THE CAREPORT

Aeroporti di Roma

PERSONE, AMBIENTE E SVILUPPO PER UNA TERRA CHE CAMBIA

2021 Annual Integrated Report


22% FULL VAT EXEMPTION

Content Map

Report on operations

Letter to the Stakeholders

The negative effects of the Covid-19 epidemic continued in 2021 and led to the most severe and persistent crisis that the air transport sector has ever faced. The first signs of a recovery in traffic, recorded during the last summer season, were strongly held back by the increase in infections around the world, caused by the new variants of the virus.

Despite this negative scenario, the Group's commitment continued, as in 2020, to equip the Roman airport system with innovative technologies, travel protocols and systems in order to guarantee cutting-edge safety and quality standards. The results achieved confirm the constant commitment of all the staff of Aeroporti di Roma, allowing the airports of Fiumicino and Ciampino to be among the most recognized internationally not only in fighting the pandemic, but above all for the services offered to passengers. So much so that "Leonardo da Vinci" has been awarded for four consecutive years with the ASQ (Airport Service Quality) of ACI for the excellence of its services.

The economic results reflect the negative trend of the business and despite the support deriving from the recognition in the year of the government subsidy approved in favor of the Italian airport sector, the year ended with an operating loss of 45.9 million euros and with a loss of 38.0 million euros. In any case, thanks to the financial operations implemented in 2020 and continued in 2021, the Group benefited from adequate financial protection thanks to which it was possible to focus management attention not only on the operational and health emergency, but also on the preparatory activities for the prompt resumption of business activities at the end of the emergency. In particular, the actions activated in 2020 - since the early stages of the crisis, in terms of reducing operating costs, establishing a high liquidity reserve and a selected rescheduling of investments - also continued in 2021. Investments amounted to over 177 million euros, up by approximately 17% compared to 2020, for the expansion and enhancement of the Roman airport system. In particular, the investments made during the year concerned the expansion works of Terminal 1, the completion of the Joint Control Room (APOC) and the restructuring of Terminal 3.

The transformation process undertaken by ADR, with particular attention to Sustainability and Innovation, has not been interrupted but has been further accelerated, strengthening the pillars of the Group's strategy. Traffic, which closed the year with approximately 14 million passengers, recovered compared to 2020 (+22.2%) thanks to the domestic and European components (+24.8% and +22.4%). The Non-EU long-haul component, particularly relevant for the characteristics of intercontinental hub of Fiumicino airport, is instead still heavily depressed (-18.5%). The magnitude of the gap in passenger flows compared to 2019 (-71.7%) confirms the features of a crisis that is anything but temporary and that will definitively, also in relation to the uncertainties on recovery times, characterize the years to come, albeit with hopefully less and less significant effects.

This approach has also consistently affected the sources of procurement of financial resources. In April, ADR placed a new "Sustainability Linked" bond issue on the market - the first airport in the world to carry out a public issue with these characteristics - for an amount of 500 million euros and a duration of 10 years. The positive outcome of this operation, which followed the previous "Green" issue that ADR had successfully placed in November 2020, was also confirmed by the financial markets with the recognition of the commitment undertaken by the company in terms of combating climate change.

Sustainability and Innovation, in fact, remain the central drivers of ADR's development strategy, included in the Sustainability Plan, consisting of a structured set of objectives and programs, organized into three priority areas of intervention: People, Environment and Development. Reduction of energy consumption, photovoltaic systems, decarbonization, sustainable intermodality, open innovation are the main areas of commitment of the ADR road map to accompany the path of energy and digital transition. A growing commitment to a responsible business model also ensured by support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, Anti-corruption. Confirming ADR's growing commitment to a sustainable business model, strongly oriented towards environmental protection, attention to people and commitment to local development, Aeroporti di Roma has in fact decided to join, as Founder, the Global Compact Network Italy Foundation starting from February 2021.

Precisely the need to project the airport system towards an innovative vision, has prompted ADR to set up - together with other airports - Aeroporti 2030, the association that aims to become a place for discussion, planning and stimulation for implementation, making use of a network of experts from Italy's main industrial companies, to work on overall synergies that can guarantee the launch of the connectivity of the future. With this objective, in 2021 ADR signed several strategic agreements with major national players, such as Eni, Enel, Ferrovie, Leonardo, on sustainability, innovation, quality and safety of services to carry out cutting-edge projects. Such collaborations have already produced the first significant results:

- with Enel X, the Pioneer project, funded by the European Union, was launched for the construction of an innovative storage system based on electric vehicle batteries that have reached their second life cycle to absorb the excess energy produced by the solar system at Fiumicino Airport that will be built by 2024
- with Eni, the distribution of biofuels for commercial aviation was implemented and Fiumicino airport was the first in Italy to offer SAF (Sustainable Aviation Fuel) to airlines and, among these, ITA Airways

2021 was the year that confirmed the Group's strong commitment in the fight against climate change. Fiumicino and Ciampino airports were among the first airports in the world to adopt the Net Zero 2030 resolution, at least 20 years ahead of the targets set by the sector at European level, with a plan mainly aimed at renewable sources and electric mobility. In addition, the Roman airports have obtained, as the first airports in the European Union, the highest certification Airport Carbon Accreditation 4+ "Transition" by ACI Europe on the reduction of direct and indirect CO_2 emissions. To enhance this Sustainability strategy, ADR has launched an intense activity of communication on environmental issues, resulting in an innovative corporate reputation campaign that, starting from the creation of a new "ADR, the Careport" logo alongside that of Aeroporti di Roma, has identified the nature of the airport as a truly sustainable and genuinely inclusive land. On the other hand, Inclusion, Diversity and Equality are the fundamental principles that inspire the way of doing business of Aeroporti di Roma.

