Atlantia

Tax Transparency Report

FY2021

Contents

Atlantia S.p.A.

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1. Introduction

Atlantia S.p.A. is aware that the management of tax is a fully fledged component of the **Governance** factors in the ESG trinity and that, as the EU taxonomy develops, an approach to tax management designed to mitigate tax risk and guarantee the absence of aggressive tax planning will be one of the standards against which a business sustainability will be measured.

Moreover, within the **Social** components of ESG, taxation makes a key contribution helping to meet the needs of the communities in which Atlantia and its asset companies operate.

In this context, Atlantia has taken steps to ensure management of tax risk (governance) and the transparent reporting of the contribution we make through taxation (social).

In this regard:

- from 2018, Atlantia has adopted a **Tax Strategy** and **Tax Control Framework** (TCF), integrated into the Group's governance and compliant with OECD guidelines, and has facilitated a transparent, cooperative approach towards the Tax Authority, encouraging the adoption of Cooperative Compliance schemes. The Tax Governance rules adopted by Atlantia are perfectly in line with the requirements provided by the GRI[1] 207 (sections 1/3) and the relevant disclosures in the Integrated Annual Reports for 2020 and 2021 provide ample details;
- in the Integrated Annual Reports for 2020 and 2021, Atlantia thus provides disclosure on the allocation of the taxes paid in the Country-by-Country Report (CbCR) required by the GRI 207 standard (section 4)

Our first **Tax Transparency Report** (TTR) represents further progress, meeting the goal of voluntarily publishing tax risk management and tax contribution data in the countries in which the Group operates. With this latest development, the Group intends:

- **To meet growing expectations from investors** and, more generally, all our stakeholders;
- **To explain how our tax strategy is applied** and the resulting factual evidence;
- **To provide greater details on the taxes paid**, the quality of earnings and the risks linked to tax management;
- **To stress the close link between taxation and the concept of sustainability**.

The process will enable the creation of a progressively layered breakdown that will provide all stakeholders with the information they require on each of the tax jurisdictions in which the Group operates.

[1] The Global Reporting Initiative is promoted by the Global Sustainability Standards Board (GSSB), an international body whose purpose is to promote transparency on sustainability through the definition of reporting standards (the GRI Standards). Within the Standards, GRI 207 deals with the issue of taxation as part of a sustainability strategy.

The pillars of tax sustainability

The **Tax Transparency Report** refers to the **pillars** of the Atlantia Group's sustainability strategy:

- the **Tax Strategy** adopted by the Atlantia Group;
- the **Tax Control Framework** used to **identify**, **control** and **manage** the Atlantia Group's **tax risks**;
- the **cooperative compliance** scheme as a way of strengthening relations with the tax authority;
- the Atlantia Group's **Tax Reporting**.

In terms of **Tax Reporting**, Atlantia embarked on a process designed to provide greater details of our tax contribution in the countries in which the Group is present, adopting the **Total Tax Contribution** (TTC) methodology. In addition to disclosures relating to a wide range of taxes – including, in addition to income tax, taxes on labour and on products and services – TTC data also covers both taxes borne, representing a cost to Atlantia and taxes collected on behalf of the various tax authorities. The **Country-by-Country Report** also provides details of revenues, profit before tax, income taxes accrued, income taxes paid and the number of employees, aggregated by jurisdiction of tax residence (i.e., the jurisdiction in which each entity is resident for tax purposes).

2.The Atlantia Group: an overview

The Atlantia Group primarily operates **motorway and airport concessions** and provides **mobility** services. The Group is present in 11 countries (France, Italy, Spain, Poland, Mexico, Brazil, Chile, Argentina, USA, India and Puerto Rico). The Group operates in the following sectors:

- Toll - Roads
- Airports
- Mobility Services
- Intelligent Transport Systems

Toll - Roads

Abertis

The Abertis Group holds 34 concessions with responsibility for the development, maintenance and operation of toll motorways, operating approximately 7,800 km of motorways in Europe (France, Spain and Italy), America (Chile, Mexico, Brazil, the United States, Puerto Rico and Argentina) and India.

Other motorways

This segment includes 12 holders of concessions for the construction, operation and maintenance of toll motorways in Brazil, Chile and Poland, covering a total network of approximately 1,500 km.

Airports

Aeroporti di Roma

The Group includes Aeroporti di Roma (ADR) and its subsidiaries that operate within the Roman Airport System, consisting of “Leonardo da Vinci” international airport located in Fiumicino and “Giovan Battista Pastine” airport located in Ciampino. ADR is the number one airport operator in Italy by number of passengers (pre-Covid-19, the Roman airport system handled almost 50 million passengers in 2019) and the seventh biggest in Europe.

Aéroports de la Côte d’Azur

The segment includes Aéroports de la Côte d’Azur (ACA) and its subsidiaries, whose main activity is the management of three airports in France: Nice - Côte d’Azur airport (ANCA), Cannes - Mandelieu airport (ACM) and Saint-Tropez – La Môle airport (AGST). The ACA Group, which handled 14.6 million passengers in 2019, is France’s second most important airport hub.

Mobility Services

Telepass

The Telepass Group provides sustainable, integrated mobility services. Specifically, Telepass is responsible for operating electronic tolling systems in Italy and 13 European countries and transport-related payment systems (car parks, restricted traffic zones, vehicle tracking systems, etc.), and provides digital mobility and insurance services. Telepass has distributed approximately 9.4 million onboard units to customers and its Telepass Pay customers number approximately 650 thousand.

Intelligent Transport Systems

Yunex Traffic

On 30 June 2022, Atlantia purchased Yunex Traffic, a global leader in the innovative Intelligent Transport Systems (ITS) sector, from the Siemens Group.

Yunex Traffic’s traffic management and urban mobility infrastructure and platforms are used in over 600 cities and on 4 continents (Europe, the Americas, Asia and Oceania).

