Atlantia

Interim Report

for the six months
ended 30 June 2021

Atlantia

Interim Report for the six months ended 30 June 2021

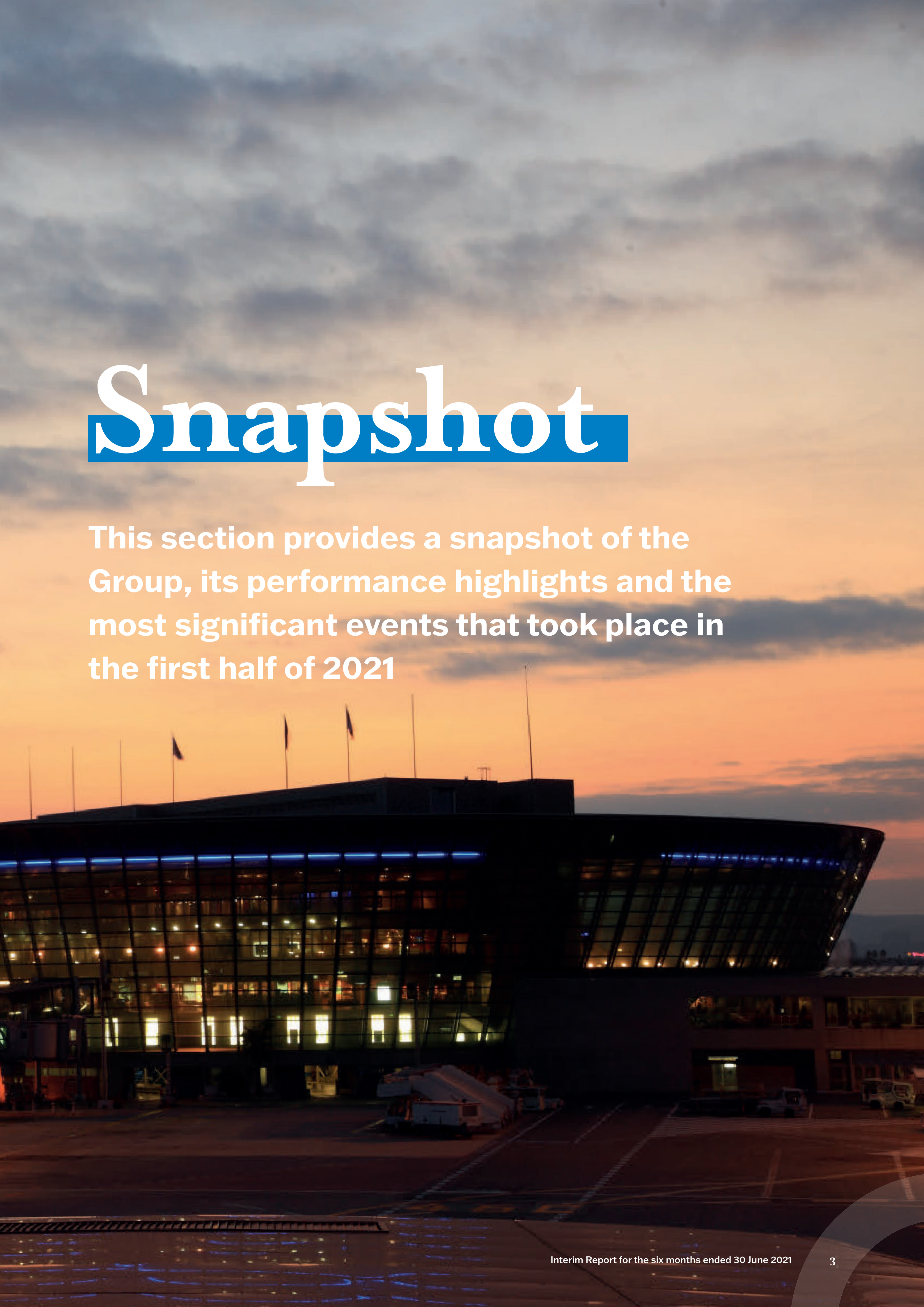
Indice

Interim report on operations

Indications for consultation of the notes in the document.

The notes found in the text are numbered progressively for each section. The notes in the charts, text boxes and tables are numbered separately.


AIR FRANCE



Snapshot

This section provides a snapshot of the Group, its performance highlights and the most significant events that took place in the first half of 2021

Atlantia

Corporate bodies

Board of Directors - in office the period 2019-2021

POSITION	INDEPENDENT	NAME
Chairman		**Fabio Cerchiai**
Chief Executive Officer		**Carlo Bertazzo** [1]
Director	■	**Andrea Boitani**
Director	■	**Riccardo Bruno**
Director	■	**Cristina De Benetti**
Director	■	**Dario Frigerio**
Director	■	**Gioia Ghezzi**
Director	■	**Giuseppe Guizzi**
Director	■	**Anna Chiara Invernizzi**
Director	■	**Carlo Malacarne**
Director		**Valentina Martinelli**
Director	■	**Lucia Morselli**
Director	■	**Ferdinando Nelli Feroci**
Director	■	**Licia Soncini**
Director	■	**Nicola Verdicchio** [2]
Secretary		**Claudia Ricchetti**

■ Independent

1 - Appointed Chief Executive Officer by the Board of Directors on 13 January 2020, he also assumed the role of General Manager from 1 March 2020.

2 - Elected by the Annual General Meeting of shareholders held on 28 April 2021 to replace Sabrina Benetton, who resigned from the Board on 13 March 2021.

Audit, Risk and Corporate Governance Committee

POSITION	NAME
Chairwoman	**Cristina De Benetti**
Member	**Andrea Boitani**
Member	**Dario Frigerio**
Members	**Lucia Morselli**

Nominations, Remuneration and Human Capital Committee [3]

POSITION	NAME
Chairman	**Riccardo Bruno**
Member	**Andrea Boitani**
Member	**Giuseppe Guizzi**
Member	**Anna Chiara Invernizzi**
Member	**Carlo Malacarne**

Sustainability Committee [4]

POSITION	NAME
Chairwoman	**Gioia Ghezzi**
Member	**Lucia Morselli**
Member	**Ferdinando Nelli Feroci**
Member	**Licia Soncini**

3 - On 18 February 2021, Atlantia's Board of Directors revised the terms of reference of existing Board Committees, creating a single committee to take over the roles of the Nominations Committee and the Human Resources and Remuneration Committee.

4 - Created by the Board of Directors on 18 February 2021.

