



ANNUAL REPORT ON CORPORATE  
GOVERNANCE  
AND THE OWNERSHIP STRUCTURE

*Prepared pursuant to art. 123 bis of the Consolidated Finance Act ("CFA")*

2019

Approved by Atlantia's Board of Directors

Traditional management and control model

<https://www.atlantia.it/en/corporate-governance>

## CONTENTS

<b><i>INTRODUCTION</i></b> .....	<b>4</b>
<b><i>1. PROFILE OF ATLANTIA</i></b> .....	<b>5</b>
<b><i>2. INFORMATION ON THE OWNERSHIP STRUCTURE</i></b> .....	<b>6</b>
a) Structure of Issued Capital .....	6
b) Significant shareholdings in the Company .....	8
c) Shareholder agreements .....	9
d) Change of control and similar clauses .....	10
e) Authority to purchase treasury shares .....	21
f) Management and coordination activities .....	24
<b><i>3. COMPLIANCE</i></b> .....	<b>25</b>
<b><i>4. BOARD OF DIRECTORS</i></b> .....	<b>26</b>
<b><i>4.1 Election and replacement</i></b> .....	<b>26</b>
- Succession planning .....	29
<b><i>4.2 Composition</i></b> .....	<b>30</b>
- Assessment of the size, composition and functioning of the Board of Directors .....	34
- Activities performed in 2019 .....	37
<b><i>4.3 Role of the Board of Directors</i></b> .....	<b>40</b>
<b><i>4.4 Executive Directors and Officers</i></b> .....	<b>43</b>
- Chairman of the Board of Directors .....	43
- Chief Executive Officer .....	45
- Executive Committee .....	46
- General Manager .....	49
<b><i>4.5 Independent Directors</i></b> .....	<b>51</b>
<b><i>4.6 Lead Independent Director</i></b> .....	<b>56</b>
<b><i>5. PROCESSING OF CORPORATE INFORMATION</i></b> .....	<b>57</b>
<b><i>6. BOARD COMMITTEES</i></b> .....	<b>59</b>
<b><i>7. NOMINATION COMMITTEE</i></b> .....	<b>60</b>
<b><i>8. HUMAN RESOURCE AND REMUNERATION COMMITTEE</i></b> .....	<b>62</b>
<b><i>9. REMUNERATION OF DIRECTORS</i></b> .....	<b>67</b>
Succession planning .....	68
<b><i>10. INTERNAL CONTROL, RISK AND CORPORATE GOVERNANCE COMMITTEE</i></b> .....	<b>69</b>
A) Composition and functioning .....	69
B) Functions assigned to the Internal Control, Risk and Corporate Governance Committee .....	73
C) Activities performed in 2019 .....	76
<b><i>11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM</i></b> .....	<b>79</b>

- Main characteristics of existing risk management and internal control systems in respect of the financial reporting process .....	86
- Description of the main characteristics of existing risk management and internal control systems in respect of the financial reporting process .....	86
- Guidelines and assessment of the adequacy, efficacy and effective functioning of the Internal Control and Risk Management System .....	90
<b>11.1 Director responsible for the Internal Control and Risk Management System .....</b>	<b>93</b>
- Activities performed in 2019 .....	94
<b>11.2 Head of Group Internal Audit .....</b>	<b>95</b>
<b>11.3 Organisational, Management and Control Model under Legislative Decree 231/2001 .....</b>	<b>100</b>
- Ethics Officer and procedure for reports to Ethics Officer .....	107
<b>11.4 Independent Auditors .....</b>	<b>110</b>
<b>11.5 Manager Responsible for Financial Reporting.....</b>	<b>111</b>
<b>11.6 Coordination of parties involved in the Internal Control and Risk Management System.....</b>	<b>112</b>
<b>12. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS.....</b>	<b>116</b>
<b>12.1 Committee of Independent Directors with responsibility for Related-Party Transactions.....</b>	<b>117</b>
- Directors' interests .....	119
<b>13. ELECTION OF STATUTORY AUDITORS.....</b>	<b>120</b>
<b>14. COMPOSITION AND FUNCTIONING OF THE BOARD OF STATUTORY AUDITORS .....</b>	<b>124</b>
14.1 Procedure for reporting to the Board of Statutory Auditors .....	129
<b>15. INVESTOR RELATIONS .....</b>	<b>131</b>
<b>16. GENERAL MEETINGS.....</b>	<b>132</b>
<b>17. CONSIDERATIONS OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE ON THE LETTER OF 19 DECEMBER 2019 .....</b>	<b>135</b>
<b>TABLE 1 - INFORMATION ON THE OWNERSHIP STRUCTURE OF ATLANTIA SpA.....</b>	<b>136</b>
SIGNIFICANT SHAREHOLDINGS AT 31 DECEMBER 2019 .....	137
<b>TABLE 2 – STRUCTURE OF ATLANTIA SpA'S BOARD OF DIRECTORS AND BOARD COMMITTEES .....</b>	<b>138</b>
<b>ANNEX A.....</b>	<b>144</b>
Overview of personal and professional background of Atlantia's Directors in office on 31 December 2019 .....	144
<b>TABLE B.....</b>	<b>148</b>
Seniority in office since first elected in Atlantia SpA .....	148
<b>TABLE 3 - STRUCTURE OF THE BOARD OF STATUTORY AUDITORS.....</b>	<b>152</b>

## INTRODUCTION

This report is intended to provide a complete overview of the corporate governance system adopted by Atlantia SpA (hereinafter also referred to as “Atlantia” or “the Company”).

In compliance with the legal and regulatory obligations in this regard, the Report contains information on the ownership structure, adherence to the Codes of Conduct and the observance of the consequent commitments, highlighting the choices that the Company has made in application of corporate governance principles.

The Report was drawn up in accordance with the Italian Stock Exchange’s format for corporate governance reports (8<sup>th</sup> edition of January 2019).

This Report is published on the Company's website, at [www.atlantia.it/it/corporate-governance/](http://www.atlantia.it/it/corporate-governance/) and was submitted to the Italian Stock Exchange in accordance with the terms and procedures set forth under applicable regulations.

## 1. PROFILE OF ATLANTIA

Atlantia's Articles of Association provide that the Company has the following corporate purpose:

- a) the acquisition of investments and interests in other Companies and Entities;
- b) the financing - including through guarantees, indemnities and collateral - and the technical, industrial and financial coordination of investee Companies or Entities;
- c) any equity, real estate, financial and industrial investment, whether in Italy or abroad.

Ancillary to its principal business, the Company may also purchase, own, manage, use, update and develop, directly or indirectly, trademarks, patents and know-how concerning electronic tolling systems and related or connected activities.

Atlantia is the holding of a group of companies engaged in the construction and management of transportation infrastructures, which are critical for social and economic development in Italy and the world.

In accordance with the current Articles of Association, Atlantia has adopted a traditional management and control system. Responsibility for corporate management rests with the Board of Directors. The Board of Statutory Auditors, for its part, performs supervisory functions while the Independent Auditors, appointed by General Meeting of the Shareholders, are responsible for auditing the Company's accounts.

## 2. INFORMATION ON THE OWNERSHIP STRUCTURE

### a) Structure of Issued Capital

Atlantia's issued capital amounts to €825,783,990.00, consisting of 825,783,990 ordinary voting shares with par value of €1.00.

The Company issued 163,956,286 Atlantia SpA 2013 Ordinary Share Contingent Value Rights ("CVRs") on the effective date of the Atlantia - Gemina merger (1 December 2013) for allotment free of charge to Gemina's ordinary and/or savings shareholders, who received one Contingent Value Right for each Atlanta share allotted to them, in accordance with the share exchange ratio.

The following were approved at the Extraordinary General Meeting of 8 August 2013: i) issuance of up to 164,025,376 CVRs – and issuance of the shares necessary to satisfy the merger share exchange ratio - and ii) a simultaneous increase in issued capital to irrevocably satisfy the CVRs for up to a par value of €18,455,815.00 through the issuance of 18,455,815 Atlantia ordinary shares with a par value of €1.00.

CVRs provide their holders with the right to receive a number of Atlantia ordinary shares determined with reference to the Final Allotment Ratio and a Dividend Adjustment upon occurrence of the conditions of allotment as defined in the Terms and Conditions of the Atlantia SpA 2013 Ordinary Share Contingent Value Rights ("Terms and Conditions") available at the Company's website: [www.atlantia.it/pdf/integrazione-del-regolamento-dei-diritti-di-assegnazione-condizionati.pdf](http://www.atlantia.it/pdf/integrazione-del-regolamento-dei-diritti-di-assegnazione-condizionati.pdf).

Starting on 3 December 2013 - and until 3 October 2014, each CVR holder had the right to sell to Atlantia all the CVRs held when sending the corresponding exercise request (at an all-inclusive price of €0.0732 for each CVR).

In the Exercise Period, between 3 December 2013 and 3 October 2014, 160,698,634 CVRs were exercised out of the 163,956,286 CVRs issued, accounting for approximately 98% of the total.

Put Options unexercised during the Exercise Period can no longer be exercised or used with Atlantia, while all the Contingent Value Rights transferred to Atlantia were cancelled.

The number of CVRs outstanding as at 31 December 2019 is shown in Table I annexed hereto.

Regarding article 7 of the CVRs' Terms and Conditions, attention is called to the acquittal ruling, pursuant to article 530 of the penal procedure code, handed down on 30 October 2017 because

there is no case to answer in the penal proceedings pending before the Court of Florence, initiated against certain executives of Autostrade per l'Italia due to alleged violations of environmental rules in connection with the "Variante di Valico" works, with the resulting request for damages by the Ministry of the Environment as civil party.

The reasons for the ruling were disclosed on 27 April 2019. On 20 June 2019, the Florence's prosecutor office filed an appeal "per saltum" before the Court of Cassation

In this regard, it is noted that for the Claim's Extinguishing Event or the Significant Event, as defined in the cited Terms and Conditions, it is necessary for a final acquittal or a conviction in accordance with articles 1 and 4 therein.

Information on share-based incentive plans, in the form of share options and/or share grants, is provided in the Remuneration Report prepared pursuant to art. 84-quater of the Issuer Regulation, adopted with resolution no. 11971 of 14 May 1999 as subsequently amended and supplemented (hereinafter also "Issuer Regulation"), which is available on the Company's website (<http://www.atlantia.it/it/investor-relations/assemblee.html>).

## b) Significant shareholdings in the Company

As at 31 December 2019, according to the notifications sent to the Company and CONSOB pursuant to article 120 of Legislative Decree no. 58 of 24 February 1998 (“CFA”), there were the following significant shareholdings in Atlantia:

- Edizione Srl<sup>1</sup>, through Sintonia SpA (formerly Sintonia SA)<sup>2</sup>, with 30.254%;
- Government of Singapore Investment Corporation Pte Ltd., directly and indirectly, through InvestCo Italian Holdings Srl, with 8.285%;
- Lazard Asset Management LLC, with 5.047%;
- HSBCHOLDING PLC, through HSBC BANK USA, NATIONAL ASSOCIATION, HSBC Global Asset Management (Hong Kong) Limited, HSBC Private Bank (Luxembourg) SA, Private Bank (Suisse) SA, HSBC Global Asset Management (UK) Limited INKA INTERNATIONALE KAPITALANLAGEGESELLSCHAFT MBH, HSBC BANK PLC, with 5.007%;
- Fondazione Cassa di Risparmio di Torino, with 4.846%;

---

<sup>1</sup> After the merger of Edizione Holding SpA and Sintonia SpA with Ragione became effective, on 1 January 2009, Ragione took the name of Edizione Srl and assumed direct control of the sub-holding, Sintonia SpA, which in turn controls investments in the utilities and infrastructure sectors, including Atlantia and others.

<sup>2</sup> After transferring its registered office to Italy, Sintonia SA transformed its legal form into an Italian “società per azioni” and was entered into the Milan Companies Register on 27 June 2012 under the name Sintonia SpA.



### **c) Shareholder agreements**

As of the date of this Report, no shareholder agreement on Atlantia shares was announced.

\* \* \*

#### d) Change of control and similar clauses

A brief description of the change-of-control clauses in loan agreements entered into by the Atlantia Group companies is provided below:

- a) With the two loan agreements entered into on 4 July 2018, in addition to the Term Loan line of credit of €1,500 million received on 15 May 2018, the Company now has three committed credit lines of up to €4,500 million (fully available), structured as follows:
- Term Loan 1 (entered into on 15 May 2018): up to €1,500 million, repayment in instalments with maturities between the first quarter of 2022 and the first quarter of 2023;
  - Term Loan 2 (entered into on 4 July 2018): up to €1,750 million, bullet repayment in the third quarter of 2023;
  - Revolving Line (entered into on 4 July 2018): up to €1,250 million, bullet repayment in the third quarter of 2023.

The lines of credit were designed to meet the borrowing requirements associated with the investment in Abertis Infraestructuras SA and the acquisition of 23.9% of Hochtief AG.

Lastly, on 12 October 2018, Atlantia obtained an additional revolving line of credit for €2,000 million for general purposes.

The aforementioned agreements contemplate the option, exercisable by one or more lenders, also individually, to request the cancellation or early repayment of its portion of the loan upon occurrence of a change of control.

Under the terms of the agreement, a change of control occurs in case one or more parties other than Sintonia, or that do not act in concert with Sintonia, acquire control of Atlantia. To that end, solely for the purposes of these agreements, control is defined as the ability to express, directly or indirectly, at least 30% of the votes at an ordinary general meeting of Atlantia's shareholders, or obtaining control within the meaning of article 2359 of the Italian Civil Code.

These agreements entail an obligation to accelerate repayment in full in case Atlantia i) ceases to exercise control over a Principal Subsidiary (as defined in the agreement) and (ii) a rating downgrade (as defined in the agreement) occurs after such event.

The agreements also contemplate limitations to the sale of equity interests in Material Subsidiaries (as defined in the agreement) by Atlantia.

- b) On 23 October 2018, Abertis HoldCo SA entered into a loan agreement for €9,950,000 million covering three committed credit lines:
- Term Loan line: up to €3,000 million, repayment in instalments with maturities between the fourth quarter of 2022 and the fourth quarter of 2023, fully disbursed on 26 October 2018;
  - Bridge-to-Bond line: up to €4,750 million, bullet repayment in the second quarter of 2020, fully disbursed on 26 October 2018;
  - Bridge-to-Disposal line: up to €2,200 million, bullet repayment in the second quarter of 2020, disbursed on 26 October 2018 for €2,074 million.

The aforementioned lines were used to meet the borrowing requirements associated with the investment in Abertis Infraestructuras SA

Under the terms of the agreement, a change of control occurs in case one or more parties other than Atlantia SpA, Actividades de Construcción y Servicios SA (hereinafter also “ACS”) and Hochtief AG, or that do not act in concert with Atlantia SpA, ACS and Hochtief AG, acquire control of Abertis HoldCo SA For the purposes of this clause, control is defined as the ability to express, directly or indirectly, at least 50% of the votes at an ordinary general meeting of Abertis HoldCo SA’s shareholders.

Moreover, on 27 December 2018, Abertis HoldCo SA entered into a loan agreement for €970 million, fully disbursed on 3 January 2019, in partial substitution of the Bridge to Bond line entirely disbursed for €4,750 million on 26 October 2018.

Under the terms of the agreement, a change of control occurs in case one or more parties other than Atlantia SpA, ACS and Hochtief AG, or that do not act in concert with Atlantia SpA, ACS and Hochtief AG, acquire control of Abertis HoldCo SA To that end, control is defined as the ability to express, directly or indirectly, at least 50% of the votes at an ordinary general meeting of Abertis HoldCo SA’s shareholders.

On 8 April 2019, the abovementioned loan agreements were transferred to Abertis Infraestructuras SA, which took over the relevant rights and obligations.

Meanwhile, during the year, Abertis Infraestructuras SA started a refinancing plan that resulted in the full repayment of the following loans:

- Bridge-to-Bond line: up to €4,750 million, bullet repayment in the second quarter of 2020, fully disbursed on 26 October 2018;
- Bridge-to-Disposal line: up to €2,200 million, bullet repayment in the second quarter of 2020, disbursed on 26 October 2018 for €2,074 million.

Also, the third quarter of 2019 saw the repayment of the Term Loan line: up to €3,000 million, repayment in instalments with maturities between the fourth quarter of 2022 and the fourth quarter of 2023, fully disbursed on 26 October 2018.

Lastly, in connection with the refinancing plan, 8 new notes were issued for a total of €5,867 million under the “ABERTIS EURO MEDIUM TERM NOTE, €7,000,000,000 Euro Medium Term Note Programme”, maturing between 2024 and 2032.

This agreement includes a “Redemption on Change of Control Put Event or Material Asset Sale Put Event”, granting a put option exercisable in the event that (i) Atlantia SpA, ACS, and Hochtief AG. cease to exercise direct and indirect control over Abertis Infraestructuras SA, with a resulting rating downgrade (ii) Abertis Infraestructuras SA ceases to exercise control over a Principal Subsidiary (as defined in the agreement), with a resulting rating downgrade.

- c) Between October 2018 and January 2019, Abertis Infraestructuras SA entered into several loan agreements for a total amount of €1,065 million, with disbursements in 2019 and repayments due between 2024 and 2025. The proceeds of the loans have been used to replace part of the cited Bridge-to-Bond Line of €4,750 million disbursed to Abertis HoldCo SA on 26 October 2018.

Under the terms of these agreements, the application of the “change-of-control” clauses occurs when one or more parties other than Atlantia SpA, ACS and Hochtief AG, or that do not act in concert with Atlantia SpA, ACS and Hochtief AG, acquire control of Abertis Infraestructuras, SA. To that end, control is defined as the ability to express, directly or indirectly, at least 50% of the votes at an ordinary general meeting of Abertis Infraestructuras’ shareholders.

- d) In December 2019, Abertis Infraestructuras SA entered into several loan agreements for a total amount of €1,000 million, with repayments due between 2022 and 2025. The loans had not been disbursed yet in December. Under the terms of these agreements, the application of the “change-of-control” clauses occurs when the following conditions are met: (i) one or more parties other than Atlantia SpA, ACS and Hochtief AG, or that do not act in concert with Atlantia SpA, ACS and Hochtief AG, acquire control of Abertis Infraestructuras, SA., and this event (ii) triggers a rating downgrade to the non-investment grade threshold and the like within three months.

To that end, control is defined as the ability to express, directly or indirectly, at least 50% of the votes at an ordinary general meeting of Abertis Infraestructuras’ shareholders.

- e) Two loans to ASPI by Cassa Depositi e Prestiti (hereinafter also referred to as CDP), for (i) €500 million (funding provided by the European Investment Bank [hereinafter also EIB), entered into on 19 December 2008, and (ii) €1,700 million, entered into on 13 December 2017, with €600

million as a revolving line and €1,100 million as a term loan, of which €400 million was used as of 20 December 2017. This loan rescheduled two loans obtained from CDP on 19 December 2008 (€1,000 million) and 20 December 2012 (€700 million), which were extinguished with the cancellation of unused available amounts. All the cited agreements contemplate change-of-control clauses regarding ASPI, in favour of BEI and CDP (even if, for the financing disbursed by CDP with BEI funds, the latter withdraws from the related loan agreement) with mandatory early repayment, unless otherwise agreed by the lenders.

- f) Six loans of up to €200 million, €250 million, €1,000 million, €300 million, €250 million, and €250 million obtained by ASPO from the EIB on 20 December 2004, 23 December 2004, 30 September 2005, 24 November 2008, and 16 December 2010, respectively. Each loan is secured by an Atlantia guarantee. All the above loan agreements provide for accelerated repayment in the event of a change of control with respect to ASPI and/or Atlantia.

On 30 November 2017, the unused amounts under the agreements signed in 2010 (secured by Atlantia) were cancelled. All sums drawn down under those agreement will be repaid on their original maturity date.

- g) A “€10,000,000,000 Euro Medium Term Note Programme” whereby in the past Atlantia issued bonds to institutional investors, irrevocably and unconditionally guaranteed by ASPI, which in turn benefited from the relevant proceeds through intercompany loans. The Programme agreement contains change of control and change of business and ownership clauses consistent with international practice with respect to ASPI.

Following implementation of the “Issuer substitution” clause on 22 December 2016, these loans were transferred to ASPI (as issuer) and will be guaranteed by Atlantia until the earlier of their respective maturities or September 2025.

- h) A “€10,000,000,000 Euro Medium Term Note Programme” whereby Atlantia issues notes for institutional investors. Under the terms of the programme, the clause “Redemption at the Option of Noteholders on the Occurrence of a Material Asset Sale Put Event” contains a put option which can be exercised if (i) Atlantia ceases to exercise control over a Principal Subsidiary (as defined in the agreement) and (ii) there is a rating downgrade after this occurrence.
- i) A six-year revolving loan agreement between Aeroporti di Roma (ADR) and a syndicate of 8 banks in July 2016 for €250 million (maturing in 2023), following the exercise by ADR in 2018 of the second annual extension option contemplated by the agreement, and the loan of €100 million obtained from Banca Nazionale del Lavoro SpA( Term Loan) in November 2016 (maturing in 2020) both contain acceleration clauses (to be activated by creditors) in case of change of control.

Such event occurs in case a party (other than Atlantia, directly or indirectly) or a group of parties acting in concert (other than a group that includes, directly or indirectly, Atlantia, provided that the equity interest held by Atlantia is greater than the equity interest held collectively by the other group members) acquires a controlling interest in Aeroporti di Roma pursuant to and for the effects of article 2359, paragraph 1, sub-paragraphs 1 and 2, of the Italian civil code and/or article 93 of CFA.

- j) Three loan agreements, two of which were entered into in December 2016 between ADR and EIB and CDP for €150 million each, and the third was entered into in March 2018 between Aeroporti di Roma and EIB for €200 million. These agreements contain a change-of-control clause in line with the preceding paragraph.
- k) On 14 December 2015, Autostrade Meridionali (hereinafter also “SAM”) entered into a revolving credit facility agreement with Intesa Sanpaolo (formerly Banco di Napoli) for €470 million, consisting of:
  - (i) A line of credit, immediately available, for €300 million (Line 1), of which €245 million already disbursed; and
  - (ii) A line of credit of €170 million (Line 2), which would be made available upon fulfilment of certain conditions precedent agreed upon by the parties (not yet fulfilled).

Starting 5 December 2016, in keeping with the terms and conditions governing the financing agreement with SAM, every year until 31 December 2020 ASPI has provided a first demand guarantee on Line 1. Accordingly, the agreement was extended until 31 December 2020.

Regarding line 2, which was supposed to be used by the SPV created by SAM in case of renewal of the concession after a tender, the availability period expired. This line was therefore cancelled.

The agreement contains a change-of-control clause in relation to the continuing ASPI role as shareholder of SAM (with a threshold of 51% of SAM’s outstanding voting shares). Failure to comply with such clause will accelerate the repayment of all amounts outstanding and cause the cancellation of both lines of credit.

- l) On 2 October 2015, Pavimental SpA (hereinafter also Pavimental) entered into a loan agreement with Credit Agricole Corporate Investment Bank Deutschland for an amount of up to €50 million, subsequently reduced to €39.1 million, of which €33.1 million already disbursed, to fund the purchase of the TBM, the relevant accessories and any other equipment necessary to complete the works related to Lot 2 Galleria Santa Lucia (Variante di Valico), a contract awarded by ASPI, and the cost of the insurance policy issued by Euler Hermes for the benefit of the exporter of the TBM and related accessories. The loan agreement calls for Pavimental to have a backlog of works and service contracts

from Atlantia Group Companies worth at least three times the amount of the loan outstanding and allows the lender to terminate the agreement in case the Atlantia Group no longer controls Pavimental (change-of-control clause).

\* \* \*

Day-to-day operations of Atlantia Group companies entail the assumption of debt obligations (via banks and capital markets), normally to finance investments in infrastructure and their maintenance.

Concessions are often operated by special purpose vehicles (SPV), which are generally the parties to the loan agreements in their capacity as borrowers.

In almost all cases, change of control provisions are included in the loan agreements to assure that the Atlantia Group's expertise will be made available to the SPV or other borrower on a continuing basis.

These are specific clauses which can have an effect on the loan, generally including an acceleration in the event of a change in the borrower's shareholder base.

Such "change-of-control" clauses have been included in the loan agreements of the following consolidated subsidiaries of the Atlantia Group.

a. Triangulo do Sol Auto-Estrada SA

The terms and conditions of the bonds issued on 15 February 2013, for a total of 691 million Reais, call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by 75% of bondholders.

The terms and conditions of the bond issued on 13 June 2018 for 390 million Reais call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by two-thirds of bondholders, in addition to certain limitations to the reduction of Atlantia's indirect equity interest in the issuer.

b. Rodovias das Colinas SA

The terms and conditions of the bonds issued on 15 April 2013, 13 April 2016 and 10 October 2016, for a total of 1,200 million di Reais, call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by 75% of bondholders.

The terms and conditions of the bond issued on 11 October 2017 for 230 million Reais call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by two-

thirds of bondholders, in addition to certain limitations to the reduction of Atlantia's indirect equity interest in the issuer.

The terms and conditions of the bond issued on 12 July 2018 for 400 million Reais call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by two-thirds of bondholders on first call and 75% of bondholders on second call.

The terms and conditions of the bond issued on 15 June 2019 for 514.6 million Reais call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by two-thirds of bondholders on first call and 75% of bondholders on second call.

c. Concessionaria da Rodovia MG-050 SA

The terms and conditions of the bond issued on 14 June 2017 for 460 million Reais (200 million of which subscribed, and held at 31 December 2017, by Autostrade Concessões e Participações Brasil Ltda, another company of the Atlantia group), call for acceleration in case of change of Atlantia's indirect control of the issuer, unless approved by 80% of bondholders.

d. Autostrade Concessões e Participações Brasil Ltda

The credit agreement for a 215 million Reais line of credit signed on 13 June 2019 through Santander Brasil (108 million Reais) and Mizuho (107 million Reais) and Autostrade Concessões e Participações Brasil Ltda, and guaranteed by Banco Santander SA, calls for acceleration in case of change of Atlantia's direct and indirect control of the guarantor and the borrower, respectively, in addition to certain limitations to the sale of certain equity interests by the guarantor and the borrower.

e. Electronic Transaction Consultants Co.

In December 2017, Electronic Transaction Consultants obtained a three-year line of credit for USD 12 million from Bank of America Merrill Lynch.

The relevant credit agreement calls for an acceleration and the cancellation of the line in case Autostrade dell'Atlantico Srl's equity interest in Electronic Transaction Consultants falls below 51%.

f. Sociedad Concesionaria Autopista Nororiental SA



The 104.2-million peso bank loan agreement signed with Banco do Chile on 10 December 2007 provides for acceleration in the event of a variation in the direct and indirect shareholdings of Grupo Costanera, Atlantia and Canada Pension Plan Investment Board.

g. Sociedad Concesionaria De Los Lagos S.A (“Los Lagos”)

The 107.4-billion peso bank loan agreement signed jointly with Banco de Chile and Banco Santander Chile on 25 April 2007 provides for acceleration and cancellation of the line should Atlantia Spa lose direct or indirect control in the capital of the Company.

h. Azzurra Aeroporti SpA

On 28 October 2016, Azzurra Aeroporti SpA (hereinafter also “Azzurra”) signed a €653 million loan agreement with Banca IMI - Intesa Sanpaolo, Cassa Depositi e Prestiti, MPS Capital Services, The Bank of Tokyo- Mitsubishi and UniCredit SpA to fund the purchase of a 64% equity interest in Aéroports de la Côte d'Azur. The loan agreement contains an accelerated repayment clause in case Atlantia ceases to own, directly or indirectly, more than 50% of Azzurra Aeroporti Srl's share capital and voting rights.

i. Aéroports de la Côte d'Azur SA

On 7 December 2016, Aéroports de la Côte d'Azur (hereinafter also “ACA”) signed with the EIB an addendum to the loan agreement dated 21 November 2014 for €100 million, of which €82 million was disbursed on 31 December 2019. The addendum amends the “Changement de Contrôle” clause, which calls for the cancellation of the line and the accelerated repayment of any outstanding amount in case one or more parties, other than the shareholders of ACA or Azzurra, acquire, individually or collectively, a controlling interest in ACA. Currently, Azzurra has a 64% equity interest in ACA. Atlantia and the subsidiary ADR hold an aggregate of 60.45% in the share capital of Azzurra.

\* \* \* \*

The Single Concession Arrangement in force, executed on 12 October 2007 by ASPI and ANAS SpA<sup>3</sup> – and approved by Law 101 dated 6 June 2008 – expressly identifies the requirements that, in

---

<sup>3</sup> In accordance with art. 11, paragraph 5 of Legislative Decree 216 of 29 December 2011, converted by Law 14 of 24 February 2012, and subsequent amendments and additions thereto, concession administration functions of ANAS SpA were transferred by operation of law to the Ministry of Infrastructure and Transport, effective on 1 October 2012.

On 24 December 2013, ASPI and the Ministry of Infrastructure and Transport signed an addendum to the Single Concession Arrangement – which was approved with decree dated 31 December 2013, and registered by the Court of Auditors on 29 May 2014 – whereby the parties introduced a five-yearly update to the financial plan. However, this addendum did not result in any amendment to the change of control rules for the operator.

the event of a change of control of the operator, pursuant to art. 2359 of the Italian Civil Code, must be met by a new controlling entity.

Specifically, these requirements are:

- Equity, as reported in the latest accounts, of at least €10 million for each percentage point held in the operator's issued capital;
- Location of the corporate headquarters in any country other than a country listed as a tax haven;
- Maintenance of the operator's headquarters, technical and management expertise in Italy, and an undertaking to ensure that the operator has the means to fulfil its obligations under the agreement;
- Board of directors comprising persons meeting the professionalism and, where appropriate, independence requirements pursuant to the CFA, as well as the integrity requirements for companies listed on a stock exchange as established by the laws of the country in which the company has its headquarters.

For the sake of completeness, it is noted that similar clauses are included in the single Concession Arrangements of the Italian motorway operators controlled by ASPI (except for Società Italiana per il Traforo del Monte Bianco SpA ), which were signed with ANAS SpA in 2009 and approved pursuant to Law 191 of 23 December 2009. These agreements came into effect at the end of 2010, following the execution of documents implementing the requirements of the 2010 CIPE resolutions.

\*\*\*\*

The existing Single Concession Arrangement signed on 25 October 2012 between ADR and ENAC (the Italian Civil Aviation Authority), and approved by Decree of the President of the Council of Ministers of 21 December 2012, sets out the specific requirements and obligations for the new parent, in case of change of control for the Operator, pursuant to article 2359 of the Italian Civil Code, and on penalty of termination of the concession.