Atlantia around the world

Brazil
4,321 km

France
1,769 km
3 airports

Spain
1,105 km

Chile
1,100 km

Mexico
876 km

Italy
236 km
2 airports

Argentina
175 km

India
152 km

Puerto Rico
90 km

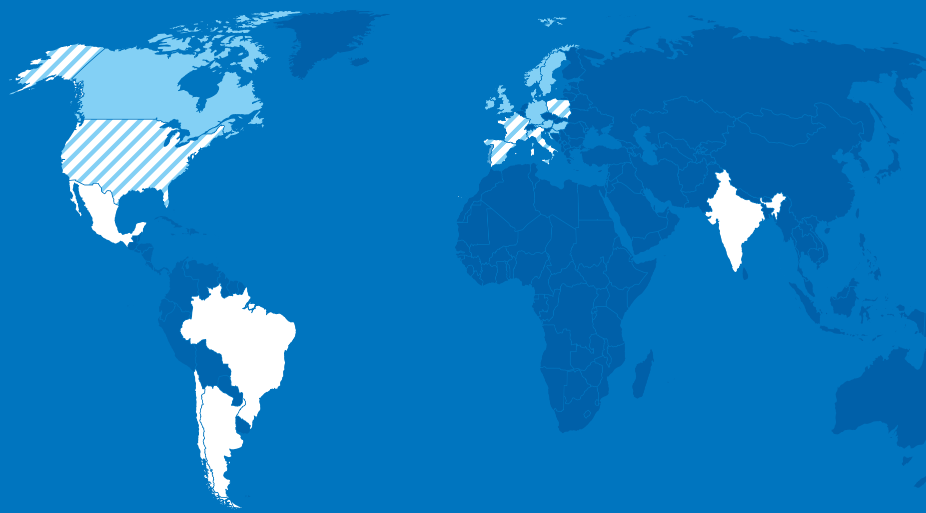
Poland
61 km

USA
12 km

Motorway/airport concessions

Motorway/airport concessions and tolling services

Tolling services



3. Tax Reporting

Since 2021, Atlantia has adopted a tax reporting framework involving the publication (i) of financial, operating and tax disclosures for each country in line with the GRI's **Country-by-Country Reporting** requirements and (ii) information on the **Total Tax Contribution**[2].

The reporting framework used enables us to provide a clear and immediate view of our tax position and the contributions made to the economic and social systems of the countries in which the Group is present[3]. The approach highlights once again the importance assigned to taxation, to the social role it plays and in general to transparency as a key element of the transition to a fairer and more sustainable future.

3.1 Key figures

Key Figures [4,5]

Intangible assets deriving from concession rights	€30,704m
Tangible assets	€642m
Revenues[6]	€9,714m
Profit before tax	€1,044m
Corporate income taxes accrued	€349m
Corporate income taxes paid	€195m
Taxes borne	€740m
Taxes collected	€847m
Number of employees	20,394

[2] The TTC methodology is a universal methodology that allows businesses to not only present data on income taxes but to also provide details of their Total Tax Contribution.
[3] This report presents (i) financial, operating and tax disclosures – as required by Country-by-Country Reporting in accordance with the rules established by the OECD and GRI 207.4 – for each jurisdiction in which Atlantia operates and (ii) data on the Total Tax Contribution for the main 19 jurisdictions in which Atlantia operates, representing 99% of the Group's revenues. Income tax data is in any event provided for all the other jurisdictions. Further details on the scope of the report are provided in the Appendix.
[4] The amounts shown do not include data for the Autostrade per l'Italia (ASPI) subgroup, reclassified to assets held for sale in the consolidated financial statements in accordance with IFRS 5.
[5] The amounts for Revenue, Profit/(Loss) Before Tax and Tangible Assets are shown on an aggregated, unconsolidated basis, in line with the Country-by-Country Reporting criteria provided for in Action 13 of the OECD's BEPS project and GRI 207. The Appendix provides the definition of each item included in the table (i.e., a Glossary) and the reconciliation with the amounts presented in Atlantia's consolidated financial statements as at and for the year ended 31 December 2021.
[6] The amount shown is the sum of (i) third-party revenues and (ii) revenues from intercompany transactions with other tax jurisdictions.

3.2 Total Tax Contribution

The Group's Total Tax Contribution

In line with international standards for tax transparency[7], the taxes paid by Atlantia are classified as taxes borne and taxes collected to highlight the importance of the Group's role as both a tax contributor, representing a cost for the business (taxes borne), and as a collector of taxes collected on behalf of governments (taxes collected).

In this sense, taxes borne or collected fall into the following four categories:

Profit Taxes
Taxes on income

Products Taxes
Taxes on products and services

People Taxes
Taxes on employment

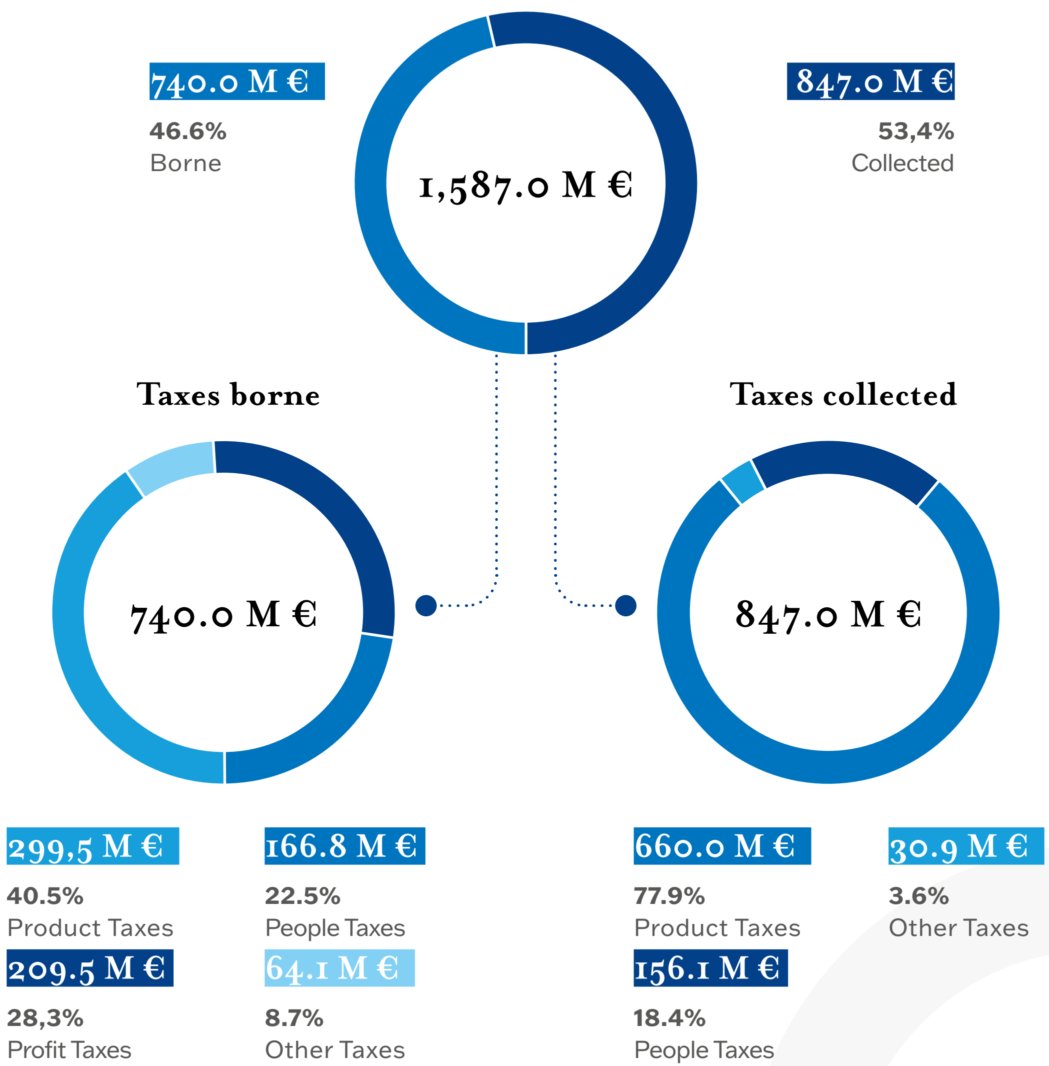
Other Taxes
Other taxes not included in the previous categories

Atlantia's Total Tax Contribution for 2021 amounts to €1,587.0 million: 46.6% in taxes borne and the remaining 53.4% in taxes collected.