Committee of Independent Directors with responsibility for Related Party Transactions

POSITION	NAME
Chairman	**Dario Frigerio**
Member	**Riccardo Bruno**
Member	**Carlo Malacarne**

Board of Statutory Auditors - in office for the period 2021-2023

POSITION	NAME
Chairman	**Roberto Ruggero Capone**
Standing Auditor	**Angelo Rocco Bonissoni**
Standing Auditor	**Maura Campra**
Standing Auditor	**Sonia Ferrero**
Standing Auditor	**Lelio Fornabaio**
Alternate Auditor	**Mario Civetta**
Alternate Auditor	**Francesco Fallacara**

Supervisory Board [5] - in office from 1 July 2021 to 30 June 2024

POSITION	EXTERNAL	NAME
Coordinatore	■	**Attilio Befera**
Member		**Claudia Ricchetti** *(General Counsel)*
Member		**Sonia Ferrero** *(Standing Auditor)*

■ External

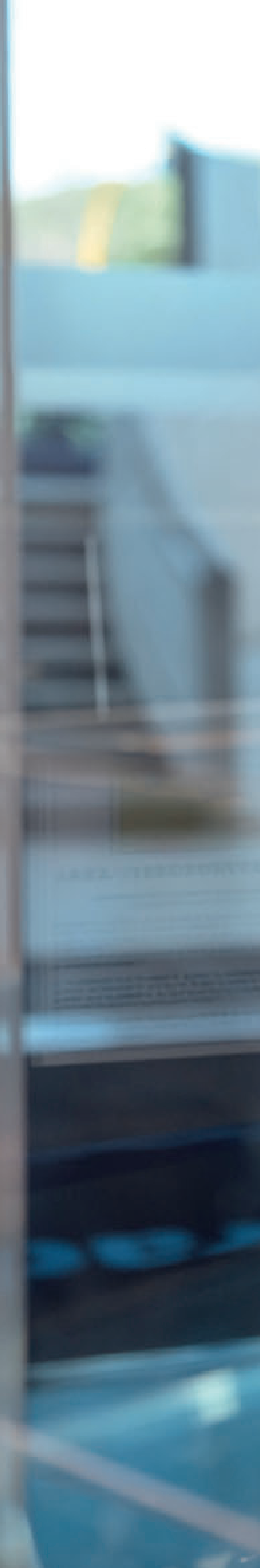
Independent Auditor - for the period 2021-2029 [6]

KPMG S.p.A.

5 - Appointed by the Board of Directors on 10 June 2021.

6 - Engagement to conduct the statutory audit of the Company's accounts, approved by the General Meeting of Atlantia's shareholders held on 29 May 2020.

01. First half of 2021



FIRST HALF OF 2021

1.1 Group highlights

Atlantia is a strategic investment holding company, managing motorway and airport infrastructure under concession and providing mobility services.

Key highlights *

50
concessions in 11 countries

~9,800 km
of toll motorway

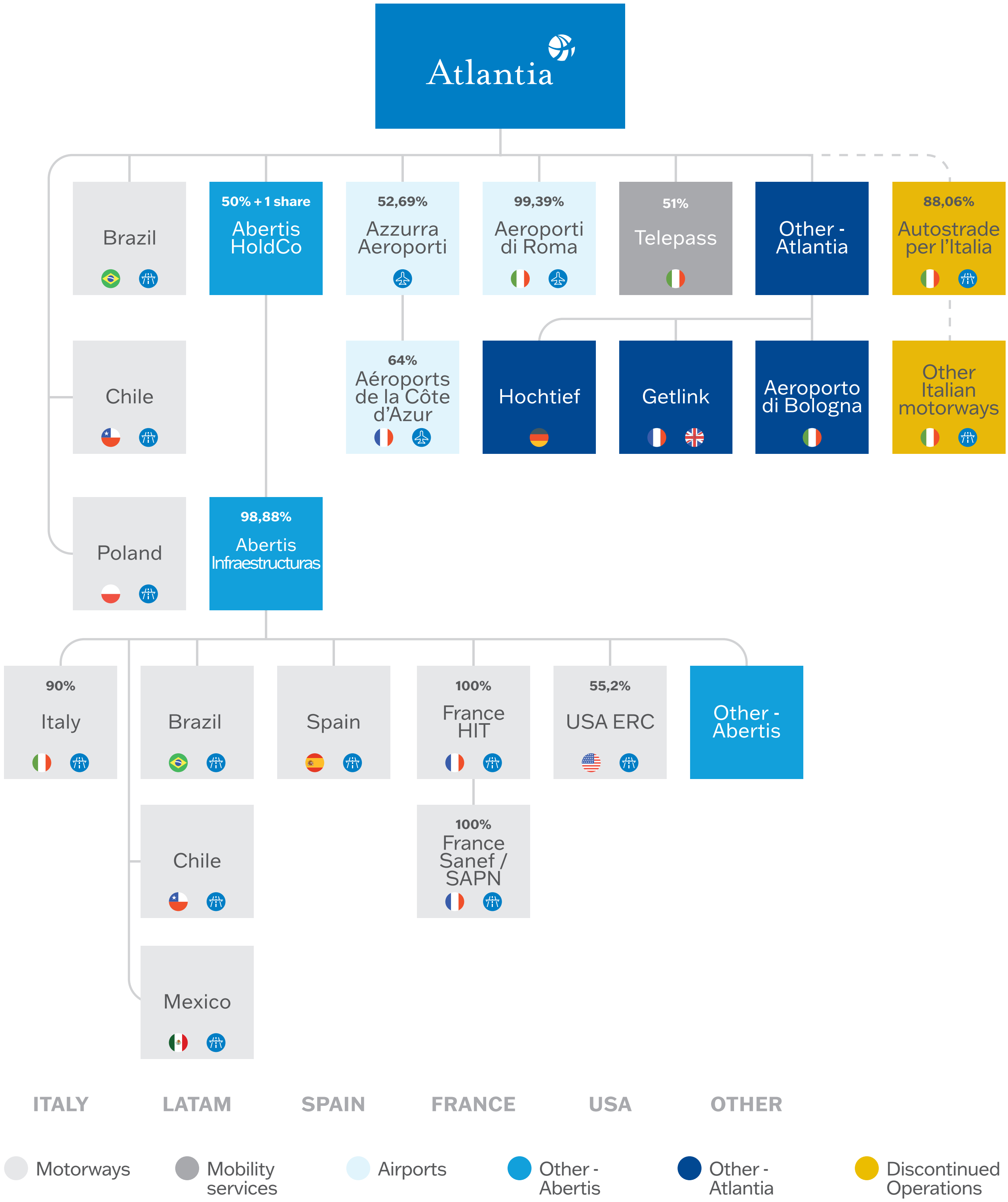
5 airports
managed

24 countries
with tolling services

~21,000
employees

* Figures after stripping out the contribution of the Autostrade per l'Italia group, after Atlantia agreed to sell its entire stake in June of this year.