These requirements and obligations specifically entail:

- a) equity, as reported in the latest approved and certified accounts, of at least €1 million for each percentage point held in the operator's issued capital;
- b) notwithstanding paragraphs 1 and 2 of article 3 of the Single Concession Arrangement<sup>4</sup>, maintenance in Italy of the Operator's registered office, including for tax purposes, as well as the Operator's technical and management expertise necessary to carry out the activities

---

<sup>4</sup> Paragraphs 1 and 2 provided that "changes concerning the Operator (i.e. "any merger, spin-off, demerger, transfer or business or units thereof, change in registered office or corporate purpose, dissolution of the company") must be approved in advance by the Ministry of Infrastructure and Transport and the Ministry of the Economy and Finance, following a review by ENAC, on penalty of termination of the concession.

under article 2 (Operator's Obligations and Rights) of the Single Concession Arrangement, undertaking to ensure that the Operator has the means to fulfil its obligations under the Arrangement and annexes thereto, acting to the best of its ability to that effect;

- c) the board of directors and the board of statutory auditors are composed, to the extent required, of persons meeting the professionalism and, where appropriate, independence requirements pursuant to the CFA, as well as the integrity requirements for companies listed on a stock exchange as established by the laws of the country in which the company has its headquarters.

Any transaction resulting in a change of control for the Operator - pursuant to article 2359 of the Italian Civil Code, which, as such, makes the above provisions inapplicable - must be submitted to ENAC with all the necessary details for approval, which will be provided within 60 days of submission. In the absence of any response, the approval is automatically issued pursuant to article 20, paragraph 1, of Law 241 of 7 August 1990, as subsequently amended and supplemented.

\*\*\*\*

The existing Single Concession Arrangement signed on 25 October 2012 between ADR and ENAC (the Italian Civil Aviation Authority), and approved by Decree of the President of the Council of Ministers of 21 December 2012, sets out the specific requirements and obligations for the new parent, in case of change of control for the Operator, pursuant to article 2359 of the Italian Civil Code, and on penalty of termination of the concession.

These requirements and obligations specifically entail:

- a) equity, as reported in the latest approved and certified accounts, of at least €1 million for each percentage point held in the operator's issued capital;
- b) notwithstanding paragraphs 1 and 2 of article 3 of the Single Concession Arrangement<sup>4</sup>, maintenance in Italy of the Operator's registered office, including for tax purposes, as well as the Operator's technical and management expertise necessary to carry out the activities under article 2 (Operator's Obligations and Rights) of the Single Concession Arrangement, undertaking to ensure that the Operator has the means to fulfil its obligations under the Arrangement and annexes thereto, acting to the best of its ability to that effect;
- c) the board of directors and the board of statutory auditors are composed, to the extent required, of persons meeting the professionalism and, where appropriate, independence requirements pursuant to the CFA, as well as the integrity requirements for companies

listed on a stock exchange as established by the laws of the country in which the company has its headquarters.

Any transaction resulting in a change of control for the Operator - pursuant to article 2359 of the Italian Civil Code, which, as such, makes the above provisions inapplicable - must be submitted to ENAC with all the necessary details for approval, which will be provided within 60 days of submission. In the absence of any response, the approval is automatically issued pursuant to article 20, paragraph 1, of Law 241 of 7 August 1990, as subsequently amended and supplemented.

---

<sup>4</sup> Paragraphs 1 and 2 provided that “changes concerning the Operator (i.e. “any merger, spin-off, demerger, transfer or business or units thereof, change in registered office or corporate purpose, dissolution of the company”) must be approved in advance by the Ministry of Infrastructure and Transport and the Ministry of the Economy, following a review by ENAC, on penalty of termination of the concession.

### e) Authority to purchase treasury shares

Pursuant to article 123 bis, first paragraph, letter m), CFA, shareholders at the General Meeting on 18 April 2019 revoked the unused portion of the previous authority dated 20 April 2018, granting the Board of Directors, pursuant to arts. 2357, et seq., of the Italian Civil Code and art. 132 of the CFA, the powers to, within 18 months, purchase in one or more tranches a maximum of 82,578,399 treasury shares with a par value of €1.00 - including the 7,819,448 treasury shares acquired by the Company on 18 April 2019, pursuant to previous shareholder resolutions – and otherwise, where lower, the maximum number of treasury allowed by law from time to time, for up to €1,900 million (including the value recognised in the financial statements closed for the year ended 31 December 2018). The transaction was authorised for one or more of the following reasons in observance of the applicable laws and regulations, including EU legislation in force at the time:

(a) operate in the market, including through intermediaries, to support Atlantia's share liquidity and/or to stabilise its listing price, thus fostering orderly trading activities and avoid price movements not in line with market trends;

(b) operate in the market with a medium/long-term approach to investing, including to create long-term equity interests, with a view to optimising the share capital structure, or to seize market opportunities by buying and selling shares, in the market (in relation to the purchases in the manner indicated hereinbelow) or (regarding the sale, disposal or use) in over the counter markets or also outside the market or through an ABB or *en block*, at any time, in whole or in part, in one or more instances, without time limits, provided that such transactions take place at market prices;

(c) build a share inventory to sell, dispose of and/or utilise treasury shares—whether held in portfolio or purchased pursuant to the present shareholder resolution – at any time, in whole or in part, in one or more instances, and without time limits, provided that the relevant transactions take place in keeping with the Company's strategic guidelines, in connection with capital actions including, yet not limited to, stock-for-stock transactions, contributions, share swaps or in relation to share-based transactions or other corporate and/or financial transactions including, without limitation, acquisitions, mergers and the like or loan transactions or incentives and similar transactions, in relation to which it is necessary or appropriate to award or perform any other act of disposition of treasury shares (for example in relation to convertible securities, bonds or warrants) as well as to fulfil obligations arising from stock option plans, stock grants or otherwise incentive programmes, whether for payment or free of charge, to group directors and officers, employees or collaborators;

(d) commence share buyback programmes as provided for in article 5 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "Market Abuse

Regulation”) (hereinafter referred to also as “MAR”), namely the reduction of share capital, fulfilment of obligations arising from debt instruments convertible into shares or share option programmes or other assignments of shares to employees or members of governance and control bodies of the Company and its related companies, or for any other purpose contemplated therein in the version currently in force, and/or for the purpose contemplated in the market practices permitted by art. 13 of the MAR, within the terms and according to the procedures to be decided on by the Board of Directors, though the shares in the portfolio or acquired in execution of the present authorisation may be allocated for any other purpose indicated above, sold and/or assigned;

The General Meeting also authorised that the above-mentioned acquisitions be made:

- (a) at prices consistent with the provisions of article 3, paragraph 2, of Commission Delegated Regulation (EU) 2016/1052, i.e. as of the date of the report to the shareholders for the General Meeting of 18 April 2019, at a price not exceeding the higher of (i) the price of the latest independent transaction and (ii) the highest current independent purchase offer made on the MTA market, organised and managed by Borsa Italiana SpA, or otherwise according to the pertinent legislation currently in force. In any case, purchases must be made at a price per share that may not deviate by more than 20% either way from the closing reference price for the day prior to every single transaction;
- (b) in any way permitted by the laws and regulations, including EU legislation, in force from time to time, particularly, as of this writing, article 132, paragraph 1, CFA and article 144-bis, paragraph 1, sub-paragraphs a), b), d), d-bis) and d-ter) of the Issuer Regulation.

The General Meeting of Shareholders authorised, after revoking the previous authority of 20 April 2018, the sale or other act of disposition and/or use, in one or more instances and at any time, without any time limit, of all or part of the treasury shares held in portfolio or purchased pursuant to the resolution, including before completion of the purchases of the maximum amount authorised by the resolution, for all the purposes outlined above, provided that if such transactions are carried out:

- (a) for cash, they will have to be executed at a price per share to be determined on the basis of the applicable regulation and/or market practices prevailing from time to time, otherwise to within 10% of the closing reference price for the day prior to that of every single transaction;
- (b) in connection with the above-mentioned capital actions [first paragraph, letter (c)], including stock- for-stock transactions, contributions, share swaps or in relation to share-based transactions

or other corporate actions and/or financial transactions, they must be executed with the price limits and on the terms and conditions set by the Board of Directors;

(c) in relation to share-based incentive plans, treasury shares must be awarded to the beneficiaries of these plans in place from time to time, in accordance with the terms and conditions of the plans.

Lastly, it is noted that the Shareholders took expressly cognisance of the fact that, pursuant to the whitewash mechanism referred to by article 44-bis, paragraph 2, of the Issuer Regulation, the resolution to authorise the purchase of treasury shares, approved with the majorities indicated by this provision (i.e. with the vote in favour of the majority of shareholders attending the General Meeting other than Sintonia SpA), exempts Sintonia SpA (and its parent company Edizione Srl) from the obligation to launch a takeover bid if, as a result of purchases of treasury shares by the Company pursuant to the resolution in question, Sintonia SpA (and, indirectly, its parent company, Edizione Srl) were to exceed the material thresholds under article 106, paragraph 3, sub-paragraph b) of the CFA.

For the additional terms and conditions of the shareholder resolution on the authority to purchase and sell treasury shares, reference is made to the Report to the Shareholders available on the Company's website ([https://www.atlantia.it/documents/49112/509144/Relazione\\_azioni\\_proprie\\_ODG\\_3\).pdf](https://www.atlantia.it/documents/49112/509144/Relazione_azioni_proprie_ODG_3).pdf)).

Lastly, the number of treasury shares in portfolio at the end of 2019 was 7,772,693 or 0.94125% of the issued capital.

## f) Management and coordination activities

Edizione Srl, through Sintonia SpA, is Atlantia's relative majority shareholder with a 30.25% equity interest.

The Atlantia Board of Directors, appointed by the General Meeting of Shareholders on 18 April 2019, is an expression of the majority slate presented by Sintonia Spa, from which 12 members out of 15 are taken. The slate of these shareholders was the first by number of votes thanks to the vote of other shareholders at the General Meeting.

In this regard, it should be noted that the average attendance of shareholders at the Atlantia General Meeting in 2017, 2018 and 2019 was approximately 76.66% of the share capital.

It should also be noted that a joint declaration on 12 March 2009 by Sintonia SA. (company organised under the laws of Luxembourg) and Schemaventotto SpA (subsequently merged by incorporation in Sintonia) states that these companies are not subject to management and coordination activities on the Company and Group of which it is parent.

Atlantia is not subject to the management and coordination of third parties.

On 19 January 2018, Atlantia SpA adopted a set of rules defining the scope and the Company's approach to the management and coordination activities in relation to other Group companies not subject to the management and coordination of other entities.

These rules were amended and supplemented on 15 February 2019.

\*\*\*

It should be noted that:

- the information required by article 123-bis, first paragraph, letter i) CFA (i.e. agreements between the company and directors, ... which provide for indemnities in the case of resignation or dismissal without cause or if their employment ceases following a public tender offer) are illustrated in the Remuneration Report published pursuant to art. 123 ter, CFA;
- the information required by article 123-bis, paragraph one, letter 1) CFA (i.e. the provisions applicable to the election and replacement of directors ... and the amendment to the articles of association, if different from the applicable legal and regulatory requirements) are illustrated in the section of this Report on the Board of Directors (section 4.1).



### 3. COMPLIANCE

Atlantia's corporate governance system is based on a compendium of rules aligned with the most recent market and regulatory standards. This system was created and revised over time by the introduction of rules of conduct that substantially reflect the evolution of the business and the principles and criteria laid down in the Corporate Governance Code for Listed Companies drawn up by the Corporate Governance Committee (hereinafter also "**Corporate Governance Code**"), except in the circumstances described hereinbelow.

As explained in the reports on corporate governance and the ownership structure published in previous years, at the end of 2007, in essence the Company adopted the recommendations contained in the Corporate Governance Code of 2006 by approving its own Corporate Governance Code (hereinafter "**ATL Corporate Governance Code**") on 14 December 2007, to provide shareholders and stakeholders a tool to understand Atlantia's governance structure more easily and rapidly.

The Board of Directors revised the ATL Corporate Governance Code on 18 January 2019 – upon proposal of the Internal Control, Risk and Corporate Governance Committee - incorporating amendments to the Corporate Governance Code by the Corporate Governance Committee.

The full text of the latest version of the ATL Corporate Governance Code, as revised by the Board of Directors on 18 January 2019, is available on the Company's website at [https://www.atlantia.it/documents/20184/41063/Nuovo\\_Codice\\_di\\_Autodisciplina\\_ATL\\_2019\\_1.pdf/de5b310e-47e0-4966-8bcb-383948737b16](https://www.atlantia.it/documents/20184/41063/Nuovo_Codice_di_Autodisciplina_ATL_2019_1.pdf/de5b310e-47e0-4966-8bcb-383948737b16).

The rules contained in the Articles of Association and the General Meeting Regulations form an integral part the Company's corporate governance system.

## 4. BOARD OF DIRECTORS

### 4.1 Election and replacement

Board of Directors' appointments are governed by article 20 of the Company's Articles of Association, which contemplate that Board members are appointed based on the slate presented by the outgoing Board of Directors and by Parties, who, singly or jointly with other shareholders at the date on which the slates were filed with the Company, represent at least 1% of the share capital, or the minimum shareholding to be determined by Consob as per article 144-quater of the Issuer Regulation. To that end, Consob required 1% (as indicated in determination no. 13 of 24 January 2019) for the submission of slates of candidates to the Atlantia's Board of Directors as renewed in 2019.

In regard to the mechanism contemplated to ensure the election of at least two independent directors, the Articles of Association stipulate that every slate must contain at least two candidates who meet the statutory independence requirements, with one of them at the top of that slate.

Regarding independent directors, Article 3 of the ATL Corporate Governance Code adopted the principle of the Corporate Governance Code, contemplating further independence requirements for directors (as described in article 3) compared to those established for the statutory auditors pursuant to article 148 of the CFA.

Moreover, article 2.2, sub-paragraph (c) of the ATL Corporate Governance Code provides that if Atlantia is listed on the FTSE-MIB index (which it is now), at least one third of directors should be independent. Such number will be rounded down to the lower integer, in the event that it is not a whole number. The number of independent Directors may, however, never be lower than two.

In relation to the provisions on gender balance in governance bodies, the Company's Articles of Association has adopted the provisions of law no. 120 of 12 July 2011, introducing to the articles related to the election of the Board of Directors and the Board of Statutory Auditors a method of compiling slates and set out the criteria for gradual transitional arrangements to ensure an outcome of voting sessions compliant with gender balance.

In light of the above, the slates submitted in relation to the renewal of the Board of Directors for 2019-2021 containing at least three candidates had to indicate at least one-third of such candidates as members of the under-represented gender.

The following provisions of the Articles of Association describe how slate voting functions to elect members of the Board of Directors:

- a) for the purposes of allocation of the Directors to be elected, account is not taken of slates that fail to obtain a percentage of votes at least equal to half of the percentage required for submission of the slates;
- b) four fifths of the Directors to be elected are taken in sequential order from the slate receiving the majority of votes cast by the holders of shares carrying voting rights, and in compliance with the legislation in force concerning gender balance. Any fractions shall be rounded down to the nearest whole number;
- c) the other Directors are taken from the other slates that are not in any manner connected, even indirectly, with the shareholders who submitted or voted for the slate that obtained the most votes. For this purpose, the votes cast for those other slates shall be successively divided by one, two, three up to the number of Directors to be elected; the quotients attributed in this manner to the candidates of the various slates shall then be ranked in decreasing order: the two candidates elected are those with the highest quotients subject to the compliance with gender balance;
- d) if, on completion of the election and the above procedures, legislation concerning the balance between the gender quotas elected has not been complied with, the candidates elected from the various lists are ranked in decreasing order, based on the quotients calculated in accordance with the procedure described in letter c). The candidate from the most represented gender with the lowest quotient in the ranking shall thus be replaced by the first of the candidates from the least represented gender to not be elected and belonging to the same slate. If there are no other candidates in this slate, the above replacement shall be approved by the General Meeting with the majority required by law. If replacement of the candidate from the most represented gender with the lowest quotient in the ranking does not, however, enable the minimum quota required by the legislation in force to be reached, the above replacement process shall also be applied to the candidate from the most represented gender with the penultimate quotient, and so on rising from the lowest ranked candidate. In the event that there are candidates with equal quotients, that candidate on the slate from which no Director has already been selected or with the lowest number of Directors selected, is selected, provided that legislation in force concerning gender balance has been observed. In the event of a tie of slate votes, and, therefore, equal quotients, the General Meeting shall hold a new election and the candidate receiving the majority of votes shall be elected.

Regarding the replacement of directors, article 21 of the Articles of Association states that if any directors are missing during the year, they will be replaced as provided for in article 2386, first paragraph of the Italian Civil Code, in compliance with the legislation in force concerning the gender balance. However, if the majority of the directors appointed by the General Meeting is no longer

available before the end of the mandate, the entire Board of Directors and General Assembly must be convened urgently to reconstitute the board.

Lastly, it is noted that, considering the entry into force of law no. 160 of 27 December 2019 (Budget Act 2020), which – to ensure continuity to the rules on gender balance in the governance bodies of listed companies ( under articles 147 ter, paragraph 1-ter, 147 quarter, paragraph 1-bis, and 148, paragraph 1-bis, CFA), which would otherwise have lapsed in 2020 – provides that at least 2/5 (no longer at least 1/3) of the board of directors or the board of statutory auditors be made up of the under-represented gender, the Company will evaluate how to adapt its Articles of Association, taking into account, if necessary, also Consob Communication no. 1/20 of 30 January 2020 on implementing the new rules.

## - Succession planning

The Corporate Governance Code provides that any procedure adopted for the succession of executive Directors should contain a clear definition of objectives, tools and timing of the process, the involvement of the Board of Directors and a clear allocation of duties, starting from that for research activities.

The ATL Corporate Governance Code incorporated the recommendation requiring the Board of Directors – in case of adoption of a succession plan for executive Directors – to make a disclosure in this Report, with a clear indication of the objectives, the timing and the process.

With regard to planning for the succession of Atlantia's CEO, the Board of Directors is responsible for coordinating and managing any unexpected replacement. The procedures and timing are linked to the occurrence of such circumstances and in any case, as indicated by the Board of Directors, after tapping the external market.

Atlantia's Succession Plan and Talent Management processes are used in the Group for the development of human resources and organisational development decisions. They ensure the Group's management continuity by identifying key positions, potential successors for the key positions and setting out growth plans.

Atlantia's Succession Plan and Talent Management model, which is certified by a qualified consulting company as methodology aligned with best market practices, has been further refined through:

- the review and expansion of the number of key positions;
- the introduction of certain improvements that might enhance the effectiveness of the process;
- the balancing of the successor pool also through the identification of talent management tracks for the younger population.

In 2016, the Group's Human Resources Department coordinated the process to identify the Group's key positions and set up the model to evaluate skills and performance of the current holders of such positions through the direct involvement of the competent departments of the single Group companies.

For 2019, the Succession Plan is expected to be updated after the acquisition of Abertis Group is completed.

## 4.2 Composition

The Board of Directors in office at 31 December 2019 was elected by shareholders at the General Meeting of 18 April 2019.

At the General Meeting held on 18 April 2019, the shareholders resolved to bring the number of members of the Board of Directors to fifteen and, in accordance with art. 19, paragraph 3 of the Articles of Association, to set a three-year term of office for the new Board of Directors, expiring with the approval of the 2021 financial statements.

The 2019 General Meeting of Shareholders thus appointed fifteen Directors for the financial years 2019, 2020 and 2021, based on the slates submitted by the shareholders according to the terms and procedures under art. 20 of the Articles of Association and the pertinent laws and regulations in force.

A total of two slates – which were not found to be linked - were submitted.

Pursuant to art. 20, paragraph b) of the Articles of Association, 12 Directors were elected, with 63.94% of the vote, from the majority slate submitted by Sintonia SpA: Fabio Cerchiai (Chairman), Giovanni Castellucci (Chief Executive Officer), Carlo Bertazzo, Andrea Boitani, Riccardo Bruno, Mara Anna Rita Caverni, Cristina De Benetti, Gioia Ghezzi, Anna Chiara Invernizzi, Carlo Malacarne, Ferdinando Nelli Feroci and Marco Patuano.

Pursuant to art. 20, letter c) of the Articles of Association, 3 Directors were elected, with 35.78% of the vote, from the minority slate submitted by a Group of asset management companies and other institutional investors on behalf of managed funds: Dario Frigerio, Giuseppe Guizzi and Licia Soncini.

On 24 June 2019, Marco Patuano resigned from the Company's Board of Directors. Subsequently, on 17 September 2019, also Mr Giovanni Castellucci resigned from his post as CEO and General Manager of the Company.

On 31 October 2019, the Board of Directors co-opted Sabrina Benetton as member of the Board, with her term of office expiring on the date of approval of the financial statements as of and for the year ended 31 December 2019. As of 31 December 2019, Atlantia's Board of Directors consisted of 14 members.

It is noted that, after the closing of the financial year, at a meeting held on 13 January 2020, the Board of Directors appointed Mr Carlo Bertazzo as the new CEO of the Company and that on 6 March 2020 the Board co-opted Ms Valentina Martinelli as a Director, with her term of office expiring on the date of approval of the 2019 financial statements.

Eleven (11) candidates declared that they met the independence requirements, pursuant to both article 148 paragraph 3 of the CFA and article 3 of the ATL Corporate Governance Code (Boitani, Bruno,

Caverni, De Benetti, Frigerio, Ghezzi, Guizzi, Invernizzi, Malacarne, Nelli Feroci e Soncini), as subsequently verified by the Board of Directors (in this regard, reference is made to section 4.5 herein).

The Board of Directors thus comprises at least 1/3 of independent directors [in accordance with paragraph 2.2 sub-paragraph (c) of the ATL Corporate Governance Code] and at least 1/3 of members of the under-represented gender (pursuant to the Articles of Association and in pursuance of law no. 120 of 12 July 2011).

As of 31 December 2019, the Board of Directors comprises 13 non-executive Directors and one executive Director (i.e. the Chairman Paolo Cerchiai). The number and authority of non-executive directors are such as to ensure that their opinions have a very significant effect on board resolutions and that their specific skills and expertise are brought to bear on deliberations, thus helping to ensure that decisions are taken in the Company's best interests. The non-executive Directors at 31 December 2019 are: Sabrina Benetton, Carlo Bertazzo, Andrea Boitani, Riccardo Bruno, Mara Anna Rita Caverni, Cristina De Benetti, Dario Frigerio, Gioia Ghezzi, Giuseppe Guizzi, Anna Chiara Invernizzi, Carlo Malacarne, Ferdinando Nelli Feroci and Licia Soncini.

After year-end, following the appointment of the new Chief Executive Officer and the new Director Valentina Martinelli, the number of total executive directors rose to two while that of non-executive directors was unchanged at 13, given that the new CEO, Carlo Bertazzo, is an executive director (together with the Chairman) while Valentina Martinelli is a non-executive director, enlarging the ranks of the existing 12 non-executive directors.

At its meeting of 10 May 2019, the Board of Directors appointed Caverni as the Director in charge of the Internal Control and Risk Management System (Hereinafter also "**Director in Charge**").

In this respect, it should be pointed out that, based on the system of the ATL Corporate Governance Code, the Company's practices and the manner in which the task is performed (lack of specific operational powers to be exercised autonomously and with spending powers), the Director in Charge performs control and guarantee duties more than system design and management; as such Director Caverni continues to qualify as a "non-executive" Director.

In the matter of "diversity", it is noted that, as mentioned above, the Board of Directors elected by the 2019 General Meeting of Shareholders is made up for over one-third of members of the under-represented gender. Following the resignation of Director Patuano and the co-optation of Sabrina Benetton, the number of directors belonging to the under-represented gender at 31 December 2019 was 6 (Benetton, Caverni, De Benetti, Ghezzi, Invernizzi, Soncini). The composition of the Board is such as to ensure also a diverse managerial and professional skillset as well as the presence of different age groups and seniority, as indicated in Annex A. The Board of Directors confirmed this circumstance during the self-assessment, which brought to light a strong appreciation of the diversity represented

in the Board of Directors in terms of experience/seniority and gender, particularly the diversity in terms of age (of which, more later).

For the time being, the Company has decided to adopt no further policies on diversity in the composition of the Board of Director and the Board of Statutory Auditors, provided for by article 123-bis, paragraph 2, sub-paragraph d-bis of the CFA, considering that Atlantia has already introduced into the articles of association a policy ensuring gender balance in the composition of the Board of Directors and the Board of Statutory Auditors, as well as the positive results of the diversity self-assessment by the Board.

Lastly, as already indicated in this Report, at its meeting of 18 January 2019, the Board of Directors updated the ATL Corporate Governance Code, including, among others: i) the diversity-related novelties introduced in the Corporate Governance Code in July 2018 and ii) incorporating, albeit without adopting a specific policy thereon, the possibility for the Board of Directors to share with the Shareholders its views on the managerial and professional figures whose presence on the Board of Directors is considered to be appropriate, also in light of the new diversity criteria introduced in the Corporate Governance Code. The Company will determine whether it should update the ATL Corporate Governance Code in view of the amendments to law no. 160 of 27 December 2019 (Budget Act 2020) on gender quotas. In this regard, on 15 February 2019, the Board of Directors approved, after receiving the opinion of the Nomination Committee (reference is made to paragraph 7), the “Opinion on the renewal of the Board of Directors for the three-year period 2019/2021”, submitted to the Shareholders in view of the presentation of the slates for the renewal of the Board of Directors.

To that end, based on the above data, the composition of the Board of Directors appointed by the Shareholders on 18 April 2019 is substantially in line, in terms of diversity, with the recommendations contained in the cited Opinion on the renewal of the Board of Directors.

Lastly, in light of the measures that the Company has taken to promote equal gender opportunities and treatment, during 2018, as party to the Global Compact, and in keeping with the constitutionally established principles of gender equality, EU legislation regarding the protection of the dignity of men and women at the workplace and the pertinent Italian laws and legislation, the Atlantia Group has adopted a Code of Conduct to safeguard against discrimination and protect the dignity of the men and women at the Group. This, with a view to maintaining the best possible well-being conditions in the workplace, ensuring a working environment inspired by the principles of equality and protection of liberty, dignity and the inviolability of the person.

The ATL Corporate Governance Code provides that Directors should accept to serve on the Board when they think they can devote the time necessary to their duties, taking into account other offices held as Director or Statutory Auditor in other Italian and foreign financial, banking, insurance or large



companies (hereinafter also “**Significant Companies**”) listed on regulated markets. To that end, the table summarising the situation at 31 December 2019 (Table 2 activities performed) shows the number of offices held by each Director, in addition to the office held in Atlantia, in companies with the abovementioned characteristics while Annex I exhibits the list of such offices.

Moreover, Article I.5 of the ATL Corporate Governance Code vests the Board of Directors with powers to express its views on the maximum number of directorships or positions as statutory auditor that Directors can hold in Significant Companies, taking into account also the participation of Directors in Board Committees, in order not to undermine the effectiveness of their role as Company Directors or Statutory Auditors. Such guidance should be interpreted in conjunction with the requirements laid down therein, whereby, regarding the maximum number of positions, the Board of Directors considers as a necessary precondition for potential Directors or Statutory Auditors the availability of an adequate amount of time to serve effectively in office (see application criterion I.C.3 of the corporate governance code for listed companies). Such assessment should be made by the shareholders, when they select the candidates for inclusion in the slate for election to the Board of Directors and Board of Statutory Auditors, and, most of all, by candidates to such offices.

In this regard, it should be noted that its Opinion on the renewal, the Board of Directors recommended that candidates to the office of Directors of Atlantia hold - at the time of their candidacy, including the potential appointment to the Board of Directors of Atlantia and any offices held in the Group as a whole - a number of positions that, by their very nature, complexity, duties and functions, could be compatible with an effective discharge of duties as an Atlantia Director, also in consideration of the participation of a Director in Board committees. Based on the information available to the Company, and considering the positive outcome of the Board’s self-assessment in this area, the number and nature of the offices held by the Directors allows them to devote adequate time and resources to the discharge of their duties as members of Atlantia’s Board of Directors.

In order to enable the Directors to carry out their duties in an informed manner, the Company’s Chairman has launched a number of initiatives aimed at increasing their knowledge of the Company and how it operates, including updates on developments in the regulatory and self-regulatory environment. In particular, on 15 February 2019, an “induction” session was held where Directors and Statutory Auditors were able to explore “Development trends in commercial aviation and positioning”. On 7 June 2019, after the start of the term of office of the new Board of Directors, two additional induction sessions were held to enhance knowledge of the Group and the sectors in which it operates, by discussing: “Overview of the Atlantia Group” and “Tariff and concession systems of Autostrade per l’Italia SpA and ADR SpA”.

In their self-assessment exercise, the Directors expressed satisfaction for the induction programme and for the continuing education activities held.

In the event that the General Meeting of Shareholders authorises, generally and in advance, waivers to the non-competition clause, the conduct of the Board of Directors must be consistent with the applicable legislation and, in particular, with article 2390 of the Italian Civil Code

However, so far, the Shareholders have never authorised any waiver of the non-competition clause under article 2390, Italian Civil Code.

### - Assessment of the size, composition and functioning of the Board of Directors

Article 14 of the ATIL Corporate Governance Code, in keeping with criterion I.C.I subparagraph g) of the Corporate Governance Code, adopted Recommendation no. 2002/162/EC of the European Commission, which provides, inter alia, that the Board of Directors of a listed issuer assess its work annually, using its own composition, organisation and functioning as standards of reference.

This self-assessment was carried out in December 2019 and January 2020 for 2019.

The self-assessment process was carried out in the following stages:

- ✓ selection of a qualified external advisor to sort the Directors' feedback in a more effective and structured manner, also in light of the start of the term of office of Atlantia's new Board of Directors composed of, mainly, rookie Directors. The selected advisor was Egon Zehnder (hereinafter also the "**Advisor**"), which oversaw the Company' latest external self-assessments, to identify any areas for self-improvement with the same standard;
- ✓ preparation, with the Advisor's support, of a comprehensive self-assessment questionnaire to gather opinions on functioning in relation to the size and composition of the Board and its Committees. The proposed questionnaire was shared with the Nomination Committee and the Human Resource and Remuneration Committee;
- ✓ submission to the 14 Directors in office at that time and to the Chairman of the Board of Statutory Auditors;
- ✓ organisation by the Advisor of individual interviews with each Director with the intent to grasp their views on the Board's, and its Committees', functioning and effectiveness. An interview was conducted also with the Chairman of the Board of Statutory Auditors;

- ✓ collection of data by the Advisor and examination of indications and comments from the questionnaires and interviews and processing of the results in an anonymous and aggregate manner;
- ✓ drawing up of a summary report in light of the information gathered.

In particular, the aspects listed below were assessed:

- size, composition and diversity representation in the Board of Directors;
- functioning, decision-making processes and role of the Board of Directors;
- Chairman's role;
- strategy and objectives;
- structure and people;
- Committees of the Board of Directors;
- Board dynamics, self-assessment method and benchmarking.

While mindful of the extraordinary circumstances that characterized this year, as a result of the events involving the subsidiary ASPI, the results of the self-assessment process and corresponding analysis indicate that most responses were positive, with a particular appreciation of the openness and quality of board discussions.