Taxes borne by Atlantia in 2021 amount to **€740.0 million**. The main component regards **taxes on products and services**, representing **40.5%** of total taxes borne[8]. **Profit Taxes** and **People Taxes** account for **28.3%** and **22.5%** of taxes borne, respectively.

Taxes collected and paid by Atlantia in 2021 amount to **€847.0 million**. The main component regards **taxes on products and services**, representing **77.9% of total**, and **people taxes, accounting for 18.4%**.

Group's Total Tax Contribution



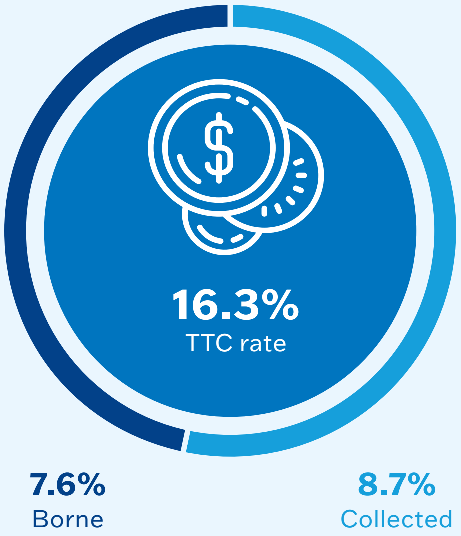
[7] See, for example, the OECD's Taxation Working Papers, No. 32, *"Legal tax liability, legal remittance responsibility and tax incidence: Three dimensions of business taxation"*, or the work of the World Economic Forum (WEF) for the *Sustainable Development Impact Summit* and included in the document *"Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation"*.
[8] The high incidence of taxes on products and services, both borne and collected, is due to the specific nature of the areas of business in which the Group operates and the volume of revenues generated, above all in France, Spain, Italy, Brazil and Chile. Taxes on products and services borne reflect the high amounts of indirect taxes paid, the *"Taxe d'aménagement du territoire" (TAT) and "Redevance domaniale"* paid in France and the *"Programa de Integração Social"* (PIS), *"Contribuição para Financiamento de Seguridade Social"* (COFINS) and *"Imposto Sobre Serviços"* (ISS) paid in Brazil.

Key indicators of the Group's tax contribution

Total Tax Contribution rate

(TTC as a percentage of Revenues)

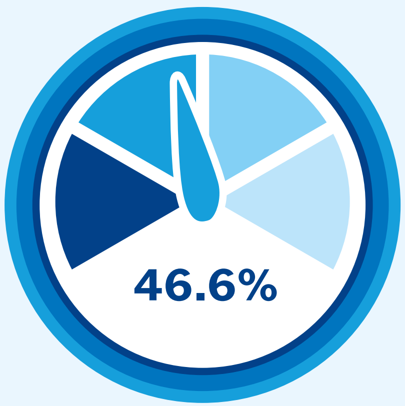
For every **€100 of Revenues** generated by Atlantia, total taxes of **€16.3** are paid, including **€7.6 in taxes borne** and **€8.7 in taxes collected**.



Total tax rate

(taxes borne as a percentage of profit before taxes borne)

The **total tax rate** provides a measure of the tax charge for all the taxes borne by Atlantia and calculated as a percentage of the taxes borne compared with profit before tax borne. For every **€100 of Atlantia's profit before taxes borne, taxes borne of €46.6** were paid.



People taxes per employee

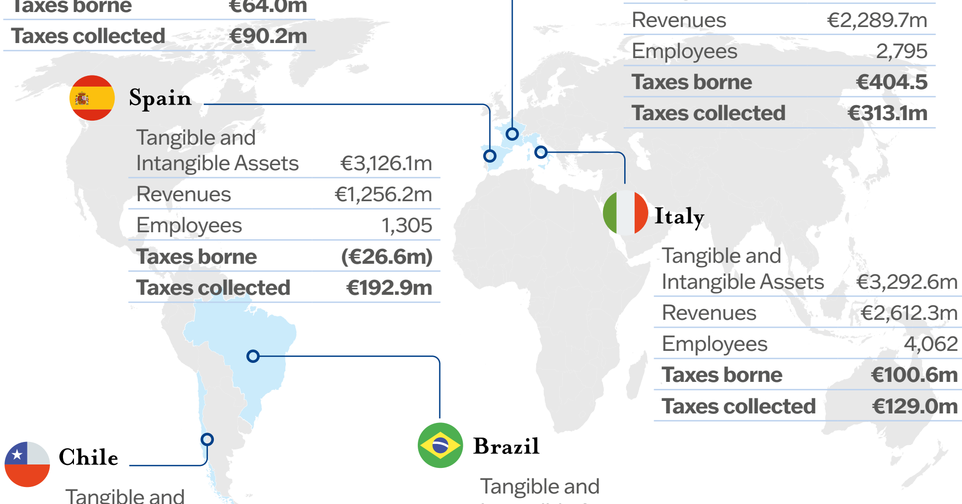
(in euros and per employee)

For every **person employed**, Atlantia paid **€15,835 in people taxes**, including **€8,180** in people taxes borne and **€7,655** in people taxes **collected**.

The Total Tax Contribution by geographical area

The Total Tax Contribution is primarily concentrated in **France, Spain, Italy, Brazil and Chile**, in line with the distribution of **Revenues, Employees** and **Tangible and Intangible Assets**[9].

These five countries, which account for a Total Tax Contribution of **€1,432.8 million**, equal to around **90%** of the Group's Total Tax Contribution, represent over 85% of the Group's Revenues, approximately **80% of total employees** and more than 70% of **Tangible and Intangible Assets**.