Simplified structure of the Atlantia Group



Given that fact that Autostrade per l'Italia and its subsidiaries are now presented as discontinued operations in accordance with IFRS 5, following the agreement reached by Atlantia with the CDP Consortium in June 2021 that will result in the sale of the Company's entire stake in Autostrade per l'Italia, the Atlantia Group is organised into 5 principal operating segments (Abertis group; Other overseas motorways; Aeroporti di Roma group; Aéroports de la Côte d'Azur group; Telepass group).

Atlantia around the world

Italy

236
km

2
airports

Spain

1,105
km

France

1,769
km

3
airports

Poland

61
km

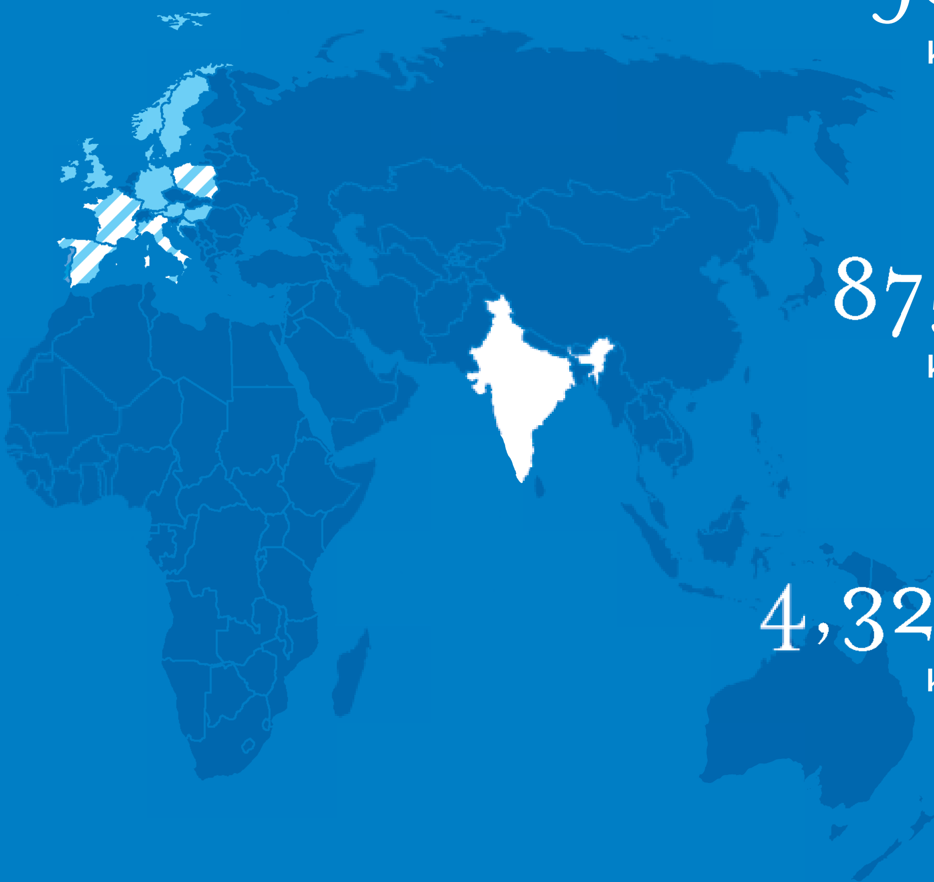
India

152
km

Motorway/airport concessions

Tolling services

Motorway/airport concessionsand tolling services



12 km — USA

90 km — Puerto Rico

875 km — Mexico

4,321 km — Brazil

1,100 km — Chile

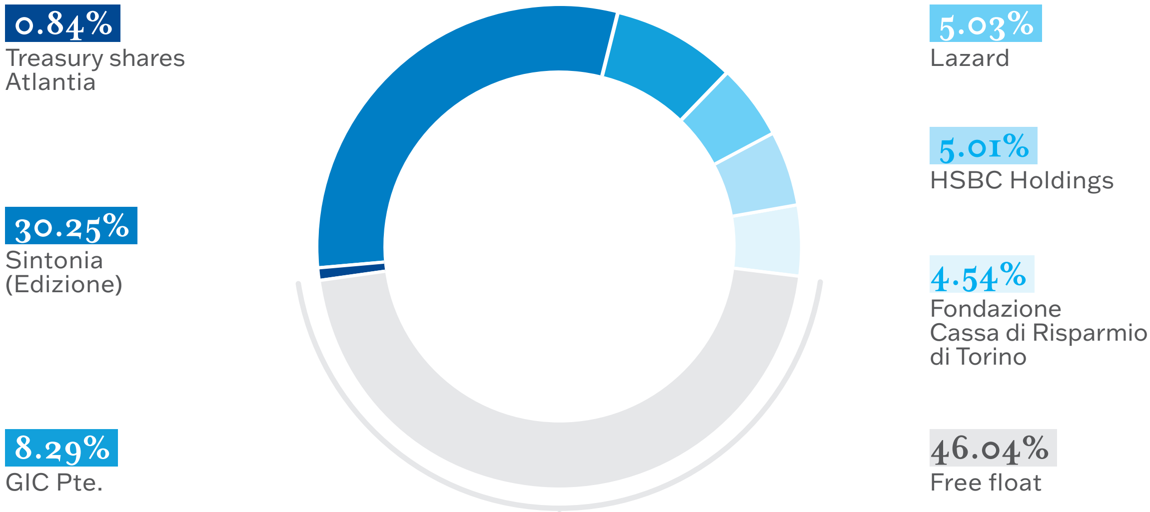
175 km — Argentina

Ownership structure

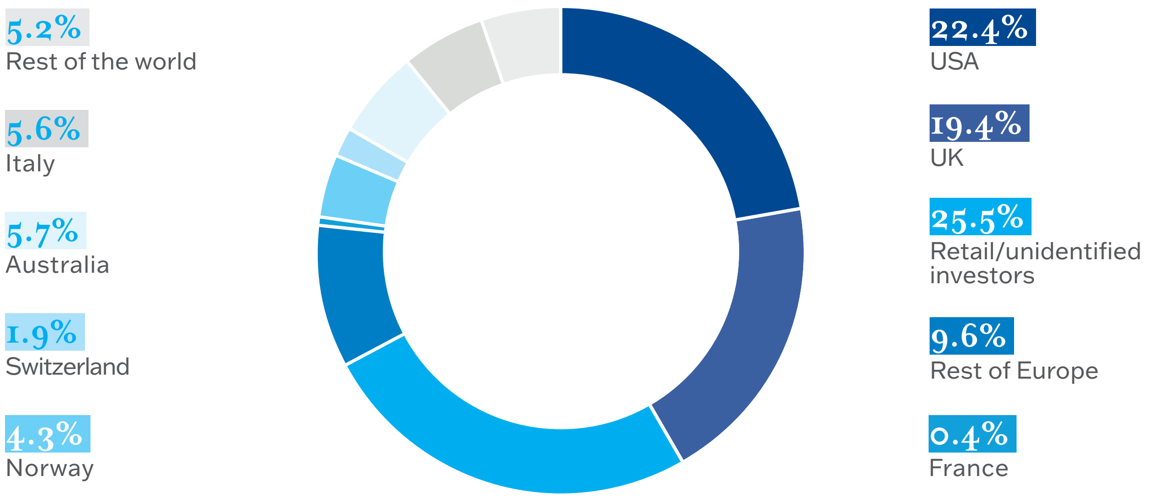
Atlantia SpA, listed on the screen-based trading system (*Mercato Telematico Azionario*) organised and managed by Borsa Italiana SpA, is one of the leading constituents of the FTSE MIB index, with approximately 40,000 retail and institutional shareholders. Atlantia's owners include around 11,000 employees (7,800 of whom employed by the Autostrade per l'Italia group) who participated in the free share scheme offered in November 2020.