Turning to the key strengths, nearly all respondents:

- ✓ thought that the present size of the Board, as contemplated by the Articles of Association, is fit for the Company's size and complexity;
- ✓ believed to be substantially prepared for the demands of the office and in possession of the knowledge necessary for the duties, responsibilities and the reference regulatory framework;
- ✓ appreciated the induction programme and, in general, the ongoing training activities organised for Directors. Further matters were also proposed as ideas for further training, including:
  - ✓ Governance structure and future evolution of the group and the holding;
  - ✓ Internationalisation process and exploration of foreign operations
  - ✓ In-depth analysis of airport subsidiaries;
  - ✓ Tariff and concession systems also from an international perspective;
  - ✓ Comparative analysis of regulation and concession agreements;

- ✓ Sustainability;
- ✓ Structured communication plan;
- ✓ expressed full appreciation for the planning, number, frequency and duration of Board meetings, considering them sufficient to address the items on the agenda. However, given the extraordinary nature of the year, several directors suggested that more time be devoted to ordinary operations, as soon as the external conditions allow it;
- ✓ were satisfied with the frequency of meetings and the calls thereto;
- ✓ felt that the interaction among the Board of Statutory Auditors, the Board of Directors and other bodies is constructive and well balanced;
- ✓ were fully satisfied with the minutes, finding the process to be effective and accurate in reporting deliberations based on single arguments and the individual inputs;
- ✓ were satisfied with how price-sensitive information is managed, regarding the Board as sufficiently well-informed about the confidentiality of the matters discussed and verifying the effective respect of confidentiality needs without compromising the “adequacy and timeliness of the reports that precede Board meetings”;
- ✓ appreciated the role of the Chairman, particularly the leadership in Board dynamics, in the management of meetings and in the stimulation of critical and independent discussion;
- ✓ expressed appreciation for the current organisation of Board Committees and a positive opinion on the role and functioning of such Committees;

With reference to article 123-bis, paragraph 2, sub-paragraph d-bis of the Consolidated Finance Act on the implementation of diversity policies, the respondents expressed a positive view of Atlantia’s Board of Directors.

Diversity is respected in the Board’s composition, in terms of age, experience/seniority and gender; less emphasis was placed on education and culture while there was hope for further diversification in terms of international experience.

Though to a lesser degree, some Directors mentioned the advisability to incorporate expertise in IT/operations as well as human resources and organisation.

In this regard, Atlantia adopted in the articles of association a policy in compliance with the applicable legislation that guarantees gender balance in the composition of the Board of Directors and the Board of Statutory Auditors.

Egon Zehnder illustrated the preliminary results of the self-assessment for 2019 to the Internal Control, Risk and Corporate Governance Committee performed at the meeting of 13 February 2020.

At the meeting of 14 February 2020, the Board of Directors analysed the results and confirmed the positive trend in recent years of the self-assessment, presented by Egon Zehnder, with the participation of the Board of Statutory Auditors.

The self-assessment on the functioning and composition of the Board of Directors and its Committees took into consideration also the recommendations addressed in the letter of 12 December 2018 from the Chairman of the Italian Committee for Corporate Governance.

### **- Activities performed in 2019**

The Board of Directors of Atlantia held a total of 21 meetings in 2019 with an average length of approximately 4 hours.

The average attendance of Directors at Board meetings was 96% (Table 2 lists the attendance percentage for each Director).

At the meetings Directors were provided sufficiently in advance with all the necessary documentation to ensure fruitful participation in Board discussions. The Chairman ensured that the documents provided in advance were timely and complete, preserving the confidentiality of the relevant data and information.

In order to ensure the timeliness and completeness of pre-meeting information, documentation relating to board meeting agenda items was sent by e-mail in compliance with the Procedures for market announcements sufficiently in advance to review the items on the agenda, and in any case before the date of the Board of Directors' meetings.

On the limited number of occasions where the documents could not be provided sufficiently in advance, care was taken to illustrate in suitable and accurate manner the matter, providing all the necessary clarifications was provided during the Board meeting, where required, and making available by e-mail the relevant documentation in any case.

The meetings of the Board of Directors are attended by the Company's General Manager and its Chief Financial Officer, who was also designated by the Board of Directors as Manager Responsible for Financial Reporting. In 2019 the meetings of the Board of Directors were attended also by Directors and Executives of the Company and the Group, based on their areas of expertise, to provide a more in-depth perspective on the items on the agenda.

The Chairman ensured that Directors were able to participate in initiatives aimed at providing them with sufficient knowledge of the sector in which Atlantia works, of the corporate dynamics and their evolution, as well as the of the regulatory and self-regulatory environment. Regarding 2019, reference is made to paragraph 4.2, on “induction” sessions.

The Board of Directors approved the dates of the 12 meetings expected to be held during 2020. As of the date of this report, 11 meetings were held in addition to the 3 scheduled.

A calendar of corporate events showing the dates of Board of Directors’ meetings to approve the annual, six-monthly and quarterly financial reports has been published in accordance with the applicable regulations and made available on the Company’s website at <https://www.atlantia.it/it/investor-relations/calendario-finanziario>. To that end, for the sake of completeness, it is noted that, on 6 March 2020, the Company announced a change to the above-mentioned schedule, in light of the ASPI’s decision, adopted with a resolution by its Board of Directors, to postpone the date of approval of its financial statements. Specifically, to obtain more comprehensive information for the preparation of the Company’s draft financial statements as of and for the year ended 31 December 2019, Atlantia’s Board of Directors resolved to postpone until 28 April 2020 the date of the Board meeting convened to approve the financial statements, thus exercising the option provided by article 2364, paragraph 2, of the Italian civil code and article 16 of the Articles of Association to convene the General Meeting of Shareholders called upon to approve the separate and the consolidated financial statements within 180 days of the closing of the financial year.

In 2019, the activities performed by the Board of Directors included, among others:

- assessment of the Company’s performance after considering information provided by executive directors and officers and comparing budgeted with actual results;
- approval of transactions of Atlantia and its subsidiaries with a significant strategic impact on operating results, financial conditions and cash flows based on the provisions of paragraph 4.3 and the ATL Corporate Governance Code;
- approval of the 2019 Group budget in the Board of Directors’ meeting of January 2019; eventually, at the meeting of in February 2019 the Board took cognisance of the Group’s updated medium- and long-term projections;
- assessment of the adequacy, effectiveness and proper functioning of the Internal Control and Risk Management System of Atlantia and the Group for 2018 during the meeting of 7 March 2019. The Board of Directors also assessed the guidelines for the aforementioned internal control and risk management system.

In particular, attention is called to the increased pace of the Board's activities in 2019, mainly following the events involving the key subsidiary ASPI.

Pursuant to article 3 of Consob Resolution no. 18079 of 20 January 2012, on 17 January 2013, Atlantia's Board of Directors approved participation in the streamlining required by arts. 70, paragraph 8, and 71 paragraph 1-bis of the Issuer Regulation, exercising the option to depart from the obligation to publish the information required by Annex 3B of the Regulation for significant mergers, demergers, capital increases through in-kind contributions, acquisitions and assignments.

\* \* \* \*

The Board of Directors, upon proposal of the CEO, established the Internal Audit department, effective 1 January 2015 and - at the recommendation of the Director in Charge and subject to the consent of the Internal Control, Risk and Corporate Governance Committee, and having consulted with the Board of Statutory Auditors - appointed Concetta Testa as its head.

Effective 17 December 2019, Concetta Testa resigned from her position as head of the Group Internal Audit Department.

Moreover, on 13 December 2019, the Board of Directors approved a decentralised Internal Audit model, authorising the creation of an independent Internal Audit department in ASPI, ADR and Telepass SpA and, progressively, also in the most important foreign subsidiaries.

In addition, the Chairman of the Board of Directors and the General Manager were directed to perform research for the implementation the Internal Audit and Risk Management model to be adopted by Atlantia, to be reviewed by the Internal Control, Risk and Corporate Governance Committee and subsequently submitted to the Board of Directors for approval.

At the meeting held on 14 February 2020, upon proposal of the Director in charge of the internal control and risk management system, the Board of Directors, after acknowledging the consent of the Internal Control, Risk and Corporate Governance Committee and consulting with the Board of Statutory Auditors, appointed Lorenzo Alzati as Head of Internal Audit of Atlantia SpA

### 4.3 Role of the Board of Directors

The Board of Directors is the corporate body responsible for the management of the Company and is, therefore, the only body with the authority and full powers to conduct the affairs of the Company in pursuit of the priority objective of creating shareholder value.

In performing its duties, the Board of Directors must observe best business and management practices, in compliance with all relevant laws and regulations and the requirements of the Company's Code of Ethics, which identifies specifically the core values of the Company's culture that are translated into Atlantia's principles and policies.

The Board of Directors oversees the proper execution and implementation of powers that it has delegated and has the power to issue directions regarding the powers so delegated and to assume responsibility for related transactions. The Board of Directors must, in any event, continue to be vested with policy-making and control powers in respect of the overall operations of the Company in its various components.

The Board of Directors is provided with accurate and timely reports by holders of delegated powers within the Company regarding the performance of those powers and with respect to the Company's business undertakings and their outlook, as well as transactions entered into by the Company and the Group that are considered material due their size or nature. Consequently, as required by art. 27 of the Articles of Association, Directors delegated with specific powers report to the Board of Statutory Auditors on transactions having significant effects on the results of operations and financial position entered into by the Company and Subsidiaries, particularly having regard to any such transactions that involve Directors acting on their own behalf or on behalf of third parties. Such reports are made on the occasion of Board meetings to be held at least every quarter or, for urgent matters, in documentation to be sent by registered mail to each standing Auditor.

The responsibilities of the Board of Directors, specified in article 1.3 of the ATL Corporate Governance Code, include:

- the adoption of the Company's corporate governance rules and the setting out of the guidelines for the Group's corporate governance;
- the approval and periodic monitoring the implementation of short and long-term strategic, operating and financial plans for the Company and the Group, in addition to any changes that become necessary to engage in transactions of strategic importance not originally contemplated in the plans;



- the approval of transactions that have a material effect on the Company's results of operations, financial position and cash flows;
- the attribution and revocation of powers of the Chairman, Chief Executive Officer and any other executive Directors; appointment of members of the Human Resources and Remuneration and the Risk Control and Corporate Governance, establishing any limits thereto, the manner in which their powers are to be exercised and the frequency with which the officers (at least quarterly) and the Committees in question (at least half yearly) are required to report on the activities undertaken in the performance of their delegated powers and duties;
- the assessment of the adequacy of the organisational, administrative and accounting structure of the Company and the Group; the review and evaluation of the general performance of the Company and the Group with periodic comparison of actual with forecast results; the review and evaluation of the existence of any conflicts of interest based on the information received from governance bodies, the Company's and Group's management and the Internal Audit department, and particularly any information received from the Chairman, Chief Executive Officer and the Risk Control and Corporate Governance Committee;

The Board of Directors meets on the basis of the meeting schedule approved every year by the Board of Directors, or whenever deemed appropriate by the Chairman. Meetings may also be called by Directors and/or the Board of Statutory Auditors, pursuant to the law and the Articles of Association.

The Chairman and the Chief Executive Officer normally inform the Board of Directors during the meeting about significant events that have occurred since the last meeting and, at least on a quarterly basis, about the overall performances of the Company and the Group, the outlook and their exercise of the powers granted to them. Subject to the Procedure for Market Announcements, the Directors are provided with adequate information and documentary evidence, also on the content of the resolutions to be voted on, at least three days before the date of the relevant meeting.

Every Director may propose agenda items for future meetings of the Board of Directors. Every Director shall also be entitled to raise issues, during the meeting, that are not on the agenda. The Directors decide unanimously whether the issue not on the agenda should be discussed.

Participation at Board of Director meetings of the General Manager, where appointed, the Chief Financial Officer, the Manager Responsible for Financial Reporting and of any other Directors and/or Managers – in relation to agenda items for which the Board deems their contribution to be of consequence – is considered consistent with management of the Company in pursuit of the creation of shareholder value.

The Chairman, with the attendees' consent, may invite other external persons to attend meetings of the Board of Directors as observers or in order to provide support or advice.

\* \* \* \* \*

## 4.4 Executive Directors and Officers

### - Chairman of the Board of Directors

Chairman Fabio Cerchiai, according to article 30 of the Articles of Association, is vested with the powers of representation before third parties and in legal proceedings.

The Chairman also has an executive role as, in addition to the powers provided by law and the Articles of Association, as of the date of approval of this report he is also responsible for:

- following, in accordance with the plans approved at Board level, general initiatives designed to promote the image of the Company and the Group in Italy and abroad, and managing the related communication, by coordinating external relation, institutional affair and marketing activities;
- following legal issues of interest to the Company, including all national, international, and corporate governance aspects, the fulfilment of corporate obligations and the management of disputes, reporting to the Board of Directors on legal and regulatory developments in the sector of interest;
- following the preparation and presentation of proposals on the Company's and the Group's strategic, industrial and financial plans, including multi-year plans, by the Chief Executive Officer;
- following the operating and financial performance of the Company;
- overseeing the internal control system, by coordinating internal audit activities;
- ensuring the accuracy and timeliness of disclosures to market regulators, in agreement with the Chief Executive Officer;
- following the preparation of external and investor relations strategies; together with the CEO setting the agenda for and participating in meetings with key investors;
- overseeing corporate affairs and the proper implementation of Board resolutions;
- representing, in implementation of resolutions approved by the Board of Directors, the Company at the ordinary and extraordinary general meetings of companies or entities in which the Company holds interests, with the authority to grant specific powers of attorney to Company employees or other parties to exercise the delegated powers at such meetings;
- managing relationships between the Company and Italian and non-Italian authorities, entities and organisations, including those of a supranational nature, and the relevant communication process;

- ensuring that Directors receive the necessary documentation regarding items on the agenda for Board meetings sufficiently in advance, in order for them to participate effectively and constructively in such meetings;
- ensuring adequate reporting lines between the Company's Board and other management and corporate bodies so that decisions are consistent with Board resolutions. Specifically, the Chairman guarantees the information on which the resolutions adopted are based and that the Board of Directors and the Executive Committee, if one is established, exercise their powers to plan, implement and control the Company's activities, each within the scope of its respective responsibilities.

The powers vested in the Chairman of the Board have been revised and supplemented in the period between the resignation of CEO Giovanni Castellucci, on 17 September 2019, and the appointment of the new CEO, Carlo Bertazzo, on 13 January 2020.

Pending the selection of a new CEO, on 17 September 2019 the Board of Directors reviewed temporarily the powers vested in Mr Castellucci as CEO and General Manager and established an Executive Committee (see following paragraph), changed the powers vested in the Chairman, and appointed a General Manager responsible for managing the Company's operations.

## - Chief Executive Officer

At its meeting of 24 April 2019, the Board of Directors re-appointed Giovanni Castellucci as Chief Executive Officer and General Manager. The Chief Executive Officer is responsible for the implementation of Board resolutions falling within the scope of his duties and the management of the company.

Atlantia observes the requirement of art. 2391, Italian Civil Code, whereby “*Directors must notify other Directors and the Board of Statutory Auditors of any direct or indirect interest of the director in a transaction of the Company, specifying the nature, terms, origin and scope of such interest. In the event that such director is the Chief Executive Officer, the director shall refrain from becoming involved in the transaction, providing all the relevant details to the Board*”.

The CEO is responsible for the formulation and presentation of proposals to the Board of Directors regarding:

- short and long-term strategic business and financial plans of the Company and the Group, in addition to any revisions to such plans needed to undertake strategic transactions not originally foreseen;
- *Company* budget and Group’s consolidated financial statements;
- corporate actions by the Company and the Group;
- setting of policies and coordination of Group Companies within the scope of the powers vested in him by the Board of Directors according to the Management and Coordination Regulation adopted by the Company as per letter f), Section 2;
- preparation, in accordance with the Board of Directors’ guidelines, of market disclosure and investor targeting strategies and implementation of the relevant contact plans; in agreement with the Chairman, preparation and implementation of plans for contacting strategic investors;
- acquisition and disposal of equity interests in Companies, Entities, Consortia and Temporary Groupings of Companies and, in general, any stock market transaction of up to €5,000,000 each, even though such transaction might involve a series of smaller transactions carried out on different occasions.

In his capacity as General Manager, Mr Castellucci was vested with the following powers:

- execution of contracts with any third party in relation to the corporate purpose, provided that the amount does not exceed €5,000,000 per contract;
- signing of documents and agreements intended to settle disputes, involving amounts of up to €2,000,000 per settlement;
- signing of documents and agreements for the extension of loans to Group companies and guarantees to, or on behalf of, third parties (including Group companies), provided that the amount does not exceed €5,000,000 per transaction;
- signing of documents and agreements with banks and insurance companies, to issue surety bonds for a maximum notional amount of €10,000,000, with fees for up to €30,000.00 p.a. for terms of 36 months or less, to guarantee the proper performance of obligations undertaken, for any reason whatsoever, by the Company or its direct and indirect subsidiaries.

The CEO provides promptly, and in any case at least on a quarterly basis, adequate information on any significant, atypical, unusual, or related-party transaction, or any significant transaction in which he had a direct or indirect interest, in the same report on the activities performed as CEO of the Company to the Board of Directors and the Board of Statutory Auditors.

Similar reporting requirements are applicable to executive Directors in respect of the activities performed in discharging their duties.

As already mentioned, Mr Castellucci resigned from CEO and General Manager on 17 September 2019. It is also noted that, on the date he resigned, he was not in situations of interlocking directorates.

As already noted, Director Carlo Bertolazzo was appointed CEO by the Board of Directors on 13 January 2020 and as of 1 March 2020 he took on the role of General Manager. Mr Bertolazzo was vested with powers substantially similar to those of Mr Castellucci.

As of this report, Mr Carlo Bertazzo is not in a situation of interlocking directorates.

### **- Executive Committee**

On 17 September 2019, following the resignation of Giovanni Castellucci from CEO, the Board of Directors resolved on the reshuffle of the CEO's powers, establishing among other an Executive Committee, pursuant to article 28 of the Articles of Association, to which certain powers would be transferred temporarily.

In particular, the Committee, which consists of 5 members (in addition to Chairman Fabio Cerchiali, member by rights, Carlo Bertazzo, Gioia Ghezzi, Anna Chiara Invernizzi and Carlo Malacarne), was attributed the following duties and responsibilities:

- a) research activities, gathering and processing elements and information, in view of the preparation and approval by the Board of Directors of the Company's and the Group's short-term and long-term strategic, business and financial plans;
- b) preparation, in accordance with the Board of Directors' guidelines, of market disclosure and investor targeting strategies, implementing the relevant contact plans; in agreement with the Chairman, it prepares and implements plans for contacting strategic investors;
- c) oversight of the Company's and the Group's performances, managing also – through the Chairman - relationships between the Company and Italian and non-Italian authorities, entities and organisations, including those of a supranational nature, especially in relation to regulatory and concession aspects;
- d) monitoring the adequacy, having regard to the Company's and Group's nature and size, the organisational, administrative and accounting arrangements, as well as the controls in place to protect the confidentiality of information, reporting to the Board of Directors thereon;
- e) monitoring constantly and continuously the Company's and the Group's performance.

In light of the governance rearrangements described above, and even though on an interim basis, the Board of Directors began to review the overall organisation of corporate governance and the qualifications of the Executive Committee's members in terms of their ability to serve in an executive capacity while maintaining their independence.

Following this review, in the meeting held on 11 October 2019 the Board of Directors determined, also based on the opinions of prime legal firms, that the members of the Executive Committee could still qualify as independent non-executive Directors provided that:

- management of the day-to-day operations is entrusted to the General Manager, while the Executive Committee was tasked with policy-making, supervision and monitoring of the Company's and the Group's performance, also in light of the totally temporary nature of the Committee, in the Company's intentions;
- even the Corporate Governance Code specifies that "*the customary structure of Italian boards of directors entails the possibility that also directors who are members of the executive committee of the issuer are qualified as non-executive and independent, since they are not provided with individual management powers*".

In particular, in the absence of a CEO, in terms of executive capacity, account should be taken of any "systematic involvement" of the Executive Committee in the Company's management, as

proven for example by the frequency of meetings and the subject matters of the relevant resolutions, which does not apply in this case.

However, in the same meeting, the Board reserved the right to check the continuing existence of the independence requirement of the independent directors and designated by the Executive Committee, also in light of the frequency of the Committee's meetings and the type of resolutions adopted.

On 13 December 2019, after the General Manager broke into his role, the Board of Directors reviewed the delegated powers, revoking those vested temporarily in the Executive Committee which, accordingly, ceased its activities.

While it was active, the Committee met 4 times, with an average meeting length of one hour and forty minutes.



## - General Manager

As noted previously, pending the selection of a new CEO, on 17 September 2019 the Board of Directors reviewed temporarily and, among other things, appointed a General Manager responsible for managing the Company's operations.

The Board appointed as General Manager Giancarlo Guenzi, the erstwhile Chief Financial Officer of the Company, and vested him with the following powers:

- negotiating, signing, accepting, amending and terminating contracts with any third party in relation to the corporate purpose, provided that the amount does not exceed €5,000,000 per contract;
- signing of documents and agreements intended to acquire or dispose of equity interests in Companies, Entities, Consortia and Temporary Groupings of Companies and, in general, to conclude any stock market transaction of up to €5,000,000 per transaction, even though such transaction might consist of a series of smaller transactions carried out on different occasions;
- signing of documents and agreements in relation to disputes brought before arbitrator amiable compositors and entering into settlements involving amounts of up to €2,000,000 per settlement;
- signing of documents and agreements for the extension of loans to Group companies and guarantees to, or on behalf of, third parties (including Group companies), provided that the amount does not exceed €5,000,000 per transaction;
- signing of documents and agreements to issue surety bonds in favour of third parties and on behalf of the Company's direct and indirect subsidiaries for a maximum notional amount of € 5,000,000.00, to guarantee the proper performance of obligations of any nature and type, including future and contingent obligations pursuant to article 1938 of the Italian Civil Code, undertaken for any reason whatsoever by the Company's direct and indirect subsidiaries;
- signing of documents and agreements with licenced banks and insurance companies, to issue surety bonds in favour of third parties for a maximum notional amount of €10,000,000.00, involving fees/premiums of up to €30,000.00 p.a. for terms of 36 months or less, to guarantee the proper performance of obligations of any nature and type, including future and contingent obligations pursuant to article 1938 of the Italian Civil Code, undertaken for any reason whatsoever by the Company or its direct and indirect subsidiaries.

Following termination of the Executive Committee on 13 December 2019, the powers attributed to the Committee were redistributed to the Chairman and the General Manager.

Following the appointment of the new Chief Executive Officer, who took on also the role of General Manager, Mr Giancarlo Guenzi acts as General Manager with the following revised powers:

- negotiating, signing, accepting, amending and terminating contracts with any third party in relation to the corporate purpose, provided that the amount does not exceed €2,500,000.00 per contract;
- signing of documents and agreements in relation to disputes brought before arbitrator amiable compositors and entering into settlements involving amounts of up to €1,000,000.00 per settlement;
- signing of documents and agreements for the extension of loans to Group companies and guarantees to, or on behalf of, third parties (including Group companies), provided that the amount does not exceed €2,500,000.00 per transaction;
- signing of documents and agreements to issue surety bonds in favour of third parties and on behalf of the Company's direct and indirect subsidiaries for a maximum notional amount of € 2,500,000.00, to guarantee the proper performance of obligations of any nature and type, including future and contingent obligations pursuant to article 1938 of the Italian Civil Code, undertaken for any reason whatsoever by the Company's direct and indirect subsidiaries.

## 4.5 Independent Directors

A suitable number of non-executive Directors qualify as independent Directors.

On the basis of the provisions of the ATIL Corporate Governance Code, a Director is generally, but not necessarily, non-independent if the Director:

- a) directly or indirectly controls or is able to exercise significant influence over the issuer, including control exercised through subsidiaries, nominees or a third party, or is a party to a shareholders' agreement through which one or more persons may exercise control or significant influence over the issuer;
- b) has, or had in the previous year, a direct or indirect commercial, financial or professional relationship of significance with (i) the issuer, a subsidiary of the issuer or any prominent representative of such parties, (ii) with a party, who, either alone or together with others through a shareholders' agreement, controls an issuer or (for companies or entities) with any prominent representative thereof;
- c) is or was, at any time during the previous three years, an employee of the issuer, one of its subsidiaries or any party controlling the issuer through a shareholders' agreement, or of a representative thereof;
- d) is or was, at any time during the previous three years, a representative of the issuer or any of the issuer's key subsidiaries, or of a company jointly controlled with the issuer; or, a company or other entity that, whether acting alone or in concert with others through a shareholders' agreement, controls the issuer or is able to exercise significant influence over it. 'Prominent representative' means the Chairman, the principal executive officer, executive Directors and key management personnel;
- e) receives, or has received in the past three years, from the issuer or a subsidiary or parent of the issuer, significant additional remuneration compared to the "fixed" remuneration paid to a non-executive Director of the issuer, including participation in performance-related incentive plans and, among others, share-based plans;
- f) is an executive Director in another company in which an executive Director of the issuer is a Director;
- g) is a shareholder or a Director of a company or entity belonging to the group of companies appointed to audit the issuer's accounts;
- h) is a close family member of an individual who is on one of the above situations;

i) was a Director of the Company for more than nine of the last twelve years.

As mentioned above, such examples are to be construed as merely guidelines and not mandatory insofar as their occurrence is in any case subject to the assessment of the Board of Directors.

The independence of Directors is periodically reviewed by the Board of Directors, based on information provided by the individuals concerned and that available to the Company. The Board reviews the Director's direct or indirect commercial, financial or professional relationships with the Company, assessing their significance both in absolute terms and with reference to the financial conditions of the individual concerned. To this end, account is taken of any relations that, although not significant from a financial viewpoint, are of particular importance for the prestige of the party concerned. The results of the Board of Directors' reviews are disclosed to the market.

Any criteria used for the determination of independence other than that provide by the Code is assessed, as and when necessary, by the Board of Directors.

In particular, regarding director independence, both pursuant to article 148, paragraph 3, of the CFA and the ATL Corporate Governance Code, the Board of Directors currently in office assessed the relevant statements by Directors Andrea Boitani, Riccardo Bruno, Mara Anna Rita Caverni, Cristina De Benetti, Dario Frigerio, Gioia Ghezzi, Giuseppe Guizzi, Anna Chiara Invernizzi, Carlo Malacarne, Ferdinando Nelli Feroci and Licia Soncini, upon submission of their candidacy in the meeting of 10 May 2019, pursuant to article 144-novies, paragraph 1 bis, sub-paragraph a) of the Issuer Regulation.

Upon completion of the assessment, following the review of the Directors' CVs, the list of offices held – considering also the situations of Directors Caverni and De Benetti, of which more later - and their statements as well as their direct and indirect business, financial and professional relations held with the Company, the independence requirement was deemed to be met, both pursuant to the CFA and to the ATL Corporate Governance Code, by all the Directors that made the relevant statement.

As to the independence of directors Caverni and De Benetti, the Board deemed appropriate to inquire further into their role at SAM, an ASPI subsidiary. To that end, the Board considered that there were two new factors compared to the statement that they submitted with their candidacy: i) Prof. De Benetti's resignation from SAM's Board of Directors on 24 April 2019 due to new appointments within the Atlantia Group; ii) Ms Caverni's resignation from SAM's Board of Directors on 29 April 2019 for the same reason.

The Board noted that with reference to the review of the independence requirements, emphasis is placed on:

- article 148, paragraph 3, CFA, whereby the following do not qualify as independent directors: “*persons who are linked to the company, its subsidiaries or its controlling shareholders or to companies subject to common control or to directors of the company [...] by professional or employment relationships or by other relationships of an economic or professional nature that might compromise their independence*”;

- article 3.1 of the ATL Corporate Governance Code, whereby “*a Director shall normally, but not necessarily, be disqualified from being an independent Director if the Director: [...] b) has, or has had in the previous year, a direct or indirect commercial, financial or professional relationship with (i) the issuer, a subsidiary of the issuer or any prominent representatives of such parties, (ii) with a party, who, either alone or together with others through a shareholders’ agreement, controls an issuer or (for companies or entities) with any prominent representative thereof; [...] e) receives, or has received in the previous three years from the issuer or a subsidiary or parent of the issuer, significant additional remuneration compare to the “fixed” remuneration paid to a non-executive Director of the issuer, including participation in performance-related incentive plans, including share option plans [...]*”. These situations are indicative of lack of independence but they are neither exhaustive nor binding on the Board of Directors, which for its own assessment may adopt additional or partially different criteria.

- in this regard, the Corporate Governance Code specifies, among others, that: i) the Board of Directors “*shall evaluate the independence of its non-executive members having regard more to the substance than to the form*”; ii) “*the appointment of an independent director of the issuer in companies controlling it or controlled by it does not cause [...] the loss of the independence requirement: in such cases, it should be considered, amongst other things, whether the holding of several offices could determine a total remuneration such as to hinder the independence of the director; however, it is appropriate to assess on a case-by-case basis the extent of any additional fee received by reason of each such offices*”.

As to the standards of reference, the applicable rules and regulations allows the reader, thus the issuer, room for discretion in the assessment of the situations. In fact, neither the law nor the Corporate Governance Code set a quantitative threshold (in absolute or relative terms) that would make it possible to determine whether, and to what extent, the business and professional relationships between the issuer and the director can compromise the director’s independence.

Accordingly, an assessment was made to determine whether the remunerations received were sufficient to compromise the independence of Directors Caverni and Benetti. Based on the publicly available information on SAM, for 2018, the evidence showed that the compensation was “low” and that the two

directors did not receive any compensation for consulting or activities other than the fees collected as directors. This was considered a very important aspect, considering that the Corporate Governance Code of Borsa Italiana considers the compensation for the directorship as less significant (cfr. 3.C.I.d)), given that it is not independent the director that *“receives, or has received in the previous three years from the issuer or a subsidiary or parent of the issuer, significant additional remuneration compared to the “fixed” remuneration paid to a non-executive Director of the issuer and to remuneration of the membership in the committees recommended by the Code”*.

The information obtained, also by considering for precautionary reasons the total compensation received from a company controlled by Atlantia's majority shareholder, even though it might account for a “significant” percentage (over 25%) of the Directors' total income for the year, the lack of compensation derived from professional and/or consulting services provided to Atlantia (or to companies “close” to Atlantia) suggests that there is no risk of “financial dependence” for these Directors.

In light of the above, the Board considered that both Director Caverni and Director De Benetti met the independence requirement.

On 10 May 2019, the Board of Statutory Auditors, according to article 15, paragraph 7 of the Company's Corporate Governance Code, verified the correct application of the criteria and procedures adopted by the Board of Directors in assessing the independence of the aforementioned Directors.

The outcome of the assessments conducted by the Board of Directors and the Board of Statutory Auditors was disclosed to the market on 10 June 2019.

As of 31 December 2019, there are 11 Independent Directors.

Attention is called to the fact that, since Atlantia is a component of the FTSE MIB, article 2.2 of the ATL Corporate Governance Code requires that at least one third of the Board of Directors must be composed of independent Directors. In the event one third is not a whole number, it is rounded down. In any case, the number of independent Directors may never be lower than two.

The ATL Corporate Governance Code requires the independent Directors to meet separately in closed session at least once a year. Furthermore, the Code requires that the meetings of the Independent Directors be considered separate and different from meetings of the Board Committees.

