulsorily reintegrated with future profits;
- 3) to acknowledge the Consolidated Financial Statements for the year 2023, which show a break-even result.

Corporate Directory

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Rai Centres

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TV (TV Production
Centre)**
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Production Centre RF
Via Asiago, 10
00195 Rome

Production Centre
Corso Sempione, 27
20145 Milan

Production Centre
Via Verdi, 16
10124 Turin

Research
Via Cavalli, 6
10138 Turin

Production Centre
Via Marconi, 9
80125 Naples

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Rai Com SpA
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