In parallel with its commitment to sustainable issues, Aeroporti di Roma has perfected its strategy oriented towards an increasingly avant-garde future, which exploits digitization and open innovation to offer passengers even more safety and comfort. During 2021, ADR launched its first "Call for Ideas", in partnership with Plug and Play Tech Center and LVenture Group, with the aim of creating an ecosystem of cooperation to achieve the energy and digital transition objectives of the Airports of Fiumicino and Ciampino. The next step was the start of work for the creation of ADR's «corporate vertical incubator» reserved for start-ups, which will make it possible to create an innovative hub dedicated to the airport sector. 2021 also marked the opening of the new integrated control room APOC (Airport Operations Center), as part of the European SESAR projects on the management of the air traffic of the Single European Sky, as an example of technological innovation, destined to revolutionize the approach to airport operations. A highlight for ADR that earned it the recognition of ACI Europe for the Digital transformation among European airports.

Still on the subject of Innovation, ADR has also signed an agreement with ENAC and ENAV to regulate the methods of collaboration for the development of Urban Air Mobility services that are efficient, safe, sustainable and interoperable with airport and public transport infrastructures, with reference to the metropolitan area of Rome and to the connections between the two airports of the capital and the city center. On the same subject, for some time ADR has developed a partnership with Volocopter, a world leader in the process of prototyping and certifying the new class of eVTOL (electric Vertical Take-off and Landing) aircraft, aimed at launching the first commercial route of Urban Air Mobility in the Rome area. Similarly, other talks have been initiated with leading companies in the new sector, in order to create the so-called "ecosystem" of Urban Air Mobility. Finally, ADR's pioneering approach in this new frontier of sustainable mobility led to the birth of Urban Blue, a project that involves the establishment of a company owned by Aeroporti di Roma, Aeroporto di Venezia, Aeroports de la Cote d'Azur and Guglielmo Marconi Airport of Bologna for the development of urban air mobility infrastructures at an international level.

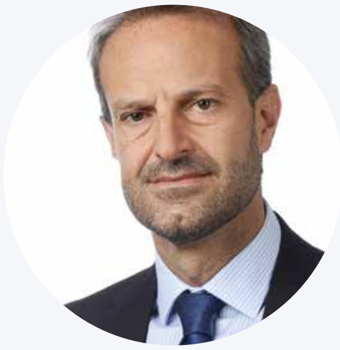
In 2021 ADR activities continued to support the development of the territory, also contributing to safeguarding its environmental integrity. The Group's commitment to local realities has been evidenced by significant initiatives carried out in various areas. In addition to the donations of serological tests and accident prevention material to the Municipality of Fiumicino and the expansion of the health hub at Fiumicino airport (over 365 thousand doses of vaccine were administered in 2021), projects related to environmental requalification and protection - including the reclamation and cleaning of the Pesce Luna beach adjacent to Fiumicino airport - projects to improve local traffic, specific initiatives with schools and campaigns dedicated to inclusion were developed.

Attention to the environment is also proven by the inclusion of various initiatives in the official All 4 Climate Italy 2021 program promoted by the Ministry of Transition. ADR intends to continue the path already undertaken in an ever more incisive way, involving even more local communities starting from local schools through the effective collaboration established with the Department of School Policies of the Municipality of Fiumicino and continuing in the work of illustration to stakeholders of the innovative aspects of the new development plan. This plan, currently being examined by ENAC, reshapes the infrastructure development objectives according to a sustainable approach, with a strong acceleration on intermodality to favor the transition to a smart hub at Fiumicino airport also in view of the 2025 Jubilee and Expo 2030, which represent great opportunities for Rome and the entire country to reduce the connectivity and infrastructure gap in the area.

Aeroporti di Roma looks to the future with confidence and optimism, valuing people and the local economic fabric. Our challenge for the next few years will be even more demanding to continue on the virtuous path that, by combining safety and quality in the airport experience with timeliness and incisiveness, will allow us to play a leading role in the challenges for energy transition and to make the planet a more sustainable place.

THE CHAIRMAN

Claudio De Vincenti



THE MANAGING DIRECTOR

Marco Troncone

Introduction to the Annual Integrated Report

The Annual Integrated Report of the Aeroporti di Roma Group ("ADR Group"), which includes the Report on Operations, integrated with the Non-Financial Statement ("NFS"), the Consolidated Financial Statements and the Separate Financial Statements prepared in accordance with IFRS / IAS standards, represents the main reporting document of the Group focused on the equation "sustainability = value" and based on an "integrated" representation of its business.

The document, drawn up on a voluntary basis, aims to provide all stakeholders with a transparent and exhaustive representation of the Group's activities, of the performances achieved in the socio-economic context in which it operates, with an indication of its strategic orientations and positioning, and the main objectives of the corporate governance system adopted to pursue them.

In particular, the Annual Integrated Report also includes the information that was reported, up until 2020, in the Group's Sustainability Report and is arranged into four sections, each identifying a progressive level of detail (summary, analysis, performance detail, attachments).

The first section of the document provides, in summary, an overview of the Group and the main performance indicators for the year.

The following chapters of the analysis section provide a detailed description of the ADR Group by presenting the business model, the strategic lines that guide its decisions, the main financial and non-financial risks of the Company and its governance.

The chapters of the performance section present the information and data relating to

the financial and non-financial component that are relevant to the Group and in line with the expectations of its stakeholders, therefore in line with the materiality matrix. Finally, the chapters containing the financial information and, in particular, the Consolidated Financial Statements at 12.31.2021, and the Separate Financial Statements at 12.31.2021 of ADR S.p.A. are reported. The document also contains the Progress Report of the Sustainability Linked Bonds and the Green Bonds.

The Annual Integrated Report of the ADR Group is drawn up in line with the main reference methodological standards and frameworks, and in particular in compliance with the principles and contents of the <IR> Framework prepared by the International Integrated Reporting Council[1], with the GRI Sustainability Reporting Standards published in 2016 and subsequently integrated and updated by the GRI - Global Reporting Initiative and with the specific national and international regulations, recommendations and best practices of reference. Finally, the document is compliant with the provisions contained in Italian Legislative Decree 254/2016 implementing Directive 2014/95/EU concerning the disclosure of non-financial information. For more details, please refer to Chapter 9 of the Report.