Independent Directors met with the other directors on 17 January 2020. The main topics covered during the meeting were: 1) governance and role of the committees; 2) communication strategies; 3) planning, control and general reporting.

## 4.6 Lead Independent Director

The current separation of the positions of Chairman and Chief Executive Officer renders the appointment of a Lead Independent Director unnecessary.



## 5. PROCESSING OF CORPORATE INFORMATION

With regard to the internal management and publication of documents and information relating to Atlantia, with specific reference to price sensitive information, the Company's Board of Directors has adopted the following procedures:

- Procedure for Market Disclosures;
- Code of Conduct for Internal Dealing.

Moreover, in June 2016, following a positive opinion of the Internal Control, Risk and Corporate Governance Committee, in 2014 the Board of Directors updated both procedures, to adopt the amendments introduced by the MAR, the Commission implementing Regulation no. 347/2016 and the Commission delegated Regulation of 17 December 2015, no. 2016/522. The Procedure for Market Disclosures and the Code of Conduct for Internal Dealing were again amended by the Board of Directors on 7 June 2019 to adopt the regulatory amendments introduced with Consob Resolution no. 19925 of 22 March 2017a and with Legislative Decree no. 107 of 10 August 2018 as well as to adopt the Guidelines concerning Inside Information published by Consob and the most recent pronouncements by ESMA on market abuse.

The updated versions of both documents are available on the internet at: <https://www.atlantia.it/it/corporate-governance/statuto-codici-procedure>.

The Procedure for Market Disclosures governs the internal management and publication of price sensitive information concerning Atlantia SpA, or its subsidiaries (if it is inside information for Atlantia), as provided for in the related regulations and in compliance with art. 8 of the ATL Corporate Governance Code and art. 7 of the Group's Code of Ethics.

In particular, the Chairman and the Chief Executive Officer are responsible for managing inside information in line with the requirements of the ATL Corporate Governance Code (articles 6.3, paragraph c) and 8.1). In the area of market disclosures, the Chairman, in agreement with the CEO, provides proper and prompt reports to market supervision authorities.

In compliance with MAR and the Commission Implementing Regulation no. 347/2016, Atlantia has established a register of persons with access to inside information as a result of their jobs, profession or in the course of the performance of their duties (hereinafter also "**Insider Register**").

The Domestic Legal and Corporate Affairs department is responsible for keeping the Insider Register current.

The same department also notifies the relevant persons that they have been included in the Insider Register and of any subsequent variations, and/or deletions and advises them of the responsibilities involved in accessing and properly managing information which may come into their possession as well as with the obligations of confidentiality.

The Procedure for Market Disclosures is completed and supplemented by the provisions of the Code of Conduct for Internal Dealing, in implementation of the applicable rules and regulations (hereinafter also the "**Code of Internal Dealing**").

The Code of Internal Dealing governs the reporting requirements of Relevant Persons to Atlantia and the Market on transactions (share purchase, sale, subscription or exchange) concluded by such persons on shares and bonds, or on related financial instruments, issued by Atlantia, within the limits and terms imposed by the Code.

The Company's Code of Internal Dealing identifies Relevant Persons and "Persons closely linked to them", also establishing that it is the responsibility of a Relevant Person to indicate other Persons who, in relation to the activities performed by or tasks assigned to them, including for limited periods of time, are subject to the same rules as Relevant Persons.

The Code of Internal Dealing also provides that Relevant Persons and Persons Closely Linked to them may not trade in the Company's shares and bonds, or related financial instruments, during the 30 days preceding an announcement to the market of Board of Directors approval of the Company's draft annual and six-monthly financial statements, or in the 10 days preceding the announcement to the market of additional information pertaining to the first and third quarters.

## 6. BOARD COMMITTEES

The Board of Directors established the Committees listed below, pursuant to the recommendations of the Corporate Governance Code:

- 1) Nomination Committee (established by the Board of Directors on 18 January 2019);
- 2) Human Resources and Remuneration Committee; and
- 3) Internal Control, Risk and Corporate Governance Committee.

The Board of Directors also created the Committee of Independent Directors with responsibility for Related-Party Transactions, pursuant to the CONSOB Regulation on related-party transactions with resolution no. 17221 of 12 March 2010 as amended and supplemented (hereinafter also RPT Regulation).

Regarding said Committees, reference is made to the following sections of the Report.

In addition, it is noted that on 17 September 2019 the Board of Directors – when Giovanni Castellucci resigned from CEO – resolved to transfer his powers to an Executive Committee on a temporary basis. Eventually, on 13 December 2019, the Board of Directors redistributed the powers, revoking those temporarily vested in the Executive Committee, which as such has run its course.

\*\*\*\*

In 2004, the Company created the Committee for Social and Environmental Responsibility, now named Sustainability Committee, which is responsible for setting out the Group's Sustainability strategies, policies and objectives, monitoring closely their effectiveness.

This Committee approves the guidelines for the reports that describe and convey to the outside the Group's approach to Sustainability.

This Committee is chaired by an external representative and comprises Atlantia's CEO and other top executives with the necessary qualifications and expertise.

\*\*\*

## 7. NOMINATION COMMITTEE

On 18 January 2019, the Board of Directors, in adherence to the recommendations of the Corporate Governance Code, established a Nomination Committee, amending the ATL Corporate Governance Code.

Pursuant to article 9-bis of the ATL Corporate Governance Code, the Nomination Committee comprises 5 Directors, with a majority of independent directors.

The current Nomination Committee was appointed by the Board of Directors on 10 May 2019. As of 31 December 2019, following the resignation of Director Marco Patuano (24 June 2019) and CEO Giovanni Castelluccio (17 September 2019), the Committee consists of 4 Directors, the majority of whom independent: Gioia Ghezzi (Independent Director) as Chair, Licia Soncini and Ferdinando Nelli Feroci (Independent Directors), Carlo Bertazzo (CEO as of 13 January 2020).

The Committee's term of office will expire with the term of office of the current Board of Directors (i.e. until approval of the financial statements of and for the year ended 31 December 2021).

The Nomination Committee is responsible for assisting the Board of Directors in an advisory capacity, in keeping with articles 4 and 5 of the Corporate Governance Code. In this regard, in particular, the Committee:

- a) advises the Board of Directors regarding the size and composition of the Board;
- b) conveys recommendations to the Board of Directors concerning which professional profiles should be on the Board;
- c) makes recommendations to the Board of Directors on the maximum number of directorships or positions as statutory auditor in listed companies, domestic and foreign, in financial, banking, insurance companies or large companies that might be compatible with the effective performance of one's duties as a Company Director or Statutory Auditor, taking into account also Directors' participation in the Board Committees;
- d) conveys recommendations to the Board of Directors concerning potential problematic issues linked to the application of the non-compete obligation for Directors under article 2390 of the Italian Civil Code if the General Meeting of Shareholders, due to needs of an organisational nature, authorises generally and in advance any departure from that obligation;
- e) submits proposals to the Board of Directors regarding candidates for the position of Director in cases of co-optation, whenever there is a need to replace Independent Directors;
- f) provides opinions on proposals for appointments, by the Company's CEO, of chairmen, executive directors, non-executive directors (if external to the Group) and statutory auditor of strategic companies with respect to the "Guidelines for appointing members of corporate bodies of strategic companies".

The Nomination Committee will assess application of the diversity criteria under article 123-bis, paragraph 2, d-bis of the CFA in relation to the composition of the Board of Directors as set out in the preceding letters a) and e).

In the year ended 31 December 2019, the Committee held 6 meetings of an average length of about one hour.

For 2020, at least two meetings are scheduled, considering the need to appoint directors on the boards of directors of subsidiaries for which the Nomination Committee's opinion is required. As of 28 April 2020, 3 meetings were held.

For more information on the effective participation of the single Committee members, reference is made to the table in Annex 2. The meetings were coordinated by the Chair and the proceedings recorded in minutes, and shared with the Board of Directors on the earliest occasion.

At the meeting of 15 February 2019, the Committee, in its previous composition (for which reference is made to the table in Annex 2), in view of the renewal of the Board of Directors at the General Meeting of Shareholders convened to approve the 2018 accounts, provided an opinion on the size and composition of the Company's Board of Directors, on the professional profiles that should be on the Board, and on the maximum number of directorships or positions as statutory auditor in listed companies, domestic and foreign, in financial, banking, insurance companies or large companies that might be compatible with the effective performance of one's duties as a Company Director, taking into account also Directors' participation in the Board Committees.

Moreover, during the year the Committee met to provide opinions on proposals for appointments, by the Company's CEO, of members of the boards of directors of strategic companies, in keeping with the relevant guidelines adopted by the Company.

Following the resignation of CEO Giovanni Castellucci, the appointment proposals were submitted to the Committee by the General Manager who, as mentioned previously, was vested with the powers to manage the Company on a temporary basis by the Board of Directors on 17 September 2019.

In performing its duties, the Committee was able to access the necessary information and Company departments to fulfil its tasks.

## 8. HUMAN RESOURCE AND REMUNERATION COMMITTEE

As provided for under article 10 of the ATL Corporate Governance Code, the Board of Directors has set up a board committee called the Human Resources and Remuneration Committee, which has five non-executive Directors. The Committee has investigative functions and provides consultation and advice to the Board. At least one member of the Committee must possess adequate financial knowledge and expertise, to be evaluated by the Board of Directors at the time of appointment. The Committee elects the Chairman from among its members.

With reference to the composition of the Committee, the ATL Corporate Governance Code deviates in part from principle 6.P.3 of the Corporate Governance Code, which provides that: “*The Board of Directors shall establish, from among its members, a remuneration committee, made up of independent directors. Alternatively, the committee can be made up of non-executive directors, the majority of which being independent; in which case, the chairman of the committee is selected from among the independent directors. At least one committee member shall have an adequate knowledge and experience in finance or remuneration policies, to be assessed by the Board of Directors at the time of his/her appointment*”.

In fact, the Board of Directors was granted the broadest powers possible when determining the Committee's composition to assess the experience, professionalism and independence of the non-executive directors considered to be the best candidates for the Committee.

This approach was approved by the Board of Directors at the meeting of 14 December 2012, having heard the opinion of the Internal Control, Risk and Corporate Governance Committee.

This, however, did not preclude Atlantia's Board of Directors from adopting, upon the appointment of the Human Resources and Remuneration Committee in office, a composition in line with the recommendation contained in principle 6.P.3 of the Corporate Governance Code (“*Alternatively, the committee may be made up of non-executive directors, the majority of which to be independent; in this case, the chairman of the committee is selected among the independent directors*”) as the majority of members of the Committee consists of independent directors and the Chairman is a Director that fulfils the independence requirement.

In the meeting held on 22 April 2016 Atlantia's Board of Directors appointed the following non-executive Directors as members of the Committee: Carlo Bertazzo, Gianni Coda (Independent), Massimo Lapucci (Independent), Monica Mondardini (Independent) and Lynda Tyler-Cagni

(Independent), with Ms Tyler-Cagni who was eventually replaced by Director Carla Angela (Independent Director) following her resignation of 14 December 2018.

Following appointment of the new Board of Directors by the General Meeting of Shareholders held on 18 April 2019, at the meeting of 10 May 2019, Atlantia's Board of Directors appointed the as members of the Committee the following non-executive directors: Carlo Bertazzo, Riccardo Bruno (independent Director), Giuseppe Guizzi (independent Director), Anna Maria Invernizzi (independent Director) and Carlo Malacarne (independent Director).

In the meeting held on the same date the Committee appointed independent Director Riccardo Bruno as its Chairman.

The possibility to appoint non-executive Directors as members of the Committee – without the obligation for the majority to be made up of independents – allows the Board of Directors, as expected, the broadest choice of highly qualified candidates for the position. In the meantime, the Board may appoint as members of the Committee all independent directors, or a majority of Independent Directors, thus following, in fact, the recommendations of the Corporate Governance Committee – which was in fact the case in this particular instance.

The objective is to allow the Board of Directors to identify, from among its members, those non-executive Directors that, for various reasons (such as professional experience, specific duties assigned to the Committee, individual characteristics, ability to express a substantially independent conduct, beyond the formal requirement etc.), are best suited to ensure the proper functioning of the Committee and to provide research support to the Board of Directors on financial issues and related compensation policies.

Following Carlo Bertazzo's appointment as CEO, on 13 January 2020, on 21 January 2020 the Board of Directors appointed independent director Andrea Boitani to the Human Resource and Remuneration Committee.

Following this appointment, the Human Resource and Remuneration Committee is now made up entirely of independent Directors.

Upon their appointment, the Board found that all the Committee members are in possession of specific and adequate financial expertise and at least one has expertise in remuneration policy.

Regarding its functions, this Committee:

- a) submits proposals to the Board relating to the establishment of a general policy for the remuneration of the Chairman, the Chief Executive Officer, executive Directors and key management personnel (in the latter case, based on the information provided by the Chief Executive Officer), including for the purpose of preparing the Board's report describing the policy, to be presented to the Annual General Meeting, and periodically assesses the adequacy, overall consistency and effective application of the general remuneration policy approved by the Board;
- b) submits proposals to the Board to determine the criteria for the remuneration of Company and Group senior management, including the relevant performance targets related to the variable component thereof;
- c) monitors the application of decisions taken by the Board, verifying above all the effective achievement of performance targets;
- d) examines any share-based or cash incentive plans for employees of the Company and the Group, and strategic staff development policies.

As required by the Corporate Governance Code, the Chairman and Chief Executive Officer/General Manager attend the Committee's meetings, except for meetings at which proposals regarding their own remuneration are discussed.

As required by the Committee's Regulation, the Chairman of the Board of Statutory Auditors (or other Standing Auditor designated by the Chairman) participates in meetings – upon request of the Committee's Chairman - whenever matters are deliberated for which the Statutory Auditors' recommendation is required; this particularly includes meetings where the overall compensation of the Chairman of the Board of Directors, the Chief Executive and other Directors is determined or where the criteria are set for the remuneration of Company and Group key management personnel and senior management for approval by the Board of Directors as recommended by the Board of Statutory Auditors.

The Committee's meetings are attended also by Atlantia's Head of HR & Remuneration Policies who, in his capacity as Secretary of the Committee (as appointed on 10 May 2019), records the minutes of the meeting.

The Committee's meetings may be attended also by other persons, if requested by the Committee, to provide information and opinions on specific agenda items.

The Corporate Governance Code calls for the Chairman of the Committee to report to the Board of Directors, as soon as feasible, on the meetings held. The ATL Corporate Governance Code adopted



the recommendation, leaving it up to the Committee Chairman and the Directors to choose the most appropriate date to report to the Board on the activities performed. This also ensure adequate flexibility at Board meetings.

In 2019, the Committee held twelve meetings, which were duly recorded on minutes by the Secretary, with an average duration of approximately one hour and a half (the percentage attendances of Committee members at the meetings are shown in Table 2) and took decisions and formulated proposals regarding the following topics:

- Planning of the Committee's activities for 2019;
- Evaluation of the implementation and adequacy of the 2018 Policy;
- 2019 Remuneration Policy for the Atlantia Group;
- Preparation of the Atlantia's 2019 Remuneration Report;
- Report on the 2019 Remuneration of SAM (a listed indirect subsidiary of Atlantia);
- Appointment of the Committee's Chairman and Secretary;
- Setting of compensation under article 2389, paragraph 3 of the Italian Civil Code for Atlantia's Chairman and its CEO/General Manager;
- Setting of compensation for the Director in charge of Atlantia's internal control and risk management system;
- Setting of compensation under article 2389, paragraph 3 of the Italian Civil Code for ASPI's and ADR's senior managers;
- Assignment of 2019 objectives (annual M.B.O. target);
- 2017-2019 LTI Plans: identification of beneficiaries and 3<sup>rd</sup> cycle target;
- Final results related to the 2018 annual objectives (annual M.B.O. target);
- 2014-2016 LTI Plan: progress report on the implementation of the plan and review of Gate achievement;
- Overall compensation package for the Group's key management personnel;
- Atlantia Group incentive schemes: focus on regulatory and legislative elements;
- Proposed settlement with Atlantia's CFO and presentation of new CFO candidate;
- Proposed settlement with Atlantia's CEO/General Manager and resulting obligations;

- Compensation package and contractual adjustments Atlantia's General Manager.

For some of the above matters, the Committee retained a qualified consulting firm, whose independent judgment was verified in advance.

At least 5 meetings are planned for 2020, 9 of which have already been held at the date of this Report.

The Company, through the Head of HR & Remuneration Policies, ensured that the Committee had access to the information and functions necessary for the performance of its duties and, when so required, the Committee availed itself of external consultants.

## 9. REMUNERATION OF DIRECTORS

Atlantia's Board of Directors approved a Group Remuneration Policy on recommendation of the Human Resources and Remuneration Committee in December 2011.

At the Board meeting of 7 March 2019, a recommendation by the Committee was approved to review Policy for 2019.

In view of sustainable performance, the Policy is designed to make the Company competitive with comparable firms in terms of business and size, and fairness within the organisation, in accordance with the principles of equal opportunity, equality and not discrimination, personal growth and integrity referred to also by the Group's Code of Ethics.

The Group Remuneration Policy was developed in a manner consistent with the applicable laws and regulations, including the principles and criteria of art. 6 of the July 2015 version of the Corporate Governance Code adopted by art. 10 of the ATL Corporate Governance Code.

The Policy is described in the Remuneration Report, which is posted on the Company's website ([https://www.atlantia.it/documents/20184/509291/Relazione\\_remunerazione.pdf/33fedb62-77fb-4c3d-829b-57cfccb4a682](https://www.atlantia.it/documents/20184/509291/Relazione_remunerazione.pdf/33fedb62-77fb-4c3d-829b-57cfccb4a682)) – and was submitted to the General Meeting on 18 April 2019 for a consultative, non-binding vote pursuant to art. 123 ter, paragraph 6, CFA, where it was approved.

All of the information on remuneration paid in 2019 required to be disclosed in the Report on Corporate Governance and the Ownership Structure, including the information required by art. 123-bis of the CFA, has been included in the Remuneration Report, to which reference is made.

On 17 September 2019, Giovanni Castellucci resigned from CEO and General Manager of Atlantia to the Board of Directors. The Board of Directors accepted the resignation and - after conducting a review and making the necessary considerations, with the consent of the Human Resource and Remuneration Committee, the Committee of Independent Director for Related-Party Transactions and the Board of Statutory Auditors - resolved to reach an amicable separation with Giovanni Castelluccio, providing detailed information in a press release dated 17 September 2019, to which reference is made.

## Succession planning

The Corporate Governance Code requires the procedures adopted for the succession of executive Directors to contain a clear definition of objectives, tools and timing of the process, the involvement of the Board of Directors and a clear allocation of duties, starting from the search phase.

The ATL Corporate Governance Code incorporated the recommendation, requiring the Board of Directors, in case they have succession plans for executive Directors in place, to provide information in this Report, outlining clearly objectives, timing and process.

Regarding the succession of Atlantia's CEO, the Board of Directors is responsible for setting up and managing the early replacement. Manners and timing depend on the occurrence of such an event and, as indicated by the Board of Directors, not before a search is conducted externally.

As already mentioned, on 13 September 2019, Giovanni Castellucci indicated to the Board of Directors his intention to resign from CEO and General Manager of Atlantia to the Board of Directors. Pending the appointment of a new CEO, the Board resolved to vest temporarily the CEO's powers in a Committee made up of Directors Fabio Cerchiali, Carlo Bertazzo, Anna Chiara Invernizzi, Gioia Ghezzi and Carlo Malacarne and appointed the Company's erstwhile CFO, Giancarlo Guenzi, as the Company's General Manager.

After the General Manager broke into the role, at the meeting of 13 December 2019, the Board of Directors proceeded with a power reshuffle, revoking those temporarily vested in the Executive Committee, which exhausted its role.

At the meeting of 13 January 2020, the Board of Directors appointed Director Carlo Bertazzo as the Company's new CEO, vesting him with the relevant powers.

## 10. CONTROL, RISK AND CORPORATE GOVERNANCE COMMITTEE

### A) Composition and functioning

Atlantia's Board of Directors established and Control and Risk Committee and called it "Internal Control, Risk and Corporate Governance Committee" (hereinafter referred to as "CRCGC" or "the Committee").

In 2019, the composition of the CRCGC changed as a result of the expiration of the 2016-2017-2018 term of office and the ensuing appointment – at the General Meeting of Shareholders held on 18 April 2019 – of the new Board of Directors for the years 2019-2020-2021.

Until 18 April 2019, the Committee was composed of Directors appointed by the previous Board of Directors, viz:

- Giuliano Mari, Chairman, who resigned as Committee Chairman (but remaining a member) effective 30 January 2019;
- Carla Angela, appointed as Committee Chairwoman, at the meeting of 14 February 2019;
- Bernardo Bertoldi.

The new Board of Directors appointed the new CRCGC at the meeting of 10 May 2019, with the following Directors as members:

- Andrea Boitani;
- Mara Anna Rita Caverni;
- Cristina De Benetti;
- Dario Frigerio,

At the first meeting of the Committee, on 10 May 2019, Cristina Benetti was appointed Chairwoman.

\*\*\*\*

The Committee's composition is governed by the ATL Corporate Governance Code, which provides that this Committee be composed of "*non-executive Directors, including at least one Director representing minority shareholders (...)*".

On the Committee's composition of non-executive Directors, the ATL Corporate Governance Code differs in part from principle 7.P.4 of the Corporate Governance Code, which provides that: "*The control and risk committee is made up of independent directors. Alternatively, the committee can be made up of non-executive directors, the majority of which being independent; in which case, the chairman of the committee is selected from among the independent directors. (...)*".

This approach had been approved by the Board of Directors at the meeting of 14 December 2012, having regard to the opinion of the CRCGC.

Such approach is intended to allow the Board of Directors a broad overview of the experience, expertise and independence of judgement of the non-executive Directors considered suitable candidates for the Committee.

This, however, did not preclude Atlantia's Board of Directors from adopting, when the current Committee was appointed, a composition that is totally in keeping with the recommendation contained in the abovementioned principle 7.P.4 of the Corporate Governance Code ("*The control and risk committee is made up of independent directors*"), as the members of the current Committee are all independent directors.

In fact, as already mentioned, on 10 May 2019, Board of Directors appointed as members of the CRCGC Andrea Boitani, Mara Anna Rita Caverni, Cristina De Benetti and Dario Frigerio, all of them non-executive and independent directors pursuant to article 148, paragraph 3, of the Consolidated Finance Act and article 3 of the Corporate Governance Code.

The possibility to appoint non-executive directors as members of the CRCGC – without the obligation that at least the majority be made up of independent directors – allows the Board of Directors the broadest choice of qualified candidates for the position, it being understood that the Board may appoint all independent directors on the Committee, or mostly independent directors, in keeping with the recommendations of the Corporate Governance Committee, as was the case in this instance.

The objective is for the Board of Directors to identify such non-executive directors who, for different reasons (such as professional experience, specific expertise in the matters dealt with by the Committee, individual characteristics, ability to act independently in both substance and form etc.), are best qualified to ensure the proper functioning of the Committee and the most effective research support to the Board on the internal control system, risk management and financial reporting.

\*\*\*\*

Still with respect to the composition of the Committee, the ATL Corporate Governance Code provides that: at least one member should be selected from the minority slate and at least one of the members should have adequate accounting, finance or risk management experience.

Regarding the above provisions, attention is called to the following.

Dario Frigerio was elected on the minority slate.

Mara Anna Rita Caverni, Andrea Boitani and Dario Frigerio have accounting, finance and/or risk management expertise considered adequate by the Board of Directors at the time of appointment.

\*\*\*\*

With respect to the functioning of the Committee in question, it is noted in particular that:

The Committee's meetings are coordinated by a chairman and the proceedings are duly recorded; the Chairman of the Committee reports to the Board of Directors on the activities performed whenever it deems it appropriate, or upon request by one or more Directors. On this aspect, the Board of Directors – in transposing into the ATL Corporate Governance Code the amendments introduced in July 2015 in the Corporate Governance Code– adopted substantially the new recommendation, leaving it up to the Chairman of the Committee and the Directors to decide when to report to the Board of Directors on the activities performed by the Committees. This also to ensure adequate flexibility to the Board's activities (reference is made to paragraph B, sub-paragraph e) hereinbelow).

In 2019, the Committee had 17 meetings.

The average length of the meetings was about two hours.

Attendance to the meetings of each member is indicated in Table 2.

The Committee has scheduled 10 meetings for the current year; as of 28 April 2020, 7 meetings had been held.

At its meeting of 10 October 2019, The Committee adopted its own Regulation (which is available on the  Company's  website [https://www.atlantia.it/documents/20184/41063/Regolamento\\_CCRCG\\_2019.pdf/c8a60b9a-cea1-4366-a540-cab6e7246320](https://www.atlantia.it/documents/20184/41063/Regolamento_CCRCG_2019.pdf/c8a60b9a-cea1-4366-a540-cab6e7246320)).

As required by the ATL Corporate Governance Code, the Chairman of the Board of Statutory Auditors (or another standing Auditor, at his request) is always invited to attend Committee meetings. Depending on the issues to be deliberated, the Chairman of the Board of Directors, the Chief Executive Officer, the Director in charge of the Internal Control and Risk Management System, the Manager Responsible for Financial Reporting, all standing Auditors, the General Counsel, Head of Internal Audit and any other managers whose presence is deemed necessary may be invited to take part.

In 2019, the CRCGC's meetings were attended, upon the Chairman's request, by all the corporate executives responsible for the areas under review by the Committee, in relation to the items on the agenda.



## B) Functions assigned to the Internal Control, Risk and Corporate Governance Committee

The Internal Control, Risk and Corporate Governance Committee provides support, with due examination, for the Board's evaluation of and decisions relating to the Internal Control and Risk Management System as well as those relating to approval of financial reports.

The Internal Control, Risk and Corporate Governance Committee:

- a) assists the Board of Directors in carrying out its duties as defined in Article II.3 of the ATL Corporate Governance Code <sup>(6)</sup> :
- b) at the request of the Chief Executive Officer, express opinions on specific aspects of the identification of the main business risks and the design, implementation and management of the Internal Control and Risk Management System;
- c) evaluates the work plan developed by the Head of Internal Audit, examine the periodic reports prepared by the same and oversee the independence, adequacy, effectiveness and efficiency of the Internal Audit department;
- d) assesses, together with the Manager Responsible for Financial Reporting, the independent auditors and the Board of Statutory Auditors, the adequacy of the accounting standards used, the propriety of their application and their consistency for the purposes of preparation of the separate and consolidated financial statements;
- e) reports to the Board of Directors, at least every six months on the occasion of approval of annual and half-year financial statements, with respect to the activities regarding internal control and risk management and the adequacy of the system;
- f) may require the internal audit of specific operating areas. Such internal audits must be reported to the Chairmen of the Board of Statutory Auditors;

---

<sup>6</sup> Article II.3 of the ATL Corporate Governance Code specifically provides that:

I. The Board of Directors shall, subject to the consent of the Control, Risk and Corporate Governance Committee:

- a) determine guidelines for the Internal Control and Risk Management System and review their adequacy at least once a year in terms of the nature of the company and the risks to which it is exposed. The Board shall also ascertain the effectiveness of the system and require the Director responsible for the Internal Control and Risk Management System to establish and maintain effective risk management and internal control procedures;
- b) having consulted the Board of Statutory Auditors and the Director responsible for the Internal Control and Risk Management System, approves, at least once a year, the work plan developed by the Director of Internal Audit;
- c) having consulted the Board of Statutory Auditors, assesses the findings of the independent auditors as may be contained in a letter of recommendations and the report on material deficiencies detected during the course of the independent audit.

- g) carries out any other duties assigned by the Board of Directors; to this end, the Committee is called upon to supervise compliance with and the periodic update of the corporate Governance rules and the Organisation, Management and Control Model and the Code of Ethics adopted by the Company;
- h) through adequate research, supports the decisions of the Board of Directors with respect to the approval of periodic financial statements;
- i) expresses its opinion to the Board of Directors on the corporate governance report, for the description of the characteristics of the Internal Control and Risk Management System and the assessment of its adequacy;
- j) reviews, where deemed appropriate, the management of risk deriving from the main detrimental events that have come to the Board of Directors' knowledge, providing, where required, its opinion to the Board of Directors.

The Committee meets at least once every two months at the behest of one of its members. Its members set down the Committee's rules of functioning.

The Committee's functions are entirely independent of those of the Supervisory Board, with which it engages in wide-ranging exchanges of information. The Committee: (i) may request information from the Supervisory Board and (ii) provides information requested by the Supervisory Board.

The Board of Directors adopts resolutions on the matters listed below, with the consent of the Control Risk and Corporate Governance Committee:

- setting out of guidelines for the Internal Control and Risk Management System and test, at least once a year, of its adequacy in relation to the Company's characteristics, as well as its effectiveness;
- approval, at least once a year, of the work plan prepared by the Head of Internal Audit, having regard to the opinion of the Board of Statutory Auditor and the Director responsible for the Internal Control and Risk Management System;
- evaluation, having regard to the opinion of the Board of Statutory Auditors, of the results illustrated by the independent auditor in any management letter and in the report on the main deficiencies detected during the audit.

Furthermore, the Board of Directors, at the recommendation of the Director responsible for the Internal Control and Risk Management System and based on the favourable opinion of the Internal

Control, Risk and Corporate Governance Committee, and having regard to the opinion of the Board of Statutory Auditors:

- a) appoints and dismisses the Head of Internal Audit;
- b) ensures that the Head of Internal Audit has adequate resources to perform his duties;
- c) sets his compensation in accordance with corporate policies.

The favourable opinion of the Internal Control, Risk and Corporate Governance Committee on the matters under a), b) and c) is binding.

Following the update of the ATL Corporate Governance Code on 18 January 2019, the Internal Control, Risk and Corporate Governance Committee receives regular reporting on sustainability-related risks via non-financial reporting carried out independently by the Sustainability Committee.

### C) Activities performed in 2019

The Internal Control, Risk and Corporate Governance Committee met 17 times in 2019, for an average of approximately two hours.

The Chairman of the Board of Directors and the Chief Executive Officer were invited to participate in all of the Committee's meetings and actually attended almost all. The Chairman of the Board of Statutory Auditors has always been invited to attend and did attend or delegated one of the Stating Auditors to attend in his stead.

Committee meetings are recorded by the secretary to the Committee with the minutes being submitted at the next meeting to Committee members for approval.

In carrying out its duties, the Committee was able to access the company information needed for its tasks.

The Committee addressed the following matters in 2019.

- ✓ Approval of Reports to the Board of Directors on the activities carried out by the Committee in the second half of 2018 and the first half of 2019.
- ✓ 2019 Audit Plan: opinion to the Board of Directors.
- ✓ Impairment tests for the Atlantia Group.
- ✓ Review of the Report of the Head of Internal Audit for 2018 pursuant to article II.3, paragraph 3, sub-paragraph d) of the ATL Corporate Governance Code.
- ✓ Review of the documentation related to the assessment of the composition and functioning of the Board of Directors and its Committees for 2018.
- ✓ Interim and final report of the Manager Responsible for Financial Reporting on his activities pursuant to art. 154, fifth paragraph, CFA. Financial statements for the year ended 31 December 2018.
- ✓ Review of the pre-closing financial statements for the year ended 31 December 2018: meeting with the Manager Responsible for Financial Reporting and the independent auditors.
- ✓ Non-financial report as per Legislative Decree no. 254 of 30 December 2016.
- ✓ Annual assessment of the adequacy of the Guidelines for the Internal Control and Risk Management System with respect to the characteristics of the company and its risk profile: opinion to the Board of Directors.
- ✓ Assessment of the Internal Control and Risk Management System: opinion to the Board of Directors.
- ✓ Annual Report on Corporate Governance and the Ownership Structure for 2018.