Rest of the world

Tangible and Intangible Assets	€8,838.3m
Revenues	€1,329.2m
Employees	4,447
Taxes borne	**€64.0m**
Taxes collected	**€90.2m**

France

Tangible and Intangible Assets	€10,740.0m
Revenues	€2,289.7m
Employees	2,795
Taxes borne	**€404.5**
Taxes collected	**€313.1m**

Spain

Tangible and Intangible Assets	€3,126.1m
Revenues	€1,256.2m
Employees	1,305
Taxes borne	**(€26.6m)**
Taxes collected	**€192.9m**

Italy

Tangible and Intangible Assets	€3,292.6m
Revenues	€2,612.3m
Employees	4,062
Taxes borne	**€100.6m**
Taxes collected	**€129.0m**

Chile

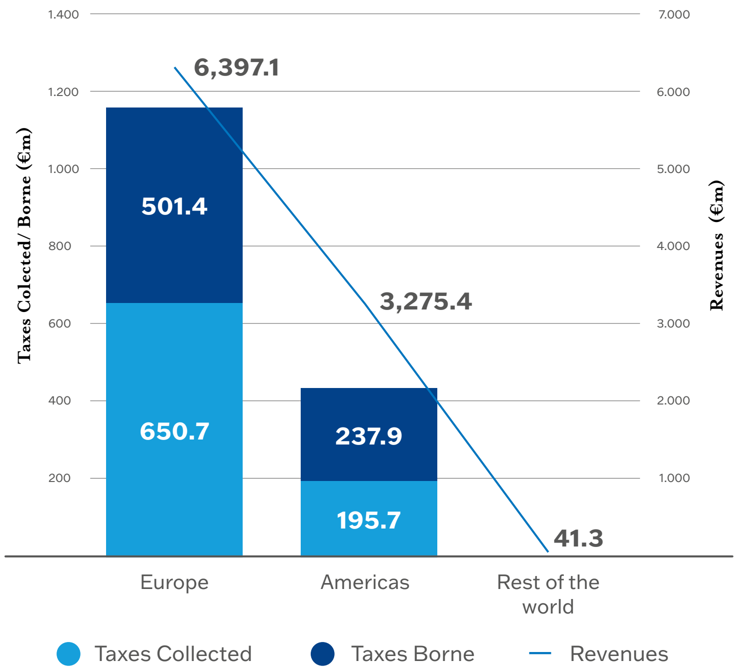
Tangible and Intangible Assets	€3,459.9m
Revenues	€1,169.0m
Employees	1,660
Taxes borne	**€69.0m**
Taxes collected	**€92.4m**

Brazil

Tangible and Intangible Assets	€1,889.0m
Revenues	€1,057.5m
Employees	6,125
Taxes borne	**€129.4m**
Taxes collected	**€29.5m**

A breakdown of the Total Tax Contribution by tax jurisdiction is provided in the Appendix.

In terms of geographical area, over **99%** of the Total Tax Contribution is concentrated in **Europe and the Americas**, in line with the distribution of **Revenues**.



We are committed in combining industrial objectives with the socio-economic development of territories and communities in which we operate. We believe that our tax policy must strongly embed these objectives

[9] For the purposes of this report, Tangible and Intangible Assets refer solely to Tangible Assets (as shown in section 3.3, Country-by-Country Reporting) and Intangible Assets deriving from motorway and airport concession rights.

3.3 Country-by-Country Reporting [10]

The following table[11] provides a breakdown of the Number of employees, Revenues, Profit/(Loss) Before Tax, Corporate Income Taxes paid and accrued by Group companies, and other financial statement items useful in illustrating the size of the Atlantia Group's operations in each jurisdiction in which it is present. The Glossary in the Appendix provides the definition of each item included in the table.

TAX JURISDICTION (€M, EXCEPT FOR THE NUMBER OF EMPLOYEES)	NUMBER OF EMPLOYEES	THIRD-PARTY REVENUES	REVENUES FROM INTERCOMPANY TRANSACTIONS WITH OTHER TAX JURISDICTIONS	PROFIT/ (LOSS) BEFORE TAX	TANGIBLE ASSETS	STATED CAPITAL	ACCUMULATED EARNINGS	CORPORATE INCOME TAX PAID	CORPORATE INCOME TAX ACCRUED	WAGES AND SALARIES
Albania	-	-	-	0.02	-	-	-	-	-	-
Argentina	1,864	267.1	-	25.7	15.4	181.6	(11.1)	3.3	3.0	39.6
Armenia	-	-	-	0.1	-	-	-	-	-	-
Brazil	6,125	1,057.5	-	167.1	34.2	4,208.0	(1,088.3)	44.8	60.4	35.1
Canada	7	0.9	0.4	0.1	-	0.3	0.8	-	-	0.5
Chile	1,660	1,168.9	0.1	487.9	32.7	1,390.4	736.2	58.6	78.2	30.2
Croatia	51	1.1	1.7	0.5	0.5	0.3	0.9	0.1	0.1	1.2
France	2,795	2,266.8	22.8	773.6	228.5	2,127.0	1,155.0	153.9	176.0	118.2
Georgia	-	-	-	(0.05)	-	-	-	-	-	-
Germany	1	-	-	-	-	-	-	-	-	-
India	56	32.4	1.3	10.0	1.0	63.6	(22.2)	0.1	1.0	1.3
Ireland	85	14.6	0.1	1.0	-	-	2.1	0.3	0.1	3.4
Italy[12]	4,062	2,585.9	26.4	568.3	195.6	6,314.2	9,011.4	21.4	(94.3)	172.4
Luxembourg	-	-	-	(0.2)	-	674.2	0.4	-	(0.01)	-
Mexico	1,458	514.5	-	106.9	7.0	1,576.4	255.2	9.3	12.5	10.6
Moldova	-	-	-	(0.01)	-	-	-	-	-	-
Netherlands	1	5.2	77.8	0.6	-	2.0	(16.6)	-	0.1	0.1
Poland	277	85.3	3.8	27.1	9.6	56.6	95.6	9.2	7.9	5.1
Puerto Rico	84	164.5	-	36.8	31.8	339.7	(46.7)	-	4.2	2.7
Portugal	28	2.4	-	0.01	0.2	0.1	-	-	-	0.6
Qatar	5	7.6	-	0.4	-	-	0.9	0.2	0.1	0.5
UK	311	43.8	1.5	4.1	2.1	0.2	15.0	1.1	0.9	8.5
Romania	-	-	-	0.1	-	-	0.1	-	-	-
Spain[13]	1,305	1,213.2	43.0	(1,143.1)	81.7	15,414.5	830.2	(107.1)	98.8	69.7
Switzerland	7	0.1	0.8	(0.2)	-	0.1	(0.6)	-	-	0.5
Tunisia	-	-	-	(0.01)	-	-	-	-	-	-
Hungary	11	0.4	0.4	-	0.2	-	0.4	-	-	0.2
USA	201	97.0	4.4	(22.7)	1.5	1,927.6	(41.0)	-	-	11.6
Total	**20,394**	**9,529**	**185**	**1,044**	**642**	**34,277**	**10,878**	**195**	**349**	**512**

[10] The figures in this report differ from those contained in the CbC reporting section of the Integrated Annual Report for 2021, in that the former do not include operating, financial and tax data for the Autostrade per l'Italia (ASPI) subgroup, reclassified to assets held for sale in the consolidated financial statements in accordance with IFRS 5. Further details on the scope of the report are provided in the Appendix.

[11] The amounts for Revenues, Profit/(Loss) Before Tax, Tangible Assets, Stated capital and Accumulated earnings are shown on an aggregated, unconsolidated basis, in line with the Country-by-Country Reporting criteria provided for in Action 13 of the OECD's BEPS project and GRI 207. The Appendix includes the reconciliation with the amounts presented in Atlantia's consolidated financial statements as at and for the year ended 31 December 2021.