[1] *For further details, see https://www.integratedreporting.org/resource/international-ir-framework/*

Chapter 1

Overview

Chapter 1

1.1 Financial and non-financial highlights 2021

BUSINESS

	2021	△YoY 2020	△YoY 2019
Total Passengers	13,988,955	+ 22.2%	-71.7%
Total aircraft movements	151,191	+ 15.2%	-58.2%
Customer satisfaction (ACI)	4.59	+0.15	+0.12

ECONOMIC

	2021	△YoY 2020	△YoY 2019
Revenue from airport management *(€/mln)*	296.9	+ 13.9%	- 68.5%
Net operating costs *(€/mln)*	372.2	+ 7.4%	- 30.5%
EBITDA *(€/mln)*	261.3	+ 922.4%	- 56%
Profit (loss) for the year attributable to the owners of the parent *(€/mln)*	- 38	- 73.5%	- 115.5%
Investments *(€/mln)*	177.3	+ 16.7%	- 30.5%
Liquidity *(€/mln)*	661.6	- 39.7%	+ 32.1%

ENVIRONMENT

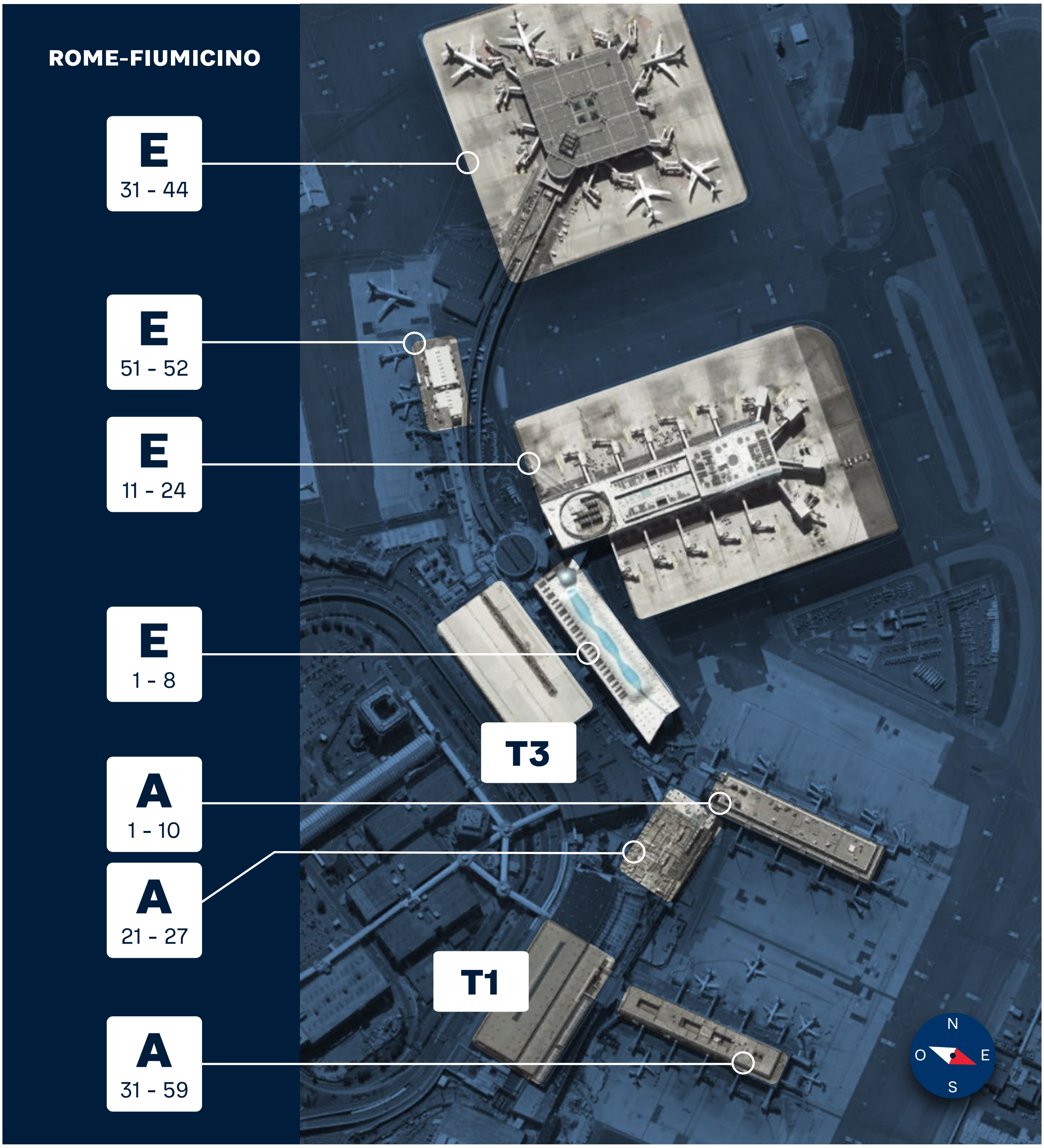
	2021	△YoY 2020	△YoY 2019
Total CO_2 emissions (Scope 1 and 2) *(tCO_2)*	51,679	+ 8.5%	- 18.0%
Total CO_2 emissions (Scope 3) *(tCO_2)*	375,496	+ 7.8%	- 68.9%
Energy consumption *(GJoule)*	719,195.17	+ 9.4%	- 20.3%
Percentage of waste sent for recovery (FCO)	99%	+1 p.p	+ 1 p.p.

SOCIAL

	2021	△YoY 2020	△YoY 2019
Rate of occupational accidents	32.7	+ 13.9	- 5.6
Total number of employees	3,345	+ 7.2%	- 6%
Percentage of female employees	37%	-0.1 p.p.	- 2.7 p.p.
COVID-19 - Vaccine capacity made available	3,000 die	n.a.	n.a.
COVID-19 - Swab capacity made available	1,900 die	n.a.	n.a.