- ✓ Reports on the implementation of the 2019 Audit Plan and monitoring of audit activities.
- ✓ Review of reports for the period on the activities performed by the Ethics Officer and the Supervisory Board.
- ✓ Meeting with the Head of Anti-Corruption for updates on activities carried out.
- ✓ Meeting with the Head of Health, Safety and Environment of Atlantia.
- ✓ Report of the Manager Responsible for Financial Reporting on his activities pursuant to art. 154 bis, paragraph 5, of the CFA: financial statements for the six months ended 30 June 2019.
- ✓ Review of the pre-closing consolidated financial statements for the six months ended 30 June 2019: meeting with the Manager Responsible for Financial Reporting and the independent auditors.
- ✓ Meetings held regularly with Ethics Officer and Supervisory Board.
- ✓ Updates on events of 14/08/2018 – Polcevera road bridge.
- ✓ ASPI emergency response procedures.
- ✓ Atlantia emergency response management procedures.
- ✓ Letter December 2017 and December 2018 from the Chairman of the Corporate Governance Committee: deliberations.
- ✓ Update on risk assessment and report on risk appetite.
- ✓ Results of risk management activities.
- ✓ Report on adherence to the Tax Control Framework.
- ✓ Report on the Compliance Programme for foreign subsidiaries.
- ✓ Meetings with ASPI's CEO for reports and updates on maintenance activities.
- ✓ Update of Code of Conduct for Internal Dealing and Market Disclosure Procedure.
- ✓ Dialogues and information exchange with the Director in charge of the Internal Control and Risk Management System.
- ✓ Audit activity approved by the Board of Directors on 13 September 2019: identification of candidates; assignment of tasks; monitoring of assigned tasks. The procedural and forensic audit tasks were assigned to KPMG while the technical/inspection audit tasks for a sample of motorway bridges and viaduct were assigned to SGS. The activity was pretty intense, causing the Committee to meet 9 times between 17 September 2019 and the end of the year. The activities continued in the early months of 2020 and, as of the date of approval of this Report, are drawing to an end.
- ✓ Approval of Regulation of Internal Control, Risk and Corporate Governance Committee.
- ✓ Qualifications of Directors who are members of the Executive Committee.
- ✓ Approval of meeting calendar and subsequent updates.

- ✓ Internal Audit Project in Atlantia and Abertis, assigned to PwC, which mapped the internal audit functions in the Atlantia and Abertis Groups and analysed practices in use in prime domestic and international groups for control functions, creating a benchmark. The methodological approach unfolded along two lines: review vis-à-vis best practices in comparable multinational groups and a comparison with multinational groups with a holding in Italy and significant equity investments abroad. The analysis revealed that Atlantia's and Abertis's Departments are overall in a better position than the average for the groups of the panel taken as reference (made up of 72 groups). Strengths were identified and, for Abertis in particular, areas for improvement emerged.
- ✓ ERM methodology upgrade project, awarded to Marsh. Started in October 2019 and continued in the early months of 2020, the Project was intended to ensure the constant alignment of Atlantia's ERM framework to the industry's best practices and to facilitate the integration of the Abertis Group. This Project consists in two phases: A) use the ERM methodology of the organisations comparable to the Atlantia Group as a benchmark and perform a gap analysis vs. Atlantia and Abertis; B) upgrade the Atlantia Group's ERM methodology.
- ✓ In addition to the above projects, in the latter part of 2019, a broader and more strategic Project was undertaken on the evolution of governance and the holding's structure, which is still under way with PwC's support.
- ✓ Meeting with Head of Institutional Relations and Sustainability on the Non-Financial Report.

The Committee's work was supported by the "Corporate Governance" department.

The Committee did not make use of any specific financial resources in carrying out its duties.

During 2019, the Committee did not use any external consultants.

## 11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

As set out in the latest revision of the ATL Corporate Governance Code, whose most recent update was approved by the Board of Directors on 18 January 2019, the Internal Control and Risk Management System consists of all of the instruments, rules, procedures and corporate organisational structures designed to enable - via the adequate identification, measurement, management and monitoring of the main risks - sound and correct management of the Company in a manner consistent with the Company's objectives set out by the Board of Directors.

The risk management and internal control system established by the Board of Directors shall be based on the following general principles:

- a) operational powers: operational powers are assigned taking account of the size and risks associated with the various categories of transaction;
- b) organisational structures: the organisational structures are arranged in such a way as to avoid functional overlaps and the concentration of responsibility for highly critical or risky activities in one individual;
- c) regular reports: each process is subject to a set of standards and a related regular report designed to measure its efficiency and effectiveness;
- d) regular analyses: the professional knowledge and skills available within the organisation are periodically analysed in terms of their consistency with the objectives assigned;
- e) operating processes: operating processes are defined in such a way as to ensure that there are adequate documentary records enabling their continuous assessment in terms of fairness, consistency and responsibility;
- f) security systems: security systems safeguard an adequate level of protection for the corporate organisation's assets and data, to allow access to data as required for the assigned activities;
- g) risk monitoring: the risks connected to achievement of objectives are identified and periodically monitored and updated. Negative events that could pose a threat to the organisation's business continuity shall be appropriately assessed and the related safeguards adapted;
- h) ongoing supervision: the risk management and internal control system must be subject to continuous supervision to enable periodic assessment and ongoing adaptation.

An effective Internal Control and Risk Management System contributes to:

- i) monitoring the efficiency, measurability and verifiability of the Company's operations and, in general, verifying and monitoring the correctness and reliability of corporate governance and management of the Company's and the Group's businesses;
- ii) ensuring and checking the quality and reliability of accounting, management and financial information provided to the governance bodies and disclosed to the market, in general, including controls of the related registration processes and information flows;
- iii) ensuring and monitoring compliance with the requirements of the Code of Ethics and, in general, the applicable legislation and regulations;
- iv) ensuring implementation of and compliance with the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001 and the provisions of the Supervisory Board;
- v) protecting the value of the Company's assets, including the prevention of fraudulent activity that may damage the Company and the financial markets.

As explained in the section on its role, the role of the Board of Directors is, subject to the consent of the Internal Control, Risk and Corporate Governance Committee, to:

- determine guidelines for the Internal Control and Risk Management System, and the manners of coordination among the parties involved in it, and review their adequacy at least once a year in terms of the nature of the company and the risks to which it is exposed. The Board shall also ascertain the effectiveness of the system and require the Director in charge of the Internal Control and Risk Management System to establish and maintain effective risk management and internal control procedures;
- having consulted the Board of Statutory Auditors and the Director responsible for the Internal Control and Risk Management System, approve, at least once a year, the work plan developed by the Head of Internal Audit;
- having heard the Board of Statutory Auditors, evaluates the findings of the independent auditors as may be contained in a letter of recommendations and the report on material deficiencies detected during the course of the independent audit.

On 11 December 2014 the Board of Directors, upon proposal of the Chief Executive Officer, established the Internal Audit Department (which was eventually renamed Group Internal Audit Department) as of 1 January 2015 and - upon proposal of the Director responsible for the Internal Control and Risk Management System and with the favourable opinion of the Internal Control,



Risk and Corporate Governance Committee, having regard to the Board of Statutory Auditors' opinion - appointed as Head of Internal Audit Concetta Testa.

The Group's Internal Audit Department and the scope of its responsibilities, which had been originally defined by Memorandums no. 12/2014 of 19 December 2014 and no. 4/2015 of 27 April 2015, have been reorganised with Memorandum no. 1/2017 of 15 February 2017. Subsequently, considering that the growing complexity of the Atlantia Group requires greater geographical and sector focus for the audit activities, Memorandum no. 9/2017 of 27 November 2017 outlined a new structure for the Department and related responsibilities. In 2019, Memorandum 5/2019 of 31 May 2019 re-organised the Internal Audit department as follows:

The Head of Internal Audit reports hierarchically to the Chairman of the Board and has no responsibility over any operational areas.

Effective 17 December 2019, Ms Concetta Testa left the post of Head of Internal Audit to take another operational role in another Group company, without any change to the responsibilities assigned to the single units which make up the department, which was eventually renamed "Internal Audit Department". At its meeting of 14 February 2020, Atlantia's Board of Directors appointed Lorenzo Alzati as Head of Internal Audit.

Within the context of the reorganisation under way, autonomous Internal Audit departments were established in ASPI and AdR. An autonomous Internal Audit department will be established also in Telepass in the first half of 2020. Consequently, the duties and responsibilities of Atlantia's Internal Audit department will also be revised.

\*\*\*\*

On 11 December 2014, the Board of Directors resolved to create, as of 2 February 2015, a Group Controlling Department, reporting directly to the Chief Executive Officer and General Manager.

Memorandum no. 8/2015 outlined the scope of the duties and responsibilities of the Group Controlling Department (which was renamed Group Controlling & Risk Management Department, with Memorandum Atlantia no. 5/2017 of 6 December 2017 – see next page).

On 22 April 2015, the Internal Control, Risk and Corporate Governance Committee outlined the methodological guidelines on the Group's Enterprise Risk Management <sup>(7)</sup>, which are updated every year and set out:

1. the Risk Management Process adopted in 2016 by all the Group Companies;
2. the Risk Appetite Framework;
3. the methodology to be adopted for identifying, assessing, managing and reporting risks by individual Group Companies (Risk Assessment and Catalogue of risks).

The Group companies (except the non-operational ones or those without an organisational structure) have all appointed a Risk Officer to oversee the Risk Management process.

Moreover, the Boards of Directors of Atlantia and its Subsidiaries approve every year the nature and level of risk consistent with the strategic objectives (Risk Appetite) and the catalogue of risks.

In 2019:

- to foster the integration of the methodologies currently applied by the Atlantia Group and the Abertis Group, Atlantia started a project with the support of a prime risk management consulting firm;
- ASPI started a project to upgrade its risk analysis and assessment and management coaching system to enhance the Risk Owner's awareness of the risks managed, with the support of a Firm engaging at the international level in the management of corporate risks typical of the motorway sector and transportation systems.

These projects are expected to be completed by the first half of 2020.

On 17 November 2017 Atlantia's update of the "Risk Management Process" procedure was formalised. This procedure applies to Atlantia SpA and all its direct and indirect Subsidiaries, both in Italy and abroad.

Such renewed procedure:

- adopts the phases of the Risk Management process set out by the Group's methodological guidelines on Risk Management;
- requires all Group companies (except the non-operational ones and those without an organisational structure) to appoint a Risk Officer;
- updates the scope of the responsibilities of the departments involved in the process (Group Controlling Department, Risk Officer, Risk Owner, etc.), describing the duties of the single companies in relation to all Risk Management activities. In its role as coordinator of the Enterprise Risk Management process, the Group Controlling Department will be notified of any flaws detected by the Companies in applying the Group's methodology;

- introduces regular meetings between the Group Controlling & Risk Management Department and the Risk Officer to explore risk management themes (such as the application of methodological guidelines and the sharing of best practices adopted by the Group Companies). The results of such reviews will be formalised in a specific document and circulated to all the parties involved;
- formalises reporting lines between Risk Officers and the Internal Audit Department, in keeping with Atlantia's "Guidelines on Internal Audit" Procedure.

With Memorandum no. 5/2017 dated 6 December 2017, the Group Controlling Department was renamed Group Controlling & Risk Management Department, with the following changes in the relevant responsibilities concerning risk management activities:

- defining and communicating the methodological guidelines on the Group's Risk Management process, supporting subsidiaries in their interpretation;
- supporting the Director in charge of the Internal Control and Risk Management System, the Internal Control, Risk and Corporate Governance Committee and the Board of Directors, ensuring:
  - i. the necessary information flows within the Group;
  - ii. consistency in the methodological approach and the alignment of execution schedules in respect of the Risk Appetite and the Catalogue of risks of the Company and the Group, directing the activities of the Risk Officers;
  - iii. the preparation of the Group's risk appetite, taking into account the risk assessments made by the Company and its Subsidiaries on the basis of the risk appetite of each;
- ensuring, within the scope of Risk management activities, that all obligations toward the Internal Control, Risk and Corporate Governance Committee and the Company's Board of Directors are met.

The Group Controlling & Risk Management Department coordinates the competent departments in the areas of planning, operational budget, operations control and risk management of the Subsidiaries.

Lastly, Memorandum no. 10/2017 of 4 December 2017 appointed a Risk Officer in Atlantia's Group Controlling & Risk Management Department, outlining the relevant responsibilities, including yet not restricted to: (i) the annual preparation of the Company's Risk Appetite (on the basis of the methodological guidelines on Risk Management issued by the Parent Company and in keeping with the Group's Risk Appetite); and (ii) the annual update of the Company's catalogue of risks, in agreement with the Risk Owners.

\* \*\*

On 11 November 2016, the Board of Directors resolved, effective 14 November 2016, to create a Group Compliance and Security Department that would report directly to the Chief Executive Officer and General Manager.

Memorandum no. 5/2016 outlined the scope of the duties and responsibilities of the Group Compliance and Security Department:

- design the overall governance model for Group Compliance;
- define and develop, in agreement with the organisational areas concerned, specific Compliance programmes for the Company and its subsidiaries, with reference to the regulatory framework of reference and the policies adopted;
- lead and coordinate the competent organisational areas of Atlantia and its subsidiaries in the implementation of the Compliance programmes, monitoring and assessing their progress;
- define, in agreement with the General Counsel, the Guidelines for Atlantia and its Subsidiaries to prepare and implement the procedures called for by the Organisation, Management and Control Models under Legislative Decree 231/01 and the procedures implementing the rules of conduct adopted;
- ensure support to Atlantia's Supervisory Board;
- ensure, at Group level and in agreement with the General Counsel, the legal criteria to support the definition of the risk appetite and the catalogue of risks, monitoring the area of interest for proper implementation;
- guide and coordinate at Group level the security activities for the human resources and for all the Group's assets and infrastructures.

At the behest of the Group's Security and Compliance Department, at the end of October the Group issued an anti-corruption policy that combines in a coherent whole the rules to prevent and combat corruption already in place in the Atlantia Group. The objective was to reiterate the Group's commitment in combating and preventing illegal behaviours and to raise further in all the addressees (all of the Group's employees worldwide and all those who operate in the name of and/or on behalf of and/or in the interest of the Atlantia Group or who entertain business or professional dealings with the Atlantia Group) awareness of the rules and behaviours that must be complied with. The Policy includes the concept of corruption as defined both by Italian laws and by the main international sources (Transparency International, World Bank), with reference also to corruption practices through third parties.

In this context, the Head of Group Compliance and Security was named Head of Group Anti-Corruption, with the task of providing methodological assistance on prevention of corruption practices.

In particular, the Head of Group Anti-Corruption, in agreement with General Counsel, (i) monitors constantly the laws and case law on anti-corruption; (ii) adopts methods of reference, setting Group standards; and (iii) adjusts, updates and improves the Policy.

Furthermore, the Head of Group Anti-Corruption acts also as Atlantia SpA's Head of Anti-Corruption.

In addition, the Head of Anti-Corruption: (i) reports regularly on his activities to his Company's Supervisory Board, ensuring a level of coordination that allows both to fulfil effectively their duties; (ii) provides the Internal Audit Department indications on the plan of audit activities related to the Company that employs him and any other useful or necessary information; (iii) interacts with the competent General Counsel (and Compliance department, where established) for updates on developments in the laws and case law in the areas of interest.

The Head of Group Anti-Corruption prepares a six-monthly report on monitoring activities to be submitted to Atlantia SpA's Supervisory Board, Board of Statutory Auditors, Internal Control, Risk and Corporate Governance Committee as well as Group Risk Management.

In 2018, Group Companies appointed the Heads of Anti-Corruption in accordance with the Group Anti-Corruption Policy.

In May 2018, Atlantia appointed a Data Protection Officer (from the Group's Head of Compliance and Security) whose duties include support, control, advisory, training and informative functions.

In September 2019 the Group Anti-Corruption Policy was updated with the addition of a specific reference that incorporates the legal redefinition of "influence peddling" as an offence occurred in the year.

## **Main characteristics of existing risk management and internal control systems in respect of the financial reporting process**

The risk management system should not be considered separately from the internal control system in relation to financial reporting. In fact, both are part and parcel of the same system.

In the context of the internal control system, with reference to the process of financial reporting, the Group has implemented and continually revises an internal control system over financial reporting, based on a series of administrative and accounting procedures such as to guarantee their truthfulness, accuracy, reliability and punctuality in accordance with the regulations governing their preparation.

The planning, implementation and maintenance of this system, and its regular assessment, are informed by international best practices and compliant with the “CoSo Report III”, which is the internationally recognised framework of reference for the implementation, analysis and assessment of the Internal Control and Risk Management System. In particular, the CoSo Report III (published by the Committee of Sponsoring Organisations of the Treadway Commission) provides for five components (control environment, risk assessment, control activities, information and communication, monitoring activities) that operate at the level of organisational entity and/or operating/administrative process, based on their characteristics.

The internal control system over financial reporting provides for regulations, procedures and guidelines by virtue of which Atlantia SpA ensures the exchange of data and information with its subsidiaries, thereby ensuring their coordination. In particular, this activity is carried out through the distribution, by the Parent Company, of regulations for the application of the reference accounting standards, such as the “Guidelines for preparation of the (IFRS) reporting package used in drawing up the Group’s consolidated financial statements”, and procedures regulating the preparation of the separate and consolidated financial statements and of the six-monthly accounts and reports. The operational processes put in place by subsidiaries on the basis of the Parent Company’s guidelines are applicable to the above.

The setting up of audits is performed after a process conducted according to a top-down approach, aimed at identifying the organisational entities, processes and specific activities capable of generating the risk of unintentional errors or fraud that could have a material impact on financial reports.

## **Description of the main characteristics of existing risk management and internal control systems in respect of the financial reporting process**

### **a) Phases of the existing risk management and internal control systems in respect of financial reporting**

The process of monitoring the internal control system over financial reporting is reiterated on a six-monthly basis in compliance with the provisions contained in art. 154 bis, paragraph 5 of the CFA. The process is broken down into the following phases:

- *Identification of financial reporting risks*: risk identification activities are performed with reference to Atlantia SpA's separate financial statements and the Atlantia Group's consolidated financial statements, and is based on the assessment of qualitative and quantitative aspects concerning, firstly, the selection of significant companies to be included in the analysis, and then the classes of transaction and significant accounts.

This selection activity requires:

- i) the determination of quantitative criteria with respect to the contribution in terms of operating performance and financial condition of the individual companies to the latest accounts and the selection rules, including minimum materiality thresholds;
- ii) the consideration of qualitative elements that might contribute to the inclusion of other entities or classes of transactions on the basis of the specific risks determined by the accounting implications of the transactions carried out by the above entities, or by the presence in the accounts of the latter of substantial amounts in terms of contribution to the consolidated financial statements in relation to items not considered in the above criteria.

Every material item of data/information is traced back to the accounting and administrative processes that originated it and the typical financial report "assertions" are identified (existence and occurrence of events, completeness, measurement and recognition, rights and obligations, presentation and reporting) and the risks that one or more financial statement assertions do not provide a true and fair view, with consequent impact on the financial report.

- *Assessment of financial reporting risks*: the risks are assessed in terms of potential impact on the basis of quantitative and qualitative indicators and assuming the absence of controls (at an inherent level). Risks are assessed at entity level and process level. The former includes risks of fraud, incorrect working of IT systems and other unintentional errors. At process level, financial reporting risks (underestimation, overestimation, inaccuracy etc.) are analysed with reference to the activities that make up the processes.
- *Identification of controls for the risks detected*: the risks detected are addressed through controls capable of mitigating them, both at entity level and at process level. Key controls are determined, according to risk-based and top-down controls; such controls are deemed necessary to ensure with reasonable certainty the prevention and timely identification of material errors in financial reporting.

- *Assessment of controls in relation to identified risks*: the process of analysing and assessing the internal control system over financial reporting continues with the assessment of the identified controls in terms of adequacy (effectiveness of control design) and in terms of effective application. Effective application is tested through specific activities performed first of all by the management line responsible for implementing such controls and, to ensure the effective assessment and consistent design of the control system, by the Financial Compliance and International Administration unit of the Administration function available to the Manager Responsible for Financial Reporting.

The monitoring of the effective application of administrative and accounting procedures is conducted with regard to the effective implementation of key controls.

The assessment procedure is chosen on the basis of the underlying risk: this choice takes into account the strengths and weaknesses of the control environment that may condition the outcome of the assessments made, the complexity of the control, the type of control (manual or automatic), the level of judgment required during the process and the dependence of the control on the functionality of other controls.

The monitoring activities involve sampling techniques in line with international best practices. With reference to the automatic controls implemented, the assessment of adequacy and effective application is extended to the design and operation of general IT controls supporting the relevant applications.

At the end of the monitoring activity, any deficiencies or problems are tested for significance. The Manager Responsible for Financial Reporting will, at least every six months, bring to the attention of the Internal Control, Risk and Corporate Governance Committee the results of the activities performed and the assessment process described above by checking, together with it, the adequacy of the administrative and accounting procedures, and their effective application, in view of the issue of the attestations provided for by article 154 bis of the Consolidated Finance Act. Such results are also brought to the attention of the Parent Company's Board of Directors and the Board of Statutory Auditors.

## **b) Roles and Departments involved**

The Internal Control and Risk Management System requires a clear identification of the roles involved in its planning, implementation, monitoring and upgrading over time. The Manager Responsible for Financial Reporting is responsible for monitoring the internal control system on financial reporting. In particular, this Officer:



- is responsible for ensuring the preparation of the administrative and accounting procedures necessary to prepare the annual financial statements, the six-monthly condensed financial statements and the consolidated financial statements, as well as any other periodic financial reports;
- complies with article 154-bis by issuing the attestations required by the applicable laws and regulations.

In performing these duties, the Manager Responsible for Financial Reporting relies on the Financial Compliance and International Administration structure, which performs the following functions:

- operational management of the System in its planning, implementation, monitoring and upgrading phases;
- review of the design and effectiveness of controls;
- fostering of the necessary synergies with Atlantia's Internal Audit department and the coordination of primary external experts in relation to their support to the performance of the unit's duties and responsibilities;
- ensure at Group level, thanks to the Company's and its subsidiaries' departments, the upgrade, implementation and monitoring and effective application of the procedures falling within the purview of the Manager Responsible for Financial Reporting.

Lastly, the Manager Responsible for Financial Reporting works in cooperation with the company units responsible for auditing the internal control system, to obtain all the information necessary to take effective action and to ensure the effectiveness and efficiency of the attestation process.

## **Guidelines and assessment of the adequacy, efficacy and effective functioning of the Internal Control and Risk Management System**

Regarding the definition of the guidelines for the internal control system and assessment of its adequacy, efficacy and effective functioning, article I.3 of the Corporate Governance Code states that the Board of Directors shall define the nature and level of risk consistent with the issuer's strategic objectives, including, in its considerations, all the risks that might affect the medium/long-term sustainability of the Company's business.

Based on the proposals of the Director responsible for the Internal Control and Risk Management System, and the favourable opinion of the Internal Control, Risk and Corporate Governance Committee – after consultation with the Board of Statutory Auditors – the Board of Directors, at the meeting of 2 March 2018, set out the guidelines for the Internal Control and Risk Management System and gave a positive assessment of Atlantia's Internal Control and Risk Management System.

In the meeting of 8 June 2018, the nature and level of risk were defined to be consistent with the strategic objectives of Atlantia SpA and the Group.

In the meeting of 14 December 2018, the updated Catalogue of Risks was presented to the Board of Directors.

Moreover, during the year the Board noted the six-monthly reports in which the Internal Control and Corporate Governance Committee, the Supervisory Board, the Ethics Officer and the Manager Responsible for Financial Reporting described the activities carried out.

On the basis of the Group's Anti-Corruption Policy, the Head of Group Compliance and Security was named Head of Group Anti-Corruption in 2017, with the task of providing methodological assistance on prevention of corruption practices. In particular, the Head of Group Anti-Corruption, in agreement with the General Counsel Department, (i) monitors constantly the laws and case law on anti-corruption; (ii) adopts methods of reference, setting Group standards; and (iii) adjusts, updates and improves the Policy. The Head of Group Anti-Corruption (also acting as Atlantia SpA's Head of Anti-Corruption) reports his activity regularly to the Internal Control, Risk and Corporate Governance Committee and the Supervisory Board.

In 2018, the Heads of Anti-Corruption were appointed for each subsidiary, operating with the corresponding powers specified by the relevant appointment provisions and whose independence is guaranteed by not becoming involved in company activity at any risk of corruption. Their role entails safeguarding compliance with corruption prevention and ensuring (i) implementation of the policy by

the subsidiary, (ii) specialist assistance in anti- corruption matters for employees thereof, (iii) verification that the corruption prevention management system meets the general requirements, and (iv) constant monitoring of the risk of corruption.

As part of the activity carried out in 2018, over 7,500 Group employees participated in the particular staff training conducted to disseminate the Anti-corruption Policy via e-learning.

Turning to privacy, in May 2018, Atlantia appointed a Data Protection Officer (from the Group's Head of Compliance and Security) whose duties include support, control, advisory, training and informative functions.

In particular, the Data Protection Officer:

- ensures monitoring of legislative developments in privacy, reporting to data processors and controllers thereon, and also verifies compliance of corporate procedures and documentation therewith.
- informs and advises the controller or the processor and the employees who carry out processing of their obligations pursuant to the Regulation and to other EU or national data protection provisions.
- verifies compliance with this Regulation, with other EU or national data protection provisions and with the policies of the controller or processor in relation to the protection of personal data, including the assignment of responsibilities, awareness- raising and training of staff at the organisation.
- provides advice where requested as regards the data protection impact assessment and monitors its performance.
- acts as the corporate contact point for data subjects to address matters and issues concerning the processing of their data or exercising their rights in that regard.
- acts as the corporate contact point for the Data Protection Supervisor, particularly regarding cases of reported personal data breaches as contemplated in articles 33 and 34 of the Regulation, and any other public authority engaging the Company for matters related to processing, or for consultation with the Supervisor for the other supervisory authorities on its own initiative.

Lastly, at its meeting of 7 March 2019, after noting the conclusions of the analysis by the Internal Control, Risk and Corporate Governance Committee of the detailed information provided by staff responsible for the Internal Control and Risk Management System, the Board of Directors was of the opinion that the Internal Control and Risk Management System, as a whole, may be deemed adequate, efficacious and in good working order.

## 11.1 Director responsible for the Internal Control and Risk Management System

The Board of Directors determines guidelines for the Internal Control and Risk Management System and review their adequacy at least once a year in terms of the nature of the Company and the risks to which it is exposed. The Board also ascertain the effectiveness of the system and require the Director responsible for the Internal Control and Risk Management System (the "**Director in Charge**") to develop and maintain effective risk management and internal control procedures.

The Director in Charge determines the tools and the implementation procedures for the risk management and internal control system, in accordance with the guidelines set by the Board of Directors, overseeing the overall adequacy of the system, its functionality, and its adaptation to changes in the operating environment and in the legislative and regulatory frameworks. The Director in Charge also proposes the appointment of a member of staff to head the Internal Audit department or the revocation of such appointment.

The Head of Internal Audit reports his findings to the Chairman and the Director in Charge as well as to the Chairman, the Internal Control, Risk and Corporate Governance Committee and Board of Statutory Auditors.

The Director in Charge implements revisions of the Internal Control and Risk Management System, whenever required to remedy any weaknesses found by the above audits.

The Director in Charge has the powers to require the Head of Internal Audit to examine specific operating areas and compliance with internal rules and procedures for company operations. Such internal audits are notified to the Chairmen of the Board of Directors, Internal Control, Risk and Corporate Governance Committee and Board of Statutory Auditors.

The Director in Charge promptly reports any problems and critical issues, found through the Director's activities or notified to the Director, to the Internal Control, Risk and Corporate Governance Committee (or Board of Directors) for the Committee (or the Board of Directors) to take the appropriate action.

On 10 May 2019, the Board of Directors appointed independent Director Mara Anna Rita Caverni for the 2019 – 2021 three-year period. Until 10 May 2019 this role was filled by independent Director Giuliano Mari.

## - Activities performed in 2019

In 2019, the Director in Charge performed the activities required by the Corporate Governance Code, which involved several meetings with the Head of Internal Audit, the Head of *Group Controlling & Risk Management*, the Head of Group Security and Compliance, the General Counsel, the Chief Executive Officer Atlantia, to analyse operational risks and to review the risk management activities performed to update the risk catalogue.

During the year, the Director in Charge:

- ✓ participated regularly in the meetings of ASPI's Post-Audit Committee and ADR's Post-Audit Committee;
- ✓ in relation to these activities, took specific actions to strengthen the Internal Control and Risk Management System;
- ✓ supervised the preparation of the 2019 Audit Plan;
- ✓ monitored progress of the 2019 Audit Plan, reviewing all audit reports;
- ✓ analysed the principal corporate risks, taking into account the characteristics of the activities carried out by Atlantia and its subsidiaries, through several meetings with the Group Controlling Director and ASPI's and ADR's Risk Officers, to upgrade of the risk catalogues for the Group companies;
- ✓ implemented the guidelines of the Internal Control and Risk Management System established by the Board of Directors, checking constantly its adequacy and effectiveness;
- ✓ adapted this system to Company operations and the legal and regulatory framework;
- ✓ oversaw the mapping and benchmarking activity of the Audit department of the Atlantia Group and Abertis Group carried out by an external consultant;
- ✓ supported the control and risk committee in the performance of the forensic and technical audits on the viaducts, as resolved by the Board of Directors, by KPMG and SGS, respectively.

In more general terms, the activity of the Director in Charge is to ensure the seamless operation and consistency of the components of the Group's Internal Control and Risk Management System.

## 11.2 Head of Group Internal Audit

Pursuant to article II.3 of the Corporate Governance Code, the Head of Internal Audit is responsible for verifying that the Group's risk management and internal control system is properly functioning and is fit for purpose. In particular, the Head of Group Internal Audit:

- a) audits, on an ongoing and ad hoc basis and in compliance with international standards, the efficiency and adequacy of the risk management and internal control system through the application of an audit plan, duly approved by the Board of Directors, based on a structured analysis and ranking of material risks;
- b) is not responsible for any operational area and reports to the Chairman of the Board;
- c) is given direct access to all information required for the performance of his duties;
- d) draws up regular reports containing suitable information on audit activities, risk management procedures and compliance with risk containment plans. Regular reporting contains an assessment of the suitability of the internal control and risk management system;
- e) promptly submits reports on events of particular relevance;
- f) distributes the reports pursuant to d) and e) above to the Chairmen of the Board of Statutory Auditors, the Risk Control and Corporate Governance Committee and the Board of Directors, as well as to the Director in Charge for the Internal Control and Risk Management System;
- g) verifies, as part of the audit plan, the reliability of information systems including accounting systems.