[12] Income taxes accrued and paid in Italy are affected by the application of tax regulations, including: i) exemption of financial gains (participation exemption scheme) included in pre-tax profit for accounting purposes; ii) use by companies participating in Atlantia SpA's tax consolidation arrangement of tax losses and ACE tax relief for the year and for previous years, in accordance with group taxation mechanisms; iii) exemption of income from Covid-19 grants recognised in 2021 by Aeroporti di Roma SpA.

[13] Income tax paid in Spain is negative as a result of a refund received in 2021 from the Abertis subgroup, primarily relating to excess income tax paid in 2019 and 2020.

4. Tax Strategy and principles

4.1 Tax Strategy

The Tax Strategy sets out the goals and principles adopted by Atlantia in managing its own and the Group's taxation. It reflects the wish expressed by the **Board of Directors**, as the Company's management body, to ensure an approach to taxation based on compliance with tax legislation, transparency in relations with the tax authority and the control of tax risk through the latest available tools (the Tax Control Framework) provided by international *standard* setters (the OECD) and adopted by the tax authorities in most of the countries in which the Group operates.

The tax strategy forms part of the Company's corporate governance system, as it is directly based on the Group's Code of Ethics, applying the same disciplinary measures and sanctions in the event of breaches.

> *Paying the right amount of taxes represents the degree of respect and responsibility we have towards the jurisdictions in which we operate*

The footprint of Atlantia's Tax Strategy:

4.2 Tax principles

The Atlantia Group's Tax Strategy is grounded in the following **tax principles**, which reflect the core values on which the Group's commitment to sustainable tax management is based:

Values

In line with our sustainability strategy, the Group manages tax on the basis of the values of **honesty** and **integrity**.

Transparency

The Group engages in coopera-tive, transparent **relations** with the **tax authority**.

Legality

The Group's approach aims to ensure **compliance with the tax legislation** applicable in the countries in which we operate and **their interpretation** in such a way as to ensure responsible management of tax risk.

Shareholder value

The commitment to compliance with tax legislation leads the Group to pursue sustainable goals, with the primary interest of creating **shareholder value** over the medium to long term.

Tone at the top

The Board of Directors defines the Atlantia Group's **Tax Strategy** and oversees its applica-tion, conducting an annual assessment of its implementation through analysis and approval of the annual Tax Risk Management report.

To ensure effective implementation of the general principles outlined above, Atlantia's tax strategy applies the following **guidelines**:

Tax Compliance

- Focus on the correct application of local tax legislation in the countries in which the Group operates;
- The use of solid, reasonable interpretations, also following prior engagement with the relevant tax authority ("agree to disagree").

Tax management

Adoption of the Tax Control Framework (TCF), in line with the OECD guidelines adopted by tax authorities.

Tax Transparency

Cooperation with tax authorities to ensure accurate and timely disclosure.

Aggressive tax planning

An approach to taxation that excludes the use of artificial arrangements and tax havens where there is no real business purpose and with the sole aim of obtaining unlawful tax benefits in violation of the purposes and the spirit of tax legislation.

Economic Substance

Tax residence in countries in which economic activity effectively takes place, appropriately supported by the necessary organizational structures.

Application of the arm's length principle

Application of the arm's length principle to intercompany transactions, as defined by the OECD (Model Tax Convention and Transfer Pricing Guidelines).

Soft Controls

Assignment to Atlantia's Tax Affairs unit of responsibility for promoting a culture of tax compliance and the related values.

Whistleblowing

Full implementation of a global whistleblowing procedure, providing anonymous channels for the disclosure of any illegal or suspect behaviour, including with regard to tax, and the reporting of any breaches of tax legislation. In addition, Atlantia has established a specific committee to assess and handle whistleblowing disclosures.

4.3 Monitoring of Atlantia's Tax Strategy implementation

Atlantia has progressively implemented specific tools, with the aim of monitoring compliance with the key principles contained in the Tax Strategy. In particular, this regards the Strategy's expressed goal of refraining from aggressive tax planning and from the use of artificial arrangements or tax havens.

Atlantia has invested heavily in technology throughout the Group in order to adopt **advanced digital solutions**. In this way, the Parent Company's Tax Affairs unit is guaranteed control over the effective tax rates of overseas asset companies, in application of Italian laws governing controlled foreign companies - and with an eye on the future, of further requirements, such as those that will result from the OECD's Pillar 2 rules – and the ability to gather the Country-by-Country data required by domestic and international laws on transfer pricing. Critical analysis of the data and information obtained enables Tax Affairs to constantly monitor the localization of the Group entities. This ensures, where investment has taken place in a low-tax jurisdiction, that the related presence is solely linked to specific local business purposes (economic substance).

Tax compliance is building trust and credibility in the relationship with our stakeholders

5. Tax governance, control and risk management

5.1 Tax Governance

Atlantia has developed Group Tax Governance rules, defining the **roles and responsibilities** involved in managing the Company's and the Group's taxation and implementing appropriate monitoring tools to ensure ongoing compliance with our Tax Strategy's principles in the jurisdictions in which the Group operates.

Atlantia's **Board of Directors** has approved the Tax Governance Framework, thus ensuring that there is adequate commitment to promote a culture of tax compliance and the related values at all levels of the organisation.

The Tax Governance Framework implemented by Atlantia guarantees ongoing management of tax risk based on the **3 lines of defence model**.

The Tax Risk Officer, with the support of Tax Affairs, prepares an annual **Tax Control Framework Report**. This provides information on the control activities carried out. The report is presented to the Audit and Risk Committee and the Board of Directors, following prior validation by the Manager responsible for Financial Reporting.

The 3 lines of defence model

RISK OWNER (I LEVEL)
the **Tax unit** and other line functions involved in various ways in the TCF (risk owners) are responsible for first-level controls.

TAX RISK OFFICER (II LEVEL)
the **Tax Risk Officer** conducts second-level controls and is responsible for revising and monitoring the first-level controls implemented through the Tax Control Framework (TCF);