1.2
The Roman Airport System

INFOGRAPHIC 1



The Roman airport system consists of two separate airports: "Leonardo Da Vinci" in **Rome-Fiumicino** (FCO) and "G.B. Pastine" in **Rome-Ciampino** (CIA). Both infrastructures are managed by Aeroporti di Roma S.p.A. ("ADR" or the "Company") on the basis of a concessionary relationship with ENAC (Ente Nazionale per l'Aviazione Civile, the Italian Civil Aviation Authority).

Fiumicino airport is one of the most important European airports in terms of number of passengers, benefiting from a large area of traffic attraction on the national territory and a high degree of connectivity with the main European and international destinations. The Rome-Ciampino airport, on the other hand, has the typical characteristics of a "secondary airport", with a traffic essentially related to "low cost" and General Aviation flights. Both airports benefit from the international importance enjoyed by the city of Rome, certainly among the most important tourist and cultural destinations in the world.

Leonardo Da Vinci
ROME FIUMICINO (FCO)

First airport in the country

Grounds of about **~1,600 hectares**, consisting of a system of three runways

The paved area of the runways is equal to **61 hectares**

144 parking stands for a paved area of approximately **155 hectares**

System of terminals with a total gross surface area of approximately **361,000 m²**

About **30 km** from the center of Rome

G.B. Pastine
ROME CIAMPINO (CIA)

Secondary airport of the capital

Grounds of about **~157 hectares**, consisting of a single runway

The paved area of the runways is **10 hectares**

About **90 stands** dedicated to the parking of aircraft and helicopters and a series of air side (hangar) and land side support structures

System of terminals with a total gross surface area of approximately **18,000 m²**

Just **15 km** from the center of Rome

INFOGRAPHIC 2

Our certificates of excellence

FCO

"Best Airport in Europe"
ACI Europe

The Airport Service Quality is an international survey on customer satisfaction, conducted by ACI through a standardized questionnaire distributed to passengers, at the gate, before boarding. The survey is carried out in more than 350 airports around the world. Passengers have the opportunity to evaluate the services available at the airport and express their overall satisfaction with the customer experience by assigning a score from 1 (poor) to 5 (excellent). 2020 marks the fourth consecutive recognition that comes in one of the most difficult and demanding years for the air transport sector. In particular, the "Leonardo da Vinci" travelers appreciated the efforts of Aeroporti di Roma in guaranteeing a quality service even during the Covid-19 pandemic.

FCO

Airport Health Accreditation
ACI

The ACI's Airport Health Accreditation (the international association representing more than 1,900 airports worldwide) is the important recognition obtained by Aeroporti di Roma in 2020, as the first airport in Europe and the third in the world, which demonstrates how the protocols and measures adopted at Leonardo da Vinci and G.B. Pastine, in terms of containing the spread of viruses, are at the forefront and represent an example of best practice to be followed in air transport sector.

FCO · CIA

Biosafety Trust Certification
Rina

The certification assigned by RINA is the result of a careful investigation into the containment measures adopted for all possible forms of contagion, from the least dangerous viruses to the more harmful ones such as Ebola and Covid-19, which involved every single activity carried out in our airports: from airport services to ICT systems, from infrastructure maintenance to commercial activities, from assistance services to security checks, from cleaning services to car parks, including a careful verification of information flows to employees and passengers.

FCO

"Digital Transformation Award" ACI Europe

In 2021 the Airports Council International Europe judged Fiumicino airport one of the best airports in Europe, assigning it the "Digital Transformation Award" confirming the excellence and the quality of the services offered in continuity with the awards obtained in the three previous years by the same entity as Best Airport in the "Over 40 million Passengers" category. In previous years, from 2018 to 2020, ACI Europe also awarded the "Best Airport Award" to Fiumicino airport, for the first time awarded exclusively to the same airport for three consecutive years.

FCO

Airport Health Measures Audit ACI World, in partnership with Bureau Veritas

ACI World, in partnership with Bureau Veritas, following the on-site audits, through the use of a specific checklist developed by a group of health, safety, hygiene and air transport experts, covering all aspects of health measures and recommendations published by international organizations, verified that the two Roman airports were compliant at every stage of the airport processes, making them the first airports in the world to obtain SafeGuard™ certification.

FCO · CIA

Airport Carbon Accreditation 4+ "Transition"

The airports of Fiumicino and Ciampino were awarded, as the first in Europe, ACI Europe's Airport Carbon Accreditation 4+ "Transition", the highest level in the field of certification on reduction of direct and indirect CO_2 emissions at airports. ADR has undertaken to zero its own emissions and thus become Net Zero Emission by 2030, 20 years earlier than set at the European airport sector level (Net Zero 2050). To reach this challenging goal, ADR will carry out various actions, such as for example favor electric mobility, build two large photovoltaic plants for a total power of 60 MW, at Fiumicino airport, to make available in a short time to air carriers Sustainable Aviation Fuel capable of reducing emissions up to 70%.

FCO

4 Stelle Skytrax

After two rigorous audits carried out at the airport by Skytrax inspectors in 2017 and 2019, taking into account more than 800 different key performance indicators, Skytrax awarded 4 stars to the Rome Fiumicino airport. This is a certificate of excellence which crowns the commitment of Aeroporti di Roma to guaranteeing passengers the best possible experience.

FCO

Covid-19 Skytrax Airport Rating 2020 Skytrax

Fiumicino is the first airport in the world to receive the 5 Skytrax stars for the fight against Covid-19. The recognition, obtained in September 2020, was awarded after a careful and rigorous investigation, in which all the measures and protocols adopted at the Leonardo da Vinci airport for the fight against the pandemic were checked. Skytrax concludes its reasons for awarding the 5 stars by stating that "Fiumicino airport is taking all necessary measures to provide a clean and safe environment". In 2021, ADR received the "COVID-19 AIRPORT EXCELLENCE AWARD" from Skytrax, thanks to the votes made by passengers on a worldwide basis.

FCO

Leadership in sustainability WTO

In 2020 the Leonardo da Vinci airport receives for the first time ever an award from the World Tourism Organization, the special body of the United Nations, "for its leadership in sustainability and in its commitment to responsible travel". The recognition of the United Nations rewards the commitment that ADR has always dedicated to sustainability, integrated into the business model, to create value on an economic, social and environmental level.

