

Second-Party Opinion

Atlantia Sustainability-Linked Financing Framework

Second-Party Opinion

Reviewed by:

MORNINGSTAR

SUSTAINALYTICS



Evaluation Summary

Sustainalytics is of the opinion that the Atlantia Sustainability-Linked Financing Framework aligns with the Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2022. This assessment is based on the following:

- Selection of Key Performance Indicators** Sustainalytics assessed five KPIs: (i) Absolute scope 1 and 2 GHG emissions; (ii) Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates; (iii) Percentage of Atlantia's total GHG emissions covered by science-based targets; (iv) Percentage of women in senior and middle management roles; and (v) Share of renewable electricity sourcing (see Table 1). Sustainalytics considers KPI 1 to be very strong, KPIs 2 and 4 to be strong, and KPIs 3 and 5 to be adequate based on materiality, relevance and scope of applicability.
- Calibration of Sustainability Performance Targets** Sustainalytics considers the SPTs to be aligned with Atlantia's sustainability strategy. Sustainalytics considers SPTs 1.1 and 1.2 to be highly ambitious and SPTs 5.1 and 5.2 to be moderately ambitious based on their past performance, peer performance and alignment with science. Sustainalytics further considers SPTs 2.1, 2.2, 3.1, 3.2, 4.1 and 4.2 to be ambitious based on past performance and peer performance.
- Financing Instrument Characteristics** Atlantia will link the financial or structural characteristics of its sustainability-linked debt instruments to the achievement of the SPTs. A change in the financial or structural characteristics of each instrument will trigger a coupon or margin adjustment, change in the redemption premium or premium payment, as applicable.
- Reporting** Atlantia commits to reporting on its progress on the KPIs on an annual basis, via its Integrated Annual Report or similar report. Atlantia also intends to disclose relevant information that affects progress on the KPIs, such as recalculation of the baselines for the KPIs, reassessments of the KPIs, restatement of the SPTs and pro-forma adjustments of baselines or KPI scope. The report will be made available on Atlantia's website. These reporting commitments are aligned with the SLBP and SLLP.
- Verification** Atlantia commits to have external limited assurance conducted against each SPT for each KPI published at least once a year. The verification commitments are aligned with the SLBP and SLLP.

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Issuer Location Rome, Italy

The SPTs contribute to the following SDGs:



Overview of KPIs and SPTs

KPI	Baseline	Strength of KPI	SPT	Ambitiousness of SPT
KPI 1: Absolute scope 1 and 2 GHG emissions	2019	Very Strong	SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027	Highly Ambitious
			SPT 1.2: Reduce absolute scope 1 and 2 emissions by 50% by 2030	Highly Ambitious
KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates	As per the baseline of each relevant KPI/SPT	Strong	SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2027	Ambitious
			SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2030	Ambitious
KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets	2021	Adequate	SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027	Ambitious
			SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030	Ambitious
KPI 4: Percentage of women in senior and middle management roles	2021	Strong	SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline	Ambitious
			SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline	Ambitious
KPI 5: Share of renewable electricity sourcing	2020	Adequate	SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline	Moderately Ambitious
			SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline	Moderately Ambitious

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Scope of Work and Limitations

Atlantia S.p.A. (“Atlantia” or the “Group”) has engaged Sustainalytics to review the Atlantia Sustainability-Linked Financing Framework (the “Framework”) and provide an opinion on the alignment of the linked instruments with the Sustainability-Linked Bond Principles (SLBP)¹ and Sustainability-Linked Loan Principles (SLLP).²

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent³ opinion on the alignment of the reviewed Framework with the Sustainability-Linked Bond Principles 2020, as administered by ICMA, and the Sustainability-Linked Loan Principles 2022, as administered by APLMA, LMA and LSTA.

As part of this engagement, Sustainalytics has exchanged information with various members of Atlantia’s management team to understand the sustainability impact of their business processes and SPT, as well as reporting and verification processes of aspects of the SLB/SLL Framework. Atlantia’s representatives have confirmed that:

- (1) They understand it is the sole responsibility of the Company to ensure that the information provided is complete, accurate or up to date;
- (2) They have provided Sustainalytics with all relevant information; and
- (3) Any provided material information has been duly disclosed in a timely manner.

Sustainalytics also reviewed relevant public documents and non-public information. This document contains Sustainalytics’ opinion and should be read in conjunction with the Framework. Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Atlantia. Sustainalytics’ Second-Party Opinion reflects the alignment of the Framework with market standards, but is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated SPT of the KPI but does not measure the KPI’s progress. The measurement and reporting of the KPI is the responsibility of the bond or loan Issuer. No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Atlantia has made available to Sustainalytics for the purpose of this Second-Party Opinion.

The Second-Party Opinion is valid for issuances aligned with the respective Framework for which the Second-Party Opinion was written and aligned with the methodology to calculate the KPI performance outlined in the Second-Party Opinion up to 24 (twenty-four) months or until one of the following occurs:

- (1) A material change to the external benchmarks⁴ against which targets were set;
- (2) A material corporate action (such as a material M&A or change in business activity) which has a significant bearing on the achievement of the SLBs or the materiality of the KPI.

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¹ The Sustainability-Linked Bond Principles (SLBP) were launched by ICMA in June 2020. They are administered by the ICMA and are available at: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-PrinciplesJune-2020-100620.pdf>

² The Sustainability-Linked Loan Principles (SLLP) were launched by LSTA in March 2022. They are administered by the LSTA and are available at: <https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/#>

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

⁴ Science-based benchmarks

Introduction

Atlantia is a strategic investment holding company that manages motorways, airports and offers mobility services globally. It operates 47 concessions in 11 countries where it employed approximately 20,000 people as of December 2021.

The Atlantia Group includes two key subsidiaries⁵: Abertis, based in Madrid Spain, is a toll road operator managing more than 8,000 kilometres of high-capacity roads and related operations in 15 countries in Europe, the Americas and Asia. In addition, Aeroporti di Roma (ADR), based in Rome, Italy, manages the concessions for the Leonardo da Vinci International Airport in Fiumicino, Italy, and the Giovan Battista Pastine Airport in Ciampino, Italy.

Atlantia had developed the Framework, under which it intends to issue sustainability-linked bonds, loans and derivatives, whose financial and structural characteristics are tied to the achievement of sustainability performance targets for up to five KPIs. KPIs 1, 2, 3 and 5 are related to the Group's GHG emissions while KPI 4 addresses a diversity and inclusion issue.

Atlantia has engaged Sustainalytics to review the Framework and provide an opinion on the alignment of the Framework with the SLBP and SLLP. The Framework will be published in a separate document.⁶

Sustainalytics has reviewed the Framework's alignment with ICMA's SLBP and LMA's SLLP only in the context of Atlantia issuing debt financing. The considerations for other transactions noted in the Framework, particularly derivatives, may be different and the Issuer will provide more details on the same in the offer documents of such issuances.

Atlantia has defined the following KPIs and SPTs:

Table 1: KPI Definitions

KPI	Definition
KPI 1: Absolute scope 1 and 2 GHG emissions	This KPI is defined as the absolute amount of scope 1 and 2 GHG emissions measured in tonnes of CO₂ equivalent (tCO₂e). Scope 1 emissions are direct emissions from the Group's operations resulting from the burning of fossil fuels. Scope 2 emissions are indirect emissions stemming from purchased electricity, steam and heat. The Group calculates its scope 1 and 2 emissions in accordance with the GHG Protocol Standards.⁷ The KPI's boundary excludes toll road operations that ceased in 2019-21 and emissions from Autostrade per l'Italia, which was divested by the Group in May 2022. Atlantia has disclosed that the boundary for KPI 1 excludes emissions from some of Abertis' mobility services business, which constitute an insignificant portion of the Group's total emissions.
KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates	This KPI measures the achievement rate, as of the applicable target observation dates, of SPTs associated with KPIs targeting reductions in scope 3 emissions of the Group's main subsidiaries Abertis and ADR, as set out in each of the subsidiaries' sustainable financing frameworks.⁸ The KPIs of Abertis and ADR that are covered by this KPI are as follows: Abertis: (i) Abertis-KPI 2: Scope 3 GHG emissions intensity associated with purchased goods and services The KPI measures the scope 3 GHG emissions intensity related to Abertis' purchased goods and services. It is calculated by dividing the scope 3 GHG emissions associated with purchased goods and services (in tCO₂e) by the distance (in millions of kilometres) travelled by customers using Abertis-managed infrastructure.

⁵ Abertis and ADR issued their sustainability-linked financing frameworks in June 2022 and April 2022, respectively. Sustainalytics provided second-party opinion on these frameworks on the mentioned dates.

⁶ The Atlantia Sustainability-Linked Financing Framework will be available on Atlantia's website at: www.atlantia.com.

