

**REPORT OF THE BOARD OF DIRECTORS OF ATLANTIA SPA ON ITEM 1) ON THE AGENDA OF THE ORDINARY SESSION OF THE GENERAL MEETING TO BE HELD IN SINGLE CALL ON 3 DECEMBER 2021: “AUTHORISATION TO PURCHASE TREASURY SHARES. RELATED AND RESULTING RESOLUTIONS”, PREPARED IN ACCORDANCE WITH ARTICLE 73 AND ANNEX 3A, SCHEDULE 4 OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS AMENDED.**

Dear Shareholders,

Within the context of the policies for the investment of new financial resources, previously announced to the market on 15 June 2021 (the “**Reinvestment Policies**”), Atlantia SpA (“**Atlantia**” or the “**Company**”) has, among other things, decided to propose that the General Meeting of shareholders approve a buy-back plan. This will enable the Company to offer shareholders a cash return on their investment, in addition to dividends.

You have, therefore, been called to a General Meeting to discuss and deliberate on a resolution proposal to authorise the Board of Directors to repurchase Atlantia’s treasury shares, in accordance with articles 2357 and 2357-*ter* of the Italian Civil Code and article 132 of Legislative Decree 58 of 24 February 1998 (the “**Consolidated Finance Act**” or the “**CFA**”), art. 144-*bis* of the CONSOB Regulations adopted with resolution no. 11971 of 14 May 1999, as amended (the “**Regulations for Issuers**” or “**RI**”), in accordance with the terms and conditions set out in this report (the “**Report**”).

You are reminded that the General Meeting of shareholders held on 29 May 2020 resolved to revoke the unimplemented portion of the previous resolution of 18 April 2019, insofar as it regarded the authority to purchase treasury shares, retaining the authority, pursuant to and for the purposes of art. 2357-*ter* of the Italian Code, to sell or otherwise assign and/or use, on one or more occasions and at any time, without any time limits, all or a part of the resulting treasury shares, in accordance with the terms, conditions and procedures set out in the above resolution authorising the use of treasury shares. Consequently, all the terms, procedures and conditions provided for in the shareholder resolution of 18 April 2019, authorising the disposal of treasury shares, shall continue to apply in full to the treasury shares held at the date of preparation of this Report.

At the date of this Report, Atlantia holds 6,959,693 treasury shares, equal to approximately 0.843% of the issued capital.

## **1. Reasons for the proposed authorisation**

The proposed authorisation is designed to enable the Board of Directors to purchase the Company’s treasury shares, in accordance with the relevant EU and other legislation and (where applicable) permitted market practices from time to time in force. The aim is to provide the Company with a flexible means of remuneration of the shareholders that is extraordinary and additional to the distribution of dividends, in line with the approach set out in the Reinvestment Policies.

On this basis, the resulting treasury shares acquired under the authorisation described in this Report, if approved, will then be cancelled in accordance with the terms and conditions provided for in the Directors’ report on item 1) on the agenda of the extraordinary session of today’s General Meeting and thus the treasury shares purchase shall have no other purposes than remunerating shareholders. Indeed, the share buy-back plan falls in the framework already announced to the market on 15 June this year, also with reference to the dividend policy for the financial years from 2021 to 2023, to be

proposed to shareholders starting from the next year's annual general meeting that will be held (in April 2022) to approve the financial statements for 2021. The Company expects to distribute approximately €600 million in the first year, with estimated annual growth of between 3% and 5% in future years. Cancellation of the treasury shares will in fact crystallise the increase in the share of earnings attributable to the other shares as a result of the buy-back plan<sup>(1)</sup>.

For further information on the proposed cancellation of Atlantia's treasury shares, reference should be made to the Board of Directors' report on item 1 on the agenda of the extraordinary session of today's General Meeting.

## **2. Maximum number, category and par value of the shares to which the authorisation refers**

It is hereby proposed that the General Meeting authorise, for the purposes above mentioned, the buy-back of treasury shares, in one or more tranches, up to a maximum value of €2,000,000,000 and a maximum of 125,000,000 shares, representing approximately 15% of the issued capital (without taking into account the existing holding of treasury shares, equal to 0.843% of the issued capital), and in any event, if lower, within the limit provided by the legislation from time to time in force.