1.3 Our ambition

The experience gained from the dramatic crisis that hit the aeronautical and airport sector, due to the spread of the virus COVID-19 and the uncertainties that followed, has emphasized the importance of the ability to adapt to even sudden changes in the context and in the market. For this reason, it is now essential to give a decisive acceleration to the process of orienting the strategy and business model towards digital transformation and sustainability.

Integration between the creation of shared value with its stakeholders and sustainable development, quality and efficiency of service, as well as the ability to manage the impact of systemic crises, are essential ingredients for obtaining and maintaining adequate industrial and economic solidity.

For ADR they have now become the pillars of its industrial strategy.

These elements push ADR to aim to take on a role of enabler for the ESG transition both for the sector and, more generally, for the entire country, which led to the definition of the Careport concept.

An ambition that has become a commitment to the Group's desire to define a model capable of:

INFOGRAPHIC 3

ADR's areas of commitment

- Support and contribute to the decarbonization of the airport sector and the aeronautical industry
- Develop a sustainable customer journey
- Center operations on the circular economy
- Invest in efficient, ecological and biodiversity-friendly infrastructure
- Promote, accelerate and enhance the inclusion and uniqueness of persons in the community and among employees

This commitment has been translated into a clear and shared positioning and into challenging but responsible objectives for both the short and medium-long term. The firm commitment to sustainability implies the adoption of new technologies available to ensure that the investment plan, of approximately 8 billion euros and with a view to the end of the concession (2046), is focused on modernization, efficiency and the development of the airports managed by the Group, and, at the same time, characterized by solutions that guarantee the best energy efficiency according to the logic of carbon neutrality (NetZero@2030) through innovation projects (such as the path of open innovation with the upcoming opening of the first incubator dedicated to the aviation sector) and diversification (among these the participation in the Volocopter project and Urban Blue as an example of new zero-emission modes of transport).

An increasingly concrete and ambitious commitment to ESG objectives cannot ignore a specular search for financial resources that are and will be increasingly oriented towards the so-called "sustainable finance" with respect to which ADR has already assumed a leadership role since 2020 and again in 2021 thanks to state-of-the-art bond financing operations in the ESG field for its sector.

The numerous certificates and awards that the Company has obtained demonstrate its aptitude for excellence and the constant search for innovative solutions to increase the quality of the service and the journey experience. Quality and attention to the customer (B2B and B2C) remain a central element and measure ADR's ability to know how to adjust the various operational components with respect to the evolution of traffic, the aeronautical sector and above all the needs of passengers.

The effectiveness of the new business model was also demonstrated during the difficult months of the COVID-19 pandemic in which ADR guaranteed not only the health safety of its customers, operators and employees (the first airport to obtain the Biosafety Trust Certification) but, by making its infrastructures and know-how available, it guaranteed support to the population and institutions (drive through for swabs - large vaccination center at the long-term car park - logistic hub for health supplies).

The term The Careport therefore summarizes the concept of value creation through which ADR expresses its ambition to be a player and promoter of sustainable development for Rome and for the country: ADR lives and spreads a new concept of airport that becomes a real planet, a place where inclusiveness, development for people and the environment are fundamental elements.

PERSONE, AMBIENTE E SVILUPPO PER UNA TERRA CHE CAMBIA

In 2021 ADR prepared a corporate reputation and brand awareness campaign which, starting with the creation of The Careport logo, alongside that of ADR, identifies the nature of the airport as a truly sustainable and genuinely inclusive land.

The campaign aims to illustrate the objectives achieved and the numerous initiatives and actions implemented to make the Roman airports concretely inclusive and sustainable and testifies to the initiatives aimed at reducing the environmental impact. Furthermore, it enhances and involves the territory and people, without forgetting the numerous and innovative actions implemented to combat the pandemic.

The centrality of people is underlined by the involvement of employees who, by showing their face, have become the real protagonists of the campaign embodied in the Group's people strategy.

The campaign was developed on various touch points, advertising systems at the airport, OOH and classic media aimed at both the public and employees for engagement, for a total of 648 million OTS.

Chapter 2

Strategy and business model


WINES
WINES
Uscita
Exit

Leonardo da Vinci Airport - Boarding area E

Chapter 2

2.1 Our Stakeholders

ADR is a private company that manages a public service under concession with interactions not only with a diverse range of customers, but also with local communities and institutions by interacting with multiple categories of stakeholders through specific channels of discussion, involvement and communication developed over the years.

It is for this reason that the relationship with stakeholders is of strategic importance for the effective and efficient management of the airport system.

INFOGRAPHIC 4

Map of ADR stakeholders (currently being graphed)

CLIENTS

- Private customers · 1, 2, 3
- Airlines · 4

CONTACT CHANNELS

1. customer satisfaction surveys;
2. committee for the regularity and quality of airport services;
3. website, social media, TV channels and printed publications;
4. quality detection survey.

EMPLOYEES

- Human resources · 1, 2, 3
- Trade unions · 4, 5

CONTACT CHANNELS

1. programs to strengthen technical and managerial skills;
2. promotion of welfare initiatives;
3. online training to support language skills and digital transformation.
4. pursuant to Law 300/70;
5. Statute of Workers - pursuant to National Collective Labor Agreement (CCNL).

ASSOCIATIONS

- Suppliers of goods and services · 1
- National and international trade associations · 2

CONTACT CHANNELS

1. partnership with Codacons.
2. ongoing contacts, mutual exchanges and digital meetings.

INVESTORS AND THE FINANCIAL COMMUNITY

- Shareholders · 1

CONTACT CHANNELS

1. process of dialogue and involvement of shareholders and potential investors in the main projects carried out by ADR.

INSTITUTIONS

- Central institutions · 1, 2, 3, 4, 5
- Bodies · 6, 7
- International institutions · 8, 9

CONTACT CHANNELS

1. constant telephone contacts;
2. periodic meetings in person and remotely;
3. organization of conferences (e.g. "The Careport") and webinars (e.g. "Green Finance");
4. development and implementation of projects with institutions;
5. ADR as a system subject: collaboration with reference institutions aimed at contributing to Italy's recovery (e.g. safe and innovative travel protocols; health hub);
6. Daily contacts - in person and/or remotely;
7. meetings and/or inspections;
8. strategic mapping and engagement of key stakeholders;
9. meetings in person and remotely with European institutional representatives.