⁷ The Greenhouse Gas Protocol, "A Corporate Accounting and Reporting Standard", at: <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

⁸ Abertis, "Abertis Sustainability-Linked Financing Framework" (2022), at: https://www.abertis.com/media/uploads/2022/06/13/abertis-sustainability-linked-financing-framework_kbff0kx.pdf

Aeroporti di Roma, "Aeroporti di Roma Sustainability-Linked Financing Framework" (2022), at:

<https://www.adr.it/documents/17615/20916850/2022%2B04%2B07%2BSustainability-Linked%2BFinancing%2BFramework%2B2022.pdf/b8cfc81e-672b-0148-5c81-7ffbc794745d?t=1649331043765>

	(ii) Abertis-KPI 3: Number of electric-vehicle charging points (EVCPs) installed The KPI measures the number of EVCPs installed in countries where Abertis has toll road management operations. ADR: (iii) ADR-KPI 2: Airport Carbon Accreditation (ACA) Level 4+ The KPI reflects ADR's intention to maintain its Level 4+ (Transition) certification by the ACA⁹, a global carbon management certification programme for airports. ACA independently assesses the efforts made by airports to manage and reduce their carbon emissions through six levels of certifications: Level 1 (Mapping), Level 2 (Reduction), Level 3 (Optimization), Level 3+ (Neutrality), Level 4 (Transformation) and Level 4+ (Transition). (iv) ADR-KPI 3: Scope 3 CO₂ emissions per passenger (excluding aircraft sources) The KPI is defined as scope 3 emissions calculated according to the ACA rules for Level 4+ defined by ACI Europe in line with the guidance under ISO 14064-1¹⁰, divided by the number of passengers using the Fiumicino Airport. The KPI is expressed in kilograms of CO₂ per passenger (kgCO₂/passenger). The KPI excludes emissions related to aircraft movements.
KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets	This KPI measures the percentage of the Group's total GHG emissions that are covered by reduction targets aligned with science-based trajectories, as validated by third-party organizations such as the Science Based Target initiative (SBTi). The KPI is calculated by dividing the Group's total GHG emissions covered by validated science-based targets, by the Group's total GHG emissions, expressed in percentages. The underlying GHG emissions are accounted for according to the GHG Protocol Standards.
KPI 4: Percentage of women in senior and middle management roles	This KPI is the number of women in senior and middle management roles divided by the number of all senior and middle management roles.
KPI 5: Share of renewable electricity sourcing	This KPI is calculated by dividing the total amount of electricity (in kWh) from renewable sources consumed in a given year by the total electricity (in kWh) from renewable and non-renewable sources consumed by the Group in that same year. The renewable energy sources are from solar, wind and other sources operating at life cycle emissions lower than 100gCO₂e/kWh. The Group has confirmed that nuclear energy and natural gas are excluded from these sources.

Table 2: SPTs and Past Performance

KPI 1	2019 (baseline)	2020	2021	SPTs 2027 and 2030
KPI 1: Absolute scope 1 and 2 GHG emissions	245,128	216,113	186,862	SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027 from a 2019 baseline
				SPT 1.2: Reduce absolute scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline
KPI 2	2019	2020	2021	SPTs 2027 and 2030
KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved	-	-	-	SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2027 ¹¹

⁹ The ACA is a certification programme aimed at reducing the carbon footprint of airports in line with the IPCC's 1.5°C or 2°C pathways. For more information: <https://www.airportcarbonaccreditation.org/about/what-is-it.html>

¹⁰ Ibid.

¹¹ Under SPT 2.1, the relevant KPIs and SPTs, which are set out in the respective sustainable financing frameworks of Abertis and ADR, are as follows:

at the relevant target observation dates	-	-	-	SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2030 ¹²
KPI 3	2019	2020	2021 (baseline)	SPTs 2027 and 2030
KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets	0%	0%	0%	SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027 from a 2021 baseline
				SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030 from a 2021 baseline
KPI 4	2019	2020	2021 (baseline)	SPTs 2027 and 2030
KPI 4: Percentage of women in senior and middle management roles	27%	27%	29%	SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline
				SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline
KPI 5	2019	2020 (baseline)	2021	SPTs 2027 and 2030
KPI 5: Share of renewable electricity sourcing	15% ¹³	13%	32%	SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline
				SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline

– Abertis to achieve its: (i) SPT 2.1, reduce scope 3 GHG emissions intensity associated with purchased goods and services by 16% by 2027 from a 2019 baseline; and (ii) SPT 3, increase the number of EVCPs installed to 633 by 2027 from a 2019 baseline.

– ADR to achieve its: (i) SPT 2, maintain its Level 4+ certification by ACA, by 2027 from a 2021 baseline; and (ii) SPT 3.A, reduce scope 3 emissions intensity (excluding aircraft sources) by 10% by 2027 from a 2019 baseline.

¹² Under SPT 2.2, the relevant KPIs and SPTs, which are set out in the respective sustainable financing frameworks of Abertis and ADR, are as follows:

– Abertis to achieve its: (i) SPT 2.2, reduce scope 3 GHG emissions intensity associated with purchased goods and services by 22% by 2030 from a 2019 baseline.

– ADR to achieve its: (i) SPT 2, maintain its Level 4+ certification by ACA by 2030 from a 2021 baseline; and (ii) SPT 3.B, reduce scope 3 emissions intensity (excluding aircraft sources) by 30% by 2030 from a 2019 baseline

¹³ Atlantia has disclosed that it started tracking data on electricity consumption sourcing in 2020, hence data for 2019 is an estimate.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Alignment of the Atlantia Sustainability-Linked Financing Framework with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles

Sustainalytics is of the opinion that the Atlantia Sustainability-Linked Financing Framework aligns with the five core components of the Sustainability-Linked Bond Principles 2020 and the Sustainability-Linked Loan Principles 2022.



Selection of Key Performance Indicators

Relevance and Materiality of KPIs

In its assessment of materiality and relevance, Sustainalytics considers: (i) whether an indicator speaks to a material impact of the issuer's business on environmental or social issues; and (ii) to what extent the KPI is applicable.

KPI 1: Absolute scope 1 and 2 GHG emissions; KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets; KPI 5: Share of renewable electricity sourcing

Atlantia's materiality matrix identifies "Combating Climate Change" and "Energy Transition" as highly material ESG issues based on the Global Reporting Initiative (GRI) standards.^{14,15,16} Hence, the materiality of KPIs 1 and 5, which target scope 1 and 2 GHG emissions, is linked to these two core businesses. Transport infrastructure, including highways and airports, produces GHG emissions largely during the phases of construction, operation, maintenance, and disposal.¹⁷ For Atlantia's motorway business (Abertis), the materiality relates to decarbonizing the road transport sector, which accounts for about 15% of total CO₂.¹⁸ For Atlantia's airport business (ADR and Aéroports de la Côte d'Azur), the materiality relates to the importance of reducing GHG emissions from the global aviation sector, which accounts for approximately 3-4% of global emissions and could rise to 22% by 2050.¹⁹ Therefore, Sustainalytics considers the materiality to be high for KPIs 1 and 5, as well as for KPI 3 since it includes scope 3 emissions, the most significant component of the Group's GHG emissions.

In terms of applicability, KPI 1 covers approximately 15% of the Group's total emissions in 2019, but when assessed in combination with KPI 2, the applicability reflects 84% coverage of Atlantia's emissions profile in 2019, including all relevant sources.^{20,21} KPI 3 covers the Group's total emissions inventory, including scope 1, 2 and 3 emissions reflecting a 100% scope of applicability. KPI 5, which addresses scope 2 emissions, accounts for 6-7% of the Group's total emissions.

¹⁴ Atlantia, "Integrated Annual Report 2021", at: https://annualreport2021.atlantia.com/sites/default/files/2022-05/RAI_2021_ENG_WEB_10_05_2022.pdf

¹⁵ For details of GRI Standards, please refer to its official website at: <https://www.globalreporting.org/standards>

¹⁶ CDP, "Atlantia - Climate Change 2021", at:

https://www.cdp.net/en/formatted_responses/responses?campaign_id=74241094&discloser_id=891495&locale=en&organization_name=Atlantia&organization_number=1134&program=Investor&project_year=2021&redirect=https%3A%2F%2Fcdp.credit360.com%2Fsurveys%2F2021%2Fdbr64mv%2F143117&survey_id=73557641

¹⁷ IPCC, "Transport", at: https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter8.pdf

¹⁸ McKinsey, "Mapping the way: Decarbonizing roads", at: <https://www.mckinsey.com/capabilities/operations/our-insights/global-infrastructure-initiative/voices/mapping-the-way-decarbonizing-roads>

¹⁹ World Economic Forum, "Aviation's flight path to a net-zero future", at: <https://www.weforum.org/agenda/2021/09/aviation-flight-path-to-net-zero-future/>

²⁰ Atlantia, "Climate Action Plan", at: <https://www.atlantia.com/documents/37344/195725/Climate+Action+Plan+EN.pdf/4ea8cb8a-45e0-5f38-754d-6098068f685a?t=1648145703598>

²¹ In 2019, Abertis and ADR jointly accounted for 81% of the Group's scope 3 emissions, which in turn comprise 85% of total emissions, hence, KPI 2 effectively covers 69% of Atlantia's carbon footprint. In addition, KPI 1 covers scope 1 and 2 emissions, which accounted for 15% of total emissions, hence, KPI 1 and KPI 2 cover 84% of total emissions when assessed on a combined basis. The applicability was based on the Group's emissions inventory in 2019, which represents a normal operating year prior to COVID-19 that significantly impacted Atlantia's airport operations.

KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates

Sustainalytics considers KPI 2 to be material and relevant for Atlantia, since the KPI is linked to the environmental performance of Atlantia's two major subsidiaries in relation to their scope 3 emissions. Atlantia's materiality matrix indicates "Combating Climate Change" as a material ESG issue based on GRI reporting standards. In terms of applicability, KPI 2 has a high degree of applicability accounting for 69% of the Group's total emissions.