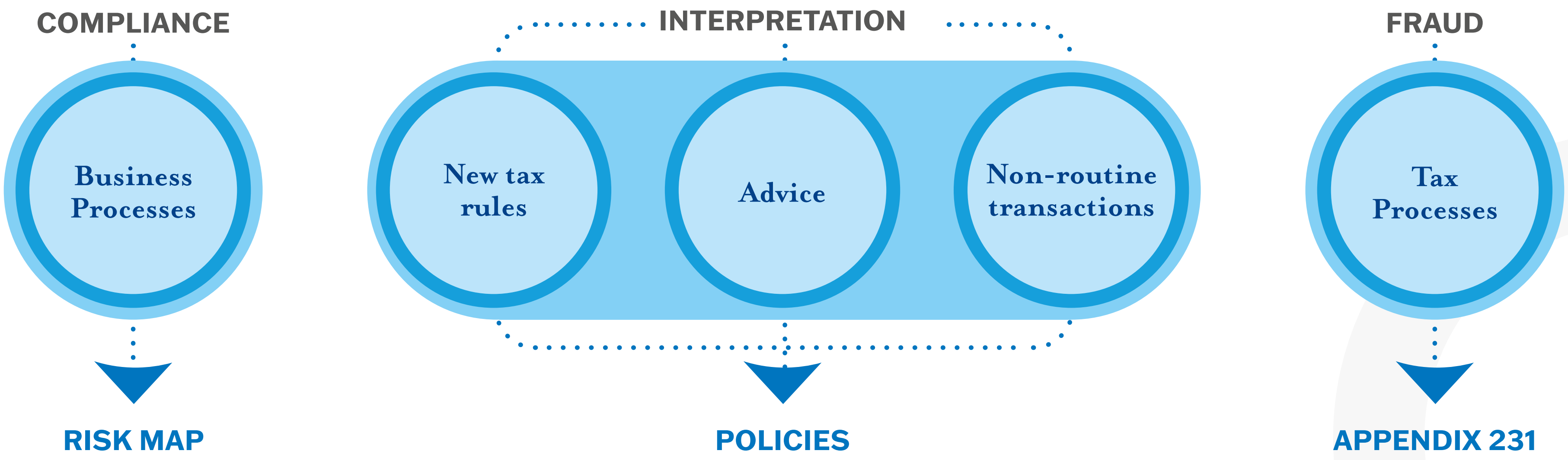
INTERNAL AUDIT (III LEVEL)
Internal Audit carries out third-level controls of the entire Internal Control and Risk Management System, including the TCF, including checks on line controls and second-level controls;

5.2 Tax control and risk management

The Tax Control Framework ensures the correct definition of the tax variable in terms of three aspects:

- **compliance** risk - with the aim of guaranteeing correct compliance with tax regulations - monitored through risk/control maps, in which tax risks are appropriately associated with business processes and activities designed to mitigate such risks, including related quantitative assessments. In defining compliance risk controls, Atlantia has invested in technology, adopting solutions for the digitalisation of tax processes, for the calculation of taxes and the preparation of key requirements, such as the application of the Controlled Foreign Companies (CFC) rule and the preparation of Country-by-Country Reports (CbCr), in order to obtain greater assurance of the accuracy of data relevant for the Company and the Group's tax compliance purposes in the different jurisdictions in which we operate. In addition, the Company has define and formally adopted internal policies and procedures, with specific regard to Transfer Pricing (TP) and Directive on Administrative Cooperation (DAC) 6, defining principles, guidelines and appropriate monitoring tool to mitigate the related tax risk.
- the risk relating to the **interpretation** of tax legislation – with the aim of pursuing well-founded, certain solutions - involving timely identification, correct measurement and control by a specific internal procedure that, depending on the magnitude of risk, ensures the identification of cases of tax uncertainty and provides mechanisms for internal decision-making escalation with regard to assumption of the related risks, for prior discussion with the tax authorities and for reporting to the Board of Directors in the form of the specific TCF Report. Atlantia has implemented a process for managing uncertain tax positions that involves a specific technological solution that tracks and traces tax decision-making, as well as keeping historical records of risk positions relating to individual years and the choices made by the Company.
- in the Italian context, the TCF has been further enhanced with measures to mitigate the risk of **tax fraud** by boosting interconnections with the Organisational, Management and Control Model, for the purposes of entities' liability for tax offences, as enshrined in Legislative Decree 231 of 2001.

Tax Risk



5.3 Relations with tax authorities

Under the Tax Strategy, in all the jurisdictions in which we are present, the Group operates in accordance with the values of **honesty** and **integrity**, in **compliance** with tax legislation and **transparency** in relations with tax authorities.

In the countries in which we are present, Atlantia promotes adherence to **cooperative compliance schemes**, where provided for. Atlantia and its main Italian Asset Companies are already cooperating and engaging in transparent dialogue with the tax authorities, in order to establish certainty with regard to particularly complex tax arrangements.

In Spain, on the other hand, the Abertis group is part of the *Código de Buenas Prácticas Tributarias* regime, which contains recommendations agreed between the Spanish tax authorities and the Forum of Large Enterprises in the field of tax management.

6. Appendix

The Total Tax Contribution by tax jurisdiction

TAX JURISDICTION (€M)	TAX BORNE					TAX COLLECTED				TOTAL TAX CONTRIBUTION
	PROFIT TAXES	PEOPLE TAXES	PRODUCT TAXES	OTHER TAXES	TOTAL	PEOPLE TAXES	PRODUCT TAXES	OTHER TAXES	TOTAL	
Europe	**81.3**	**135.7**	**225.9**	**58.5**	**501.4**	**128.7**	**494.4**	**27.5**	**650.7**	**1,152.0**
France	155.9	60.8	167.6	20.2	404.5	37.0	276.0	0.1	313.1	717.7
Spain	(106.7)	19.1	31.3	29.6	(26.6)	24.5	163.8	4.6	192.9	166.3
Italy	21.2	53.0	18.5	8.0	100.6	62.0	44.2	22.8	129.0	229.5
Poland	9.2	1.0	-	0.6	10.8	1.7	10.4	-	12.1	22.9
UK	1.1	0.7	4.9	-	6.7	1.4	-	-	1.4	8.1
Ireland	0.5	-	3.3	-	3.8	1.8	0.1	-	1.9	5.8
Other	0.1	1.0	0.3	0.1	1.5	0.3	0.1	-	0.3	1.8
Americas	**128.2**	**31.1**	**73.0**	**5.5**	**237.9**	**26.8**	**165.5**	**3.4**	**195.7**	**433.6**
Brazil	57.2	19.7	52.5	0.1	129.4	10.3	19.1	0.1	29.5	158.9
Chile	58.4	1.4	5.8	2.4	68.0	3.6	86.8	2.0	92.4	160.4
Mexico	9.3	2.1	(3.5)	0.3	8.2	5.7	54.9	-	60.6	68.7
Argentina	3.3	6.9	18.0	1.6	29.8	5.7	4.6	1.1	11.4	41.2
Other	-	1.0	0.3	1.2	2.5	1.7	-	0.2	1.8	4.3
Asia	**-**	**0.1**	**0.6**	**-**	**0.7**	**0.6**	**0.1**	**-**	**0.7**	**1.4**
Total	**209.5**	**166.8**	**299.5**	**64.1**	**740.0**	**156.1**	**660.0**	**30.9**	**847.0**	**1,587.0**

Reconciliations with the consolidated financial statements for 2021

The reconciliation of amounts included in this document with the same information presented in Atlantia's consolidated financial statements as at and for the year ended 31 December 2021 is provided below.

This is necessary in view of the different reporting principles and standards used in (i) Country-by-Country Reporting (section 3.3), presented on the basis of the CbCR reporting criteria provided for in Action 13 of the OECD's BEPS project, and (ii) Atlantia's consolidated financial statements, prepared under the relevant IFRS.