COMMUNITY AND ENVIRONMENT

- Territory and local Institutions · 1, 2, 3, 4

CONTACT CHANNELS

1. constant and periodic meetings with the main representatives of the Fiumicino Municipality Council;
2. implementation of periodic institutional panels;
3. development and implementation of projects with local schools;
4. donations (e.g. 3,000 serological tests, safety shoes).

MEDIA

CONTACT CHANNELS

1. one-to-one meetings and constant remote calls with Italian and international media, and involvement of journalists in the events organized by ADR and in the Group's projects;
2. editorial strategy based on an integrated approach on all media channels to effectively communicate corporate values and objectives;
3. use of owned media for narratives on infrastructural development, traffic recovery, aviation and commercial activities, innovation, sustainability and inclusion;
4. use of social media, in particular LinkedIn, to involve the company population in the process of communicating with the outside world; earned media enhancement.

2.1.1 MATERIALITY MATRIX

Given the central position of stakeholders in the Group's business model and in consideration of the gradual route undertaken towards an integrated information approach, the materiality matrix, in addition to representing a consolidated tool in non-financial reporting, is an essential reference for the development and update of the corporate strategy.

At the beginning of 2021 ADR updated its Materiality Matrix by virtue of the evidence that emerged from both an ad hoc sector analysis and surveys sent to the main internal and external stakeholders.

For further details, please refer to the Materiality Analysis section of the Chapter **Consolidated Non-Financial Statement pursuant to Italian Legislative Decree 254/2016.**

The update of the matrix is consistent, also in light of the events of the last year and a half, with ADR's strong commitment on ESG issues and with the path of integrating sustainability into the business model based, as mentioned, on the desire to build a strategy and an action program starting from listening to the needs and priorities of the stakeholders.

CHART 1

ADR 2021 materiality matrix

ENVIRONMENT

1. Energy efficiency
2. Climate change
3. Water consumption
4. Waste management
5. Airport emissions
6. Noise
7. Circular economy
8. Intermodality and accessibility
9. Biodiversity ecosystem

SOCIAL

10. Airport security
11. COVID-19 response
12. Workers' health and safety
13. Service quality
14. Staff training
15. Equal opportunities and diversity
16. Community involvement

GOVERNANCE

17. Development of sustainable infrastructure
18. Regulatory compliance
19. Management of airport operations
20. Anti-corruption and conflicts of interest
21. Risk management
22. Ideas and innovation
23. Contractual conditions
24. Responsible supply chain management

2.2 Strategy and objectives

2.2.1 BUSINESS STRATEGY

The concept of Careport, which symbolizes the will of the airport system to take care of passenger communities, the territory and the environment in its development, as well as the need for continuous interaction with our stakeholders are the basis for elements that make up the ADR Group's strategy, where the ESG component is now given primary importance in harmony with the attention paid to the quality and development of the programs and plans agreed with the granting administration (ENAC).

Based on this, ADR's strategy is oriented according to 2 integrated focuses, which are in turn channeled into a single new airport model for the pursuit of industrial, economic, and ESG objectives.

INFOGRAPHIC 5

The focus of ADR's development plan

A NEW AIRPORT MODEL

Enhance Rome's connectivity potential with an excellent service	Value generation

- Support and contribute to the decarbonization of the airport sector and the aeronautical industry
- Develop a Sustainable Customer Journey
- Center operations on the circular economy
- Invest in efficient, ecological and biodiversity-friendly infrastructure
- Promote, accelerate and enhance the inclusion and uniqueness of persons in the community and among employees

COMMITMENT

Enhance Rome's connectivity potential with an excellent service

The short / medium term forecasts (industry consensus) still show a variability between the possible traffic scenarios in consideration of the impacts of the pandemic with respect to the timing of the removal of barriers at national borders for international travel, the coordinated European approach on Leisure travel (Digital COVID Certificate) and the reduction of demand for business travel in consideration of the new working methods (remote working) and the NetZero policies widely adopted by the main Italian and international companies.

For this reason, ADR expects the recovery to 2019 traffic volumes through:

- **the development of partnerships** with airlines (Hub carrier; LCC carrier; Long Haul carrier);
- **the expansion of the catchment area**, improving and managing access to the terminals by both private vehicles (car parks), providing an infrastructure that guarantees its use also by electric or hybrid vehicles, and, above all, through the enhancement of connections to/from the city center and other destinations in the catchment area thanks to partnerships and operations oriented towards intermodality and innovation (e.g. intermodal products, infrastructural synergies, Volocopter);
- staying **proactive in guaranteeing safe travel** even beyond the current pandemic period by defining robust health safety measures and protocols oriented towards safe travel and maintaining the primary anti-COVID infrastructures at the airport that have made it possible to continue traveling safely even in the most complex moments of the epidemic.

At the heart of ADR's actions, excellence in the services offered to customers remains crucial (for further details, see the **Customer Experience** section). This is a distinctive element of ADR's actions that has been applied in past years, as certified by the numerous awards obtained, and will continue to be so in the near future.

With regard to infrastructural development, ADR presented an Investment Plan to 2046 to ENAC for a total of 8 billion euros, of which 4 billion for the development of the new east area. The Plan is structured on a **short-term** horizon, which provides for the completion of Fiumicino Sud by 2024, increasing passenger capacity to over 60 million, and in the **long-term** with the construction of a new terminal to the east, through the conversion of the existing infrastructure and with limited land consumption, a new runway and new terminals and boarding areas, thus increasing passenger capacity to 90 million.

The goal for more than 60% of the infrastructures undergoing renovation/construction is to obtain the highest sustainability standards (LEED and BREEAM) by 2030. This is combined with the construction of a Solar Farm and an articulated electric storage system as well as the creation of a hub for electric mobility to enable the replacement of the airside/landside fleet with electric vehicles.