KPI 4: Percentage of women in senior and middle management roles

KPI 4 addresses the issue of participation of women in leadership positions. Sustainalytics considers KPI 4 to be material and relevant in the context of closing the gender gap in the transportation infrastructure industry.^{22,23} Sustainalytics' ESG Risk Rating identifies "Human Capital" as a material ESG issue for the transportation infrastructure sub-industry.²⁴ Additionally, Atlantia identifies "Diversity, Equality and Inclusion" as a material topic for the Group based on the GRI Standards²⁵ In terms of applicability, KPI 4 accounts for approximately 8% of Atlantia's headcount. Sustainalytics considers that increasing the percentage of women in leadership positions has the potential to generate a positive impact across Atlantia's operations and, therefore, assesses this KPI to be highly applicable in scope.

KPI Characteristics

In its assessment of the KPIs' characteristics, Sustainalytics considers: (i) whether it uses a clear and consistent methodology; (ii) whether it follows an externally recognized definition; (iii) whether the KPI is a direct measure of the issuer's performance on the material environmental or social issue; and (iv) if applicable, whether the methodology can be benchmarked against an external contextual benchmark.²⁶

KPI 1: Absolute scope 1 and 2 GHG emissions

Sustainalytics considers Atlantia's definition and methodology to calculate KPI 1 to be clear and consistent with the Group's historical disclosures on scope 1 and 2 emissions. KPI 1 follows the GHG Protocol's Corporate Reporting Standards.²⁷ Additionally, the KPI supports benchmarking against external emission reduction trajectories, such as those developed by the SBTi. Sustainalytics considers KPI 1 to be directly linked to the Group's environmental performance on the material issue of GHG emissions.

KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates

Sustainalytics considers Atlantia's definition and methodology to calculate KPI 2 to be clear and consistent with Abertis' and ADR's historical disclosures on the relevant KPIs in accordance with the GHG Protocol and based on ease of calculation of the total EVCPs installed by Abertis.

Sustainalytics notes that KPI 2 does not follow an externally defined methodology and is of the opinion that it does not lend itself to be benchmarked in the absence of an external science-based contextual benchmark. Sustainalytics further notes that in relation to the underlying KPIs, ADR's KPI 2 supports benchmarking against an external contextual benchmark while Abertis' KPIs 2 and 3 and ADR's KPI 3 do not.²⁸

In terms of linkage to material sustainability issues, Sustainalytics considers KPI 2, to be an indirect measure of the Group's sustainability performance since it measures the percentage of underlying SPTs achieved by its subsidiaries. However, Sustainalytics notes, that as Atlantia is a holding company, the sustainability performance

²² OECD, "Selected stocktaking of good practices for inclusion of women in infrastructure", at: <https://www.oecd.org/gov/infrastructure-governance/gender-in-infrastructure/OECD-Selected-stocktaking-of-good-practices-for-inclusion-of-women-in-infrastructure.pdf>

²³ Aviation: Benefits Beyond Borders, "SDG 5: Gender Equality", at: <https://aviationbenefits.org/un-sustainable-development-goals/sdg-5-gender-equality/>

²⁴ Sustainalytics' Human Capital MEI includes management of risks related to scarcity of skilled labour as well as labour relations, such as non-discrimination, working hours and minimum wage.

²⁵ Atlantia, "Integrated Annual Report 2021", at: https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

²⁶ External contextual benchmarks provide guidance on the alignment with ecological system boundaries. This criterion is not applied to social KPIs or impact areas for which such contextual benchmarks are not available.

²⁷ The Greenhouse Gas Protocol, "A Corporate Accounting and Reporting Standard revised edition", at: <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

²⁸ Abertis' KPI 2 and ADR's KPI 3 do not lend themselves well to be benchmarked as they relate to emissions intensity for which there are no available benchmarkable pathways for their respective industries. For Abertis's KPI 3, Sustainalytics also notes the unavailability of an external contextual benchmark against which the KPI can be compared.

of its operating subsidiaries has a material impact on the Group's overall sustainability performance. As a result, Sustainalytics recognizes that the underlying KPIs related to Abertis' and ADR's environmental performance have quantifiable outcomes and definable impact. Hence, Sustainalytics considers the underlying KPIs that are related to Abertis' and ADR's scope 3 emissions to be direct, while ADR's KPI on its ACA certification is regarded as an indirect measure, as the impact of achieving this certification does not necessarily have a quantifiable outcome for the environmental issue that the KPI is addressing.

KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets

Sustainalytics considers Atlantia's definition and methodology to calculate KPI 3 to be clear and consistent as the KPI is a straightforward metric that measures the percentage of emissions covered by science-based targets that are validated by the SBTi or other similar third-party organizations. However, noting the potential uncertainty from using the approach of organizations other than SBTi in setting these targets, Sustainalytics considers the KPI to be not externally defined. Additionally, the KPI does not support comparison against external contextual benchmarks. Sustainalytics further considers KPI 3 to be indirectly linked to the Group's environmental performance on GHG emissions as setting decarbonization targets does not entail the actual achievement of GHG emission reduction.

KPI 4: Percentage of women in senior and middle management roles

Sustainalytics considers Atlantia's definition and methodology to calculate KPI 4 to be clear and consistent with its historical reporting on the percentage of women in leadership positions. Atlantia measures and reports KPI 4 in line with GRI standard 405-1 on Diversity and Equal Opportunity, which is directly related to the Group's sustainability performance. Sustainalytics further considers that KPI 4 cannot be benchmarked in the absence of an external contextual benchmark but recognizes that it enables comparability across various industry players.

KPI 5: Share of renewable electricity sourcing

Sustainalytics considers KPI 5 to have a clear definition given the ease of calculation and interpretation using a consistent methodology with historically reported KPI performance. Atlantia has identified the sources of renewable electricity as solar, wind and other sources with a life cycle carbon emission threshold below 100 gCO₂e/kWh, excluding nuclear energy and natural gas. This approach is considered an industry standard and supports benchmarking against an external reference such as the SBTi. Additionally, Sustainalytics considers KPI 5 as an indirect measure of Atlantia's environmental performance given it does not directly address GHG emissions.

Overall Assessment

Sustainalytics considers KPI 1 to be very strong given that it: (i) directly measures Atlantia's performance relating to a material environmental issue; (ii) has a high scope of applicability in conjunction with KPI 2; (iii) follows a clear and consistent methodology; and (iv) supports benchmarking against external science-based emission reduction trajectories.

Sustainalytics considers KPI 2 to be strong given that: (i) the underlying KPIs that are related to Abertis' and ADR's environmental performance cover material ESG issues, have quantifiable outcomes and a definable impact; (ii) it has a high scope of applicability; and (iii) follows a clear and consistent methodology; but (iv) it is neither externally defined nor lends itself to be benchmarked against external contextual benchmarks.

Sustainalytics considers KPI 3 to be adequate given that it: (i) is an indirect measure of Atlantia's environmental performance; (ii) represents a material sustainability topic for the Group; (iii) has a high scope of applicability; and (iv) follows a clear and consistent methodology; but (v) it is neither externally defined nor supports comparison against external contextual benchmarks.

Sustainalytics considers KPI 4 to be strong given that it: (i) is directly related to the Group's performance on a material social issue; (ii) has high scope of applicability; and (iii) follows a clear and consistent methodology. Sustainalytics notes that there are no applicable externally recognized benchmarks for this KPI, but it enables comparability across various industry players.

Sustainalytics considers KPI 5 to be adequate given that it: (i) is an indirect measure of a relevant and material environmental issue; (ii) has a low scope of applicability when assessed on a standalone basis; (iii) follows a clear and consistent methodology; and (iv) supports benchmarking against external contextual benchmarks.

KPIs	Strength of KPIs			
KPI 1: Absolute scope 1 and 2 GHG emissions	Not Aligned	Adequate	Strong	Very strong
KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates	Not Aligned	Adequate	Strong	Very strong
KPI 3: Percentage of Atlantia's total carbon footprint which is covered by targets set in line with science	Not Aligned	Adequate	Strong	Very strong
KPI 4: Percentage of women in senior and middle management roles	Not Aligned	Adequate	Strong	Very strong
KPI 5: Share of renewable electricity sourcing	Not Aligned	Adequate	Strong	Very strong



Calibration of Sustainability Performance Targets

Alignment with Atlantia's Sustainability Strategy

Atlantia has set the following SPTs for its KPIs:

- SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027 from a 2019 baseline
- SPT 1.2: Reduce absolute scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline
- SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries by 2027
- SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries by 2030
- SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027 from a 2021 baseline
- SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030 from a 2021 baseline
- SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline
- SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline
- SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline
- SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline

Sustainalytics considers the SPTs to be aligned with Atlantia's sustainability strategy. Please refer to Section 2 for an analysis of the credibility of Atlantia's sustainability strategy.