In accordance with art. 2357, paragraph 1 of the Italian Civil Code, the purchases will respect the limits represented by undistributed earnings and distributable reserves reported in the latest approved financial statements. In this regard, it should be noted that the financial statements for the year ended 31 December 2020, approved by the Annual General Meeting held on 28 April 2021, reported distributable reserves of €10,341,427,519.

## **3. Information useful in assessing compliance with art. 2357, paragraph 3 of the Italian Civil Code**

In accordance with art. 2357, paragraph 3, of the Italian Civil Code, the treasury shares purchased by the Company may not exceed one fifth of the issued capital, also taking into account for this purpose any shares held by subsidiaries.

Atlantia SpA's issued capital amounts to €825,783,990, represented by 825,783,990 ordinary shares carrying voting rights without par value.

As mentioned above, at the date of approval of this Report by the Board of Directors: i) the Company holds 6,959,693 treasury shares, equal to approximately 0.843% of the issued capital; ii) subsidiaries do not hold any shares in the Company; and (iii) the buy-back authorisation is requested for up to a maximum of 125,000,000 ordinary shares without par value (without taking into account the existing holding of treasury shares, equal to 0.843% of the issued capital), and in any event, if lower, within the limit provided by the legislation from time to time in force.

It is understood that the Board of Directors must verify compliance with the conditions under art. 2357, paragraphs 1 and 3, of the Italian Civil Code concerning the buy-back of treasury shares when each authorised purchase is carried out. The Board must also ensure that all the necessary or appropriate accounting entries are carried out following any authorised purchases of treasury shares,

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<sup>1</sup> In accordance with art. 2357-ter, paragraph 2, first sentence of the Italian Civil Code, *«as long as the shares remain in the Company's possession, the right to receive dividends and options rights are proportionally allocated to the other shares».*

in compliance with the legislation in force and the applicable accounting standards.

#### **4. Term of the requested authorisation**

Authorisation for the buy-back is being requested for the maximum period permitted by art. 2357, paragraph 2 of the Italian Civil Code, being 18 (eighteen) months from the date of the related shareholder resolution.

During the 18 months, the Board of Directors may carry out any and all authorised transactions, in one or more tranches, and at any time, in accordance with the relevant legislation and (where applicable) permitted market practices from time to time in force.

#### **5. Minimum and maximum consideration and objective criteria used to determine prices, in such a way as to unequivocally set the minimum and maximum considerations in purchases of treasury shares**

The Board of Directors proposes that the purchase price should be fixed at the time of each transaction, based on the chosen purchase procedure and in compliance with the relevant statutory and regulatory requirements and permitted market practices from time to time in force and where applicable.

In any event, purchases must be carried out:

- i) in the case of purchases in regulated markets, at a price per share that must not be less than 20% below or more than 20% above the official price of the Company's ordinary shares recorded on the trading day prior to each single purchase, provided that the consideration paid may not be higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is made;
- ii) in the case of purchases via a public tender, at a price that must not be less than 20% below or more than 20% above the average of the official prices of the Company's ordinary shares recorded over the five trading days prior to the public announcement of the transaction.

#### **6. Purchase procedure**

The Board of Directors proposes that purchases are made in accordance with the following procedures, to be decided on at the time of each transaction, in accordance with art. 144-bis of the Regulations for Issuers [letters a) and b)], Regulation (EU) 596/2014 and Delegated Regulation (EU) 2016/1052, and permitted market practices from time to time in force (where applicable) and any subsequent, applicable requirements, in such a way as to ensure the equal treatment of shareholders, as required by art. 132 of the CFA:

- a) via a public tender offer; and
- b) in regulated markets or multilateral trading systems, in accordance with the operating procedures established in the rules for organising and managing such markets, which do not allow the direct matching of buy orders with predetermined sell orders.

## **7. Information on the purpose of the purchase to reduce the issued capital**

The request for the buy-back authorisation is for the purpose of cancelling such shares in accordance with the terms and conditions provided for in the Directors' report on item 1) on the agenda of the extraordinary session of today's General Meeting. It should be noted that cancellation of the shares will not result in a reduction in the par value of the issued capital, in view of the fact that Atlantia's shares are without par value.