Value generation

The exclusive management of the Rome airport system is based on the concession granted to the Company by Italian Law no. 755 of November 10, 1973, and by virtue of the single deed "Agreement for the management of the Rome airport system and Planning Agreement", pursuant to art. 17, paragraph 34-bis, of Italian Law Decree no. 78/2009, converted into law, with amendments, by Law 102/2009 as amended, and approved by law on December 21, 2012.

This Single Deed, together with three additional deeds that update and amend the original document, governs relations between the concessionaire ADR and ENAC until the expiry of the concession (2044). As part of a broader dialogue with institutions, ADR has obtained, as partial compensation for the losses deriving from the COVID-19 pandemic, a two-year extension of the concession, which is now until 2046. At the same time, in line with EU and national guidelines, discussions continued for the management and provision of measures to support and compensate for the losses caused by the health crisis.

The regulatory framework currently in force, combined with the constant dialogue between ADR and the institutions, provides a consistent set of transparent and stable rules - which will remain valid for the entire residual duration of the concession - and that support the financial sustainability of the development plan for the Roman airport system.

Regulatory model

FESS STRUCTURE: the fee structure is based on criteria recognized at international level in correlation with the costs of infrastructure and services, promoting the efficiency objectives in accordance with Directive 2009/12/EC and Law 27/2012. The fee rules are valid until the end of the concession and are based on:

- "price cap" method ("rab-based"), which correlates the fees with the costs of the services subject to economic regulation;
- "dual till" based on which all the revenue of the commercial activities is kept by the airport company, under the regime of no "cross-subsidies";
- provision of bonuses/penalties when the values recorded concerning environmental and quality indicators are above/below the objectives set with ENAC.

TARIFF REVIEW: the planning agreement defines the methods and timing that govern the tariff update (five-year with annual checks), and the update of the economic-financial plan at the end of the concession (certified by the grantor at the start of each tariff five-year period).

ADMITTED REMUNERATION: : for the current five-year period (second regulatory period: 2017-2021), the real pre-tax WACC (weighted average cost of capital) has been set at 8.52%. For new works of particular strategic and environmental value, the contract provides that the real pre-tax WACC may be increased by up to 4%.

TRAFFIC VARIATIONS: traffic variations with respect to forecasts within a range of +/-5% with respect to the agreed plan will be to the benefit of/charged to ADR. In case of greater variations, 50% of the higher revenue will be set aside for future investments without any impact on tariffs; conversely, 50% of the lower revenue will be included in the costs allowed for the tariff calculations of the subsequent five-year regulatory sub-period. Significant traffic variations can legitimize the request for changes to the planned infrastructural interventions and for a review of the financial balance defined ex-ante for the residual years of the five-year tariff period.

VALUE RECOGNIZED AT THE END OF THE CONCESSION: ADR has the right to receive, at the natural expiration of the concession, a fee equal to the residual value at that date of the investments made, inferred from the regulatory accounts certified by the company.

Furthermore, the Roman airport system is an engine driving Italy's development and a strategic resource for the territory, which helps to generate wealth and stimulate the production of third parties that are directly or indirectly connected with the economic reality of the ADR Group. This is demonstrated by the key values processed in the analysis conducted by PTSCLAS which, taking as reference the values of 2019, estimated an extremely significant impact generated by the Roman airport system, as this is capable of generating 54 billion of wealth and creating direct, indirect and induced employment for 390 thousand people.

A new airport model

The ambition to define a **new airport model** is set out in the 2021-2025 Sustainability Plan, which promptly indicates the areas of action, objectives and implementation times on all ESG issues deemed relevant both by ADR and, above all, by its stakeholders.

The 2021-2025 Sustainability Plan is divided into three main elements:

- **link with the specific targets** defined for each of the 17 sustainable development goals (over 160 targets). On the basis of the analysis of the targets, the areas with respect to which ADR is able to make a significant contribution have been identified;
- in 2021 ADR also confirmed its **support for the United Nations Global Compact** and the 10 principles underlying it;
- **the analysis of the issues considered material** by the internal organization and by external stakeholders.

The Plan includes over 140 operational programs and an articulated KPI structure.

To make its commitment even more transparent and rigorous in 2021, starting from the programs defined in the Sustainability Plan, ADR has drawn up the first Charter of Commitments for sustainability, which can be consulted on the Group's institutional website and with which it undertakes to achieve specific sustainability objectives. The qualifying element of the Plan is the list of activities and projects activated to achieve the Sustainability Performance Targets related to the Sustainability-Linked Bond issue, including the Net Zero Carbon at 2030 (on the emissions over which ADR has direct control).

Following the successful issue of ADR's first Green Bonds in 2020, in April 2021 ADR, in fact, launched Sustainability-Linked Bonds (SLB) for an amount equal to 500 million euros. The first public airport SLB in the world correlates the borrowing costs to specific sustainability objectives which essentially concern commitments related to the reduction of CO_2 emissions of Scope 1 & Scope 2, but also of a specific perimeter of Scope 3. With this operation ADR has confirmed the central role played by sustainability in strategic priorities, and that the Group is ready to pursue ambitious and responsible objectives primarily aimed at reducing climate risk. The green projects listed in the Framework supporting this operation also fall within the categories of interventions in line with the United Nations Sustainable Development Goals (please refer to the **Sustainable Finance Tools** section for further details).

Across the board, ADR is strongly committed to the development and implementation of innovative solutions that it implements through the design of a complex path of open innovation that includes in particular the launch of Call4Ideas, the creation of an Innovation Hub that will host start-ups within the airport (first accelerator in Italy dedicated to the sector) and of the first airport network dedicated to innovation and sustainability. The propensity for innovation is also demonstrated by the interest shown in the new sector of Urban Air Mobility and the related creation of Urban Blue (please refer to the Innovation section for further information).

2.2.2 AREAS OF COMMITMENT

The strategic focuses then find a minimum common denominator in the 5 areas of commitment, which, as already described in the previous paragraphs, guide and characterize ADR's action in line with the new business model.