- SPTs 1, 3 and 5 are aligned with Atlantia's decarbonization targets to achieve net zero for its scope 1 and 2 GHG emissions by 2040 in line with the SBTi's 1.5°C scenario and indirect GHG emissions across its value chain by 2050.²⁹
- Regarding SPT 2, Atlantia's structure as an investment holding company implies that its emissions are mainly related to the emissions of its subsidiaries.³⁰ Hence, the decarbonization of Atlantia's subsidiaries is integral to Atlantia's own decarbonization strategy. In the motorways segment, Atlantia's main subsidiary Abertis has aimed to reduce its scopes 1 and 2 emissions by more than 50% and its scope 3 emissions intensity associated with purchased goods and services by 22% by 2030, compared to a 2019

²⁹ Atlantia, "Climate Action Plan", at: <https://www.atlantia.com/documents/37344/180864/Climate%2BAction%2BPlan%2BEN.pdf>

³⁰ Atlantia, "Integrated Annual Report 2021", at:

https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

baseline.³¹ Regarding its airport operations, ADR has participated in ACA, the global carbon management certification programme that encourages airports to reduce their emissions in line with the objectives of the Paris Agreement to limit the increase of global average temperature to 2°C above pre-industrial levels and aim to not exceed 1.5°C.³² ACA Level 4+ certification requires airports to offset emissions in all scopes, including scope 1, 2 and 3 emissions and from all sources over which airports have control.³³ ADR has already achieved ACA Level 4+ certification and intends to maintain this level, which is the highest level of certification under the scheme.³⁴

- Regarding SPT 4, Atlantia's Diversity, Equality and Inclusion Guidelines outlines its commitment to ensuring an inclusive and representative workforce.³⁵ Atlantia has implemented a strategy to promote diversity, create equal opportunities for all and increase women participation in employment at all levels of the organization, without economic disparities in the remuneration of work.³⁶ In 2021, 29% of middle and senior management roles were held by women.³⁷

Strategy to Achieve the SPTs

Atlantia intends to achieve the SPTs through the following strategy:

SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027 from a 2019 baseline

SPT 1.2: Reduce absolute scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline

SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027 from a 2021 baseline

SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030 from a 2021 baseline

SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline

SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline

Atlantia intends to achieve the above SPTs through the following strategy:

- To achieve SPTs 1 and 5, the Group has implemented a decarbonization roadmap under Climate Action Plan to address its operational emissions and those of its value chain by increasing the use of renewable energy, improving energy efficiency, and leveraging infrastructures to support low-carbon operations.³⁸ Measures to increase the use of renewable energy include: (i) increasing solar energy self-generation from the construction of photovoltaic power plants or production of energy from other renewable sources; (ii) procuring green energy with Guarantees of Origin certificates; (iii) installing electric storage systems.

To improve energy efficiency in its operations, the Group plans to (i) install energy-efficient LED lighting systems; (ii) apply AI advanced algorithms in building management systems; and (iii) renovate the existing heating systems. Atlantia commits to transitioning to low-carbon operations by (i) using lower-carbon emission vehicles; (ii) replacing the conventional combustion heating systems with high-efficient systems; (iii) phasing out the existing methane-powered cogeneration plant at the Rome airport; and (iv) abandoning the use of biomethane for boilers.

- Atlantia has identified a path to achieving SPT 3 by supporting the implementation of science-based GHG reduction initiatives and targets by its subsidiaries along their upstream and downstream value

³¹ Atlantia, "Integrated Annual Report 2021", at: https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

³² Airport Carbon Accreditation, "How does it work?", at: <https://www.airportcarbonaccreditation.org/about/how-does-it-work.html>

³³ Airport Carbon Accreditation, "6 levels of accreditation?", at: <https://www.airportcarbonaccreditation.org/about/6-levels-of-accreditation.html>

³⁴ Atlantia, "Integrated Annual Report 2021", at: https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

³⁵ Atlantia, "Guidelines Diversity, Equality and Inclusion" (2021), at: <https://www.atlantia.com/documents/37344/116906/Guidelines-DE%26l-ENG.pdf>

³⁶ Atlantia, "People at the centre", at: <https://www.atlantia.com/en/sustainability/our-commitment>

³⁷ Atlantia, "Integrated Annual Report 2021", at: https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

³⁸ Atlantia, "Atlantia Sustainability-Linked Financing Framework", at: <https://www.atlantia.com/en/home>

chain as highlighted in its Climate Action Plan.³⁹ In accordance with its Responsible Investment Policy, Atlantia intends to engage with its portfolio companies through stewardship to integrate ESG factors into their corporate strategies and practices, and to define a sustainability agenda with concrete objectives, actions and timelines. To achieve this, Atlantia aims to share technologies and solutions on emissions reduction with its subsidiaries across its portfolio. In addition, Atlantia aims to foster collaboration, knowledge and technology sharing on ESG issues among stakeholders through stakeholder engagement and education programmes.

SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2027

SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2030

Atlantia intends to achieve the above SPTs through the following strategy:

- Atlantia's strategy is to engage with its portfolio companies to embed sustainability into their governance and to support their transition to a low carbon mobility.
- Through its subsidiaries, Atlantia aims to reduce its demand for goods and services by optimizing material usage and intends to procure materials and services with a lower environmental impact, including those that are externally accredited through certifications or Environmental Product Declarations.
- As part of its scope 3 emissions-related KPIs, ADR continuously improves passenger accessibility to its airports through an increase in the number of trains, reduction in tariffs, construction of cycle lanes for employees and facilitating electric car sharing. Additionally, through ADR's KPI to maintain the ACA Level 4+ certification, Atlantia aims to reduce its scope 3 GHG emissions by making sustainable aviation fuels available by 2024 and installing 500 charging stations for electric vehicles by 2025 (approximately 100 airside and 400 landside).
- Through Abertis, Atlantia intends to increase the number of EVCPs across toll roads; improve awareness on GHG emission reduction by introducing emissions calculation tools to its customers; and conducts communication campaigns for promoting efficient driving. Further, through Abertis, Atlantia conducts research projects focused on its infrastructure management model to promote the use of less polluting vehicles.

SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline

SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline

Atlantia intends to achieve the above SPTs through the following strategy:

- Atlantia aims to ensure a gender-balanced approach in human capital management processes, including through recruitment practices, promotion and compensation. In accordance with the principles set out in International Labour Organisation (ILO) Convention No. 190 of 2019 and the EU's Gender Equality Strategy 2020-2025, Atlantia further commits to supporting diversity and closing the gender pay gap.
- Atlantia conducts training through webinars for all Atlantia employees and provides courses for its senior management level to create awareness of unconscious bias and raise staff awareness of equality and diversity issues.
- As part of its human capital management processes, the Group focuses on promoting external communication campaigns on female role models in order to attract female candidates. The Group takes further action to promote diversity: It fosters involvement in social inclusion projects and create space for its employees to discuss openly on diversity topics.
- Atlantia implements specific measures to support women during pregnancy and return to work. It provides further assistance and support programmes to foster both career development and parenthood for its female employees.

³⁹ Atlantia, "Climate Action Plan", at: <https://www.atlantia.com/documents/37344/180864/Climate%2BAction%2BPlan%2BEN.pdf>

Ambitiousness, Baseline and Benchmarks

To determine the ambitiousness of the SPTs, Sustainalytics considers: (i) whether the SPTs go beyond a business-as-usual trajectory; (ii) how the SPTs compare to targets set by peers; and (iii) how the SPTs compare with science.⁴⁰

Atlantia has set the baseline for SPTs 1.1 and 1.2 at 2019 as it represents most recent representative year for the Group's business and associated GHG emissions, without impact from the COVID-19 pandemic. For SPTs 2.1 and 2.2, Sustainalytics used the relevant baseline years for Abertis' and ADR's KPIs. Atlantia has set the baseline for SPTs 3.1, 3.2, 4.1 and 4.2 at 2021, which represents the most recent data for their associated KPIs. The Group has set the baseline for SPT 5 at 2020 as it represents the most recent data for the KPI before Atlantia implemented decarbonization initiatives in 2021, which contributed to a significant increase in the share of renewables in the Group's energy mix.

SPTs 1.1 and 1.2: Sustainalytics used the following benchmarks to assess ambitiousness: past performance, peer performance and alignment with science.

Atlantia's absolute scope 1 and 2 GHG emissions decreased by a CAGR of 12.7% between 2019 and 2021 mainly due to the COVID-19 pandemic which affected the Group's tollways and airport operations. To achieve SPT 1.1, the Group must reduce its scope 1 and 2 GHG emissions by 38% by 2027. This represents an average annual reduction of 5.8% by 2027 compared to 2019, denoting continued reduction in Atlantia's scope 1 and 2 emissions. To achieve SPT 1.2, the Group must reduce its scope 1 and 2 GHG emissions by 50% by 2030, implying an average annual reduction of 6.1% which reflects a continued reduction in Atlantia's scope 1 and 2 emissions.

Based on the assessment of Atlantia's peers, which included five transport infrastructure companies, Atlantia is above three peers since two of the peers have set lower targets for reducing scope 1 and 2 GHG emissions by 2030,⁴¹ and another peer is aligned with a less-stringent 2°C trajectory. Atlantia is aligned with the other two peers, whose targets are consistent with the 1.5°C scenario.

For comparison against science, Sustainalytics notes that Atlantia's scope 1 and 2 GHG emission reduction target is aligned with the SBTi's 1.5°C decarbonization trajectory for both SPTs 1.1 and 1.2.

SPTs 2.1 and 2.2: Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance and peer performance.