The Company's free float, accounting for 46% of its shares, is held by leading international investment funds, insurance companies, pension funds and ethical funds. After excluding retail or unidentified investors, the free float is 5.6% held by Italian institutions and 68.9% held by international institutions as at 30 June 2021.

Atlantia's ownership structure [1]



Geographical breakdown of the free float [2]

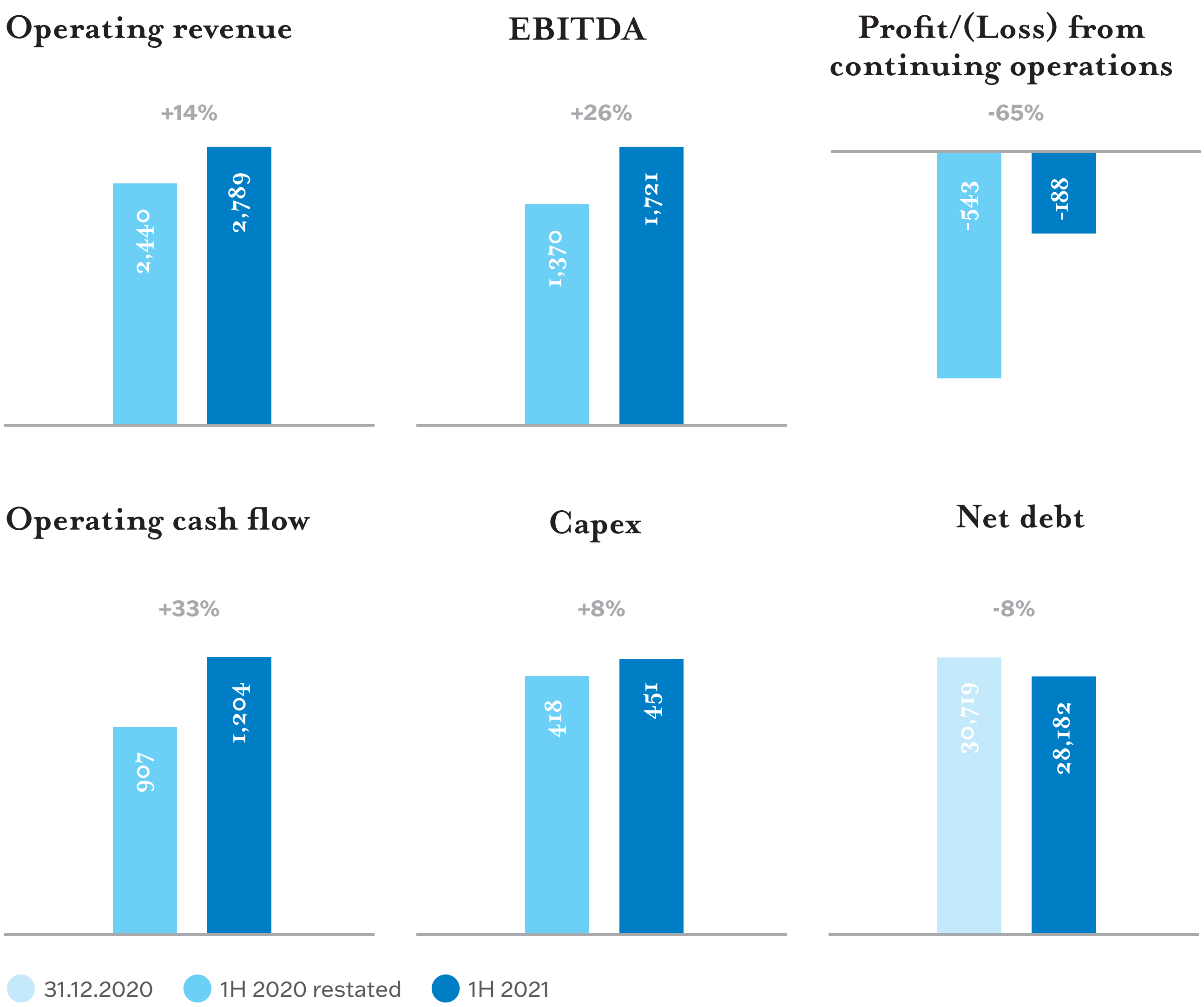


1 - Source: CONSOB, figures at 30 June 2021

2 - Source: Nasdaq, figures at 30 June 2021

Financial highlights

Consolidated financial highlights for H1 2021
(after stripping out the Autostrade per l'Italia group's contribution)



As of the results for the six months ended 30 June 2021, the Autostrade per l'Italia group is accounted for in "Discontinued operations", in line with the requirements of IFRS 5.

Operating revenue and EBITDA for the first half of 2021 have benefitted from a 21.2% upturn in motorway traffic compared with the first half of 2020 and the contribution from the Group's Mexican operators (RCO), partially offset by falls in the value of South American currencies against the euro.

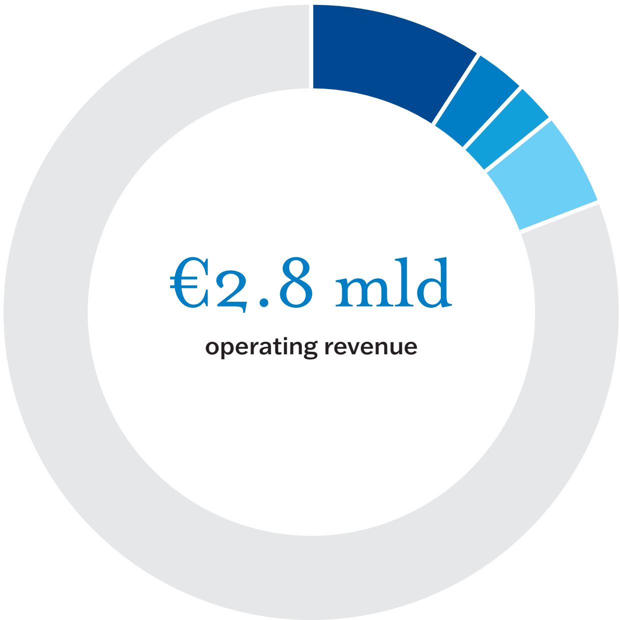
Profit/(Loss) from continuing operations is up, reflecting the improvement in EBITDA and impairment losses recognised in the first half of 2020.