The Head of Group Internal Audit is appointed, at the recommendation of the Director in Charge for the Internal Control and Risk Management System in conjunction with the Chairman of the Board of Directors, by the Board of Directors subject to the consent of the Internal Control, Risk and Corporate Governance Committee and in consultation with the Board of Statutory Auditors. On 11 December 2014, the Board of Directors established the Internal Audit Department (subsequently called Group Internal Audit Department) effective 1 January 2015, and, at the recommendation of the Director in charge of the and Internal Control and Risk Management System, and subject to the consent of the Internal Control, Risk and Corporate Governance Committee, and having consulted with the Board of Statutory Auditors, appointed Ms Concetta Testa as Head of Internal Audit, ensuring that the Internal Audit Department has resources adequate to its responsibilities.

The remuneration of Ms Testa is consistent with the remuneration policy of the Atlantia Group, in her capacity as an executive at Atlantia.

The Head of Internal Audit, who reports to the Chairman of the Board of Directors, is not responsible for any operating areas. She has direct access to the information required for the performance of her duties, in addition to adequate resources for her work, submitting reports on her work regularly.

Internal Audit conducts audits of Atlantia and its Italian and international direct and indirect subsidiaries.

Internal Audit carries out its audit activities whilst assuring the necessary degree of independence, expertise and professional diligence as established in international professional practice standards and the Code of Ethics.

The audit activities are intended to check:

- ✓ controls over operational risks (business);
- ✓ compliance with rules and regulations, including yet not limited to: Legislative Decree 231/01, Legislative Decree 81/08, Legislative Decree 152/06, Legislative Decree 50/16 and subsequent amendments and additions thereto, European Regulation 2016/679 (the General Data Protection Regulation) on data protection, etc.. - (compliance);
- ✓ that financial reports are compliant with applicable accounting principles and regulations (financial);
- ✓ the reliability of the information systems;
- ✓ that the Company's assets are protected.

The main activities carried out by the Group Internal Audit Department are:

- implementation of the annual plan, which is based on structured analyses and priorities of the principal risks to which Atlantia and its subsidiaries are exposed;
- surprise audits at the request of the persons responsible for the internal control system or senior management;
- monitoring the implementation of measures to remedy deficiencies by owners in relation to audit recommendations;



- support of the Ethics Officer with respect to signed, unsigned and confidential reports received in connection with preliminary investigations in support of the assessments by the Company's various control bodies;
- development and revision of internal audit operating methodologies and processes in keeping with policy and best practices.

The findings of internal audits are set out in Internal Audit Reports which are simultaneously distributed to the audited units and the respective hierarchical lines.

Moreover, the audit report or the executive summary is sent to the Company's coordinators, where available, and the competent Heads of Human Resources, General Counsel and Compliance of Atlantia's sub-holdings.

For unscheduled audits, the audit report or the executive summary is sent also to the parties that required them, if different from the above-mentioned executives.

Regarding inspections, given the special nature of these actions, the audit report is transferred solely to the parties who required them.

Internal Audit Reports contain descriptions of findings and areas of improvement for internal controls in addition to an appropriate action plan.

The Internal Audit department is also responsible for monitoring, via its follow-up activities, implementation of the corrective actions identified, reporting to the Director in Charge for the Internal Control and Risk Management System, the relevant managers and supervisory bodies.

In addition, the Group Internal Audit Department contributed, for the aspects falling within its purview and where required, to initiatives and working groups relating to the internal control, governance or compliance system objectively and independently, in accordance with the guidelines on Internal Audit.

During the year, the Head of Internal Audit continued to interact with executives and members of corporate bodies. In particular, as required by article II.4 of the ATL Corporate Governance Code, the Head of Group Internal Audit reported on her activities to the Chairman of the Board, the Director in Charge for the Internal Control and Risk Management System and to the Internal Control, Risk and Corporate Governance Committee. She met regularly with the Chairman of Atlantia's Board of Statutory Auditors and, upon request, with the Boards of Statutory Auditors of the Group's subsidiaries.

In addition, in accordance with article 12.1 of the Corporate Governance Code, the Head of Internal Audit participated in all the meetings of the Internal Control, Risk and Corporate Governance Committee held during the year.

Upon proposal of the Director in Charge for the Internal Control and Risk Management System, following a favourable opinion from the Internal Control, Risk and Corporate Governance Committee and after consultation with the Board of Statutory Auditors, on 19 January 2018, the Board of Directors reviewed and approved the 2018 Audit Plan. For the corresponding activities, the Plan was approved by the Boards of Directors of the direct and indirect subsidiaries, in Italy and abroad.

Lastly, the Head of Group Internal Audit submitted to ASPI's Post-Audit Committee and AdR's Post-Audit Committee reports and any recommended corrective actions, as applicable to their respective roles.

During 2018, the Internal Audit department carried out 142 audit missions (119 audits and 23 inspections), of which 116 were part of the Plan and 26 were undertaken following specific requests (of which 3 audits and 23 inspections). In addition, one internal auditor acted as secretary to support the Ethics Officer in investigating around 39 reports.

In particular, in connection with the 119 audits conducted, 79 were operational audits (related to Group companies), the reliability of the information systems was also checked, including the accounting entry systems. In addition, upon request of the Supervisory Boards, monitoring activities were initiated in areas exposed to the perpetration of offences under Legislative Decree 231/2001 for Atlantia and 15 additional Group companies while adherence to the Compliance Programme was checked in 16 foreign subsidiaries in Brazil, Chile, Poland and the USA. Support was also given to the Manager Responsible for Financial Reporting of Atlantia and that of SAM.

Lastly, 23 inspections were conducted (of which 4 related to Atlantia, 10 to ASPI, 1 to AdR, 2 to Pavimental, 2 to Spea Engineering, 1 to SAM, 1 to Autostrade Tech, 1 to AB Concessoes Group and 1 to Azzurra Aeroporti).

\* \* \* \*

On 14 February 2019, the Head of Internal Audit issued her annual report (for the period 1 January - 31 December 2018) to the Internal Control, Risk and Corporate Governance Committee, certifying that in light of:

- the findings of the audit activities carried out on the basis of the 2018 Audit Plan as well as upon specific requests;
- the changes in the governance of the Group's Internal Control System;
- the exchange of information with other control bodies and operators in the Internal Control and Risk Management System;

the exchange of information with other control bodies and operators in the Internal Control and Risk Management System.

At its meeting held on 14 February 2020, the Board of Directors - upon proposal of the Director in charge of the internal control and risk management system, with the consent of the Internal Control, Risk and Corporate Governance Committee and having heard the Board of Statutory Auditors - resolved to appoint Lorenzo Alzati as Head of Internal Audit of Atlantia SpA, effective 1 April 2020.

### 11.3 Organisational, Management and Control Model under Legislative Decree 231/2001

In 2019, the Supervisory Board continued monitoring legislative developments made in scope 231 with a view to updating the Organisational, Management and Control Model, Legislative Decree 231/01, whose most recent update was approved by the Board of Directors on 15 December 2017.

In particular, Team 231, coordinated by the General Counsel and the Head of Compliance, started a project to upgrade the Company's Organisational, Management and Control Model (the "Model") to introduce (i) certain legislative amendments and (ii) certain organisational changes also through the introduction of new protocols. On 30 January 2020, it submitted to the Supervisory Board the proposal to upgrade the Model, including an action Plan in relation to certain activities (i) recommended by Team 231 and to certain activities (ii) already planned/started.

With reference to the legislative amendments, the General Part saw:

- the addition of elements introduced by Law 179/2017 regarding the rules on whistleblowing in the private sector. In particular, amendments were made (i) paragraph 5.2 "Reporting alleged breaches of the Model", reinforcing the concepts already present on the anonymity of the reporting party and the prohibition of reprisals against the reporting party, also indicating the introduction of the new digital channel for the submission of reports and the relevant policy and (ii) paragraph 7 "Disciplinary measures", with the addition of sanctions also for the cases of "violations of the measures to protect the reporting party" or "fraudulence or negligence in reports that turn out to be unfounded";
- the update of the list of 231 predicate offences with the inclusion of the types indicated by the law:
  - article 25-terdecies "Racism and xenophobia" under law 167/2017. The analysis of this offence showed that it had no impact on the map of 231 risks and on the Model structure the way it is today, including the Group Code of Ethics, which already contains the principles intended to prevent the offence;
  - article 25-quaterdecies Frauds in sports competitions and illegal gambling or betting (not applicable);
  - article 25-quindecies "Tax offences" introduced by Legislative Decree 124/2019. In the first quarter of 2020 the Company started the new analysis related to the introduction

of the new types and the identification of specific mitigants of the risk of breaching the Tax control framework.

- Indication of the departure from the range of interdictive sanctions in the case of offences against the Public Administration, as a result of the amendments introduced with law 3/2019.

With reference to the organisational changes and the new protocols, the General Part indicates:

- the adoption, in 2017, of the Group Anti-Corruption Policy as a substantive part of the Model and the appointment of the Head of Group Anti-Corruption;
- the creation of Team 231, as a permanent working group that guarantees the constant Model upgrade.

In addition to the changes already described, as an additional routine maintenance and constant improvement activity, wordings were modified to align the Model with certain best practices and to make it more user-oriented. In particular,

- the introduction was slightly modified;
- the corporate purpose was used, as extracted from Atlantia's Articles of Association, to describe the Company, in paragraph I, instead of the group description previously utilised;
- the description of the operational activities implemented to prepare and upgrade the Model was partially rephrased (paragraphs 3.3 and 3.4), also to take account of the organisational changes occurred (Team 231);
- the contents of paragraph 3.5 (Communication of the Model) were moved to Chapter 6 "Training".
- Changes were made in relation to the new Department names.

Regarding the Special Parts, the upgrade concerned both (i) the legislative amendments and (ii) the changes related to the additions to and updates of the procedures and/or control mechanisms, with the following modifications:

- **Special Part A – Offences against the Public Administration**
  - I. Addition of the offence of influence peddling (article 346 bis of the penal code) and update of the possible duration of interdictive sanctions in the cases of conviction for one of the offences indicate in paragraphs 2 and 3 of article 25, including bribetaking, undue pressure to give or promise benefits or corruption (law 3/2019).

2. Repeal of the condition of undue advantage in international corruption;
  3. Update of the offence involving employment of illegal aliens on the basis of changes introduced by Law 167/2017 (Anti-Mafia Code), which added two new types of offence related to the encouragement of illegal immigration;
  4. Addition of sponsorships in the instrumental areas;
  5. Inclusion of control protocols in the direct areas and in the instrumental areas (e.g. indication of Anti-Corruption Policy; Sponsorship management procedure; New Group whistleblowing procedure);
- **Special Part B – Corporate crimes of inducement to and private-to-private corruption**
    1. Changes to “private-to-private corruption and inducement”, with law 3/2019, transforming these in offences prosecutable on an ex officio basis.
    2. Additions/update of control protocols (e.g. Conflict of interest procedure – CFA Treasury and Finance Procedure and other CFA procedures, Tax Control Framework and Anti-Corruption Policy)
  - **Special Part C – Market abuse offences**
    1. Adoption of amendments introduced by Legislative Decree 107 of 10 August 2018 to Legislative Decree 58/1998 (CFA), particularly with respect to sanctions;
    2. Rewording of certain offence types (Insider dealing and Market manipulation) and/or definitions in view of the consolidation of the regulatory framework by the Italian and EU lawmakers (e.g. definition of financial instruments; definition of inside information);
    3. Update of the mechanisms contained in control protocols (i) Market Disclosure Procedure and (i) Code of Conduct for Internal Dealing in the updated version approved by the Board of Directors in July 2019.
  - **Special Part E – Receiving of stolen goods, laundering and use of money, assets and benefits of illicit origins and self-laundering**
    1. Rewording of certain general rules of conduct (E3)
    2. Addition to/update of control protocols (e.g. Introduction of Tax control framework into control principles – E4)
  - **Special Part F – Computer crimes or illegal data processing**
    1. Changes to the general control principles (Creation of Record of processing activities under article 30 of the GDPR);
    2. Additions to the control protocols (appointment in May 2018 of the Data Protection Officer, with reference to articles 37-39 of the GDPR; Introduction of a procedure to manage data breaches).

The Supervisory Board shared the update proposal submitted by the Team 23I, and directed its submission to the Internal Control, Risk and Corporate Governance Committee for approval, eventually, by the Board of Directors.

The current applicable Model (approved by the Board of Directors on 15 December 2017) comprises:

- a General Part (published on Atlantia's website at [https://www.atlantia.it/documents/20184/41063/MOG\\_2018\\_01\\_23\\_PG\\_IT.pdf/ad0dc4d4-5b14-4b55-acf3-4a07e1aab681](https://www.atlantia.it/documents/20184/41063/MOG_2018_01_23_PG_IT.pdf/ad0dc4d4-5b14-4b55-acf3-4a07e1aab681)), which summarises the relevant provisions of Decree 23I/2001, describes the structure and purpose of the Model, establishes the composition and role of the Supervisory Board, establishes the criteria and methods for reporting required information to the Supervisory Board and describes the disciplinary system for breaches of the Model's requirements;
- Special Parts developed with respect to the risk of criminal activities which have been identified for Atlantia as the following:
  - Special Part A) - Crimes against the Public Administration (including: Inducement of others to withhold evidence or commit perjury in legal proceedings; Employment of third-country nationals who are illegally resident; unlawful intermediation and labour exploitation);
  - Special Part B) – Corporate crimes (including corruption and incitement to private-to-private corruption)-;
  - Special Part C – Market abuse;
  - Special Part D) – Offences in breach of occupational health and safety regulations (Culpable homicide and negligent injury or grievous bodily harm resulting from breaches of occupational health and safety regulations);
  - Special Part E) - Receipt of stolen goods, money-laundering and deriving benefit from ill-gotten monies, property or gains, and self-laundering;
  - Special Part F) – Computer crimes and illegal processing of data, cybercrimes (Computer crimes, counterfeiting of trademarks or patents, offences against industry and commerce and violation of copyright).

Every Special Part in the Model is structured as follows:

- ✓ Indication of the “types of offences” contemplated by Legislative Decree 231/2001, containing:
  - a description of each offence;
  - penalties applicable to the Entity;
  - possible manners of perpetration (non-exhaustive list).
- ✓ Areas at risk, related to corporate activities considered potentially at risk in relation to the offences under Legislative Decree 231/2001, with separate identification of Areas subject to direct risk and instrumental Areas.
- ✓ General principles of conduct in the Areas at risk, which indicate the relevant behaviours in terms of:
  - Adoption, in performing activities at risk, of behaviours inconsistent with the law or the Code of Ethics or the Model;
  - Violation of the procedures and/or internal company rules.
- ✓ General control principles, which represent the control criteria adopted by Atlantia – also in light of the guidance contained in the new Guidelines issued by Confindustria in March 2014 – to ensure virtuous behaviours, consistent with Legislative Decree 231/2001.
- ✓ Control protocols related to the Areas subject to direct risk that are relevant for the mitigation of risk 231 (Procedures, Operating Standards, Procedural Instructions, Manuals, internal rules on corporate activities, setting out responsibilities, duties, computer applications and control and monitoring activities, where available).
- ✓ Control protocols related to the instrumental Areas that are relevant for the mitigation of risk 231 (Procedures, Operating Standards, Procedural Instructions, Manuals, internal rules on corporate activities, setting out responsibilities, duties, computer applications and control and monitoring activities, where available).

\* \* \*

The Model in its current form is based on the deliberations and analysis carried out by the Supervisory Board and a penal code expert, and derives from an examination of developments in regulations and jurisprudence relating to Organisational Models.



The adoption of the Organisational, Management and Control Model, of which the Code of Ethics is one of the elements, has contributed towards implementation of the Company's internal control system.

As further confirmation of its commitment to preventing and combating illegal practices, the Company adopted a Group Anti-Corruption Policy in 2017, coherently combining the rules on the prevention and fight against corruption existing within the Group, with the objective of raising further the Addressees' awareness of the rules and conduct to be adopted.

In this context, the Head of Group Compliance and Security was named Head of Group Anti-Corruption, with the task of providing methodological assistance on prevention of corruption practices. In addition, Head of Group Anti-Corruption acts also as Atlantia SpA's Head of Anti-Corruption and, in this context, reports regularly to the Company's Supervisory Board.

Atlantia's current Supervisory Board was appointed by the Board of Directors on 8 June 2018 for the period 1 July 2018 – 30 June 2021, and comprises two external members, one of whom acting as coordinator, and the Head of Group Internal Audit.

In October one of the external members resigned, due to health reasons, from the Supervisory Board. The Board of Directors replaced him by a resolution adopted at the meeting of 8 November 2019.

Moreover, in November the Head of the Group Internal Audit Department resigned to take up a new operational role in another Group Company, effective as of the date of appointment of a replacement. The new post was taken up on 17 December 2019, with the simultaneous termination as Head of Group Internal Audit.

The Supervisory Board met 6 times in 2019 and twice in January 2020, to complete the 2019 Action Plan. The Supervisory Board addressed issues concerning updates of the Model and implemented the Action Plan for monitoring and assessing the appropriateness and effective functioning of the Model. In the same year, the Atlantia Supervisory Board reported periodically to the Board of Directors of the Company and the Board of Statutory Auditors regarding activities carried out with a view to updating and monitoring the Organisational, Management and Control Model.

Like Atlantia's Supervisory Board, the supervisory boards of Group Companies have implemented their action plans for monitoring and assessing the adequacy of their Organisational, Management and Control Models. The required operating assessments were conducted by the Group Internal Audit department, and periodical reports concerning supervisory activities during the various reporting periods were drawn up and sent to the respective boards of directors and boards of statutory auditors.

## Ethics Officer and procedure for reports to Ethics Officer

Over the years, Atlantia has established within its organisations an Ethics Officer, with the task of:

- ✓ overseeing compliance with the Code, by reviewing news of possible violations and conducting the investigations considered necessary, including with the Group Internal Audit Department;
- ✓ disseminating and verifying knowledge of the Code, undertaking communication programmes and activities aimed at promoting a better understanding of the Code;
- ✓ proposing the issue of guidelines and operating procedures, or changes and improvements in the existing ones, to reduce the risk of breaching the Code;
- ✓ proposing to the Company's Supervisory Board any change to the Code of Ethics.

The Ethics Officer, appointed by Atlantia's Chief Executive Officer, consists of the General Counsel (as Coordinator), the Head of Group Human Resources, and by the Head of Group Internal Audit. In addition to the foregoing, members include the Head of Legal and Corporate Affairs of AdR and by the Central Head of Legal Affairs of ASPI.

For the purpose of submitting reports, Atlantia has set up multiple channels enabling whistleblowing through digital channels or via paper. Any tip on allegedly improper conduct is examined attentively and help the corresponding Company take suitable steps, regardless of whether the report is signed or not.

In 2018, Atlantia also implemented a digital platform that lets anyone (employees and collaborators, vendors and any other person having or intending to have a business relationship with the Company) report a potential crime, unlawful conduct, irregularity, infringement or breach of standards, violation of Model 231, violation of the Code of Ethics, violation of the Anti-corruption Policy and any sort of violations of procedures and corporate provisions.

The multilingual version of the platform enables:

- anonymous reports by third parties and Group employees via the websites of Atlantia and Group Companies;
- nominative reports with a guarantee that the whistleblower's identity will be safeguarded (in which regard names and identifying particulars are rendered anonymous) following compilation of a registration card by Group employees through the corporate intranet;

- a transparent management of the entire whistleblowing process, including through the possibility of dialogue with the reporting party and possibility of attaching documents;
- a transparent management of the entire whistleblowing process, including through the possibility of dialogue with the whistleblower and possibility of attaching documents.

Following the launch of the platform, Atlantia adopted the “Whistleblowing policy”, which replaces the “Reporting to the Ethics Officer” procedure. The Policy guides the receipt, analysis and handling of tips and the manners of conducting the relevant investigation in accordance with the laws on privacy or other laws in force in the country where the reported events occurred, as applicable to the reporting party and the subject of the report.

The platform combines the following whistleblowing channels, which are already active:

- ✓ electronically: [ethic\\_officer@atlantia.it](mailto:ethic_officer@atlantia.it);
- ✓ by regular mail to: Atlantia SpA, Ethics Officer, via Antonio Nibby, 20 - 00161 Roma.

All the reports are reviewed by the Ethics Officer to initiate corrective actions, if warranted.

Therefore, in line with article II.6 of the ATL Corporate Governance Code, Atlantia’s Internal Control and Risk Management System is equipped with suitable whistleblowing systems, where employees and non-employees can report any irregularities or breaches of laws and internal procedures, in line with domestic and international best practices, guaranteeing a specific and confidential channel as well as the anonymity of the reporting party.

In 2019, the Ethics Officer met 6 times and reviewed all the tips received (on events that are deemed to include: illegal conduct or wrongdoings; violations of laws; actions that might result in a financial loss or be detrimental for the company’s image; violations of the Code of Ethics; violations of the Anti-Corruption Policy; violations of company procedures or instructions), starting an investigation into all those containing sufficient elements to justify further inquiry or that were potentially founded.

In 2018, Atlantia also adopted a proprietary Code of Conduct to safeguard against discrimination and protect the dignity of the men and women at the Group.

The purpose of the Code of Conduct is to inform Group workers of their rights and obligations for preventing and eradicating any discrimination while maintaining a working environment that ensures the respect of each individual’s dignity.

Workers who feel that they have faced harassment or discrimination are encouraged to report the matter to the competent Human Resources structure and Ethics Officer without delay. Anyone who has witnessed discrimination and/or conduct considered to be harassment must immediately report it through the proper channels.

## 11.4 Independent Auditors

In consequence of their engagement on 24 April 2012, Deloitte & Touche SpA are the Independent Auditors engaged to perform the statutory audit of the separate and consolidated financial statements, the periodical assessment of the propriety of bookkeeping and a limited scope audit of the consolidated interim reports of Atlantia SpA for the financial years 2012-2020.

The Board of Statutory Auditors and the Independent Auditors periodically exchange information and data on their respective audits.

The “Procedure for the engagement of statutory audit firms and the monitoring of other assignments to its affiliates” - as revised in 2016 to take into account the changes introduced by Regulation EU no. 537/2014 of the European Parliament and of the Council, as well as by legislative Decree 135/2016 (implementation of directive 2014/56 UE) – sets out the corporate responsibilities and internal operating methods in support of the Board of Statutory Auditors for the engagement of statutory external auditors in accordance with law and regulation as in force from time to time and the management of the relationship with the statutory audit firm and its affiliates.

The procedure relates to senior management and the managements of Group companies who, in the performance of their duties, have direct or indirect contact with independent auditors during their internal audit procedures.

In 2019, as the engagement contract with the independent auditors was approaching expiration, a tender was launched to select a new independent audit firm for 2021-2029, to ensure independence in 2020 with reference to the services provided by the new audit firm subject to the cooling-in rule. Following the procedure, on 8 November 2019 the Board of Statutory Auditors, in its role as “Committee for Internal Control and Audit”, submitted to the Board of Directors the Recommendation identifying KPMG SpA and EY SpA (to be submitted to the General Meeting of Shareholders scheduled to approve the 2019 accounts) and expressing its preference for the former.

## 11.5 Manager Responsible for Financial Reporting

Pursuant to article 33 of the Articles of Association, and in compliance with art. 154-bis of the Consolidated Finance Act, the Board of Directors, subject to obtaining the required opinion of the Board of Statutory Auditors, appoints and dismisses the Manager Responsible for Financial Reporting.

The Manager Responsible for Financial Reporting is selected from candidates with at least three years' experience in positions with appropriate responsibility for administration and finance, or administration and control in listed joint-stock companies, and who possess the integrity required by the regulations in force. The Directors fix the related remuneration and the term of office, which is renewable, and grant the Manager Responsible for Financial Reporting all the authority and instruments necessary in order to carry out the duties assigned to them by law.

At its meeting of 13 September 2019, the Board of Directors – with the consent of the Board of Statutory Auditors and after determining that the candidate met the professionalism and integrity requirements set out for the role of Manager Responsible for Financial Reporting by article 33 of the Articles of Association - appointed, Tiziano Ceccarani as Chief Financial Officer and Manager Responsible for Financial Reporting pursuant to article 154-bis of the CFA (“Manager Responsible for Financial Reporting”), as a replacement of Giancarlo Guerzi, setting the tenure until the approval of the financial statements as of and for the year ended 31 December 2021.

In 2019, the internal control system was upgraded from an administrative and accounting viewpoint, for the purposes of attestations by the Chief Executive Officer and the Manager Responsible for Financial Reporting of the separate and consolidated annual financial reports concerning, inter alia, the adequacy and effective application of the administrative and accounting procedures. Moreover, it is noted that the process to implement the system of procedures and control of the Atlantia Group has been completed for the companies concerned of the Abertis Group before year-end 2019.

## 11.6 Coordination of parties involved in the Internal Control and Risk Management System

In accordance with article II.3 of the Company's Corporate Governance Code ATL, the Board of Directors, with the favourable opinion of the Internal Control, Risk and Corporate Governance Committee, establishes the manners in which the parties involved in the internal control system are coordinated.

To this end, the Company has developed over the years a comprehensive set of reporting procedures – partly laid down by the Corporate Governance Code (regarding the Chairman of the Board of Directors, the Director in Charge for the Internal Control and Risk Management System, the Internal Control, Risk and Corporate Governance Committee, the Internal Audit Department) and partly laid down in connection with the scope of responsibilities of the different departments involved in the Internal Control and Risk Management System.

In particular:

- The Chairman guarantees that adequate reporting procedures are in place between the Board of Directors and other administrative and corporate functions and, by virtue of the powers vested in him, oversees the functioning of the Internal Control and Risk Management System.
- The Director in Charge of the Internal Control and Risk Management System reports promptly to the Internal Control, Risk and Corporate Governance Committee (or the Board of Directors) on issues and critical matters arisen in performing his activities or that came to his or her knowledge, so that the Committee (or the Board of Directors) might take appropriate steps.
- The Internal Control, Risk and Corporate Governance Committee:
  - receives adequate reports on the different areas of the Internal Control and Risk Management System from the other control bodies and the competent Company departments (Ethics Officer, Supervisory Body, Manager Responsible for Financial Reporting);
  - reports to the Board of Directors, at least once every six months, when the annual and six-monthly financial reports are approved, on the activities performed and the adequacy of the Internal Control and Risk Management System;



- expresses its opinion to the Board of Directors on the corporate governance report, for the description of the characteristics of the Internal Control and Risk Management System and the assessment of its adequacy.
- The Group Internal Audit Department:
  - reports to the Internal Control, Risk and Corporate Governance Committee concerning the audit activities related to the Atlantia Group;
  - reports yearly on the Internal Control and Risk Management System.
- The Group Controlling & Risk Management Department:
  - reports regularly to the Internal Control, Risk and Corporate Governance Committee on risk identification, measurement, management and monitoring;
  - ensures the necessary reporting within the Group to guarantee consistency in the methodological approach and alignment of execution schedules referring to the Risk Appetite and Catalogue of risks of the Company and Group, directing the activities of the Risk Officers.
- The Manager Responsible for Financial Reporting is responsible for:
  - planning, managing and monitoring the processes concerning, in particular, administrative and accounting reports, including automated data processing and financial transaction recording systems, also to attest to their adequacy and effective application;
  - giving instructions also to the subsidiaries, so that they adopt all the necessary measures and administrative and accounting procedures, and take any other step or action, that ensure the proper preparation of the consolidated financial statements, as well as any measure that might ensure the utmost reliability of the data and information submitted to the Manager Responsible for Financial Reporting;
  - reporting every six months to the Internal Control, Risk and Corporate Governance Committee and the Board of Statutory Auditors on the monitoring activity under article 154 of the Consolidated Finance Act.
- The General Counsel Department is responsible for:

- ensuring and coordinating, at Group level, legal aspects, dispute management and external counsel;
- ensuring, at Group level, the proper performance of filing obligations, including through the implementation of coordination mechanisms, and managing, regarding these aspects, relations with Investors and Supervision Authorities;
- managing the approach to concession arrangements of the Group's airport and motorway operators;
- reviewing in legal terms the strategies of the Group companies on tenders, contracts, works, outsourcing, sub-concessions and procurement, and coordinating, at Group level, legal assistance for acts relating to the expansion and upgrade of the operated infrastructure;
- reviewing the forms and standard contracts prepared by the subsidiaries, to ensure consistency at Group level;
- directing and coordinating, at Group level, the international activities related to new business initiatives, corporate actions and M&A;
- providing support, at Group level, in the application of Corporate Governance systems and rules.

The General Counsel coordinates the legal and corporate affairs departments of the Group companies.

- The Group Compliance and Security Department is responsible for:
  - leading and coordinating the competent organisational areas of Atlantia and its subsidiaries in the implementation of the Compliance programmes, monitoring and assessing their progress;
  - setting out, in agreement with the General Counsel, the Guidelines for Atlantia and its Subsidiaries to prepare and implement the procedures called for by the Organisation, Management and Control Models under Legislative Decree 231/OI and the procedures implementing the adopted conduct policy;
  - ensuring, at Group level and in agreement with the General Counsel, the legal criteria to support the definition of the risk appetite and the catalogue of risks, monitoring the area of interest for proper implementation.
- The Health, Safety & Environment structure of the Group's Human Resources Department:

- updates and monitors the integrated health, safety and environmental model;
- verifies observance of legal provisions and measures adopted for health, safety and environmental protection with regular audits and inspections;
- provides training and information regarding occupational safety;
- reports regularly to the Internal Control, Risk and Corporate Governance Committee on the status of the Health, Safety and Environmental Management Model and initiatives taken regarding occupational health and safety and environmental protection.

## 12. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

Related party transactions are subject to the Regulation issued by CONSOB with Resolution no. 17221 of 12 March 2010, as subsequently amended and as adopted in Atlantia's Procedure on Related Party Transactions (the "Procedure"). Further information is also contained in art. 34 of the Articles of Association on related party transactions.

In compliance with the provisions of the CONSOB Regulation, on 21 October 2010, Atlantia set up the Committee of Independent Directors with Responsibility for Related Party Transactions (hereinafter "OPG **Committee**").

The aforementioned Procedure was adopted by Atlantia's Board of Directors on 11 November 2010, pursuant to the Regulation, with the prior consent of the Committee of Independent Directors on Related Party Transactions, dated 8 November 2010.

The Procedure defines the scope of the rules governing related party transactions (transactions of greater and lesser significance and transactions within the purview of the general meeting), the related cases of exclusion, and the procedures for drawing up and updating the list of related parties.

## 12.1 Committee of Independent Directors with responsibility for Related-Party Transactions

As mentioned, the Atlantia Board of Directors, following a favourable report by the Committee of Independent Directors with responsibility for Related-Party Transactions (hereinafter also “**OPG Committee**”), approved the Procedure for Related-Party Transactions on 11 November 2010, in pursuance of article 2391 bis of the Italian civil code and provisions contemplated in the Consob Regulation.