To achieve SPTs 2.1 and 2.2 Atlantia would need to focus on achieving all relevant underlying SPTs that are set out in the sustainable finance frameworks of Abertis and ADR. Hence, Sustainalytics assessed SPTs 2.1 and 2.2 on the basis of the characteristics of the underlying SPTs by Abertis and ADR, noting that these are generally aligned with Abertis' and ADR's historical performance on these targets. In terms of peer performance, Sustainalytics analyzed the targets of Abertis' and ADR's respective peers, noting that the underlying SPTs of Abertis and ADR are generally above the targets set by their peers in their respective sectors.

SPTs 3.1 and 3.2: Sustainalytics used the following benchmarks to assess ambitiousness: past performance and peer performance.

Sustainalytics notes that as of 2021, Atlantia's emission reduction targets are yet to be validated against science-based decarbonization pathways. Therefore, Sustainalytics considers SPTs 3.1 and 3.2 to have 70% and 90% of Atlantia's total emissions validated against science-based benchmarks by 2027 and 2030, respectively to reflect an improvement over the Group's historical performance.

Based on an analysis of the Group's peers, three have SBTi-validated emission reduction targets, while two others are yet to have their targets validated by the SBTi. Therefore, Sustainalytics views Atlantia's SPTs 3.1 and 3.2 to be generally aligned with its peers.

SPTs 4.1 and 4.2: Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance and peer performance.

Atlantia increased the share of women in middle and senior management by an annual rate of one percentage point between 2019 and 2021. To achieve SPTs 4.1 and 4.2, Atlantia would need to increase the proportion of

⁴⁰ We refer here to contextual benchmarks, that indicate the alignment of targets with ecosystem boundaries.

⁴¹ Targets set by the two peers are to reduce scope 1 and 2 emissions by 40% by 2030 from a 2019 baseline and to reduce absolute scope 1 and 2 GHG emissions by 35.3% by 2030 from a 2009 base year respectively.

women in middle and senior management positions to 33% by 2027 and 35% by 2030, which translates to an average annual increase of 0.67 percentage points from 2021 to 2030.

Sustainalytics considers the SPTs to represent a continued improvement in Atlantia's historical performance on gender diversity in middle and senior management roles. Additionally, based on peer analysis, the SPTs are above gender diversity targets set by majority of the Group's peers, some of which have not yet established publicly available targets to increase the representation of women in leadership positions.

SPTs 5.1 and 5.2: Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance, peer performance and science.

To achieve SPT 5, the Group will need to increase the share of renewables in its electricity consumption to 61% by 2027 and 77% by 2030 in relation to the baseline year. This increase corresponds to an implied annual linear increase of approximately 6.9 and 6.4 percentage points, from a 13% share of renewables in the Group's total electricity consumption in 2020 to achieve the targets by 2027 and 2030, respectively. Sustainalytics notes that the share of renewables in the Group's electricity consumption mix increased significantly from 13% in 2020 to 32% in 2021 on account of the rollout of the Group's carbon reduction initiatives in 2021, which included a shift towards renewables.

For comparison with science-based trajectories, Sustainalytics considers the criteria set by the SBTi, according to which the minimum acceptable renewable energy-related target is acceptable only if it is in line with procuring 80% of electricity from renewable sources by 2025 and 100% by 2030.⁴² Atlantia's SPTs are not aligned with this trajectory.

Overall Assessment

Sustainalytics considers SPTs 1.1 and 1.2 to be highly ambitious given that they: (i) reflect continued improvement over past performance; (ii) are above the targets of industry peers; and (iii) are aligned with the SBTi's 1.5°C scenario.

Sustainalytics considers SPTs 2.1 and 2.2 to be ambitious given that the underlying SPTs of Abertis and ADR (i) are generally aligned with Abertis' and ADR's historical performance on these SPTs; and (ii) are generally above the targets set by Abertis' and ADR's sectoral peers.

Sustainalytics considers SPTs 3.1 and 3.2 to be ambitious given that they: (i) represent an improvement over historical performance; and (ii) are generally aligned with industry peers.

Sustainalytics considers SPT 4.1 and 4.2 to be ambitious given that they (i) represent a material improvement compared to the Group's past performance on gender diversity in management positions; and (ii) are above Atlantia's industry peers.

Sustainalytics considers SPT 5.1 and 5.2 to be moderately ambitious given that they: (i) are in line with past performance; (ii) are above the targets of industry peers; and (iii) are below the SBTi's thresholds for renewable electricity sourcing consistent with a 1.5°C scenario.

SPT(s)	Ambitiousness of SPT(s)			
SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027 from a 2019 baseline SPT 1.2: Reduce absolute scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious
SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2027 SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of the two main operating subsidiaries, by 2030	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious
SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027 from a 2021 baseline	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious

⁴² SBTi, "SBTi Corporate Manual", (2021), at: <https://sciencebasedtargets.org/resources/files/SBTi-Corporate-Manual.pdf>

SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030 from a 2021 baseline				
SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious
SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious



Financing Instrument Characteristics

Atlantia has disclosed that the financial and structural characteristics of the instruments issued under the Framework, which may include bonds, loans or derivatives, will be tied to the achievement or non-achievement of the selected SPTs and compliance with its reporting and verification commitments. A trigger event will occur if Atlantia fails to achieve the SPTs at the target observation date or fails to meet the reporting and verification commitments as defined in the specific the instrument documentation, resulting in: (i) a step-up in the coupon rate or margin, or an increase in the redemption premium, as applicable, for bonds and loans; or (ii) an adjustment in the interest rate, spread or other hedging costs, or giving charitable donations for derivatives.

Sustainalytics notes that specific details on the changes or adjustments in financial characteristics will be set out in the specific transaction documentation, which may also include KPI definition and calculation methodologies, SPTs, fallback mechanisms in case the SPTs cannot be calculated or observed. Sustainalytics recognizes that the relevant financial characteristics of the sustainability-linked bonds and loans are aligned with the SLBP and the SLLP.

Sustainalytics recognizes that Atlantia can issue multiple sustainability-linked instruments under the Framework. Additionally, Atlantia has disclosed that the selected KPIs for each issuance may be assigned relative weights in determining the aggregate coupon or margin step-up or change in redemption premium. For each issuance, Sustainalytics encourages Atlantia to select a set of KPIs that collectively reflects relevant and material sustainability issues for the Group.



Reporting

Atlantia commits to reporting on an annual basis on its progress on the KPIs, and expects to include the relevant figures in its Integrated Annual Report or a similar report to be published annually on its website. Atlantia further commits to disclosing relevant information enabling investors to monitor the level of ambition of the SPTs. Atlantia also intends to include in its report updates on its sustainability strategy and ESG governance, reassessments of the KPIs, restatements of the SPTs and pro-forma adjustments of KPI scope. The reporting commitments are aligned with the SLBP and SLLP.



Verification

Atlantia commits to having an independent external verifier provide a limited assurance against each SPTs for each KPI at least once a year. The Group is also committed to providing a limited verification assurance certificate to confirm whether the progress on the KPIs meet the relevant SPTs following a target observation date. The verification commitments are aligned with the SLBP and SLLP.

Section 2: Assessment of Atlantia's Sustainability Strategy

Credibility of Atlantia's Sustainability Strategy

Atlantia has been reporting on sustainability issues for more than 10 years and issued its first Annual Integrated Report in 2012.⁴³ Atlantia has been a UN Global Compact (UNGC) signatory since 2004 and⁴⁴ as part of the implementation of UNGC principles, the Group has committed to measuring and reporting its sustainability progress and adopted the GRI Standards in its sustainability reports. The Group conducted its first materiality assessment in 2012 based on the GRI framework,⁴⁵ and updated it through the years.⁴⁶ In 2020, Atlantia included TCFD recommendations and SASB standards mapping into its sustainability report to enhance its communication with its stakeholders. The Group's sustainability management is governed at the board level and overseen by the Sustainability Committee, and the Control, Risk and Corporate Governance Committee, which is responsible for co-ordinating and implementing Atlantia's sustainability strategy.⁴⁷

To support its decarbonization strategy and reduce the impact of its business operations on the environment, Atlantia focuses on reducing its GHG emissions.⁴⁸ The Group has established a goal to be net zero by 2050 and has set interim targets to reduce its direct scope 1 and scope 2 GHG emissions by 50% and indirect scope 3 emissions by 22% by 2030, relative to a 2019 baseline.⁴⁹ Atlantia's decarbonization targets to achieve net zero emissions are aligned with the SBTi's 1.5°C decarbonization pathway.⁵⁰ To achieve these emission reduction targets, Atlantia has further committed to sourcing 100% of its electricity from renewable energy by 2040. In line with this ambition, Atlantia aims to increase the share of renewable energy in its energy mix, reduce energy demand and improve the energy performance at its facilities by building its own generation plants from renewable sources and obtaining certified renewable energy on the market.⁵¹

In terms of fostering an inclusive work culture, Atlantia is focusing its efforts on enhancing the diversity of its management team and board. The Group has committed to promoting female representation in leadership positions and eliminating discrimination in its workplaces.⁵² As part of the Group's gender equality efforts, Atlantia has implemented more inclusive hiring practices. The Group further adopted Bloomberg's Gender Equality Index in 2021 with the commitment to measure its performance on gender equality issues and the quality and transparency of public reporting based on several indicators, such as female leadership and internal talent pipelines, gender pay equity, inclusive work culture and anti-discrimination policies.⁵³

Sustainalytics considers Atlantia to have a strong sustainability strategy and considers that the instruments issued under the Framework will further support Atlantia's sustainability strategy.