Net debt is down €2.5 billion, primarily following collection of the proceeds from the sale of the 49% stake in Telepass, totalling €1.1 billion. The first also saw the issue of the second tranche of Abertis's hybrid bonds, amounting to €0.7 billion, and a positive performance from operating cash flow after capital expenditure, resulting in an inflow of €0.8 billion.

The Group is currently organised into business segments focusing on the development, operation and maintenance of motorway and airport infrastructure and digital integrated mobility services.

As noted above, following the presentation of the Autostrade per l'Italia group in discontinued operations, this group does not contribute to the Atlantia Group's operating revenue for the first half of 2021.

Contribution of operating segments to revenue in H1 2021



The impact of each operating segment on the Group's key performance indicators in H1 2021 (€m)

OPERATING SEGMENT	OPERATING REVENUE	EBITDA	OPERATING CASH FLOW	CAPEX	NET DEBT
Abertis group	2,260	1,554	1,000	216	22,984
Other overseas motorways	254	181	173	50	-780
Aeroporti di Roma group	93	-32	-21	95	1,605
Aéroports de la Cote d'Azur group	61	8	16	19	981
Telepass group	122	48	41	53	860
Atlantia, other activities, consolidation adjustments	-1	-38	-5	18	2,532
Sub-total operating segments	2,789	1,721	1,204	451	28,182
Discontinued Operations Autostrade per l'Italia group	-	-	215	376	8,750
Group total	**2,789**	**1,721**	**1,419**	**827**	**36,932**

A detailed review of the performances of each operating segment is provided in section 3.2, "Financial review by operating segment".


SELF CHECK-IN
Ethiopian
AEROFLOT
norwegian
EGYPTAIR
Aeroporti di Roma

Business by segment

Following signature of the agreement to sell Atlantia's entire stake in Autostrade per l'Italia to the CDP Consortium in June 2021, in accordance with IFRS 5, the Autostrade per l'Italia group is classified in discontinued operations in the interim accounts for the six months ended 30 June 2021, as it is in the comparative income statement for the first half of 2020.

As a result, unlike the situation presented in the Integrated Annual Report for 2020, the operating segments reviewed in this document no longer include the Autostrade per l'Italia group.

Motorways

Abertis group

The Abertis group holds 36 concessions assigning responsibility for the development, maintenance and operation of toll motorways, operating approximately 8,400 km of motorway in Europe (Italy, France and Spain), America (Brazil, Chile, Puerto Rico, Argentina, Mexico and the United States) and India.

The group's concessions expire between 2021 and 2070. The concessions held by Acesa, Invicat (Spain) and Autopista del Sol (Chile), amounting to a total of 678 km, will expire in the second half of 2021.

In addition, the subsidiary, Abertis Mobility Services, provides electronic barrier and free-flow tolling solutions through its Emovis and Eurotoll businesses.

Overseas 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.

The concessions expire between 2021 and 2048.

The concession held by Triangulo do Sol Auto-Estradas in Brazil (442 km) is expected to expire in the second half of 2021. Talks are in progress with a view to potentially extending the concession term to take into account regulatory receivables.

It should be noted that, following the receipt of a number of unsolicited expressions of interest from potential international investors, Atlantia is considering a range of strategic options for its Polish subsidiary, Stalexport Autostrady, including the potential for a partial or outright sale of its stake in the company.

Italian airports

Aeroporti di Roma group

The "Italian airports" segment includes Aeroporti di Roma (ADR) and its subsidiaries. The Roman airport system consists of "Leonardo da Vinci" international airport located in Fiumicino, named Europe's best airport for the third time running in 2020, 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.

ADR manages the Roman airport system under a concession expiring on 30 June 2046.

Overseas airports

Aéroports de la Côte d'Azur group

The overseas airports 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 after the Paris airport system.

Nice and Cannes are operated under a concession awarded by the French government in 2008 and expiring on 31 December 2044 (the ANCA-ACM Concession).

Outside the scope of its concession, the ACA group also owns the airport infrastructure at Saint-Tropez and provides ground handling services at 26 sites through Sky Valet.

Telepass group

The group provides sustainable, integrated mobility services through the group parent, Telepass. 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, insurance and breakdown services. Telepass has distributed approximately 9.2 million onboard units to customers and its Telepass Pay customers number approximately 580 thousand.

Atlantia's sale of a 49% stake in Telepass to Partners Group was completed in April 2021.

Atlantia and other activities

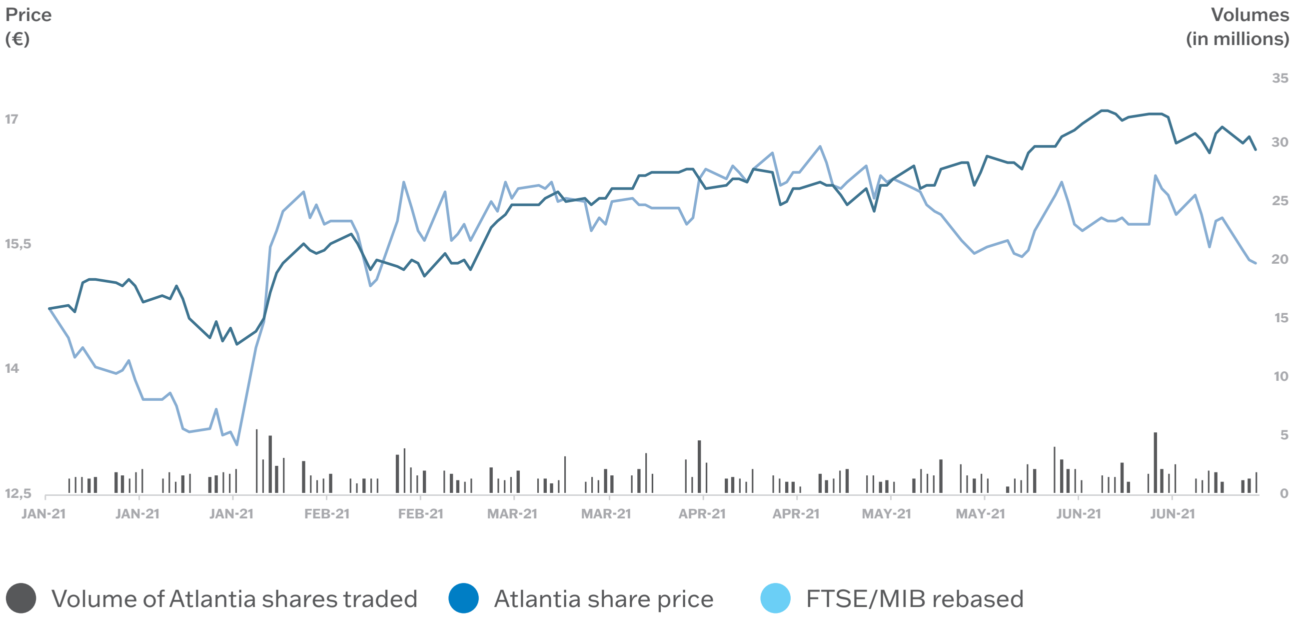
In addition to the above operating segments, the Parent Company, Atlantia, and a number of minor companies also contribute to the Group's results. The following transactions were completed in the first half of 2021 as part an internal reorganisation of the Group:

