Letter to stakeholders

2021 was a year of great transformation, in terms of the challenges we faced and the results we achieved, but even more so because of the important choices we made as part of a broader strategic review of the Group's activities and medium to long-term objectives.

In April, the opening up of Telepass' capital was completed with the arrival of Partners Group, which acquired a 49% stake in the company in order to accompany it on its growth path.

In June, given the favourable advisory vote at the General Meeting held on 31 May 2021, the offer submitted by CDP Equity, The Blackstone Group International Partners and Macquarie European Infrastructure Fund 6 to acquire our entire stake in Autostrade per l'Italia was accepted. The sale is expected to go through once the conditions precedent have been met.

Moreover, with a view to further rationalising and simplifying the Group's asset portfolio, the divestment of a number of minority interests was also finalised, including stakes of 8% in Hochtief, 33% in Alienor and, finally, 17% in Lusoponte at the beginning of 2022.

On the basis of the Group's new scope of consolidation and the resources resulting from the various divestments, in June 2021 we adopted and reported new medium-term strategic guidelines, and also drew up a capital allocation plan aimed at identifying new investment opportunities focusing on innovation and mobility.

In the challenging and constantly evolving market environment, Atlantia aims to actively promote and drive change by playing a central role in the mobility ecosystem, and underpinning value creation for all our stakeholders with sustainability and innovation.

We aim to ensure efficient, safe and sustainable integration between the various levels of the mobility ecosystem, through the synergistic interplay of physical and digital infrastructure and new value-added services. These will respond to the growing complexity of the current environment, by simplifying user's everyday lives and enhancing the customer experience.

To achieve these goals, we seek to leverage the unique nature of our assets and to consolidate our leadership in transport infrastructure management. We also aim to boost our role in the mobility ecosystem by extending our positioning to adjacent sectors offering synergies, thereby enriching our portfolio with new and distinctive competences to boost resilience and speed up growth.

An initial concrete application of this strategic vision is the recently announced acquisition of Yunex Traffic, which will accelerate our digitalisation process and enable synergistic dialogue between physical transport infrastructure, mobility services and technology systems. This integration is designed to make mobility safer and more efficient and responsive to the needs of the whole community, thus supporting the development of more sustainable urban environments.

In keeping with our ambition, together with our daily commitment to meeting the community's current needs, we also keep a watchful eye on a changing world that is driven by innovative trends and new requirements. Therefore, as well as going along with and adapting to the changing environment, at Atlantia we are also aware of our responsibility, and the opportunity, to actively promote change. This means adapting our existing infrastructure and supporting and pioneering innovations that will play a decisive role in addressing and overcoming current and future challenges in the mobility sector. This underlies our investment in Volocopter, a German company and leader in urban air mobility, which designs and builds completely sustainable electric vertical take-off and landing aircraft (eVTOLs) that can transport people and freight without gas emissions or additional noise impact. Atlantia has also promoted the creation of Urban Blue - a newco in which Aeroporti di Roma, Aéroports de la Côte d'Azur, Venice Airport and Guglielmo Marconi Airport in Bologna are stakeholders - to encourage and accelerate the development of urban air mobility infrastructure at an international level, starting with vertical take-off and landing airports.

Other challenges awaiting us include the electrification of mobility, the efficiency of logistics and the intelligent use of data, for which we soon intend to provide new solutions and develop innovative and concrete opportunities to create value for the entire community in which we operate. We can count on a solid Group that even in particularly difficult times has been able to react and adjust its growth path, not least in the past financial year.

2021 saw an easing of the health crisis arising from the Covid-19 pandemic, thanks in part to global vaccination campaigns that allowed countries to reduce some of the restrictions on people's mobility that were introduced in 2020. However, there has only been a partial recovery in traffic volumes, especially on the main motorway networks under concession (where overall traffic volumes are down 4% on 2019), while at airports the recovery is still lagging far behind (down 68% on 2019).

Nevertheless, 2021 marked an overall improvement compared with 2020, posting revenue of €6.4 billion, up €1.1 billion (22%) on 2020, and EBITDA of €4.0 billion, up €1.0 billion (31%) on 2020. As in 2020, the pandemic did not halt capital expenditure, which amounted to approximately €1.1 billion in 2021. At the same time, net debt fell by €3.8 billion (11%) to stand at €30 billion at the end of the year. In this regard, it should be noted that from the beginning of 2021, the Group completed bond issues amounting to approximately €4.5 billion, thus confirming our ability to access the market even in a period of great uncertainty. Highlights include the issue of the first Sustainability-Linked bond, which was successfully placed by Aeroporti di Roma in recognition of the Group's sound sustainability strategy.

The strengthened operational and financial framework includes the Company's new dividend policy, which provides for dividends of approximately €600 million for 2021, and growth of between 3 and 5% in the following two years, as well as - partly on the basis of the Group's strategic review - the share buy-back programme. This was approved by the General Meeting held on 3 December 2021 and regards approximately 15% of the issued capital and a maximum outlay of €2 billion.

In 2021, overall progress was also made towards meeting the social, environmental and governance (ESG) targets set for 2023.

Significant investments were made in human capital, with approximately 600,000 hours of training, including over 40,000 hours on sustainability. Training hours per capita rose 40% compared to 2020. With regard to diversity, equality and inclusion, the share of women in middle and senior management positions rose to 29%, marking an increase of more than 2 percentage points compared with 2020. In January 2022, Atlantia was included in Bloomberg's Gender Equality Index, which selects the 400 or so best companies in the world for their commitment to gender equality.

Increasing engagement and open and transparent dialogue with stakeholders has resulted in a significant reputational recovery, as measured by the independent international company RepTrak (up 4.9 points in the period April-December 2021, placing us among the top movers).

Constant engagement with the Group's subsidiaries on embedding ESG aspects into business processes led to a further improvement in the governance framework, including alignment with the range of policies already adopted by the parent company, Atlantia. All the major Group companies (which together account for 85% of consolidated revenue) now have an internal board committee to strategically oversee sustainability issues; a long-term sustainability plan with medium- and long-term objectives and targets; a published sustainability report available to stakeholders; and ESG performance integrated into managerial incentive schemes, together with financial and operational metrics.

In terms of environmental impacts, direct CO2 emissions have been cut by 14% compared with 2020, partly thanks to due to commencement of the transition to using more electricity from renewable sources. The performance registered is in line with the target of a 50% reduction in direct emissions by 2030, and with the long-term ambition to achieve zero emissions by 2040. To this end, a long-term Climate Action Plan has been drawn up. This sets out guidelines for achieving total decarbonisation of our subsidiaries' activities under their direct control, and a substantial and steady reduction in upstream and downstream value chain emissions, with a commitment to develop a further set of actions to pursue our goal of net zero, including indirect emissions, by 2050.

The challenge of decarbonisation calls for a radical transformation of the mobility ecosystem, involving a host of actors who will need to share objectives and priorities to ensure a fair transition and long-term prosperity. Transport infrastructure, new forms of mobility and technology applied to the entire ecosystem will play a central enabling role in this transformation. Aware of the risks and opportunities associated with the transformation of the sector we operate in, we believe that transparency and stakeholder engagement are of utmost importance. Therefore, the Climate Action Plan will be put to an advisory vote at the Shareholders' Meeting on 29 April, thereby launching a season of periodic consultation with shareholders (the so-called "Say on Climate"), which is unprecedented in the Italian market.

We consider our stakeholders to be vital partners with whom we strive to guide our growth in line with the principles of inclusion and sustainability, which are among our founding values and an integral part of our DNA.

Fabio Cerchiai
Chairman

Carlo Bertazzo
Chief Executive Officer