Atlantia's Environmental and Social Risk Management

Sustainalytics recognizes that Atlantia's defined targets are impactful, however, achieving the SPTs may bear environmental and social risks. In this context, Sustainalytics' ESG Risk Rating methodology identifies occupational health and safety, product governance, community relations and human capital as key material ESG issues.

Sustainalytics comments below on Atlantia's ability to mitigate such potential risks:

- Regarding occupational health and safety, Atlantia has a Code of Ethics in place that includes Atlantia's commitments to the protection of the physical and mental well-being of its staff.⁵⁴ Atlantia complies with the laws and international regulations in the countries where the Group operates.⁵⁵ Additionally, Atlantia's

⁴³ Atlantia, "Download Center", at: https://www.atlantia.com/download-center/sustainability/integrated-reports?p_p_id=com_liferay_asset_categories_navigation_web_portlet_AssetCategoriesNavigationPortlet_INSTANCE_fqccqJ1RkMR2T&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_r_p_resetCur=false&p_r_p_categoryId=180593

⁴⁴ UNGC, "Company Information - Atlantia S.p.A", at: <https://www.unglobalcompact.org/what-is-gc/participants/1021-Atlantia-S-p-A->

⁴⁵ Atlantia, "2012 Integrated Report", at: <https://www.atlantia.com/documents/37344/180864/SustainabilityReport2012.pdf/81f46fff-a9ea-d3d2-48e9-46cc24b564dd?t=1630498957016>

⁴⁶ Atlantia, "Integrated Annual Report 2021", at: https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

⁴⁷ Atlantia, "Governance of sustainability", at: <https://www.atlantia.com/en/sustainability/sustainability-governance>

⁴⁸ Atlantia, "Climate Action Plan", at: <https://www.atlantia.com/documents/37344/180864/Climate%2BAction%2BPlan%2BEN.pdf>

⁴⁹ Ibid.

⁵⁰ Atlantia, "Integrated Annual Report 2021", at:

https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

⁵¹ Ibid.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ Atlantia, "Code of Ethics", at: <https://www.atlantia.com/documents/37344/116906/Atlantia-CodiceEtico-EN.pdf>

⁵⁵ Ibid.

subsidiaries, which operate in the motorways and airports segments, have an Occupational Health and Safety Management Systems in place based on the ISO 45001 standard.^{56,57}

- Atlantia's product governance risks may arise from the Group's and its subsidiaries' business operations and processes.⁵⁸ In order to prevent risks related to the Group's motorways segments, the Group focuses on improving the safety of roads by constructing new safety barriers, reducing the quantity of water accumulating on road surface and installing motorway lighting systems.⁵⁹ In its airports segment, Atlantia implements periodic maintenance on all types of airport infrastructure and equipment in line with its quality policy that demonstrates its commitment to quality service and customer satisfaction. The policy is aligned with the Group's certification under ISO 9001 on Quality Management.⁶⁰
- Atlantia mitigates the impact of its operations on the communities and areas where its subsidiaries operate. The Group aims to respond to stakeholder expectations by addressing sustainability-related risks.⁶¹ In the motorways segment, Atlantia's subsidiary Abertis evaluates the social impact of all its projects and formulates measures to address the issues identified. Abertis has a Road Traffic Safety Management System in place to eliminate the risk and incidence of road traffic crashes, in line with the ISO 39001 standard.⁶² Further, the Group has obtained ISO 39001 road traffic safety certification through its several companies that generate almost 20% the Atlantia's total revenue and 23% of the Group's motorways segment revenue.⁶³ Regarding its airports segment, Atlantia aims to mitigate the impact of airports' operations on the surrounding community.⁶⁴ In line with the Italian Ministerial Decree no. 345/2018 Approval of the plan for containing and combatting noise, ADR's airports use an acoustic monitoring system that ensures compliance with thresholds set by the airport acoustic zoning regulation.^{65,66}
- In accordance with the principles set out in ILO Convention No. 190 of 2019 and the EU's Gender Equality Strategy 2020-2025, Atlantia commits to boosting diversity by adopting all the measures necessary in order to eliminate the gender pay gap. Additionally, Atlantia publishes an annual externally assured report in order to deal with identified pay gaps.⁶⁷ Aligned with the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights and the Declaration on Fundamental Principles and Rights at Work, Atlantia commits to protecting human rights by avoiding financing any projects or parties that do not follow these human rights standards. Additionally, as a signatory to the UNGC, Atlantia commits to protecting human rights by eliminating forced and child labour, and following the UN

⁵⁶ Atlantia, "Integrated Annual Report 2021", at:

https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

⁵⁷ Abertis, "Consolidated Directors' Report for the year 2021", at:

[https://www.abertis.com/media/annual_reports/2021/12.%20Informe%20de%20gestio%CC%81n%202021_ENG%20\(4\).pdf](https://www.abertis.com/media/annual_reports/2021/12.%20Informe%20de%20gestio%CC%81n%202021_ENG%20(4).pdf)

⁵⁸ Atlantia, "Integrated Annual Report 2021", at:

https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ Atlantia, "Integrated Annual Report 2021", at:

https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

⁶² Ibid.

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ Aeroporti di Roma, "Integrated Annual Report 2021", at:

https://www.adr.it/documents/17615/20916850/ADR_RAI_2021_editing_PS_ENG.pdf/a6d8747f-1e12-0d7c-38c2-b77e46c3b3ed?t=1651773591562

⁶⁶ Aeroporti di Roma, "Sustainability Report 2019" (2019), at:

https://www.adr.it/documents/17615/18251773/BILANCIO+SOSTENIBILITA+2019+EN_DEF_2020.09.01_publicato.pdf/ba98b5e1-3f52-4023-8318-d103df30ff58

⁶⁷ Atlantia, "Press Release - Atlantia enters "We Economy": new remuneration model launched with aim of fully engaging employees in company's challenges and performance", (2021), at: <https://www.atlantia.com/en/media/press-release/-/press/view/atlantia-enters-we-economy-new-remuneration-model-launched-with-aim-of-fully-engaging-employees-in-company-s-challenges-and-performance>

principles on labour standards.⁶⁸ The Group further commits that it will not work with any suppliers that are involved discrimination and the exploitation of child or forced labour.⁶⁹

In addition to the above, Sustainalytics notes that it has found no evidence of any major environmental or social controversies related to Atlantia. Overall, Sustainalytics is the opinion that Atlantia has strong management programmes and policies to mitigate risks that could arise in achieving the SPTs.

Section 3: Impact of the SPTs

Importance of reducing GHG emissions in the road transport and aviation sectors

The road transport sector is the largest contributor of global transport emissions, which accounted for 23% of total CO₂ emissions in 2020.^{70,71,72} Between 2000 and 2018, transport-related GHG emissions grew by 40% due to increased passenger and freight volumes and limited use of alternative fuels.⁷³ The overall transport volumes are expected to double and transport-related GHG emissions to increase by 60% in the absence of mitigation measures by 2050 from 2015 baseline levels.^{74,75,76} According to the IEA, the transport sector's emissions must be reduced by 20% by 2030 relative to 2021 to achieve net zero emissions by 2050.⁷⁷

The aviation sector accounts for the second largest source of total transport emissions after road transport, responsible for approximately 14% of the emissions from transport sector.⁷⁸ The global aviation industry was responsible for approximately 3% of global CO₂ emissions in 2020.⁷⁹ This share is expected to increase to 22% by 2050, largely driven by an increase in passengers and by the decarbonization of other sectors.⁸⁰ The aviation sector has recognized the need to reduce its GHG emissions and has committed to cutting its net CO₂ emissions by 50% by 2050 from 2005 levels.⁸¹ Over the past decade, airport operators across the world have established plans to reduce their CO₂ emissions through ACA, an independent carbon management programme for airports.⁸² The programme provides airports with a common framework for active and measurable carbon management with a goal of enabling the industry to effectively reduce its carbon footprint and benefit from increased efficiency through lower energy consumption.⁸³

The EU contributed 15% of global transport CO₂ emissions in 2020, with road transport making up 26% of the EU's transport emissions.⁸⁴ Direct emissions from aviation accounted for 3.8% of the EU's total CO₂ emissions and 13.9% of the EU's transport emissions in 2017.⁸⁵ In line with the climate-neutral goal by 2050 set under the EU Green Deal,⁸⁶ the EU has implemented various

⁶⁸ Atlantia, "Integrated Annual Report 2021", at:

https://www.atlantia.com/documents/37344/143535/Atlantia_Integrated_Report_2021.pdf/575df0ac-16f6-bc4a-62b3-dbdff065b86c?t=1651218959542

⁶⁹ Ibid.