1. on 1 March 2021, SPEA Engineering signed lease agreements for its motorway and airport business units with TECNE (a subsidiary of Autostrade per l'Italia) and ADR Ingegneria (a subsidiary of Aeroporti di Roma), respectively;
2. in January and April 2021, Atlantia and Aeroporti di Roma transferred their investments in Pavimental to Autostrade per l'Italia and, as a result, Pavimental is now included in the Autostrade per l'Italia group.

Atlantia

Share price performance

The impact of the pandemic weighed heavily on the share price performances of all transport infrastructure businesses from February 2020. In the first six months of 2021, the share price was adversely affected by ongoing uncertainties over the recovery in traffic, above all at airports, with the shares underperforming the relevant index (the FTSE/MIB).



PERFORMANCE OF ATLANTIA'S SHARES	1H 2021
Closing price (€)	15.27 [3]
High (€)	16.65
Low (€)	13.11
Stock market capitalisation (€m)	12,610 [4]
H1 performance	3.8%

Source: Thomson Reuters

3 - Closing price at 30 June 2021.

4 - Based on the closing price on 30 June 2021.

Financial ratings

Following the General Meeting of shareholders held on 31 May and Atlantia's subsequent signature of the agreement for the sale of the Company's entire stake in Autostrade per l'Italia, all the rating agencies have upgraded Atlantia's credit ratings: on 4 June 2021, Fitch placed the ratings of Atlantia, Autostrade per l'Italia and Aeroporti di Roma on Credit Watch Positive; on 7 June 2021, Moody's upgraded the outlook for the ratings of Atlantia, Autostrade per l'Italia and Aeroporti di Roma to Positive; on 22 June, Standard & Poor's upgraded the ratings assigned to Atlantia, Autostrade per l'Italia and Aeroporti di Roma by one notch.

The rating agencies current ratings of Atlantia are as follows:

AGENCY	ISSUER RATING	RATING OF BONDS ISSUED BY ATLANTIA (HOLDING)
	Rating and outlook	**Rating and outlook**
Fitch Rating	BB+ [5]	BB Rating Watch Positive
Moody's	Ba2 [6] Positive outlook	Ba3 Positive outlook
Standard & Poor's	BB Positive outlook	BB Positive outlook

Non-financial ratings

In terms of Atlantia's non-financial performance at 30 June 2021, the ratings published by the leading non-financial rating agencies are as follows.

	SCALE	ATLANTIA SCORE	VS. SECTOR AVERAGE
ISS ESG	D- / A+	C	∧
MSCI ESG Rating	CCC - AAA	BB	=
FTSE RUSSEL	0-5	3,8	∧
CDP (Climate)	D- / A	B	∧
SUSTAINALYTICS	0-40+ (Negl- - severe risk)	21,1 (medium risk)	=

5 - "Consolidated rating" del Gruppo Atlantia

6 - "Corporate family rating" del Gruppo Atlantia

1.2 Events during the first half

February

Bond issue worth €1 billion

April

Completion of the sale of 49% stake in Telepass

March

Investment in Volocopter

Atlantia

May

Ordinary General Meeting of shareholders approves sale of Atlantia's entire stake in Autostrade per l'Italia to the Consortium consisting of CDP, Blackstone and Macquarie

June

Rating agencies upgrade Atlantia's ratings and outlook

Board of Directors accepts the CDP Consortium's offer for Atlantia's entire stake in Autostrade per l'Italia

New growth strategy presented to the financial community

1.3 Outlook

At the date of preparation of this Interim Report, there are certain uncertainties with the potential to have an impact on Group companies, above all in relation to the Covid-19 pandemic.

Despite the last few weeks witnessing a gradual, widespread upturn in traffic, it is not possible to predict with any certainty how long it will take to return to pre-pandemic levels.

However, based on the traffic figures through to 1 August 2021 (motorway traffic is down 14% and airport traffic down 80% compared with the figures for 2019, with the former up 22% and the latter down 32% versus 2020), and assuming that no further major restrictions on movement are introduced during what remains of 2021, partly thanks to the progressive rollout of the various vaccination programmes, we expect to see an improvement in the operating performance in 2021 compared with 2020. As in previous months, this improvement will be more significant in the motorway segment.

Under this scenario, we continue to expect motorway and airport traffic to be down 10% and 70%, respectively, compared with 2019, as indicated when announcing our consolidated results for 2020 and the first quarter of 2021.

