



# **Explanatory Report on Item 4) on the agenda of the Ordinary General Meeting called for 29 April 2022**

Explanatory report by Atlantia S.p.A.'s Board of Directors on item 4 on the agenda of the ordinary general meeting of shareholders to be held on 29 April 2022 on single call: *“Report on Remuneration Policy for 2022 and Remuneration paid in 2021, pursuant to Art. 123-ter of Legislative Decree no. 58 of 24 February 1998:*

- A. Approval of the First Section of the Report – Remuneration Policy for 2022 (binding resolution).*
- B. Non-binding resolution on the Second Section of the Report – Disclosure on Remuneration paid in 2021*

Dear Shareholders,

The Report on Remuneration Policy for 2022 and Remuneration paid in 2021 (the **“Report”**) has been drawn up in accordance with the provisions of Art. 123-ter of the Finance Act and of Art. 84-quater of the Issuers Regulation, while also taking into account the principles and recommendations set out in Art. 5 of the Corporate Governance Code for listed companies, adopted by the Company.

Through the Report, the Company intends to provide a complete, clear and transparent disclosure to all stakeholders regarding the principles on which its remuneration policy is based, the systems and processes governing it, and the results of its application.

## A. Approval of the First Section of the Report – Remuneration Policy for 2022 (binding resolution)

The first section of the Report sets out the Company's proposed policy for 2022 on the remuneration of the Board of Directors, general managers and other executives with strategic responsibilities and, without prejudice to the provisions of Art. 2402 of the Civil Code, the remuneration of members of statutory auditors, as well as the procedures applied in adopting and implementing this policy. In accordance with the provisions of Art. 123-ter, paragraph 3-ter, of the Finance Act, the General Meeting is asked to cast a binding vote, for or against, on the first section of the Report.

Atlantia promotes a business model that operates in favour of sustainable success, for the benefit of shareholders and other stakeholders. In this sense, in December 2021, the principle of pursuing long-term sustainable success as a guiding criterion of the action of the Board of Directors was embodied in the bylaws, with the favourable votes of over 99% of the capital represented at the meeting.

Accordingly, the Remuneration Policy contemplates a clear link between remuneration and the economic, social and environmental value created. The structure of remuneration systems favours a medium and long-term perspective and encourages the active involvement of all the issuer's employees in sharing the results achieved and the value created. Furthermore, key environmental, social and governance issues, and in particular climate issues, are integrated into top management priorities by linking them to specific sustainability targets.

The Policy put forward to the shareholders for 2022 has the following principal characteristics:

- around 2/3 of the overall target-based remuneration of the Chief Executive Officer are variable, depending on yearly and multi-annual results;
- over 50% of the Chief Executive Officer's variable target-based remuneration is paid in shares over a multi-annual timespan, consistent with the orientation towards creating sustainable value over time;
- clear and transparent *ex ante* and *ex post* disclosure of the link between performance and remuneration;
- the variable remuneration is linked to the creation of economic, social and environmental value;
- ESG metrics account for 20% of the annual incentive and 30% of the long-term incentive and are articulated in clearly defined quantitative targets, monitored and reported to the market.

In a context of substantial continuity with the 2021 Policy, which was broadly supported by shareholders with over 98% of votes in favour, the 2022 Policy also includes some new elements which strengthen its structure, bearing in mind the feedback received from the market on potential further aspects of improvement, including:

- i) **Participation of employees:** with the prior favourable opinion of this General Meeting, as per item 3) on the agenda, a form of employee share ownership will be launched, consisting of the free allocation to employees in non-managerial positions of 250 shares per annum, subject to a triennial lockup obligation. This structural form of participation in the share capital seeks to share the value created over time with all the issuer's employees. All the issuer's employees will also benefit – with remuneration opportunities consistent with their role – from the annual incentive plan (MBO), thereby sharing with management the pursuit of key economic, strategic, social and environmental objectives, on the basis of which Atlantia guides the development of its investment portfolio.
- ii) **Shareholding Guidelines:** The Policy requires the Chief Executive Officer and Top Management to set up an investment in the issuer's shares within an appropriate timeframe and to hold it regularly over time. For the Chief Executive Officer, the investment is equal to a multiple of 2x the fixed salary, in line with European best practices.