⁷⁰ McKinsey, "Mapping the way: Decarbonizing roads", at: <https://www.mckinsey.com/capabilities/operations/our-insights/global-infrastructure-initiative/voices/mapping-the-way-decarbonizing-roads>

⁷¹ IEA, "Transport - Improving the sustainability of passenger and freight transport", at: <https://www.iea.org/topics/transport>

⁷² IEA, "Global Energy Review: CO₂ Emissions in 2020", (2021), at: <https://www.iea.org/articles/global-energy-review-co2-emissions-in-2020>

⁷³ IEA, "Transport", (2020), at: <https://www.iea.org/topics/transport>

⁷⁴ International Transport Forum, "Transport Outlook 2021", at: <https://www.itf-oecd.org/sites/default/files/transport-outlook-executive-summary-2021-english.pdf>

⁷⁵ WRI, "Everything you need to know about the fastest growing source of global emissions: transport", (2019), at:

<https://www.wri.org/blog/2019/10/everything-you-need-know-about-fastest-growing-source-global-emissions-transport>

⁷⁶ Planete Energies, "The Global Transportation Sector: CO₂ Emissions on the Rise", at: <https://www.planete-energies.com/en/medias/close/global-transportation-sector-co2-emissions-rise>

⁷⁷ IEA, "Transport - Improving the sustainability of passenger and freight transport" at: <https://www.iea.org/topics/transport>

⁷⁸ European Commission, "Reducing emissions from aviation", at: https://ec.europa.eu/clima/policies/transport/aviation_en

⁷⁹ World Economic Forum, "Aviation's flight path to a net-zero future", (2021), at: <https://www.weforum.org/agenda/2021/09/aviation-flight-path-to-net-zero-future/>

⁸⁰ Ibid.

⁸¹ Air Transport Action Group, "Waypoint 2050", (2020), at: https://aviationbenefits.org/media/167187/w2050_full.pdf

⁸² ACA is owned and governed by the Airports Council International (ACI) in close cooperation with four regional ACIs and is administered by the environmental consultant WSP Global. ACA independently assesses and recognizes the efforts of airports to manage and reduce their carbon emissions through six levels of certification: 'Mapping', 'Reduction', 'Optimization', 'Neutrality', 'Transformation' and 'Transition'

⁸³ Airport Carbon Accreditation, "What is it?", at: <https://www.airportcarbonaccreditation.org/about/what-is-it.html>

⁸⁴ Statista, "Transportation emissions in the European Union - Statistics & Facts", (2022), at:

https://www.statista.com/topics/7968/transportation-emissions-in-the-eu/#topicHeader_wrapper

⁸⁵ European Commission, "Reducing emissions from aviation", at: https://climate.ec.europa.eu/eu-action/transport-emissions/reducing-emissions-aviation_en#aviation-emissions

⁸⁶ European Commission, "Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions", (2020), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0562&from=EN>

strategies and targets focused on decarbonizing the transport sector, including the EU White Paper on Transport under which it has set a target of reducing its emissions by 20% by 2030, relative to 2008 levels. The EU has also established a 2050 target of reducing transport-related emissions by 60% from 1990 levels.^{87,88} For the aviation sector, various European airports have implemented decarbonization strategies, which is evident from the increased participation in the ACA accreditation scheme in the region. As of March 2022, European airports represent approximately 65% of the total 390 participating airports.⁸⁹

In this context, Sustainalytics is of the opinion that Atlantia's efforts to decarbonize its operations and those of its major subsidiaries are expected to have positive impacts on the reduction of the overall GHG emissions from the road transport and aviation sectors in the countries where Atlantia's portfolio companies operate, particularly in the EU, thereby supporting the transition to a decarbonized economy.

Importance of gender diversity and inclusion in leadership roles in the workplace

Gender diversity and inclusion in the workforce, particularly in leadership roles, are expected to contribute to better decision making and improved organizational performance for businesses.⁹⁰ Companies with more diversity in their leadership teams, in general, report greater returns in innovation and earnings.⁹¹ Companies in the top quartile of gender diversity in their boards are 25% more likely to outperform their peers financially.⁹²

However, gender diversity and inclusion in leadership roles have progressed slowly globally.⁹³ The global average proportion of women on boards in 2021, for instance, was 19.7%, an increase of just 2.8 percentage points from 2019.⁹⁴ According to the UN, the proportion of women in managerial decision-making positions has remained constant at 28% between 1995 and 2019.⁹⁵ In 2021, the Generation Equality Forum held in Paris announced a global five-year action plan to accelerate gender equality globally by 2026,⁹⁶ driven by EUR 36 billion in policy and programme commitments from governments, multilateral bodies and the private sector.⁹⁷

In the context of the EU, the average proportion of women on boards was 29.5% in the largest publicly listed companies registered in the EU member states as of April 2020, a mere 1 percentage point increase since October 2019.⁹⁸ In addition, women made up less than a fifth of board members in some member states such as Estonia, Malta and Hungary.⁹⁹ In 2021, the European Commission launched the Citizens, Equality, Rights and Values (CERV) programme for the 2021-27 financing period to support its member states to promote equal and inclusive societies including gender balance in management and leadership positions.¹⁰⁰

Based on the above, Sustainalytics is of the opinion that Atlantia's efforts to increase women's representation in leadership roles are expected to contribute to improving gender diversity and inclusion in the workplace in the countries where Atlantia's portfolio companies operate, particularly in the EU.

⁸⁷ European Commission, "Sustainable Transport and Fuels", at: <https://ec.europa.eu/jrc/en/research-topic/sustainable-transport-and-fuels>

⁸⁸ European Commission, Directorate-General for Mobility and Transport, "White Paper on Transport", (2011), at:

<https://op.europa.eu/en/publication-detail/-/publication/bfaa7afd-7d56-4a8d-b44d-2d1630448855/language-en>

⁸⁹ ACA, "Accredited airports across the world" (2022) at: <https://www.airportcarbonaccreditation.org/participants/all.html>

⁹⁰ Rohwerder, B. (2017), "Impact of diversity and inclusion within organisations", Institute of Development Studies, at:

https://assets.publishing.service.gov.uk/media/5ba51175e5274a54d5c39c19/109_Diversity_and_inclusion_within_organisations.pdf

⁹¹ Boston Consulting Group, "How Diverse Leadership Teams Boost Innovation", (2018), at:

<https://www.bcg.com/en-us/publications/2018/how-diverse-leadership-teams-boost-innovation>

⁹² McKinsey & Company, "Diversity Wins- How Inclusion Matters", (2020), at: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters>. These findings emerge from data collected from 15 countries and more than 1,000 large companies.

⁹³ Fyle, D., (2020), "Diversity wins- how inclusion matters", McKinsey & Company, at: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters>

⁹⁴ Deloitte, "Women in Boardroom a Global Perspective, (2022), at: <https://www2.deloitte.com/global/en/pages/risk/articles/women-in-the-boardroom-a-global-perspective-seventh-edition.html>

⁹⁵ UN, "The World's Women 2020: Trends and Statistics", (2020), at: <https://www.un.org/en/desa/world%E2%80%99s-women-2020>

⁹⁶ Generation Equality Forum, "Generation Equality Forum", accessed on 4 March, 2022, at:

<https://forum.generationequality.org/news/generation-equality-forum-concludes-paris-announcement-revolutionary-commitments-and-global>

⁹⁷ Ibid.

⁹⁸ EIGE, "Statistical brief: gender balance in corporate boards 2020", at: <https://eige.europa.eu/publications/statistical-brief-gender-balance-corporate-boards-2020>

⁹⁹ Ibid.

¹⁰⁰ European Commission, "Citizens, Equality, Rights and Values programme", at: https://ec.europa.eu/info/departments/justice-and-consumers/justice-and-consumers-funding-tenders/funding-programmes/citizens-equality-rights-and-values-programme_en

Alignment with/contribution to SDGs

The Sustainable Development Goals were adopted by the United Nations General Assembly in September 2015 and form part of an agenda for achieving sustainable development by 2030. The sustainability-linked financing associated with the selected KPIs and SPTs is expected to help advance the following SDGs and targets:

KPI	SDG	SDG Target
KPI 1: Absolute scope 1 and 2 GHG emissions	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency
KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates	9. Industry, Innovation and Infrastructure 11. Sustainable Cities and Communities	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency
KPI 4: Percentage of women in senior and middle management roles	5. Gender Equality	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
KPI 5: Share of renewable electricity sourcing	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

Conclusion

Atlantia is considering issuing sustainability-linked instruments, tying certain financial and structural characteristics of the said instruments to the achievement of the following SPTs:

- (1) SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027 from a 2019 baseline
- (2) SPT 1.1: Reduce absolute scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline
- (3) SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of two main operating subsidiaries by 2027
- (4) SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of two main operating subsidiaries by 2030
- (5) SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027 from a 2021 baseline
- (6) SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030 from a 2021 baseline
- (7) SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline
- (8) SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline
- (9) SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline
- (10) SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline

Sustainalytics considers KPI 1: Absolute scope 1 and 2 GHG emissions, to be very strong based on its materiality, clear and consistent methodology, and direct linkage to the Group's material issues, ability to be compared with an external contextual benchmark and high scope of applicability when combined with KPI 2. Sustainalytics considers KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates, to be strong based on its high scope of applicability, materiality, and clear and consistent methodology. Sustainalytics considers KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets, to be adequate based on its materiality and clear and consistent methodology. Sustainalytics considers KPI 4: Percentage of women in senior and middle management roles, to be strong based on its materiality, direct linkage to a material social issue and clear and consistent methodology. Sustainalytics considers KPI 5: Share of renewable electricity sourcing, to be adequate based on its materiality, clear and consistent methodology and comparability against an external contextual benchmark.

Sustainalytics considers SPTs 1.1 and 1.2 to be highly ambitious and SPTs 5.1 and 5.2 to be moderately ambitious based on their past performance, peer performance and alignment with science. Sustainalytics further considers SPTs 2.1, 2.2, 3.1, 3.2, 4.1 and 4.2 to be ambitious based on past performance and peer performance.