ITEM (€M)	TAX TRANSPARENCY REPORT (TTR)	CONSOLIDATED FINANCIAL STATEMENTS	DIFFERENCE
Third-party revenue	9,529	7,116	2,413
Profit/(Loss) before tax	1,044	**(1,018)**	2,062
Tangible assets	642	648	(6)
Corporate income taxes paid	195	198	(3)
Corporate income taxes accrued	349	361	(12)

Third-party revenues

ITEM	AMOUNTS (€M)
Third-party revenues (Tax Transparency Report (TTR))	**9,529**
Gain on the sale of Telepass	(1,042)
Financial income	(1,024)
Foreign exchange gains before losses	(166)
Use of provisions for construction services required by contract	(31)
Gains on sale of tangible assets	(3)
Other consolidation adjustments	(147)
Revenues (consolidated financial statements)	**7,116**

The difference between "Revenues" in the consolidated financial statements and "Third-party revenues" in this document is due to the following:

(i) the gain on Atlantia SpA's sale of a 49% stake in Telepass (€1,042 million): in accordance with IFRS, this amount was recognised directly in equity in the consolidated financial statements;

(ii) financial income (€1,024 million), foreign exchange gains before losses (€166 million), the use of provisions for construction services required by contract (€31 million) and gains on the sale of tangible assets (€3 million): these amounts, included in revenues under the CbCR reporting criteria provided for in Action 13 of the OECD's BEPS project, are, in accordance with IFRS, recognised in income statement items other than revenues in the consolidated financial statements;

(iii) other consolidation adjustments (€147 million) applied in accordance with the relevant IFRS.

Profit/(Loss) before tax

ITEM	AMOUNTS (€M)
Profit/(Loss) before tax (Tax Transparency Report (TTR))	**1,070**
Gain on the sale of Telepass	(1,042)
Consolidation adjustments	(1,020)
Profit/(loss) before tax from continuing operations (consolidated financial statements)	**(1,018)**

The difference between "Profit/(Loss) before tax from continuing operations" in the consolidated financial statements and "Profit/(Loss) before tax" in this document is due to the following:

(i) the gain on Atlantia SpA's sale of a 49% stake in Telepass (€1,042 million): in accordance with IFRS, this amount was recognised directly in equity in the consolidated financial statements;

(ii) consolidation adjustments (€1,020 million) applied in accordance with the relevant IFRS. These adjustments primarily refer to the effects of changes in value resulting from impairment tests and the ensuing changes to amortisation, in addition to purchase price allocation adjustments.

Tangible assets

The slight difference between "Property, plant and equipment" in the consolidated financial statements and "Tangible assets" in this document is due to minor adjustments (€6 million) applied in accordance with the relevant IFRS.

Corporate income taxes accrued

ITEM	AMOUNTS (€M)
Corporate income taxes accrued (Tax Transparency Report (TTR))	**349**
Tax on the gain on the sale of Telepass	(8)
Taxes on dividends	20
Current income tax expense (consolidated financial statements)	**361**

The difference between "Current income tax expense" in the consolidated financial statements and "Corporate income taxes accrued" in this document is due to the following:

(i) tax on the taxable gain on Atlantia SpA's sale of a 49% stake in Telepass (€8 million): in accordance with IFRS, this amount was recognised directly in equity in the consolidated financial statements;

(ii) taxes on dividends (€20 million): in line with the CbCR reporting criteria provided for in Action 13 of the OECD's BEPS project, these taxes are excluded from corporate income taxes accrued in this document.

Corporate income taxes paid

The difference between "Corporate income taxes paid" in this report (€195 million) and "Income taxes paid/(refunded)" in the statement of cash flows in the consolidated financial statements is primarily due to the different method of recognizing the amount: the first is recognised on the basis of the CbCR reporting criteria provided for in Action 13 of the OECD's BEPS project, whilst the second is based on the indirect method provide for in the relevant IFRS.

Other tax information

In the consolidated financial statements as at and for the year ended 31 December 2021, Atlantia recognised current tax expense of **€361 million** and total tax benefits of **€474 million.** The following table shows the reconciliation of these items and amounts based on statutory rates of taxation[14].

ITEM	AMOUNTS (€M)
Profit/(Loss) before tax from continuing operations (consolidated financial statements)	(1.018)
IRES at the statutory rate	**244**
IRAP [15]	(7)
Current tax benefit from tax losses	12
Untaxed income [16]	(53)
Impairment losses on investments not deducted	3
Changes in overseas tax rates	(62)
Non-taxable dividends	(32)
Change in other temporary differences	36
Write-downs (Revaluations)	(407)
Depreciation IFRS 3	(87)
Other permanent differences	(8)
Total current tax expense [17]	**(361)**
Differences on income tax for previous years	**1**
Deferred tax income	227
Deferred tax expense	607
Deferred tax income/(expense) [18]	**834**
Total tax benefits/(expense) (recognised in the consolidated income statement)	**474**

[14] Taxes applying statutory rates are calculated (in line with the applicable accounting standards) applying Atlantia SpA's nominal rate (equal to 24%) to the profit or loss before tax from continuing operations, as reported in Atlantia's consolidated financial statements.
[15] The rate of IRAP applied to the profit or loss before tax (equal to 0.7%) is below the nominal rate for IRAP (equal to 3.9%), given that this tax is only payable by the Italian entities in scope, whilst the profit or loss before tax from continuing operations (consolidated financial statements) is the result of the contributions of all the entities in scope, whether Italian or overseas.
[16] This amount primarily refers to the exemption of income from Covid-19 grants recognised in 2021 by Aeroporti di Roma SpA.
[17] Current tax expense consists of the following items: i) income taxes paid by overseas companies (€478 million), ii) IRES (a benefit of €112 million), IRAP (an expense of €7 million), the current tax benefit from tax losses (a benefit of €12 million).
[18] The value of deferred tax income/(expense) (€834 million) differs from the increase in deferred tax assets and liabilities recognised through profit or loss (€541 million), primarily due to: (i) reclassification of the ASPI group's contribution to assets held for sale (-€335 million); and (ii) other movements in deferred tax assets and liabilities that have an impact on equity and not profit or loss (+€42 million).

Other Information

Subsidiaries:

- **Netherlands**. through the company Abertis Infraestructuras Finance B.V., incorporated in November 2004 (Atlantia Group acquired Abertis in 2018). The company, which carries out financial activities for the Abertis subgroup, placed bonds for EUR 1,250 million in 2020 and EUR 750 million in 2021. The localization in a country with a highly dynamic financial market such as the Netherlands allows the Group easier access to the capital market and more efficient management of bond issues.
- **Luxembourg**. through Aero I Global & International S.à.r.l ("Aero I"), acquired by Atlantia SpA in March 2018, which is the Luxembourg-registered investment vehicle that holds a 15.49% interest (and 26.64% of the voting rights) in Getlink SE, company tax resident in France, listed on the Euronext Paris market, that holds the concession to operate the undersea link between France and the United Kingdom (formerly Groupe Eurotunnel SE).
- **Puerto Rico**, through entities of the Abertis subgroup, which are mainly involved in the concession operation of toll roads. Abertis represents one of the main local market players in Puerto Rico.
- **Ireland** through entities of the Abertis subgroup, which were in charge of the management of the barrier-free toll system "free-flow" road M-50 west of Dublin until August 2021. As of today, only a minor operating contract is still in place.
- **Hungary** through an entity of the Abertis subgroup that provides tolling technology solutions serving the local market in central Europe and the Balkans.
- **Qatar**, through a branch of the Abertis subgroup focused on tolling technology solutions. In 2020, the local branch was awarded the contract to develop and manage an urban tolling solution for the Doha Expressway
- **Switzerland**, through an entity of the Telepass subgroup focuses on the development of software and technology applications that can be used in the transport and urban mobility sector. In Switzerland there is the platform on which the application is based, but the service is only aimed at consumers in Italy.