The Procedure was implemented on 1 January 2011.

The Procedure has since then been reviewed every year by the RPT Committee and the Board of Directors with respect to the need to modify or update the Procedure.

Following the foregoing reviews, the Board of Director confirmed that the Procedure was fit for purpose given in 2011, 2012, 2013, 2014; in 2015 there was an update to accommodate the merger of Gemina SpA into Atlantia; in 2016 the Procedure was confirmed.

The most recent update was approved by the Board of Directors on 15 December 2017, with the consent of the RPT Committee, in relation to the need for adapting it to the Consob Regulation as amended in May 2017, following the enactment of Regulation (EU) No. 596/2014.

On that occasion, further revisions and additions were made to the Procedure, to reflect the Group’s practices and organisational changes, to ensure the proper functioning of communication and reporting lines among the parties involved in the process.

Furthermore, the frequency of the assessment to determine any change to the Procedure was changed from annual to triennial, in line with Consob Communication DEM/10078683 of 24 September 2010.

The Procedure governs related party transactions entered into by the Company or one of its subsidiaries. It establishes the criteria for classification as a related party transaction and the definition of material and less material transactions. It also indicates the methods of handling such material and less material transactions.

The Procedure is available on the Atlantia website [www.atlantia.it](http://www.atlantia.it)

In implementation of the Procedure, Atlantia established a Committee of Independent Directors with responsibility for Related Party Transactions made up of three unrelated- party Independent Directors, responsible for:

- a. formulating an opinion on Atlantia's Procedure for Related Party Transactions and related amendments (CONSOB regulation on related party transactions, art. 4.3);
- b. expressing an opinion on any amendments to the Articles of Association (CONSOB regulation on related party transactions, art. 4 point 3);
- c. performing, during negotiations and examination of Atlantia's related-party transactions of greater significance, the functions contemplated by art. 8, paragraph 1.b of the Consob regulation on related party transactions linked to the involvement of the Committee, or of one or more delegated members;
- d. expressing an opinion on Atlantia's related party transactions of greater significance (art. 8, paragraph 1.c) of the Consob regulation on related party transactions);
- e. providing, before less material transactions with Atlantia's related parties, a reasoned opinion on the Company's interest in the transaction as well as the benefits and the fairness of the relevant terms and conditions, with the possibility to seek advice, at the Company's expense, from independent experts of own choosing.

In 2019 the composition of the RPT Committee changed due to the expiration of the 2016-2017-2018 term of office of the Board of Directors and the resulting appointment – at the General Meeting of Shareholders held on 18 April 2019 – of the new Board of Directors for the three-year period 2019-2020-2021.

Until 18 April 2019, the Committee was composed of Independent Directors appointed by the previous Board of Directors, viz:

- Giuliano Mari, Chairman, who resigned effective 30 January 2019 from all posts held in the Committee and was replaced by Director Lucy Marcus, pursuant to a Board resolution with effect as of 30 January 2019;
- Massimo Lapucci, who was appointed Chairman of the Committee on 15 February 2019;
- Bernardo Bertoldi.

At its meeting of 10 May 2019, the new Board of Directors appointed the new OPC Committee, which is composed of Independent Directors Riccardo Bruno, Dario Frigerio and Carlo Malacarne.

In its meeting on 10 May 2019, the OPC Committee elected Dario Frigerio as its Chairman.

The OPC Committee thus presently comprises the following Directors:

- Dario Frigerio – Chairman
- Riccardo Bruno
- Carlo Malacarne

All committee members are Independent Directors in accordance with art. 148, paragraph 3, of the Consolidated Finance Act and article 3 of the Corporate Governance Code.

The OPG Committee has adopted its own Rules of functioning (available on the Company's website [www.atlantia.it](http://www.atlantia.it)).

The Committee met 5 times in 2019.

Regarding 2020, as of 28 April the Committee met twice.

#### **- Directors' interests**

Regarding the cases where a Director has an interest in a certain company transaction, whether personal or on behalf of third parties, such Director is required, in accordance with article 2391 of the Italian Civil Code, to notify the other Directors and the Board of Statutory Auditors, specifying the nature, terms, origin and extent of such interest. In the event such Director is the Chief Executive Officer, the Director should refrain from becoming involved in the transaction, delegating all powers to the Board of Directors.

The Board did not adopt any further resolution in this area.

## 13. ELECTION OF STATUTORY AUDITORS

As required by art. 32 of the Articles of Association, members of the Board of Statutory Auditors are elected using slate voting and in compliance with laws on gender balance. Should the application of gender balance criteria not result in a whole number of Board members belonging to the under-represented gender, such fraction will be rounded up to the nearest integer.

Individuals who hold a number of posts as director or standing auditor equal to or above the maximum established by the applicable regulations, or do not meet the requirements for integrity, expertise and independence required by the applicable regulations, are not eligible. At least two Standing Auditors and one Alternate are selected from among individuals listed in the register of auditors, who have been engaged in the statutory audit of accounts for a period of not less than three years. Statutory Auditors not meeting such requirement shall be selected from amongst those persons with at least three years' experience in:

- a) the management and control of or executive duties in joint-stock companies having issued capital of at least two million euros; or
- b) professional activities or university instruction in legal, business and finance subjects; or
- c) managerial functions at government or public administration entities engaged in the banking, financial or insurance sectors. The slates indicate the names of one or more candidates, which must not exceed the number of Statutory Auditors to be elected, with each name assigned a sequential number.

Each slate consists of two sections: one for candidates for the office of Standing Auditor and one for Alternates. Each section must contain the names of one or more candidates.

Slates that, taking into account both sections, contain a number of candidates equal to or higher than three must indicate:

- at least one-fifth of the candidates belonging to the under-represented gender for the first term of office in application of Law 120 of 12 July 2011;
- at least one-third of the candidates belonging to the under-represented gender for the following two terms of office.

Where the number of candidates for Alternate Auditor is equal to or higher than two, they must be of two different genders.



Shareholders may submit a slate only if, alone or together with other shareholders, they represent at least the percentage shareholding required by the article 20 of the Articles of Association for the submission of slates of candidates as Directors, at the date on which the slates were filed with the Company.

Slates submitted by shareholders are filed with the registered office at least twenty-five days prior to the date of the General Meeting to be held as a first or single-call meeting.

The slates are made available to the public, according to the procedures required by the applicable regulations, at least twenty-one days prior to the date of the General Meeting to be held in first or single call.

If, at the end of the above term of twenty-five days, only one slate has been submitted, or only slates submitted by shareholders associated with each other – as defined by the Consob pursuant to art. 148, section 2 of Legislative Decree 58/1998 – entitled parties may continue to submit slates, through filing at the registered office, up to the latest deadline provided for by the laws and regulations in force. In this case, the size of shareholding required to qualify for the right to submit lists is reduced to half.

No individual shareholder, or shareholders belonging to the same group or shareholders who are party to a shareholder's agreement, may submit or vote for more than one slate, including via a proxy or a nominee, and any candidate included in more than one slate will be disqualified.

Each slate must be accompanied by:

- information on the shareholders who have submitted the slates and their total percentage shareholding, together with certificates attesting to their ownership of the related shares;
- exhaustive information regarding candidates' personal and professional backgrounds;
- declarations from the individual candidates accepting their candidature and a personal statement that there is no fact or deed which could give rise to their disqualification and that they meet the legal requirements for holding such office, including compliance with the limit on the total number of positions held, as established by the laws and regulations in force, and indicating any positions as director or statutory auditor held at other joint-stock companies;
- a declaration from shareholders other than those who singly or jointly hold a controlling or relative majority interest, certifying the absence of any association - as defined by the Consob pursuant to art. 148, section 2 of Legislative Decree 58/1998 – with such shareholders.

Any slates not in compliance with the above are deemed to have not been submitted. Individuals having the right to vote may only vote for one slate. Members of the Board of Statutory Auditors will be elected in the following manner:

- a) three Standing Auditors and one Alternate to be elected will be taken in sequential order from the slate receiving the majority of votes cast by the holders of shares carrying voting rights, and in compliance with the legislation in force concerning gender balance;
- b) the remaining two Standing Auditors will be taken from the other slates. For that purpose, the votes cast for those other lists will be successively divided by one and two. The resultant quotients will be allocated to the candidates on each slate who will then be ranked in decreasing: the candidates elected will be those with the highest quotients, provided that the required gender balance is achieved;
- c) if, on completion of the election and the above procedures, gender balance legislation is not achieved, the candidates elected from the various slates are ranked in decreasing order, based on the quotients calculated in accordance with the procedure described in letter b). The candidate from the over-represented gender with the lowest quotient in the ranking will thus be replaced by the first of the candidates from the under-represented gender to not be elected and belonging to the same slate. If there are no other candidates in this slate, the above replacement will be approved by the General Meeting with the majority required by law.

If replacement of the candidate from the over-represented gender with the lowest quotient in the ranking does not, however, achieve the gender balance required by the legislation in force, the above replacement process will also be applied to the candidate from the over-represented gender with the penultimate quotient, and so on rising from the lowest ranked candidate. In the event candidates have equal quotients, the General Meeting will hold a new election and the candidate receiving the majority of votes shall be elected, provided that the gender balance required by the legislation in force is achieved.

The Chair of the Board of Statutory Auditors will be the first candidate on the minority slate that obtains the highest number of votes.

The remaining Alternate Auditor will be drawn from the slate which receives the highest number of votes among the slates submitted and voted for by shareholders that are not associated with the majority shareholders as defined by law;

- d) any Statutory Auditors not appointed using slate voting are appointed by General Meeting resolution approved with the majority required by law, in keeping with the laws on gender balance;

- e) in the event that a Statutory Auditor elected by the majority is replaced, the Alternate receiving the majority of votes is appointed. In the event that a Statutory Auditor elected by the minority is replaced, the Alternate elected by minority shareholders will be appointed, or, failing this, the next ranked candidate from the same slate or, failing this, the first candidate on the minority list that obtained the second highest number of votes. Replacement must, in any event, take place in compliance with the legislation in force on gender balance.

Article 15.2 of the ATL Corporate Governance Code states that members of the Board of Statutory Auditors must verify their independence requirements after the election, and every year thereafter, notifying the outcome of such tests to the Board of Directors. This will, in turn, disclose the outcome to the market and, eventually, in the Corporate Governance Report, in the same manner as that contemplated for Directors.

On 18 January 2019, Atlantia's Board of Directors integrated the wording of article 15.2, stating that Atlantia considers respect for diversity in the composition of the Board of Statutory Auditors, relating to aspects such as gender, professional qualifications and the presence of different age groups and seniority in office, with the priority objective of ensuring adequate competence and professionalism of the members thereof.

Article 15.4 of the ATL Corporate Governance Code states that the Statutory Auditors' remuneration should be commensurate with the time required, relevance of the role and the Company's size and sector characteristics.

## 14. COMPOSITION AND FUNCTIONING OF THE BOARD OF STATUTORY AUDITORS

On 20 April 2018, the General Meeting elected, through the slate voting procedure, the Board of Statutory Auditors for the financial years 2018-2019-2020. Alberto De Nigro, Lelio Fornabaio and Livia Salvini were elected as standing auditors while Laura Castaldi was elected as alternate auditor on the basis of the slate submitted by Sintonia SpA. The Chairman, Corrado Gatti, standing auditor Sonia Ferrero and alternate auditor Michela Zeme were elected in accordance with the provisions of article 148 of Legislative Decree 58/1998, as amended by Law 262/2005, on the basis of a slate submitted by a group of asset management companies and other institutional investors.

All the Statutory Auditors in office meet the integrity and experience requirements stipulated in the articles of association and applicable legislation. The Articles of Association also disqualify persons holding a number of management and supervisory positions equal to or greater than the maximum number, as established by relevant legislation, from being appointed as a Statutory Auditor.

In this regard, art.144-terdecies of the Consob's Issuer Regulation (Limits on the accumulation of positions) states that anyone who is a member of the boards of statutory auditors of five issuers is disqualified from becoming a member of an issuer's board of statutory auditors.

A member of an issuer's board of statutory auditors may take up other positions as a director or statutory auditor in the companies defined in Book V, Title V, Chapters V, VI and VII of the Italian Civil Code (the number of positions is shown in Table 3, whilst details of the related positions are available on the Consob website), provided they do not exceed the maximum of six points resulting from application of the calculation model contained in Annexe 5-bis, Schedule I. Exempt positions and positions as a director or statutory auditor of small companies are not taken into account in calculating the cumulative positions.

Article 15, paragraph 2 of the valid Corporate Governance Code states that "the Board of Statutory Auditors shall ascertain compliance with these criteria after election and subsequently, annually, reporting on its findings in the corporate governance report in a manner consistent with the arrangements for Directors".

In this regard, the Board of Statutory Auditors reviewed the issue of self-assessment for the Board of Statutory Auditors, in light of the rules of conduct for the board of statutory auditors of listed companies issued by CNDCEC, the governing body of the accounting profession, in April 2018 ("Rules of Conduct"), with specific reference to the principles and application criteria underlying "Rule Q.1.5. Independence, causes of ineligibility and termination" of the Rules of Conduct.

In particular, at its meeting of 13 December 2019, each Statutory Auditor dwelled on the analysis of potential risks for independence, taking into account:

- ties and relationships held with the Company or with other Group companies and with the senior executives of such companies;
- ties and relationships held with the Company or with other Group companies by other parties belonging to one's professional network.

Such analysis did not show any risk that would compromise the independence of the Statutory Auditors.

The Board of Statutory Auditors dwelled also on the provisions of article 2399 of the Italian Civil Code and article 148 C.F.A., as well as the provisions of the ATL Corporate Governance Code.

The Board of Statutory Auditors then obtained a statement on the continuing existence of the independence requirements signed by each Statutory Auditor.

As the review conducted to ascertain the existence of the independence requirements for all the Statutory Auditors was positive, the Board of Statutory Auditors, pursuant to article 15.2 of the ATL Corporate Governance Code, notified such positive outcome to the Board of Directors, for inclusion in the report on corporate governance.

Pursuant to the Corporate Governance Code, any Statutory Auditors who, either themselves or on behalf of third parties, have an interest in a specific Company transaction, must promptly inform the other Statutory Auditors and the Chairman of the Board of Directors as regards the nature, terms and extent of their interest.

Atlantia's Board of Statutory Auditors met a total of 23 times in 2019 (the percentage of meetings actually attended by members of the board is reported in Table 3). The average length of the meetings was approximately 2 hours.

It should also be pointed out that the Board of Statutory Auditors normally meets with the same frequency as the Board of Directors. At the meeting of 17 January 2020, a total of 16 meetings were scheduled for 2020. The Board of Statutory Auditors held 13 meetings between January 2020 and 28 April 2020.

In 2020, the Board of Statutory Auditors held 4 meetings and also met with the Company to review the main matters concerning the 2019 financial statements.

In carrying out its duties, the Board of Statutory Auditors had regular meetings during the year with Independent Auditors, the Manager Responsible for Financial Reporting and the Head of Group Internal Audit.

The Chairman of the Board of Statutory Auditors, or another standing Statutory Auditor at his request, attended the meetings of the Internal Control and Corporate Governance Committee, pursuant to the Corporate Governance Code.

The Board of the Statutory Auditors monitored, in accordance with art. 149 c. paragraph 1.c bis of the CFA, the implementation of the corporate governance rules provided for in the ATL Corporate Governance Code.

Before issuing their reports on the financial statements, the Board of Statutory Auditors and the Independent Auditors exchanged information on the checks carried out.

Partly in the light of the amendments introduced by Legislative Decree 39/2010, in 2010 the Board of Statutory Auditors assumed the role of the Internal Control and Audit Committee. Article 15.5 of the ATL Corporate Governance Code states that the Board of Statutory Auditors, in compliance with the pertinent legislation in force, oversees the financial reporting process; the effectiveness of the internal control, internal audit and risk management system; the independent audit of the separate and consolidated financial statements and the independence of the external auditors, especially with respect to the provision of non-audit services.

It should be borne in mind that Legislative Decree 135/2016 amended, effective as of the first financial year following 2016, the duties and responsibilities of the Internal Control and Audit Committee, providing that it will:

- a) inform the board of directors of the audited company after the audit, sending to it the report under article 11 of the European Regulation, with any accompanying remarks;
- b) inform the board of directors of the audited company after the audit, sending to it the report under article 11 of the European Regulation, with any accompanying remarks;
- c) check the effectiveness of the internal quality control and risk management systems and, where applicable, internal audit, with respect to the financial reports of the audited company, without impinging on its independence;

- d) monitor the audit of the separate and consolidated accounts, taking into account any results and conclusions regarding the quality control performed by Consob in accordance with article 26, paragraph 6, of the European Regulation, where available;
- e) check and monitor the independence of the independent auditors or of the audit firms in accordance with articles 10, 10-bis, 10-ter, 10-quarter and 17 of this decree and article 6 of the European Regulation, especially as regards the adequacy of non-audit services to the audited company, in keeping with article 5 of such Regulation;
- f) be responsible for the procedure to select the independent auditors or the audit firms and recommend the independent auditors or audit firms to be designated pursuant to article 16 of the European Regulation.

Legislative Decree no. 254 of 30 December 2016 introduced a new provision into article 123-bis of the Consolidated Finance Act (sub-paragraph d-bis of paragraph 2), whereby the Corporate Governance Report “shall contain a description of diversity policies applied in relation to the composition of the administrative, management and control bodies regarding such aspects as age, gender composition and professional and educational background, as well as a description of the objectives, the manners of implementation and the results of these policies.

In the event that no policy is applied, the company will explain in a clear and comprehensive manner the reasons for such choice”.

In this regard and as mentioned above, on 18 January 2019, the Company's Board of Directors approved some amendments in the Corporate Governance Code, specifying that Atlantia considers respect for diversity in the composition of the Board of Statutory Auditors, relating to aspects such as gender, professional qualifications and the presence of different age groups and seniority in office, with the priority objective of ensuring adequate competence and professionalism of its members.

Regarding the composition of the Board of Statutory Auditors, it is noted that article 32 of the Articles of Association provides that this body is elected in accordance with the rules on gender balance. In fact, one-third of the Board of Statutory Auditors currently in office is made up of individuals belonging to the under-represented gender.

As to professional requirements, the same article of Atlantia's Articles of Association provides that “Individuals who do not meet the requirements of integrity, professionalism and independence required by the applicable regulations may not serve as Statutory Auditors. At least two Standing

Auditors and one Alternate shall be selected from among individuals listed in the register of auditors who have been engaged in the statutory audit of accounts for a period of not less than three years”.

Statutory Auditors not meeting such requirements must be selected from amongst persons with at least three years’ experience in:

- a) the management and control of or executive duties in joint-stock companies having issued capital of at least two million euros; or
- b) professional activities or university teaching in legal, business and finance subjects, or
- c) managerial functions at government or public-sector entities engaged in the banking, financial or insurance sectors”.

In the meeting of 13 December 2019, based on the CVs of the Statutory Auditors in office and following an in-depth analysis on diversity in relation to the composition of its own members, the Board of Statutory Auditors determined that it features diversity in terms of age, skills and experience, including in complementary sectors, developed by the Statutory Auditors currently in office which foster dialogue and its efficient and effective functioning.

At the meeting of 14 February 2020, with the participation of the Board of Statutory Auditors, the Board of Directors analysed the results and confirmed the positive outcome of the self-assessment.



## 14.1 Procedure for reporting to the Board of Statutory Auditors

Regarding article 150, paragraph 1, Legislative Decree 58/1998, the procedure for reporting information to the Board of Statutory Auditors was revised on 20 December 2013. The objective of this procedure is, first, to ensure that the Board of Statutory Auditors is provided with all the information it needs to perform the supervisory role assigned to it by the above Decree and, second, by favouring the transparency of the Company's management, to enable each Director to participate in its management in a more aware and informed manner. This procedure covers the flow of information between the Chief Executive Officer and the Board of Directors recommended by the Corporate Governance Code, and aims to confirm the centrality of the Company's Board of Directors, by ensuring that all members of the Board of Directors and Board of Statutory Auditors have access to the same information, and to strengthen the internal control system.

The following information is to be provided under the procedure:

- details of activities carried out;
- material transactions in terms of impact on the Company's results of operations, financial position and cash flows;
- details of the activities through which the Company exercises its management and coordination functions, other than those already reported in connection with the activities carried out;
- atypical or unusual transactions and any other activity or transaction deemed appropriate to report to the Board of Statutory Auditors.

Each report reflects activities and transactions performed in the period of time (no more than three months) following the period (also no more than three months in length) covered by the previous report.

For the purposes of the reports, the procedure identifies transactions whose impact might be regarded as material in terms of the Company's results of operations, financial position and cash flows. Specifically, in addition to transactions that fall within the purview of the Board of Directors, pursuant to article 2381 of the Italian Civil Code, the Articles of Association and the Corporate Governance Code, material transactions conducted by Atlantia or by its main direct or indirect subsidiaries include:

- the issue of financial instruments for a total amount in excess of €5 million;
- lending, borrowing or provision of guarantees, as well as investments and divestments, including those relating to properties, involving amounts in excess of €5 million per transaction;

- acquisitions and sales of equity interests, companies or business units, assets and other individual transactions of an amount in excess of €5 million;
- corporate actions (capital increases, mergers, spin-offs, transfers, and/or demergers, etc.).

During the year the Board of Directors reported to the Board of Statutory Auditors on a quarterly basis.

The Procedure is available on the Company's website at [www.atlantia.it/it/corporate-governance/statuto-codici-procedure](http://www.atlantia.it/it/corporate-governance/statuto-codici-procedure).

Furthermore, during the year, the Statutory Auditors participated in three induction sessions, held to provide the Boards of Directors and Statutory Auditors with information pertaining to the Company's operations, its corporate dynamics and their evolution.

With respect to Legislative Decree 231/2001 and the Group's Code of Ethics, the Procedure for Relations with the Board of Statutory Auditors, which was revised on 20 December 2013, sets out the responsibilities and operational procedures for managing relations with the Board of Statutory Auditors.

This procedure relates to the staff of Atlantia and its subsidiaries who, in the performance of their specific duties, have direct or indirect contact with Statutory Auditors during their internal audit activities.

## 15. INVESTOR RELATIONS

Atlantia's financial reporting is intended for all its stakeholders.

- To this end, the Company has set up a specific Corporate Finance and Investor Relations Department, which is responsible for relations with the financial community, headed by Massimo Sonego. The department is responsible for disclosing to the market timely, complete and clear quantitative and qualitative descriptions of the Group's strategies and results of operations, overseeing the communication process with shareholders, bondholders, financial analysts and rating agencies in all its aspects:
  - **periodic mandatory disclosures:** provided with the publication of annual and interim financial statements;
    - **periodic voluntary disclosures:** pursuant to article 82-ter of the Issuer Regulation, to provide constant and regular information to the financial community, a financial report is published as of 31 March and 30 September in accordance with the applicable regulations;
  - **extraordinary disclosures:** extraordinary disclosures: publication of prospectuses relating to corporate actions affecting the Company;
  - **mandatory disclosures on material events**, made in accordance with Legislative Decree 58 of 24 February 1998 and the Consob Issuer Regulation. In fact, the principles laid down therein, and any subsequent amendments, are adopted in accordance with the Corporate Governance Code and Borsa Italiana's Guide for Reporting to the market, and in accordance with the instructions in the above-mentioned "Procedure for Market Disclosures";
  - **voluntary information to investors and analysts** provided in regular meetings (road shows, conference calls, one-on-one meetings) with institutional investors in the main financial centres and meetings with stock and credit analysts.

In order to facilitate an ongoing dialogue with the financial community and, generally, with all stakeholders an easily identifiable and easy-to-access webpage is active and constantly updated on the Company's website ([www.atlantia.it/it/investor-relations/index.html](http://www.atlantia.it/it/investor-relations/index.html)), with important information on the Group of interest to stakeholders.

## 16. GENERAL MEETINGS

The Directors encourage and facilitate the highest possible attendance of shareholders at General Meetings, in particular by providing all the necessary information and documents to ensure the smooth running of and informed participation at meetings. The information is made available on a specific page of the Company's website.

The Corporate Governance Code requires General Meetings to be treated as forums to provide shareholders with reports on the Company's operating performance and outlook, in accordance with the regulations governing price sensitive information. In the event of significant changes in the Company's overall capitalisation, in the shareholder structure and in the number of shareholders, the Directors assess the appropriateness of recommending changes to the Memorandum of Association to the General Meeting, as regards the majorities required to pass resolutions and to exercise the prerogatives designed to protect minority shareholders.

The functioning of General Meetings, the related powers, the rights of those entitled to vote and how to exercise the rights are governed by the laws and regulations in force.

In particular, the Company's Articles of Association provide for the following.

To be entitled to attend general meetings and to exercise voting rights, shareholders are required to send a notice to the Company through their intermediary, in accordance with the laws and regulations in force (article 13). In particular, pursuant to the laws applicable in this area, the right to attend and to vote can be exercised by such shareholders at the end of the seventh stock exchange trading day preceding the date set for the General Meeting in first call (the "Record Date") for which the intermediary sent the communication required by law. Investors who buy shares after the record date are not entitled to attend and vote at the General Meeting.

Furthermore, shareholders may appoint a proxy also by electronic means; the proxy can also be notified through the website or by certified email, in accordance with the procedures indicated in the notice of the General Meeting.

In addition, for each General Meeting the Company designates a person whom shareholders can appoint as a proxy, by the second stock exchange trading day prior to the date set for the General Meeting in first call, with voting instructions on all or some of the items on the agenda.

Moreover, the Company adopted the General Meeting Rules, shown at the end of the Articles of Association, which provide for the orderly and functional proceedings of Ordinary and Extraordinary General Meetings.

The Rules address matters such as setting out the procedure for shareholders to request to speak on items in the Agenda.

The full text of the Articles of Association and the General Meeting Rules are available on the Company's website at <http://www.atlantia.it/it/corporate-governance/statuto-codici-procedure.html>.

The Board of Directors endeavours to provide shareholders with adequate information on agenda items, making the related reports available to the public in the manner and in accordance with the timing provided for by law. Furthermore, pursuant to art. 127-ter, Legislative Decree 58/98 shareholders with voting rights may even ask questions up to three days before a meeting in first call, which will be answered later in the meeting, using the appropriate webpage of the Company's website and sending the questions by fax or certified post.

In 2019 the Ordinary General Meeting of Shareholders was held on 18 April 2019 with the following agenda:

1. Financial statements of Atlantia for the year ended 31 December 2018. Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Allocation of net profits and distribution of available reserves. Submission of consolidated financial statements for the year ended 31 December 2018. Related and consequent resolutions.
2. Proposals to supplement the consideration paid for the Independent Auditors' engagement for years 2018-2020. Related and consequent resolutions.
3. Authorisation, in accordance with and for the purposes of articles 2357 et seq. of the Italian Civil Code, article 132 of Legislative Decree no. 58 dated 24 February 1998 and 144-bis of the Consob Regulation adopted with resolution no. 11971/1999, as subsequently amended, to purchase and sell treasury shares, subject to the prior revocation of the authorization granted by the Ordinary General Meeting of 20 April 2018. Related and consequent resolutions.
4. Appointment of the Board of Directors and determination of relevant remuneration:
  - a) Determination of the number of members of the Board of Directors;
  - b) Appointment of directors for years 2019-2020-2021;
  - c) Appointment of the Chairman of the Board of Directors;
  - d) Determination of the remuneration to be paid to members of the Board of Directors.

Resolution on the first section of the Remuneration Report pursuant to article 123-ter. On item 4) on the agenda, in submitting its slate for the renewal of the Board of Directors (22 March 2019), and in keeping with the recommendations made by the departing Board of Directors in the Report to the Shareholders, Sintonia, which has a 30.25% equity interest in Atlantia, notified sufficiently in advance the proposals that it was going to submit to the Body of Shareholders on the number of Board members, the appointment of the Chairman, the determination of the compensation payable to the new Directors for their role and their participation in Board Committees.

In addition to the Chairman and the CEO, 4 Directors attended the General Meeting of Shareholders.

The CEO reported to the Shareholders on the activities performed and planned during the year under review, providing them with the details necessary to make informed decisions.

## **17. CONSIDERATIONS OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE ON THE LETTER OF 19 DECEMBER 2019**

The VIII version of the Italian Stock Exchange's format for the preparation of the Corporate Governance Report by listed companies requires the inclusion in this section the Company's opinion on the recommendations contained in the letter of 19 December 2019 by the Chairman of the Committee for Corporate Governance to the Chairmen of the Boards of Directors of listed companies. The letter expressed the hope that the considerations contained therein "would be brought to the attention of the Board of Directors and the competent Committees of the Issuer". The letter is also intended to encourage an increasingly informed application of the Corporate Governance Code and, more generally, all listed companies to promote the evolution of Corporate Governance, in accordance with the principles of the Corporate Governance Code.

The letter to the Committee suggests a number of guidelines for the development of governance, especially to ensure the centrality of a sustainable vision of a company's success in the definition of its governance and strategy arrangements. At its meeting of 16 January 2020, the Control Risk and Corporate Governance Committee considered the themes emphasised by the Italian Corporate Governance Committee and will review in greater depth the relevant comments in 2020.

**TABLE 1 - INFORMATION ON THE OWNERSHIP STRUCTURE OF ATLANTIA SPA**

<b>BREAKDOWN OF THE ISSUED CAPITAL AS AT 31 DECEMBER 2019</b>				
	<b>No. of shares</b>	<b>% of issued capital</b>	<b>Listed</b>	<b>Rights and obligations</b>
<b>Ordinary shares</b>	825.783.990	100	Italian Stock Exchange	Rights and obligations of ordinary shareholders

<b>Other Financial Instruments</b> (providing a conditional right to subscribe to a new issuance of shares)*				
	Listed/Unlisted	Number issued**	Class of shares to satisfy exercise	Maximum number of shares to satisfy exercise
Contingent Value Rights ("CVRs")	unlisted	163,956,286	Ordinary shares	18,455,815

\* The CVRs provide their holders, on the fulfilment of the conditions of allotment as defined in the Terms and Conditions of Atlantia SpA 2013 Ordinary Share Contingent Value Rights, available for inspection on the Company's website at: <http://www.atlantia.it/pdf/integrazione-del-regolamento-dei-diritti-di-assegnazione-condizionati.pdf> ) - subject to the conditions of allotment as defined in the Terms and Conditions, the CVRs provide their holders with the right to receive a number of Atlantia ordinary shares determined with reference to the Final Allotment Ratio and a Dividend Adjustment as set out in the Terms and Conditions.

The following were approved at the Extraordinary General Meeting of 8 August 2013 together with the issuance of shares to satisfy the merger share exchange ratio of up to 164,025,376 CVRs and, at the same time, an increase in issued capital to irrevocably satisfy the CVRs up to a par value of €18,455,815.00, through the issuance of 18,455,815 ordinary Atlantia shares with a par value of €1.00.

\*\*The holders of the CVRs have exercised put options for 160,698,634 CVRs (98% of the outstanding CVRs) as at 31 December 2014, in accordance with the Terms and Conditions; at 31 December 2018, the situation was unchanged. Refer to paragraph 2 "Information on the ownership structure" in the Report.