As a result, the Board of Directors is to propose that the extraordinary session of today's General Meeting approve the cancellation of any treasury shares purchased under the authorisation described in this Report.

The proposed cancellation without reducing the issued capital is also consistent with the purpose of the buy-back described above in paragraph 1 of this Report.

For further information on the proposed cancellation of Atlantia's treasury shares, reference should be made to the Board of Directors' report on item 1 on the agenda of the extraordinary session of today's General Meeting.

## **8. Exemption of effectiveness of the shareholder resolution from the obligation to launch a mandatory takeover offer pursuant to art. 44-*bis*, paragraph 2 of the Regulations for Issuers**

At the date of this Report:

- (1) Atlantia's issued capital amounts to €825,783,990, represented by 825,783,990 ordinary shares without par value;
- (2) the Company holds 6,959,693 treasury shares, equal to approximately 0.843% of the issued capital;
- (3) from the information in the Company's possession, the shareholder, Sintonia SpA ("**Sintonia**"), a subsidiary of Edizione Srl ("**Edizione**"), holds a total of 256,000,000 shares in the Company, equal to 31.0% of the issued capital.

Pursuant to art. 44-*bis* of the Regulations for Issuers:

- (paragraph 1) "*Treasury shares held by the issuer, even indirectly, are excluded from the issued capital used to calculate the equity investment for the purposes of article 106, paragraphs 1, 1-bis, 1-ter and 3, letter b) of the Consolidated Act*";
- (paragraph 2) "*Paragraph 1 shall not apply if the threshold indicated in article 106, paragraphs 1, 1-bis, 1-ter and 3, letter b) of the Consolidated Act is exceeded as a result of a buy-back carried out by the issuer, also indirectly, in execution of a resolution which, without prejudice to articles 2368 and 2369 of the Italian Civil Code, was also approved with the favourable vote of a majority of the issuer's shareholders attending the shareholders' meeting, other than the shareholder or shareholders that, jointly or severally, possess a majority shareholding, including of a relative nature, provided that such majority is over 10 percent*" (the so-called whitewash mechanism).

In the absence of the above exemption of effectiveness of the resolution granting the authorisation by the majorities indicated in paragraph 2 of art. 44-*bis* of the Regulations for Issuers, the buy-back of shares by the Company (potentially in the light of further share purchases by Sintonia) could, therefore, result in an increase in the shareholding of the direct shareholder, Sintonia (and of the indirect shareholder, Edizione) to above the threshold at which the obligation to launch a mandatory

takeover bid is triggered (so-called “consolidation takeover bid”). Under art. 106, paragraph 3(b) of the CFA and art. 46 of the Regulations for Issuers, this threshold has been established as 5% of the issued capital represented by voting shares over a period of twelve months from the date of the latest share purchase or sale.

As a result, shareholders should note that, in application of the above whitewash mechanism, if shareholders – when called on to vote on the buy-back authorisation – were to approve the proposal by the majorities provided for in the above art. 44-*bis*, paragraph 2 of the Regulations for Issuers, the treasury shares purchased by the Company in implementation of the resolution granting the authorisation will not be excluded from the computation of the ordinary issued capital (and will therefore be included in such computation), for the purposes of calculating the shareholding held by the shareholder, Sintonia (and, indirectly, by Edizione), and of verifying whether or not the consolidated threshold of 5% of the issued capital has been exceeded (over a period of twelve months).

Shareholders should, therefore, note that if the ordinary session of the General Meeting were to approve the resolution granting the authorisation described in this Report with the majorities referred to in art. 44-*bis*, paragraph 2 of the Regulations for Issuers (and, therefore, with the favourable vote of a majority of the attending shareholders other than Sintonia), Sintonia (and, indirectly, Edizione) will be exempted from the obligation to launch a mandatory takeover bid, also in case Sintonia’s shareholding exceeds the above threshold of 5% over the period indicated above, as a result of buy-backs carried out under this authorisation.