Based on the above, Sustainalytics considers the Atlantia Sustainability-Linked Financing Framework to be in alignment with the five core components of the Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2022 and the prospective achievement of the SPTs to be impactful.

Appendix 1: Sustainability-Linked Bonds - External Review Form

Section 1. Basic Information

Issuer name: Atlantia S.p.A.

Sustainability-Linked Bond ISIN: not known at the time of publication

Independent External Review provider's name for second party opinion pre-issuance (sections 2 & 3): Sustainalytics

Completion date of second party opinion: November 9, 2022

Independent External Review provider's name for post-issuance verification (section 4): Not known

Completion date of post issuance verification: not known at the time of publication

At the launch of the bond, the structure is:

☒ a step-up structure

☒ a variable redemption structure

Section 2. Pre-Issuance Review

2-1 SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review:

- | | |
|--|--|
| ☒ assessed all the following elements (complete review) | ☐ only some of them (partial review): |
| ☒ Selection of Key Performance Indicators (KPIs) | ☒ Bond characteristics (acknowledgment of) |
| ☒ Calibration of Sustainability Performance Targets (SPTs) | ☒ Reporting |
| ☒ Verification | |
| ☒ and confirmed their alignment with the SLBP. | |

2-2 ROLE(S) OF INDEPENDENT EXTERNAL REVIEW PROVIDER

- | | |
|--|---|
| ☒ Second Party Opinion | ☐ Certification |
| ☐ Verification | ☐ Scoring/Rating |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

2-3 EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

Atlantia is considering issuing sustainability-linked instruments, tying certain financial and structural characteristics of the said instruments to the achievement of the following SPTs:

- (1) SPT 1.1: Reduce absolute scope 1 and 2 emissions by 38% by 2027 from a 2019 baseline
- (2) SPT 1.1: Reduce absolute scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline
- (3) SPT 2.1: Achieve 100% of SPTs associated with the relevant KPIs of two main operating subsidiaries, by 2027

- (4) SPT 2.2: Achieve 100% of SPTs associated with the relevant KPIs of two main operating subsidiaries, by 2030
- (5) SPT 3.1: 70% of Atlantia's total GHG emissions to be covered by science-based targets by 2027 from a 2021 baseline
- (6) SPT 3.2: 90% of Atlantia's total GHG emissions to be covered by science-based targets by 2030 from a 2021 baseline
- (7) SPT 4.1: 33% of senior and middle management roles to be held by women by 2027 from a 2021 baseline
- (8) SPT 4.2: 35% of senior and middle management roles to be held by women by 2030 from a 2021 baseline
- (9) SPT 5.1: 61% of electricity consumption to be sourced from renewables by 2027 from a 2020 baseline
- (10) SPT 5.2: 77% of electricity consumption to be sourced from renewables by 2030 from a 2020 baseline

Sustainalytics considers KPI 1: Absolute scope 1 and 2 GHG emissions, to be very strong based on its materiality, clear and consistent methodology, and direct linkage to the Group's material issues, ability to be compared with an external contextual benchmark and high scope of applicability when combined with KPI 2. Sustainalytics considers KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates, to be strong based on its high scope of applicability, materiality, and clear and consistent methodology. Sustainalytics considers KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets, to be adequate based on its materiality and clear and consistent methodology. Sustainalytics considers KPI 4: Percentage of women in senior and middle management roles, to be strong based on its materiality, direct linkage to a material social issue and clear and consistent methodology. Sustainalytics considers KPI 5: Share of renewable electricity sourcing, to be adequate based on its materiality, clear and consistent methodology and comparability against an external contextual benchmark.

Sustainalytics considers SPTs 1.1 and 1.2 to be highly ambitious based on historical performance, peer performance and alignment with science-based trajectories. Sustainalytics considers SPTs 2.1, 2.2, 3.1, 3.2, 4.1 and 4.2 to be ambitious and SPTs 5.1 and 5.2 to be moderately ambitious based on historical and peer performance.

Based on the above, Sustainalytics considers the Atlantia Sustainability-Linked Financing Framework to be in alignment with the five core components of the Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2022 and the prospective achievement of the SPTs to be impactful.

Section 3. Detailed pre-issuance review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

3-1 SELECTION OF KEY PERFORMANCE INDICATORS (KPIs)

Overall comment on the section (if applicable):

Sustainalytics assessed five KPIs: (i) Absolute scope 1 and 2 GHG emissions; (ii) Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates; (iii) Percentage of Atlantia's total GHG emissions covered by science-based targets, (iv) Percentage of women in senior and middle management roles and (v) Share of renewable electricity sourcing. Sustainalytics considers KPI 1 to be very strong, KPIs 2 and 4 to be strong, and KPIs 3 and 5 to be adequate based on materiality, relevance and scope of applicability.

List of selected KPIs:

- KPI 1: Absolute scope 1 and 2 GHG emissions
- KPI 2: Percentage of two main operating subsidiaries' scope 3-related SPTs achieved at the relevant target observation dates
- KPI 3: Percentage of Atlantia's total GHG emissions covered by science-based targets
- KPI 4: Percentage of women in senior and middle management roles
- KPI 5: Share of renewable electricity sourcing

Definition, scope, and parameters

- ☒ Clear definition of each selected KPIs ☒ Clear calculation methodology
- ☐ Other (please specify):

Relevance, robustness, and reliability of the selected KPIs

- | | |
|--|--|
| ☒ Credentials that the selected KPIs are relevant, core and material to the issuer's sustainability and business strategy. | ☒ Evidence that the KPIs are externally verifiable |
| ☒ Credentials that the KPIs are measurable or quantifiable on a consistent methodological basis | ☒ Evidence that the KPIs can be benchmarked |
| | ☐ Other (please specify): |

3-2 CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS (SPTs)

Overall comment on the section (if applicable):

Sustainalytics considers the SPTs to be aligned with Atlantia's sustainability strategy. Sustainalytics considers SPTs 1.1 and 1.2 to be highly ambitious and SPTs 5.1 and 5.2 to be moderately ambitious based on their past performance, peer performance and alignment with science. Sustainalytics further considers SPTs 2.1, 2.2, 3.1, 3.2, 4.1 and 4.2 to be ambitious based on past performance and peer performance.

Rationale and level of ambition

- | | |
|--|---|
| ☒ Evidence that the SPTs represent a material improvement | ☒ Credentials on the relevance and reliability of selected benchmarks and baselines |
| ☒ Evidence that SPTs are consistent with the issuer's sustainability and business strategy | ☒ Credentials that the SPTs are determined on a predefined timeline |
| | ☐ Other (please specify): |

Benchmarking approach

- | | |
|--|--|
| ☒ Issuer own performance | ☒ Issuer's peers |
| ☒ reference to the science | ☐ Other (please specify): |

Additional disclosure

- | | |
|---|--|
| ☒ potential recalculations or adjustments description | ☒ issuer's strategy to achieve description |
| ☒ identification of key factors that may affect the achievement of the SPTs | ☐ Other (please specify): |

3-3 BOND CHARACTERISTICS

Overall comment on the section (if applicable):

Atlantia will link the financial or structural characteristics of its sustainability-linked debt instruments to the achievement of the SPTs. A change in the financial or structural characteristics of each instrument will trigger a coupon or margin adjustment, change in the redemption premium or premium payment, as applicable.

Financial impact:

- | |
|---|
| ☒ variation of the coupon |
| ☐ redemption premium |
| ☒ Other (please specify): margin adjustment |

Structural characteristic:

- ☐ ...
- ☐ ...
- ☐ Other (please specify):

3-4 REPORTING**Overall comment on the section (if applicable):**

Atlantia commits to reporting on its progress on the KPIs on an annual basis, via its Integrated Annual Report or similar report. Atlantia also intends to disclose relevant information that affects progress on the KPIs, such as recalculation of the baselines for the KPIs, reassessments of the KPIs, restatement of the SPTs and pro-forma adjustments of baselines or KPI scope. The report will be made available on Atlantia's website. These reporting commitments are aligned with the SLBP and SLLP.

Information reported:

- | | |
|--|---|
| ☒ performance of the selected KPIs | ☒ verification assurance report |
| ☒ level of ambition of the SPTs | ☐ Other (please specify): |

Frequency:

- | | |
|--|--------------------------------------|
| ☒ Annual | ☐ Semi-annual |
| ☐ Other (please specify): | |

Means of Disclosure

- | | |
|---|---|
| ☐ Information published in financial report | ☐ Information published in sustainability report |
| ☐ Information published in ad hoc documents | ☐ Other (please specify): Atlantia's website |
| ☐ Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review): | |

Where appropriate, please specify name and date of publication in the "useful links" section.

Level of Assurance on Reporting

- | | |
|---|---|
| ☒ limited assurance | ☐ reasonable assurance |
| ☐ Other (please specify): | |

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)**Section 4. Post-issuance verification**

Overall comment on the section *(if applicable)*:

Information reported:

- | | |
|--|--|
| ☐ limited assurance | ☐ reasonable assurance |
| | ☐ Other (please specify): |

Frequency:

- | | |
|--|--------------------------------------|
| ☐ Annual | ☐ Semi-annual |
| ☐ Other (please specify): | |

Material change:

- | | |
|---|--|
| ☐ Perimeter | ☐ KPI methodology |
| ☐ SPTs calibration | |

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