The CVRs acquired by the Company from such holders have been retired.



<b>SIGNIFICANT SHAREHOLDINGS AT 31 DECEMBER 2019*</b>			
<b>Reporting entity</b>	<b>Direct shareholder</b>	<b>% of ordinary shares</b>	<b>% of voting shares</b>
<b>Edizione Srl</b>	Sintonia SpA	30.254	30.254
<b>Government of Singapore Investment Corporation Pte Ltd (GIC PTE LTD)</b>	InvestCo Italian Holdings Srl GIC PTE LTD	8.285	8.285
<b>LAZARD ASSET MANAGEMENT LLC</b>	LAZARD ASSET MANAGEMENT LLC	5.047	5.047
<b>HSBC HOLDING PLC</b>	HSBC BANK USA NATIONAL ASSOCIATION HSBC Global Asset Management (Hong Kong) Limited HSBC Private Bank (Luxembourg) SA Private Bank (Suisse) SA HSBC Global Asset Management (UK) Limited INKA INTERNATIONALE KAPITALANLAGEGESELLSCHFT MBH INKA INTERNATIONALE KAPITALANIAGEGESELLSCHFT MBH HSBC BANK PLC	5.007	5.007
<b>Fondazione Cassa di Risparmio di Torino</b>	Fondazione Cassa di Risparmio di Torino	4.846	4.846

\*The percentages shown have been derived from the notifications of the shareholders pursuant to article 120 CFA. Accordingly, such percentages might not be in line with the data processed and disclosed by other sources, in the event that the change in equity interest did not entail any notification obligations by the shareholders. Article 119-bis, paragraphs 7 and 8 of the Issuer Regulation, grants asset management companies and duly authorised entities who have purchased managed investments, represented by interests of above 3% and below 5%, an exemption from the reporting requirements provided for by article 117 of the Issuer Regulation.

## TABLE 2 – STRUCTURE OF ATLANTIA SPA'S BOARD OF DIRECTORS AND BOARD COMMITTEES

Board of Directors of Atlantia SpA; Control Risk and Corporate Governance Committee; Human Resource and Remuneration Committee; Committee of Independent Directors Responsible for Related Party Transactions; Nomination Committee; Executive Committee from 17 September to 13 December 2019.

Office; Members (surname and name); Year of birth; Date first elected; In office from; In office until; Slate; Executive directors; Non-executive directors; Independent directors as per ATL Corporate Governance Code; Independent directors as per CFA; No. other positions; Participation in Board meetings.

Chairman; CEO; Director

Approval 2021 accounts.

### DIRECTORS TERMINATED IN 2019

Board of Directors of Atlantia SpA; Control Risk and Corporate Governance Committee (until 18 April 2019); Human Resource and Remuneration Committee (until 18 April 2019); Committee of Independent Directors Responsible for Related Party Transactions (until 18 April 2019); Nomination Committee (until 18 April 2019).

Office; Members (surname and name); Year of birth; Date first elected; In office from; In office until; Slate; Executive directors; Non-executive directors; Independent directors as per ATL Corporate Governance Code; Independent directors as per CFA; No. other positions; Participation in Board meetings.

Chairman; CEO; Director

Approval 2018 accounts.

Consiglio di Amministrazione di Atlantia S.p.A.													Comitato Controllo, Rischi e Corporate Governance		Comitato Risorse Umane e Remunerazione		Comitato Amministratori Indipendenti Operazioni Parti Correlate		Comitato Nomine		Comitato Esecutivo (dal 17/9/2019 al 13/12/2019) (7)	
Carica (1)	Componenti (cognome e nome)	Anno di nascita	Data di prima nomina (2)	In carica da	In carica fino	Lista (3)	Amministratori esecutivi	Amministratori non esecutivi	Amministratori indipendenti da Codice di Autodisciplina di Atlantia	Amministratori indipendenti da TUF	N. altri incarichi (4)	Partecipazione alle riunioni di CdA (5)	(5)	(6)	(5)	(6)	(5)	(6)	(5)	(6)		
Presidente	CEPICHIAI Fabio	1944	14/04/2010	18/04/2019	approvazione bilancio 2021	M	X				6	2/21							4/4	P		
Amministratore Delegato (*) (4)	BERTAZZO Carlo	1965	30/04/2013	18/04/2019	approvazione bilancio 2021	M	X (*)				5	2/21		12/12		M (*)		1/1	M	4/4	M	
Amministratore	BENETTON Sabrina	1973	31/10/2019	31/10/2019	approvazione bilancio 2019			X			3	4/4										
Amministratore	BOITANI Andrea	1955	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	0	15/15	14/14	M								
Amministratore	BRUNO Riccardo	1959	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	4	15/15			8/8	P	3/3	M				
Amministratore (*)	CAVERNI Mara Anna Rita	1962	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	2	13/15	14/14	M								
Amministratore	DE BENETTI Cristina	1966	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	3	15/15	14/14	P								
Amministratore	FRIGERIO Dario	1962	18/04/2019	18/04/2019	approvazione bilancio 2021	m		X	X	X	6	15/15	14/14	M			3/3	P				
Amministratore	GHEZZI Gioia	1962	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	3	13/15						2/2	P	4/4	M	
Amministratore	GUIZZI Giuseppe	1967	18/04/2019	18/04/2019	approvazione bilancio 2021	m		X	X	X	0	14/15		8/8	M							
Amministratore	INVERNIZZI Anna Chiara	1969	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	3	15/15		8/8	M					4/4	M	
Amministratore	MALACARNE Carlo	1953	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	0	15/15		8/8	M	3/3	M			4/4	M	
Amministratore	NELLI FEROCI Ferdinando	1946	18/04/2019	18/04/2019	approvazione bilancio 2021	M		X	X	X	0	14/15						2/2	M			
Amministratore	SONCINI Licia	1961	18/04/2019	18/04/2019	approvazione bilancio 2021	m		X	X	X	1	13/15						2/2	M			

CONSIGLIERI CESSATI DURANTE L'ESERCIZIO 2019																				
Consiglio di Amministrazione di Atlantia S.p.A.												Comitato Controllo, Rischi e Corporate Governance (fino al 18/04/2019)		Comitato Risorse Umane e Remunerazione (fino al 18/04/2019)		Comitato Amministratori Indipendenti Operazioni Parti Correlate (fino al 18/04/2019)		Comitato Nomine (fino al 18/04/2019)		
Carica (1)	Componenti (cognome e nome)	Anno di nascita	Data di prima nomina (2)	In carica da	In carica fino	Lista (3)	Amministratori esecutivi	Amministratori non esecutivi	Amministratori indipendenti da Codice di Autodisciplina di Atlantia	Amministratori indipendenti da TUF	N. altri incarichi al 31/12/2018 (4)	Partecipazione alle riunioni di CdA (5)	(5)	(6)	(5)	(6)	(5)	(6)	(5)	(6)
Amministratore Delegato (*) (0)	CASTELLUCCI Giovanni	1959	12/05/2006	18/04/2019	17/09/2019	M	x				6	13/13							33	M
Amministratore	ANGELA Carla	1938	30/04/2013	21/04/2016	approvazione bilancio 2018	M		X	X	X	6	6/6	33	P (****)	44	M			33	M
Amministratore	BERTOLDI Bernardo	1973	30/04/2013	21/04/2016	approvazione bilancio 2018	m		X	X	X	7	5/6	33	M			2/2	P	33	M
Amministratore	CODA Gianni	1946	30/04/2013	21/04/2016	approvazione bilancio 2018	m		X	X	X	2	6/6			44	P			33	P
Amministratore	DE BERNARDI DI Elisabetta	1977	21/04/2016	21/04/2016	approvazione bilancio 2018	M		X			4	6								
Amministratore	LAPUCCI Massimo	1969	30/04/2013	21/04/2016	approvazione bilancio 2018	M		X	X	X	9	5/6			44	M	2/2	M		
Amministratore	MARCUS Lucy P.	1971	30/04/2013	21/04/2016	approvazione bilancio 2018	m		X	X	X	0	5/6		M (****)			2/2	M		
Amministratore (+)	MARI Giuliano	1945	23/04/2009	21/04/2016	approvazione bilancio 2018	M		X	X	X	1	6/6	33	M (****)						
Amministratore	MARTINELLI Valentina (#)	1976	30/04/2013	21/04/2016	approvazione bilancio 2018	M		X			0	6/6								
Amministratore	MONDARDINI Monica	1960	20/01/2012	21/04/2016	19/02/2019	M		X	X	X	5	2/3		M (****)	1/1					
Amministratore	PATUANO Marco	1964	20/01/2017	18/04/2019	24/06/2019	M		X			9	9								M

Numero riunioni svolte nel 2019: Consigli di Amministrazione: n. 21 Comitato Controllo rischi e Corporate Governance: n. 17 Comitato Risorse Umane e Remunerazione: n. 12 Comitato Amministratori Indipendenti Operazioni Parti Correlate: N.5 Comitato Nomine: n.5 Comitato Esecutivo: 4  
 Quorum richiesto per la presentazione delle liste in occasione dell'ultima nomina (ex art. 147 ter del TUF): 1% come da determinazione CONSOB n. 13 del 24/01/2019.

Number of meetings held in 2019: Board of Directors 21; Control Risk and Corporate Governance Committee 17; Human Resource and Remuneration Committee 12; Committee of Independent Directors Responsible for Related Party Transactions 5; Nomination Committee 5; Executive Committee 4.

Quorum required for the submission of slates in connection with the latest appointment (under article 147 ter of CFA): 1% as per CONSOB determination no. 13 of 24 January 2019

NOTES:

(1)

The symbols indicated below in the "Position" column have the following meaning: (•) Director in Charge for the Internal Control and Risk Management System; (◊) This symbol indicates the person responsible for issuer management (Chief Executive Officer or CEO).

(2)

The "Date first elected" indicates the date on which each Director was elected for the first time (in absolute terms) as a member of the issuer's board of directors.

(3)

This column indicates M/m according to whether the Director was elected from the majority (M) slate or a minority (m) slate; "Board of Directors": slate presented by the Board of Directors).

(4)

This column indicates the number of directorships or positions as statutory auditor held by the interested party in other companies listed on domestic or foreign regulated markets, in large financial, banking and insurance companies or entities. In the

Corporate Governance Report, refer to Annex 1, which further specifies the details of the positions.

(5) This column shows the attendance of directors at meetings of the Board of Directors and Committees (i.e. number of meetings attended with respect to the total number of meetings that could have been attended; e.g. 6/8; 8/8, etc.).

(6) This column indicates the category of the Director on the Committee: "P": Chairman; "M": Member.

Following the resignation of CEO Giovanni Castellucci, on 17 September 2019 the Board of Directors established the Executive Committee, which was eventually disbanded on 13 December 2019

(7

(\*)- Carlo Bertazzo was appointed CEO of Atlantia on 13 January 2020 by the Board of Directors, following the resignation of Giovanni Castellucci on 17 September 2019. On 13 January Carlo Bertazzo resigned from the Human Resource and Remuneration Committee, but remained as member of the Nomination Committee, following his appointment of 27 September 2019 after the resignation of Giovanni Castellucci.

(\*\*) Andrea Boitani was appointed to the Human Resource and Remuneration Committee on 17 January 2020.

(\*\*\*) Giuliano Mari was Chairman of the Internal Control, Risk and Corporate Governance Committee until 13 January 2019. Following his resignation from

Chairman (he remained a member), Carla Angela was appointed Chairwoman.

(\*\*\*\*)

Monica Mondardini was a member of the Human Resource and Remuneration Committee until 19 February 2019. Following her resignation, she was replaced by Director Lucy P. Marcus.

(#)

Valentina Martinelli was co-opted, pursuant to article 2386 of the Italian Civil Code, by the Board of Directors at the meeting held on 6 March 2020, with her term of office expiring until approval of the 2019 accounts.

## ANNEX A

### Overview of personal and professional background of Atlantia's Directors in office on 31 December 2019

<u>Name and surname</u>	<u>Office held in Atlantia</u>	<u>Age</u> <u>(a/o 31/12/2019)</u>
Fabio Cerchiai	Chairman	75
Carlo Bertazzo (1)	Chef Executive Officer	54
Sabrina Benetton (2)	Director	46
Andrea Boitani	Director (*)	64
Riccardo Bruno	Director (*)	60
Mara Caverni	Director (*)	57
Cristina De Benetti	Director (*)	53
Dario Frigerio	Director (*)	57
Gioia Ghezzi	Director (*)	57
Giuseppe Guizzi	Director (*)	52
Anna Chiara Invernizzi	Director (*)	50
Carlo Malacarne	Director (*)	66
Ferdinando Nelli Feroci	Director (*)	73
Licia Soncini	Director (*)	58

(1) Appointed CEO on 13 January 2020 following the resignation of Giovanni Castellucci on 13 September 2019

(2) Appointed Director pursuant to article 2386 of the Italian Civil Code at the meeting of the Board of Directors held on 31 October 2019, following the resignation of Marco Patuano

(\*) Directors who stated that they meet the independence requirements provided for by the CFA and the Corporate Governance Codes of both Borsa Italiana and Atlantia SpA



(#) On 6 March 2020 the Board of Directors co-opted Valentina Martinelli as Director, pursuant to article 2386 of the Italian Civil Code.

\*\*\*

#### **Fabio Cerchiai.**

**Fabio Cerchiai was appointed Chairman in April 2010. Mr Cerchiai, a Knight of Labour, graduated in Economics from the University of Rome. He began his career with Assicurazioni Generali, rising through the ranks until he was appointed Chief Executive Officer and Deputy Chairman, positions which he held until 2002. He served on the Boards of Directors of important financial and non-financial companies in Italy and abroad. He was Chairman of INA Assitalia, ANIA – the National Association of Insurance Companies -, Autostrade per l’Italia SpA and UnipolSai SpA. In addition, he was chairman of Cerved Group SpA and Edizione Srl. Currently he is Chairman of Arca Vita SpA e Arca Assicurazioni SpA, Deputy Chairman of UnipolSai SpA and member of the Board of Directors of Abertis Infraestructuras SA, Edizione S.r.l and Cerved SpA, where he serves also as Lead Independent Director.**

#### **Carlo Bertazzo.**

**Carlo Bertazzo was appointed Chief Executive Officer on 13 January 2020 and has been a Company Director since May 2013. Carlo Bertazzo graduated in Business Economics and received a Master in Business Administration from Università Ca’ Foscari, Venice. He began his career in Banca Commerciale Italiana (today Banca Intesa) and, after a period in the investment department of IFI (today Exor), he joined Edizione in 1994. Over the years, he played a key role in the diversification of the original business of the Benetton family, managing, among others, the acquisition of Autogrill and Generali Supermercati (1995), Atlantia (2000), the purchase of equity interests in Telecom Italia (2001), Gemina (2005) and Cellnex (2018), and contributing to the development of partnerships with Italian and foreign investors. He served as Director on the Boards of many companies, including TIM and Telecom Italia Media. He seats on the Board of Directors of Autostrade per l’Italia SpA, Abertis Infraestructuras SA, Connect SpA and Cellnex Telecom SA.**

#### **Sabrina Benetton.**

**Sabrina Benetton has been a Company Director since 2019. Sabrina Benetton graduated in Public Relations and Mass Communication from Boston University, Boston, Massachusetts, and received a Master in International Affairs - Law and Diplomacy, from the Fletcher School of Law and Diplomacy -Tufts University, Medford, Massachusetts. She worked in the Marketing department of Autogrill and in the communication department of the sports brands of the Benetton Group (Rollerblade Prince, Playlife and Killerloop). She served on the Board of Edizione Holding from 2005 to 2016. Currently she is a Director of Benetton Group SpA and Edizione Srl. She has been the President of Regia Srl since 2018.**

#### **Andrea Boitani**

**Andrea Boitani has been a Company Director since April 2019. Professor Boitani graduated in Economics from La Sapienza University, Rome, and a M.Phil., Faculty of Economics, University of Cambridge, UK. He has been a Professor of Economics, Catholic University, Milan, since 2000. He cooperates with the International Transport Forum at the OECD and the Conference of European Railways in Brussels. He is a member of the Scientific Committee of the Budget Office of Parliament and the Scientific Committee of the Monetary Observatory of the Association for the development of Bank and Equity Market studies. In addition, he is a member of the Editorial Board of the journal “Mercato concorrenza regole” and is a contributor to “La Repubblica- Affari e Finanza”, “Il Sole 24 Ore” and Class-CNBC.**

### *Riccardo Bruno*

Riccardo Bruno has been a Company Director since April 2019. Professor Bruno graduated in Electrotechnical Engineering from the University of Naples and received a Master in Business Administration from the American University of Washington D.C. He is a current Professor of Structured Finance at the Luiss Guido Carli University, Rome. He is a founder and managing partner of an Investment Banking & Private Equity Advisory boutique. Between 2008 and 2017 he worked as a Senior Partner and Director of Clessidra SGR SpA. Prior to that, from 2000 to 2008, he was Central Director of Deutsche Bank SpA, acting as Head of Corporate and Investment Banking. Currently, he serves as a Director of ShedirPharma SpA, as a non-executive Chairman of the Board of Directors of BizPlace Holding Srl, as a Director and member of the Risk Committee and the Independent Director Committee of Credito Emiliano S.p.A and as a Director of Evinrude Srl

### *Mara Anna Rita Caverni*

Mara Anna Rita Caverni has been a Company Director since April 2019. Ms Caverni, who graduated in Business Economics from Università Commerciale Luigi Bocconi and is a Certified Public Accountant and Auditor, became partner of PricewaterhouseCoopers, Italia, in 1999, in charge of Private Equity Transactions – Europe, and eventually Partner in charge of the Private Equity Market in Italy and member of the global Private Equity team until 2011. In 2012 she became Managing Partner and Founder of New Deal Advisors SpA. Currently, she serves as an Independent Director and member of the Risk Control Committee of Cerved Group SpA and as an Independent Director and Chairwoman of the Control and Risk Committee of Erg SpA.

### *Cristina De Benetti*

Cristina De Benetti has been a Company Director since April 2019. Professor De Benetti, who graduated in Economics from Ca' Foscari University, Venice, and in Law from the University of Trieste, is Associate Professor of Public Law Institutions at Ca' Foscari University and is a lawyer providing legal representation before the Court of Cassation. She serves in many Scientific Committees. Currently, she is a Director of UnipolSai Assicurazioni SpA, Autogrill SpA and MOM Mobilità di Marca SpA.

### *Dario Frigerio*

Dario Frigerio has been a Company Director since April 2019. A graduate in Political Economy from Bocconi University, Milan, he began his career as a financial analyst with Credito Italiano, where he took positions with increasing responsibility until he was named Deputy General Manager of the Unicredit Group and CEO of Pioneer and Unicredit Private Banking. After a stint with Boston Consulting, he became CEO of Prelios SGR. Currently, he serves as a non-executive director with Leonardo Finmeccanica SpA, DEA Capital SpA, Objectway SpA e di Business Innovation Lab SpA and QUAESTIO HOLDING SpA. In addition, he is Executive Vice President of Fondazione Fiera Milano.

### *Gioia Ghezzi*

Gioia Ghezzi has been a Company Director since April 2019. A graduate in physics from the University of Milan, Gioia Ghezzi received a Master in Business Administration from the London Business School. Between 2001 and 2012 she was a Partner of McKinsey & Co., responsible, among others, for the European Insurance and Healthcare Practices. After serving as Chief Operating Officer in the Willis Group (2012-2013), she became CEO International Group Risk Solutions with Zurich Insurance Group (2013 -2016) and Chairwoman of the Board of Ferrovie dello Stato Italiane (2014-2018). Currently, she is a director of Credito Fondiario SpA and Chairwoman of RGI Group as well as member of the

## **Board of Directors and the Executive Committee of the European Institute of Innovation and Technology.**

### [Giuseppe Guizzi](#)

**Giuseppe Guizzi has been a Company Director since April 2019. A law graduate from La Sapienza University, Rome, Professor Guizzi apprenticed at the law firm of Professor Libonati until 2006. He represents clients before the Court of Cassation. He became a university professor in commercial law and insurance law at the school of Economics of the University of Florence, and currently teaches commercial law at the Federico II University in Naples. He served on the Board of Directors of different listed companies, including Assicurazioni Generali. In addition, he is on the editorial boards of different legal journals.**

### [Anna Chiara Invernizzi](#)

**Anna Chiara Invernizzi has been a Company Director since April 2019. A graduate in Economics from the University of Turin, between 2005 and 2008 Anna Chiara Invernizzi was an assistant Professor, Department of business studies at the University of Eastern Piedmont. She authored several monographs and articles for professional journals. Currently, she serves as Vice President of Fondazione Cassa di Risparmio di Torino, Vice President CEIPIEMONTE and Director of Moltiplica SpA**

### [Carlo Malacarne](#)

**Carlo Malacarne has been a Company Director since April 2019. A graduate in Electronic Engineering, Carlo Malacarne began his career in Snam, in the gas transport department. Over time, he took positions of increasing responsibility in Snam TLC Manager, Construction Manager; Manager of the Italian grid, General Manager Snam Rete Gas), until he became Chief Executive Officer (2006-2016). Between 2016 and 2019 he was chairman of Snam. Between November 2013 and October 2015, he was Chairman of Confindustria Energia.**

### [Ferdinando Nelli Feroci](#)

**Ferdinando Nelli Feroci has been a Company Director since April 2019. A law graduate from the University of Pisa and with a Master in International Relations from Società Italiana per l'Organizzazione Internazionale (SIOI), Ambassador Nelli Feroci began his diplomatic career in 1972. In 2006 after holding different positions, he was promoted to Ambassador. He served in the following roles: Chief of Cabinet Minister of Foreign Affairs (2006-2008); Italy's Permanent Representative to the European Union (2008-2013), President of International Affairs Institute, President of Simest (CDP Group). He authored a large number of articles on European and International Politics. Knight of the Grand Cross of the Italian Republic Order since 2009 and Chevalier de la Legion d'Honneur since 2015.**

### [Licia Soncini](#)

**Licia has been a Company Director since April 2019. A graduate in Cultural Anthropology from La Sapienza University, Rome, with a Diploma of legislative advisor from the Higher Institute of Legislative Studies under the high auspices of the President of the Republic, she has been President and founding partner of Nomos Centro Studi Parlamentari, a company specialising in institutional relations and lobbying, since 1998. At the end of 2013, she founded Nomos Laboratorio di Politiche Sanitarie, a firm specialising in research and institutional communication in the healthcare sector. She developed her experience in a Parliamentary Group (1985-1989) and then went on to work as Head of Parliament relations with the Ferruzzi-Montedison Group (1989-1994). Currently, she serves on the Board of Directors Iren SpA**

**TABLE B****Seniority in office since first elected in Atlantia SpA**

(starting from the General Meeting of Shareholders of 26 November 2003)

Directors appointed by the Shareholders on 18 April 2019 in office at 31 December 2019 (*)	<b>YEARS IN OFFICE</b>
<b>SABRINA BENETTON (***)</b>	<b>1</b>
<b>CARLO BERTAZZO</b>	<b>7</b>
<b>ANDREA BOITANI (**)</b>	<b>1</b>
<b>RICCARDO BRUNO (**)</b>	<b>1</b>
<b>MARA CAVERNI (**)</b>	<b>1</b>
<b>FABIO CERCHIAI</b>	<b>10</b>
<b>CRISTINA DE BENETTI (**)</b>	<b>1</b>
<b>DARIO FRIGERIO (**)</b>	<b>1</b>
<b>GIOIA GHEZZI (**)</b>	<b>1</b>
<b>GIUSEPPE GUIZZI (**)</b>	<b>1</b>
<b>ANNA CHIARA INVERNIZZI (**)</b>	<b>1</b>
<b>CARLO MALACARNE (**)</b>	<b>1</b>
<b>FERDINANDO NELLI FEROCI (**)</b>	<b>1</b>
<b>LICIA SONCINI (**)</b>	<b>1</b>

(\*) Director Marco Patuano and CEO Giovanni Castellucci resigned on 24 July 2019 and 17 September 2019, respectively.

(\*\*) Directors who meet the independence requirements.

(\*\*\*) Appointed by the Board of Directors on 31 October 2019 pursuant to article 2386 of the Italian Civil Code, Ms Benetton will remain in office until the date of approval of the 2019 accounts.

(#) At its meeting of 6 March 2020, pursuant to article 2386 of the Italian Civil Code, the Board of Directors co-opted Valentina Martinelli, who will remain in office as Director of the Company until the date of approval of the 2019 accounts.

**LIST OF OTHER OFFICES HELD BY THE DIRECTORS (IN OFFICE ANNEX 1 - LIST OF OFFICES HELD BY DIRECTORS IN OTHER COMPANIES LISTED ON ITALIAN AND INTERNATIONAL REGULATED MARKETS, AND IN LARGE FINANCIAL, BANKING AND INSURANCE COMPANIES)**

**DIRECTOR**

**OTHER OFFICES**

**CERCHIAI  
Fabio**

- Chairman of Arca Vita SpA
- Chairman of Arca Assicurazioni SpA
- Vice Chairman of UnipolSai SpA
- Member of the Board of Directors of Abertis Infraestructuras SA (dal 30/9/2019)
- Member of the Board of Directors of Edizione Srl (Chairman until 24 June 2019)
- Member of the Board of Directors and Lead Independent Director of Cerved SpA (Chairman until 16 April 2019)

**BERTAZZO  
Carlo**

- Member of the Board of Directors of Autostrade per l'Italia SpA
- Member of the Board of Directors of Connect SpA
- Member of the Board of Directors of Cellnex Telecom SA
- Member of the Board of Directors of Abertis Infraestructuras SA
- Member of the Board of Directors of Edizione Srl

**BENETTON  
Sabrina**

- Member of the Board of Directors of Benetton Group SpA
- Member of the Board of Directors of Edizione Srl
- Chairman of the Board of Directors of Regia Srl

**BOITANI  
Andrea**

- *(does not serve in other companies with the above characteristics)*

**BRUNO  
Riccardo**

- Member of the Board of Directors ShedirPharma SpA
- Non-executive chairman of the Board of Directors of BizPlace Holding Srl
- Member of the Board of Directors and Member of the Risk Committee and the Independent Director Committee of Credito Emiliano SpA
- Director Evinrude Srl

<b>CAVERNI</b> <b>Mara Anna Rita</b>	<ul style="list-style-type: none"> <li>➤ Independent member of the Board of Directors and Chairman of the Control and Risk Committee of Erg SpA</li> <li>➤ Member of the Board of Directors and member of the Control and Risk Committee of Cerved Group SpA</li> <li>➤ Independent Director of Autostrade Meridionali SpA (until 29 April 2019)</li> </ul>
<b>DE BENETTI</b> <b>Cristina</b>	<ul style="list-style-type: none"> <li>➤ Member of the Board of Directors of UNIPOLSAI ASSICURAZIONI S.P.A.</li> <li>➤ Member of the Board of Directors of Autogrill SpA</li> <li>➤ Director of MOM Mobilità di Marca SpA</li> </ul>
<b>FRIGERIO</b> <b>Dario</b>	<ul style="list-style-type: none"> <li>➤ Member of the Board of Directors of Leonardo Finmeccanica SpA</li> <li>➤ Member of the Board of Directors of DEA Capital SpA</li> <li>➤ Member of the Board of Directors of OBJECTWAY SpA</li> <li>➤ Member of the Board of Directors of Business Innovation LAB SpA</li> <li>➤ Member of the Board of Directors of QUAESTIO HOLDING S.P.A.</li> <li>➤ Executive Vice President of Fondazione Fiera Milano</li> </ul>
<b>GHEZZI</b> <b>Gioia</b>	<ul style="list-style-type: none"> <li>➤ Member of the Board of Directors of Credito Fondiario SpA</li> <li>➤ Chairman of the Board of Directors of RGI Group</li> <li>➤ Member of the Governance Committee and the Executive Committee of European Institute of Innovation and Technology</li> </ul>
<b>GUIZZI</b> <b>Giuseppe</b>	<p><i>(does not serve in other companies with the above characteristics)</i></p>
<b>INVERNIZZI</b> <b>Anna Chiara</b>	<ul style="list-style-type: none"> <li>➤ Vice President of Fondazione Cassa di Risparmio di Torino</li> <li>➤ Vice President of CEIPIEMONTE</li> <li>➤ Director Moltiplica SpA</li> </ul>
<b>MALACARNE</b> <b>Carlo</b>	<p><i>(does not serve in other companies with the above characteristics)</i></p>

<b>NELLI FEROCI</b> <b>Ferdinando</b>	<i>(does not serve in other companies with the above characteristics)</i>
<b>SONCINI</b> <b>Licia</b>	➤ Member of the Board of Directors of Iren SpA

**TABLE 3 - STRUCTURE OF THE BOARD OF STATUTORY AUDITORS**

<b>Table 3 – Board of Statutory Auditors</b>									
<b>Position</b>	<b>Member</b>	<b>Year of birth</b>	<b>Date first elected *</b>	<b>In office from</b>	<b>In office until</b>	<b>Slate **</b>	<b>Independent as per CG Code</b>	<b>Attendance at Board of Statutory Auditor meetings ***</b>	<b>Number of other positions held ****</b>
<b>Chairman</b>	Gatti Corrado	1974	24/04/2012	24/04/2012	Approval financial statements 2020	m	X	21/23	1
<b>Standing Auditor</b>	De Nigro Alberto	1958	24/04/2015	24/04/2015	Approval financial statements 2020	M	X	23/23	9
<b>Standing Auditor</b>	Fornabaio Lelio	1970	24/04/2015	24/04/2015	Approval financial statements 2020	M	X	22/23	13
<b>Standing Auditor</b>	Ferrero Sonia	1971	20/04/2018	20/04/2018	Approval financial statements 2020	m	X	20/23	5
<b>Standing Auditor</b>	Salvini Livia	1957	24/04/2015	24/04/2015	Approval financial statements 2020	M	X	18/23	2
<b>Alternate Auditor</b>	Castaldi Laura	1965	24/04/2015	24/04/2015	Approval financial statements 2020	M	X	----	----
<b>Alternate Auditor</b>	Zeme Michela	1969	20/04/2018	20/04/2018	Approval financial statements 2020	m	X	----	----

**Number of meetings held during the year of reference: 23.**

**Indicate the quorum required for the submission of slates by minority shareholders for the election of one or more members (as per art. 148 of the CFA): 1%**

**NOTES**

\* The "Date first elected" indicates the date on which each Statutory Auditor was elected for the first time (ever) as a member of the issuer's board of statutory auditors.

\*\* This column indicates M/m according to whether the member was elected from the majority (M) slate or a minority (m) slate.

\*\*\* This column shows the attendance of Auditors at meetings of the Board of Statutory Auditors (indicate the number of meetings attended with respect to the total number of meetings that could have been attended; e.g. 6/8; 8/8, etc.).

\*\*\*\* This column shows the number of directorships or positions as statutory auditor held by the interested party, pursuant to art. 148-bis of the CFA and related implementing measures contained in the CONSOB Issuer Regulation. The full list is published by the CONSOB on its website, pursuant to art. 144-quinquiesdecies of the CONSOB Issuer Regulation.