The Group's Uncertain Tax Positions (UTPs)

Consistent with the information already included in the Integrated Annual Report and in application of IFRIC 23, no uncertain tax positions were recognized in 2021 in the accounting for income taxes.

Related party transactions – Tax refund

Autostrade per l'Italia's receivable from Sintonia, indicated in the consolidated financial statements FY 2020 (€8m), is related to the CIT refund claim filed by the parent company (i.e. Sintonia). During 2021, this position was extinguished with the reimbursement of the entire amount.

The Atlantia Group's investments as at 31 December 2021 and their tax jurisdictions

With reference to the Group entities listed in the Country-by-Country Report, registered office and fiscal residence are located in the same jurisdiction where the business is actually carried on (see the section "Tax transparency" and Annex 1 "The Atlantia Group's scope of consolidation and investments as at 31 December 2021" in the Integrated Annual Report for 2021.

Detail of non-current assets as at 31 December 2021

NON-CURRENT ASSETS	€ M
Europe	**31,016**
France	13,200
Spain	11,147
Italy	5,716
Germany	813
Poland	136
UK	2
Switzerland	1
Croatia	1
Americas	**15,456**
Mexico	5,658
Chile	4,270
USA	2,119
Brazil	2,087
Puerto Rico	1,306
Argentina	15
Colombia	1
Asia	**128**
India	128
Other	**1**
Total	**46,601**

Key assumptions

Entities in scope: the scope used in this report includes all the entities consolidated on a line-by-line or proportional basis in Atlantia's consolidated financial statements, in accordance with the relevant IFRS. Entities reclassified for this purpose as held for sale in accordance with IFRS 5 (i.e., entities in the Autostrade per l'Italia-ASPI subgroup) are excluded. Annex 1, "The Atlantia Group's scope of consolidation and investments as at 31 December 2021 in the Annual Report for 2021", provides information in the names of entities, their main activities and the relevant tax jurisdiction. In this regard, the Group's entities are incorporated in the jurisdictions in which they conduct their actual business, and their tax residence is always the same as their location, with neither the former nor the latter being guided by considerations regarding tax.

Currency and roundings: this document has been prepared in euros. Unless otherwise stated, amounts are rounded to the first decimal place. As a result, the sum of rounded amounts may not coincide with the rounded total.

Glossary

Country-by-Country data

Accumulated earnings: earnings generated by entities in scope in previous years and in the reporting period, net of any dividends paid and any reductions due, for example, to losses or capital decreases.

Corporate income taxes accrued: corporate income taxes accrued by entities in scope on the basis of taxable income for the annual reporting period. They do not include deferred tax assets and liabilities or any provisions for uncertain tax liabilities.

Corporate income taxes paid: corporate income taxes paid (in accordance with the cash basis of accounting) by entities in scope at the end of the annual reporting period, regardless of the tax period to which such taxes relate.

Corporate income taxes paid include taxes paid to both home jurisdiction and to other jurisdictions (for example, withholding taxes incurred in other tax jurisdictions). They do not include taxes paid on dividends received from other entities in scope. Income tax refunds received during the annual reporting period are deducted from the amount effectively paid regardless of the tax period to which such refunds relate.

Intangible assets deriving from concession rights: the net intangible assets deriving from concession rights of entities in scope at the end of the annual reporting period.

Intercompany revenues from other tax jurisdictions: revenues earned by entities in scope from entities in scope resident in other tax jurisdictions during the annual reporting period.

Number of employees: the number of people employed by entities in scope, calculated on a Full Time Equivalent (FTE) basis.

Profit/(Loss) before tax: profit/(loss) before tax generated by entities in scope during the annual reporting period. In line with the definition of "Third-party revenues" and "Intercompany revenues from other tax jurisdictions", in addition to profits and losses from ordinary activities, profit(loss) before tax includes extraordinary and financial income and expenses. It does not, however, include dividends received from entities in scope.

Revenues: the sum of "Third-party revenues" and "Intercompany revenues from other tax jurisdictions".

In addition to revenues from ordinary activities, "Third-party revenues" and "Intercompany revenues from other tax jurisdictions" include extraordinary and financial income. It does not, however, include dividends received from entities in scope.

Stated capital: the stated capital of entities in scope at the end of the annual reporting period.

Tangible and Intangible Assets: the sum of "Tangible assets" and "Intangible assets deriving from concession rights". These assets do not include intangible assets other than concession rights.

Tangible assets (Tangible assets other than cash and cash equivalents): the net tangible assets of entities in scope at the end of the annual reporting period. These assets do not include cash or cash equivalents, or intangible or financial assets.

Third-party revenues (Revenues from transactions with third parties): revenues earned by entities in scope from third-party entities during the annual reporting period.

Wages and salaries: wages and salaries paid by entities in scope during the annual reporting period. Wages and salaries do not include social security contributions payable by the entities.

TTC data[19]

Taxes borne: taxes that represent a cost for Atlantia and are paid by the Group entities to the governments of the various tax jurisdictions.

Taxes collected: taxes collected from other parties by Atlantia on behalf of governments and paid by Group entities to the governments of the various tax jurisdictions.

Total Tax Contribution (TTC): the sum of "Taxes borne" and "Taxes collected".

Categories of tax

Other Taxes: taxes not included in the previous categories. These taxes may be borne or collected.

Profit Taxes: corporate income taxes (including withholding taxes).

People Taxes: labour taxes and social security contributions. These taxes may be both borne (payable by Atlantia as an employer – e.g., social security contributions, health insurance/pension/disability contributions) and collected (payable by the employee - e.g., personal income tax or social security contributions – but collected by Atlantia as an employer).

Product Taxes: indirect taxes on the production, sale or use/consumption of goods and services (e.g., value added tax or VAT, excise or customs duties). These taxes may be both borne (e.g., irrecoverable VAT) and collected (e.g., net VAT payable).

Indicators

People taxes per employee: the ratio of people taxes to the number of employees. This indicates the amount of taxes, both borne and collected, paid by the Group for each employee.

Total Tax Contribution (TTC as a percentage of revenues): the ratio of the Total Tax Contribution to revenues. This indicates the share of revenues used by the Group to pay taxes borne and collected.

Total tax rate (taxes borne as a percentage of profit before taxes borne): the ratio of taxes borne to profit before such taxes (profit before taxes borne). This indicates the share of profit before taxes borne used to pay taxes representing a cost for the Group.

[19] Data for "Taxes borne" and "Taxes collected" include amounts regarding the payment of related fines and interest.