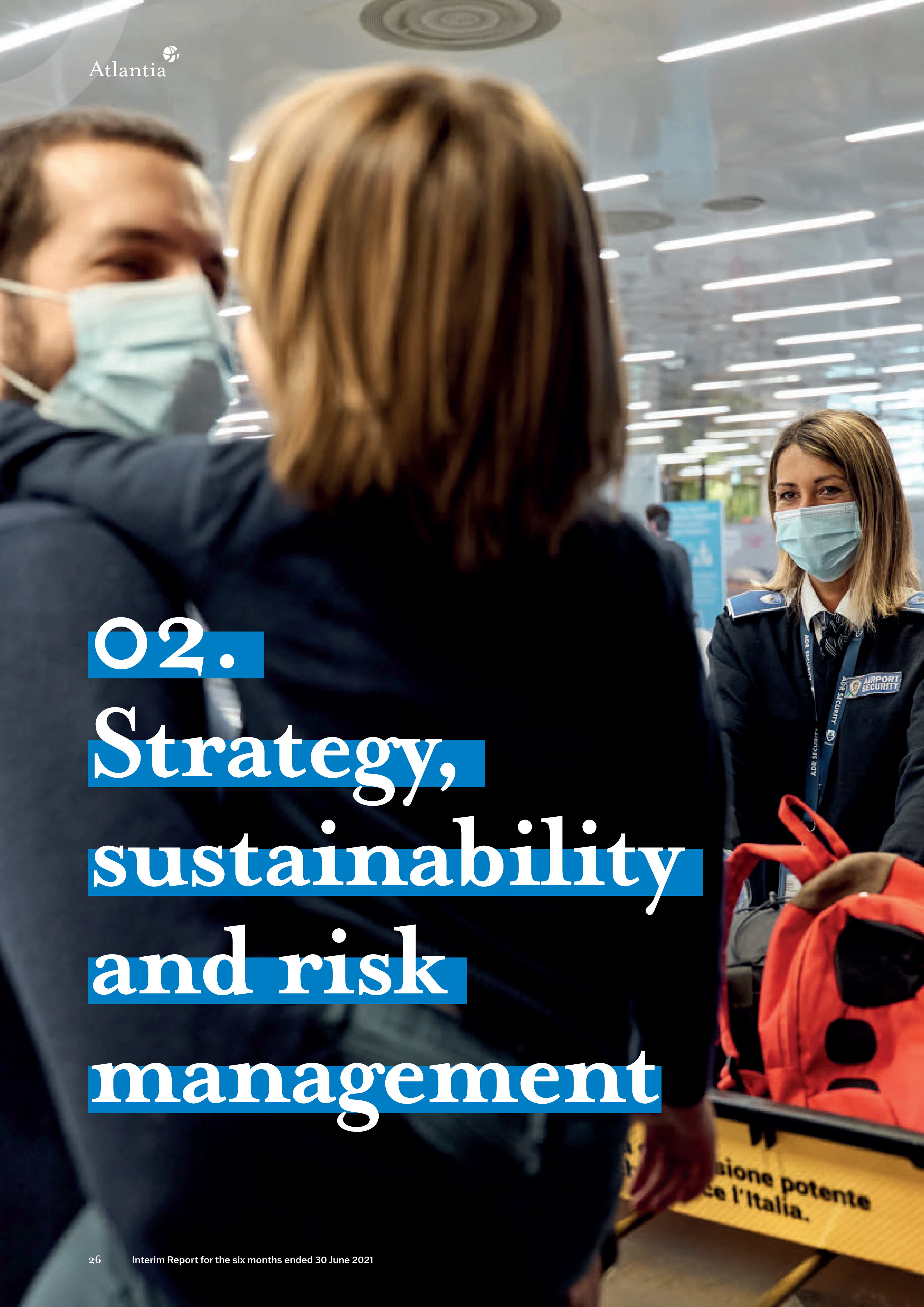
As a result, after stripping out Autostrade per l'Italia, we expect the Group's revenue for 2021 to be in the order of €5.7 billion, with operating cash flow of approximately €2.1 billion.

If we include the contribution from Autostrade per l'Italia and its subsidiaries, which are presented in discontinued operations following signature of the agreement for the sale of Atlantia's entire stake in Autostrade per l'Italia, we continue to expect consolidated revenue and operating cash flow for 2021 to be approximately €9.4 billion and €3,0 billion, respectively, as previously indicated at the time of announcing the consolidated results for 2020 and the first quarter of 2021.

This guidance takes into account the expiry of a number of concessions in Spain,Brazil and Chile in the second part of the year.

It should be noted, however, that the assumptions underlying such a sensitivity analysis are subject to change depending on events and on a number of risk factors and uncertainties (for example, movements in exchange rates). As a result, the actual figures may differ, perhaps significantly, from the expected amounts. The above figures should, therefore, be considered as forecasts of a purely indicative nature and based on the above assumptions. They are subject to review based on future traffic projections as the situation evolves and, as such, do not constitute the outlook or future performance targets for the Group.

In any event, with the aim of mitigating the impact on our earnings and financial position, Group companies will continue to focus on delivering efficiencies and cost savings and on reviewing their investment plans, whilst at the same time guaranteeing works linked to the safety of infrastructure. We will also continue to identify and assess all the various forms of aid made available to operators by governments and local regulators in the various countries.



02. Strategy, sustainability and risk management

2.1 Business strategies

On 12 June 2021, Atlantia announced that it had signed an agreement to sell its entire stake in Autostrade per l'Italia, and subsequently presented its reinvestment policies to the financial community in line with the strategic guidelines announced in March.

In the first half of 2021, the market scenario continued to be affected by the health emergency caused by the Covid-19 pandemic, although more robust recovery prospects became evident, bolstered by stepped-up vaccination programmes and people's general willingness to start travelling again.

In particular, the mobility and transport system, whilst continuing to be among the most affected sectors, is showing signs of recovery:

- a gradual recovery in motorway traffic, which was nevertheless uneven due to the so-called "second wave", with traffic flows closer to 2019 levels seen towards the end of the first half of the year and especially in July;
- airport traffic also recovered, especially in July, although traffic levels in the early part of the year were considerably lower than those recorded before the pandemic.

Plans have been launched at international level to stimulate economic recovery and boost growth. Of these, the most important are the Recovery Plan in Europe and the American Rescue Plan in the United States, which in addition to supporting households and businesses in reacting to the economic crisis brought about by the pandemic, are also designed to implement an investment plan and structural reforms in the areas of innovation and digitalisation, ecological transition, infrastructure modernisation and reduction of social inequalities.

In this context, Atlantia has continued to pursue its strategic objectives, with a view to promoting sustainable, integrated, safe, innovative and efficient mobility, accessible to the greatest number of people.

In particular, by leveraging innovation and sustainability as drivers of growth and development, Atlantia has focused its commitment on three fronts:

- supporting portfolio assets by taking advantage of the best growth opportunities in the airport, motorway, payment system and mobility services sectors, and making the most of technological developments to offer a better travel experience that is more responsive to new mobility requirements;
- exploring new investment opportunities regarding transport and mobility infrastructure and closely related sectors, in order to extend the average life of the concessions portfolio, boost diversification and resilience and enable synergies between Group companies, thereby increasing the value of assets and combining financial return on investment with the generation of positive social and environmental impacts;
- allocating capital via a disciplined and responsible value creation approach, in the firm belief that collaboration with other partners and co-investors provides an opportunity to accelerate growth and acquire new capabilities.

With particular reference to innovation, Atlantia announced two important initiatives in the first half of 2021:

1. the forthcoming establishment of a corporate venture capital fund, open to other partners, dedicated to investment in innovative initiatives in the field of mobility;
2. the launch of Mobius, Europe's first Smart Mobility Lab to study and conduct research into new forms of integrated mobility, which is the outcome of a partnership between Atlantia and the SDA Bocconi School of Management.

2.2 State of progress of the sustainability roadmap

In the first six months of 2021, there was intense activity at the Group's operating companies, aimed at developing action plans in line with Atlantia's social, environmental and good governance performance improvement goals and targets, as set out in the 2021-2023 Sustainability Plan. A summary of the key stages in the state of progress of the ESG roadmap is set out below.

Further information is available at *www.atlantia.it/it/sostenibilita*.