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In relation to the foregoing, we invite you to approve the following resolution:

*“The Annual General Meeting of Atlantia SpA, having noted the proposal submitted by the Board of Directors and in accordance with this proposal, to which reference is hereby made,*

### **RESOLVES**

1. *to authorise the Board of Directors, in accordance with and for the purpose of Articles 2357 et seq. of the Italian Civil Code and Article 132 of Legislative Decree 58 of 24 February 1998, to purchase, within the next 18 (eighteen) months, including in more than one tranche, and at any time, no more than 125,000,000 treasury ordinary shares without par value (without taking into account the existing holding of treasury shares, equal to 0.843% of the issued capital) and in any event, if lower, within the limit provided by the legislation from time to time in force, up to the maximum amount of €2,000,000,000, in compliance with the applicable Italian and European legislative and regulatory requirements and, where applicable, permitted market practices, from time to time in force, in order to achieve the purposes described in the Board of Directors’ report and, therefore, in order to provide the Company with a flexible means of remuneration of its shareholders that is extraordinary and additional to the distribution of dividends, in line with the approach set out in the Reinvestment Policies.*
2. *to authorise that the purchases described in point 1 above be made as follows:*
  - (a) *at a purchase price fixed by the Board of Directors at the time of each transaction, based on the chosen purchase procedure and in compliance with the relevant statutory and regulatory requirements and permitted market practices from time to time in force, where applicable; and in particular:*
    - (i) *in the case of purchases in regulated markets, at a price per share that must not be less than 20% below or more than 20% above the official price of the Company’s ordinary shares recorded on the*

*trading day prior to each single purchase, provided that the consideration paid may not be higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is made; and*

*(ii) in the case of purchases via a public tender offer, at a price that must not be less than 20% below or more than 20% above the average of the official prices of the Company's ordinary shares recorded over the five trading days prior to the public announcement of the transaction;*

*(b) in accordance with the following procedures, to be decided on at the time of each transaction, in accordance with art. 144-bis of the Regulations for Issuers [letters a) and b)], Regulation (EU) 596/2014 and Delegated Regulation (EU) 2016/1052, and permitted market practices from time to time in force (where applicable) and any subsequent, applicable requirements, in such a way as to ensure the equal treatment of shareholders, as required by art. 132 of the CFA:*

*(i) via a public tender offer; and*

*(ii) in regulated markets or multilateral trading systems, in accordance with the operating procedures established in the rules for organising and managing such markets, which do not allow the direct matching of buy orders with predetermined sell orders.*

- 3. to retain the authority, pursuant to and for the purposes of art. 2357-ter of the Italian Code, to sell or otherwise assign and/or use, on one or more occasions and at any time, without any time limits, all or a part of the resulting treasury shares, in accordance with the terms, conditions and procedures set out in the resolution authorising the use of treasury shares, dated 18 April 2019, which shall continue to apply in full;*
- 4. to authorise, in accordance with art. 2357-ter, paragraph 3 of the Italian Civil Code, completion of all the necessary or appropriate accounting entries are carried out following any authorised purchases of treasury shares, in compliance with the legislation in force and the applicable accounting standards;*
- 5. to grant the Board of Directors, and anyone delegated by it, the broadest powers necessary to carry out, including through agents acting on its behalf, purchases for the purposes and within the limits described in point 1 above, establishing the purchase procedures and the criteria to set the price per share in compliance with point 2 above and to carry out all activities required for this purpose that are necessary, suitable, instrumental, connected and/or useful for the positive outcome of these transactions and for the authorisation granted under this resolution, including through representatives, reporting to the market and complying with any applicable provisions issued from time to time by the competent authorities;*
- 6. to expressly acknowledge that, in application of the so-called whitewash mechanism provided for in art. 44-bis, paragraph 2 of the Regulations for Issuers, effectiveness of this resolution authorising the buy-back of treasury shares, if approved by the majorities provided for under such article, will exempt Sintonia (and its parent, Edizione) from the obligation to launch a mandatory takeover bid if, as a result of buy-backs carried out under the resolution granting the authorisation, the shareholding of Sintonia (and, indirectly, of Edizione) were to exceed the threshold set by art. 106, paragraph 3(b) of the CFA.”*

Rome, 28 October 2021

**Atlantia SpA**

For the Board of Directors  
The Chairman  
Fabio Cerchiai