Finally, it should be stressed that Atlantia, on 14 October 2021, resolved to cease management and coordination of its operation subsidiaries, in accordance with the previously adopted pathway based on the gradual autonomy of its subsidiaries and on its role as a strategic investment holding company. This is the perspective behind the decision, adopted last year, not to include the management of subsidiaries in the Policy. The latter management will benefit from remuneration policies that are separate from those of the Company and duly regulated by their own governing body, in line with the specific reference framework and with the remuneration principles inspired by the international best practices promoted by Atlantia. These principles are embodied in guidelines, which the governing bodies of subsidiaries are recommended to adopt, in line with the specific market context, strategic priorities and risk profile of each business.

For further details, reference should be made to the text of the first section of the Report – approved under a board resolution passed on 10 March 2022 and made available to You and the public as required by law, at the registered office, on the Company's website (<https://www.atlantia.com/en/governance/general-meeting>) and on the storage platform 1Info ([www.1info.it](http://www.1info.it)). We therefore submit the contents of the aforesaid first section of the Report to the General Meeting.

#### **Proposed resolution**

In view of the foregoing, the Board of Directors asks the General Meeting to adopt the following proposed resolution:

*"The Ordinary General Meeting of Atlantia S.p.A.*

- *having regard to Art. 123-ter of Legislative Decree no. 58/98 and 84-quater of Consob Regulation no. 11971/99;*
- *after reviewing the first section of the "Report on Remuneration Policy for 2022 and Remuneration Paid in 2021", approved by the Board of Directors on 10/3/2022 in accordance with Art. 123-ter of Legislative Decree no. 58/98 and Art. 84-quater of Consob Regulation no. 11971/99 and published by the Company, in accordance with the law;*
- *bearing in mind the binding nature of this resolution, in accordance with Art. 123-ter, paragraph 3-ter of Legislative Decree no. 58/98;*

*resolves*

*to approve the first section of the "Report by Atlantia S.p.A. on Remuneration Policy for 2022 and Remuneration Paid in 2021"*

## **B. Non-binding resolution on the Second Section of the report – Disclosure on the remuneration paid in 2021.**

The second section of the Report describes each of the items that form the remuneration of members of the governing and supervisory bodies and of general managers and, in aggregate form, that of other executives with strategic responsibilities, including the treatment envisaged in the event of discontinuance of office or severance of employment, highlighting its coherence with the policy for year concerned. Furthermore, it sets out the emoluments paid, on any account and in any form, by the Company and by its subsidiaries and affiliates during the year in question (i.e., the financial year ended as of 31 December 2021).

For further details, reference should be made to the information provided in the second section of the Report relating to the financial year ended as of 31 December 2021 – approved under a board resolution passed on 10 March 2022 and made available to the public, in accordance with the law, at the registered office, on the Company's website (<https://www.atlantia.com/en/governance/general-meeting>) and on the storage platform 1Info ([www.1info.it](http://www.1info.it)). We therefore submit the contents of the second section of the Report to the examination and consultative vote of the General Meeting.

### **Proposed resolution**

In view of the foregoing, we ask you to adopt the following proposed resolution:

*“The Ordinary General Meeting of Atlantia S.p.A.*

- *having regard to Art. 123-ter of Legislative Decree no. 58/98 and 84-quater of Consob Regulation no. 11971/99;*
- *after reviewing the second section of the “Report on Remuneration Policy for 2022 and Remuneration Paid in 2021”, approved by the Board of Directors on 10/3/2022 in accordance with Art. 123-ter of Legislative Decree no. 58/98 and Art. 84-quater of Consob Regulation no. 11971/99 and published by the Company, in accordance with the law;*
- *bearing in mind the non-binding nature of this resolution, in accordance with Art. 123-ter, paragraph 6, of Legislative Decree no. 58/98;*

*resolves*

*to give a favourable opinion in relation to the second section of Atlantia S.p.A.'s Report on Remuneration Policy for 2022 and Remuneration Paid in 2021”.*

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Rome, March 10, 2022

**Atlantia S.p.A.**  
for the Board of Directors  
The Chairman  
Fabio Cerchiai