PILLARS OF THE SUSTAINABILITY PLAN

Protection of environmental capital

Combating climate change - Circular economy, responsible consumption and production

STATE OF PROGRESS OF THE ROADMAP

In line with the ambition to achieve ***carbon neutrality by 2040 for direct emissions*** (scope 1 and 2) long-term action plans to decarbonise activities and processes have been drawn up by the main Group companies. In this regard, Aeroporti di Roma issued a sustainability linked bond with KPIs linked to the decarbonisation roadmap for scope 1 and 2 emissions by 2030 and reductions in scope 3 emissions.

In line with the objective of ***increasing the use of renewable energy sources***, electricity supply contracts have been renegotiated, with an increase in the amount of energy supplied from renewable sources.

Atlantia's new Italian offices in Milan and Rome have been designed to meet green criteria and give top priority to staff wellbeing. Among other things, the new Milan office uses efficient energy solutions such as geothermal energy. The new office in Rome, which will open soon, is located in a LEED Silver certified building.

A review of company car policies was conducted, based on the adoption of more eco-friendly vehicles.

Atlantia has joined the international Climate Pledge initiative, with a view to sharing and collaborating with other partners on decarbonisation strategies and actions.

Enhancement of social capital

People-centricity - Land use, community and stakeholder engagement

On the path to pursuing t***he goal of spreading a culture of sustainability***, Atlantia's ESG School (Sustainability Learning Lab - in partnership with SDA Bocconi) was launched, aimed at strengthening management expertise to support sustainable business growth.

In line with the objective of increasing women's access to employment, and especially ***boosting gender representation in leadership roles***:

- The Board of Directors has adopted strategic guidelines for enhancing diversity, equal treatment and inclusion of staff. These guidelines will be gradually proposed for adoption by Group companies. As of July 2021, 45% of Atlantia SpA's workforce are women, with 42% of senior positions reporting directly to the Chairman and Chief Executive Officer and 36% of all managerial positions in the holding company held by women.
- More than 35% of the members of the governance and oversight bodies of Group companies re-appointed in the first half of 2021 are women, marking a significant improvement in the gender balance of newly elected corporate bodies.

In line with ***the objective of strengthening the relationship of trust*** between Atlantia and the key stakeholders in the value chain, efforts to measure and monitor the Company's reputation have been expanded to include surveys carried out by an independent third party (The RepTrak Company).

Business governance and sustainable development

Ethics and good governance

In line with ***the objective of integrating environmental and social aspects into corporate governance processes*** based on ethics, transparency and accountability:

- Sustainability governance and organisational controls have been strengthened in the Group's main companies, partly by assigning internal board committees a proactive and advisory role with regard to ESG issues.
- The Enterprise Risk Management (ERM) approach to physical risks deriving from climate change has been expanded to also take into account the risks and opportunities arising from the transition to a low-carbon economy in medium- and long-term scenarios (5-10-20 years). A methodological approach has been developed, which is expected to be gradually promoted across Group companies, to strengthen the resilience and adaptation of physical assets and enable sustainable growth by exploiting opportunities relating to climate change (e.g. identifying opportunities arising from the electrification of mobility and the adaptation of infrastructure, equipment and processes to the ecological transition);
- A significant overhaul and digitalisation of Sustainability Enterprise Performance Management processes has been started, with the aim of improving the planning, monitoring and reporting of sustainability performance by increasing traceability, reliability and transparency.
- With more than 98% of shareholders voting in favour, Atlantia adopted a new remuneration policy that links 20% of the annual bonus and 30% of the three-year management bonus to ESG performance improvement metrics;
- Preparations began for the adoption of a stakeholder engagement policy, including through active contribution to round tables and projects with academic and institutional partners (Assogestioni, Assonime, Istud).

2.3 Risk management

The risk culture is becoming increasingly central to the Group's organisational and decision-making processes.

During 2020, the risk management system and related internal controls underwent a radical shakeup in close step with the Group's transformation. This was done to ensure that the system can be an enabling factor with a key role in protecting the Group and in its sustainable success (for further details see the 2020 Integrated Annual Report).

In the first half of 2021, additional steps were taken to strengthen this system, including:

- the inclusion of risk management metrics in the Parent Company's variable remuneration schemes, to further strengthen the risk culture within the organisation;
- the implementation of new risk quantification tools that enable management to monitor the evolution of risk factors and facilitate the decision-making process;
- the definition and subsequent integration into the ERM methodological guidelines - drawn up by Atlantia and implemented by subsidiaries - of a new methodological approach aimed at identifying and assessing the main climate change risks (and potential opportunities) to which their assets are exposed, in order to ensure the Group's sustainable success;
- Atlantia SpA's establishment of a new Board Committee, the Sustainability Committee, which, as part of its sustainability functions, monitors ESG and climate change risks and opportunities, in coordination with the Audit, Risk and Corporate Governance Committee.

Regarding the main risks the Company may be exposed to, given the nature of its business and the context in which it operates, reference should be made to the Integrated Annual Report for 2020.

It should be noted that, following communication of the new strategic development strategies to the financial community on 12 March 2021, and the subsequent update provided after the signing of the agreement regarding the sale of the entire stake in Autostrade per l'Italia on 10 June 2021, the composition of the risks involved in **developing and executing the strategy** has been modified. The aim is to identify new and forthcoming factors relating to the selection and execution of potential investment opportunities in sectors in which we already have a presence, as well as in adjacent and/or innovative areas.

ESG risks

The Group's commitment to sustainability also involves close monitoring of the related risks, which the Group has identified in a number of factors related to environmental protection, social protections, labour relations, the promotion of human rights and the fight against corruption. The plan to integrate Environmental, Social and Governance (ESG) dimensions into the ERM model has enabled their correlation with the main areas of risk the Group is exposed to, with the aim of prioritising mitigation measures, also taking into account the results of Atlantia's materiality matrix. Moreover, in line with the TCFD framework approach , a new methodology has been defined to identify and assess the main physical and transitional risks (and potential opportunities) connected with climate change.

Atlantia operates in various sectors and countries around the world, so exposure to these risks may vary depending on the geographical location of the assets under management and the nature of the activities and resources.

This project has enabled us to identify the main physical risks the Group might be exposed to. The latter could cause damage to transport infrastructure and lead to the closure of motorway sections or flight cancellations, with impacts on business continuity and on the Group's operating and financial results (lower revenues and higher costs relating to management of the emergency, and the potential need to rebuild damaged infrastructure).

Rising fossil fuel prices and emerging policies that could steer the transport sector towards decarbonisation have also been identified as key transition risks. Such risks may have an influence on operating and financial performance, but at the same time may generate market opportunities.

1 - Task Force on Climate-related Disclosure from the Financial Stability Board (FSB): https://www.fsb-tcfd.org/