Support the decarbonization of the airport sector

ADR is at the forefront in the fight against climate change and has anticipated by 20 years, compared to the reference sector, the goal of becoming NET ZERO CARBON, bringing it to 2030 (for the emissions over which ADR has direct control). To achieve this goal, an articulated investment program has been defined which also includes the construction of two large photovoltaic plants of 25 MW and 35 MW. In this perspective, the involvement and awareness of the stakeholders of the airport ecosystem is essential to achieve the objective of an overall reduction of CO_2 emissions other than those over which ADR has control. ADR also extends its commitment to the governance of Scope 3 emissions through the identification of intervention areas aimed at reducing both airborne and surface emissions:

- **SAF readiness** which, also thanks to the partnership signed with ENI in October 2021, aims to make this new generation of fuels available at Fiumicino airport; scheduled flights powered by biofuel took off from Fiumicino as early as October 15, 2021;
- **green accessibility** through the implementation of infrastructures for recharging electric vehicles and the strengthening of railway connections with the city;
- **intermodality**, enhanced through the activation of new travel solutions and connection with the catchment area;
- **SESAR program**[2] in order to make aircraft ground operations more efficient;
- **advocacy with ADR partners** and with the main market players to identify and implement innovative and sustainable solutions in a systemic manner.

In this context, the use of innovative actions is fundamental: ADR participates in the Pioneer project together with Enel X, which envisages the construction of an innovative 10 MWh storage system based on electric vehicle batteries that have reached their second life cycle and will be used to absorb the excess energy produced by the photovoltaic system under construction and cover any evening peaks in the airport's energy demand. The system will help to drastically reduce the emissions of the largest Italian airport hub.

SOME **Environmental** KEY TARGET

- **- 14%**
  CO_2 emissions (scope 1 & scope 2) from 2012 to 2019
- **First in Europe**
  to become airport carbon accreditation 4+ in 2021
- **-40%**
  Kwh/passenger*m2 from 2012 to 2019

[2] *The SESAR Program (Single European Sky Air traffic management Research) is the technological pillar of the single European sky. This Program aims to improve the performance of air traffic management by modernizing and harmonizing management systems through the definition, development and dissemination of innovative technological solutions and standardized operational processes.*

Sustainable passenger journey

ADR has developed an integrated vision of the concept of sustainability directly linked to the passenger's travel experience. In this context, listening to passenger needs and providing consistent and optimal levels of service are central. Also from the point of view of environmental sustainability, ADR is committed to optimizing the entire travel experience starting from the airport access phase in which initiatives have been activated to encourage low-impact forms of access: development of accessibility by train or by electric vehicles. Even in the transit phase at the terminals, programs are underway to make the travel experience ever greener. In particular, the project to make the airport plastic free is at an advanced stage: single-use plastic has already been eliminated in the refreshment points and the bags in the points of sale are made of recyclable materials. Another example of this commitment is the installation of points where the passenger, if desired, has the possibility to offset the CO_2 emissions of their flight. At the end of the process, ADR is committed to reducing CO_2 emissions from ground operations through a program for the electrification of runway vehicles and the optimization of aircraft taxi times.

Circular economy

The management of a large airport, from the point of view of possible environmental impacts, is comparable to the management of a medium-sized city. In this context, ADR aims to systematically reduce its environmental footprint, ensuring a rational and sustainable use of resources, creating infrastructures aligned with the best international sustainability standards and developing a circular use of resources.

ADR aims to become a "circular" airport that generates the minimum possible waste, minimizing the production of waste and ensuring its complete reuse. This commitment is substantiated in three main directions:

- recovery of waste produced in airports, thanks to a door-to-door waste collection system at differentiated rates and systematic collaboration with operators. Thanks to this approach it was possible to reach very high percentages of waste sent for recovery (99% in 2021 in FCO);
- circular use of waste, thanks to: i) the self-composting plant that allows the recovery of 1,000 tons of organic waste (quantity equivalent to the annual production before the health crisis), ii) the compactors present in the terminals that allow the recovery of plastic, iii) the plan for the reuse of excavated earth and rocks (580,000 cubic meters of excavated earth completely reused within the airport grounds);
- minimization of drinking water consumption, thanks to the "dual" water distribution network of Fiumicino which allows drinking water to be used only for the uses for which it is indispensable, using industrial water, coming from recycling or collection, for use in fire protection, supply of toilet waste cisterns, etc. This solution has made it possible to constantly reduce the consumption of drinking water by using, where possible, industrial water from recovery.

SOME KEY TARGET ON
Circularity

- **Quadrupled**
  the percentage of waste sent for recovery from 2012 to 2019
- **-29%**
  drinking water consumed per passenger from 2012 to 2019

Green Infrastructures and Biodiversity

For ADR, the development of an infrastructural system that allows it to provide its stakeholders with services aligned with the best international standards is the main strategic priority. In this context, the principles of sustainability are structurally included in all phases of the design, construction, management and maintenance process of the Capital's airport system. In particular, two issues take on particular importance and can be considered symbolic of ADR's commitment to ensure the full sustainability of the Leonardo da Vinci airport development plan:

- develop the level of sustainability of the infrastructures by constantly guaranteeing and optimizing their environmental, economic and social performances;
- ensure the protection and development of ecosystems adjacent to the airport by guaranteeing, in an integrated manner, the improvement of biodiversity with the generation of positive socio-economic effects and a contribution to offsetting CO_2 emissions.

GREEN INFRASTRUCTURES

In 2021, ADR continued to develop a major new component of the airport infrastructure: Pier A and its front building, infrastructures that were designed and built according to the most advanced sustainability standards: LEED® GOLD (Leadership in Energy and Environmental Design).

At the same time, it set up a roadmap to ensure the development of the sustainability levels of its infrastructure system based on a rigorously scientific and quantitative approach founded on the most authoritative certification systems at international level: LEED® and BREEAM® (Building Research Establishment Environmental Assessment Method). It is important to specify that the indexes adopted evaluate the sustainability of the infrastructures with a "holistic" approach: energy efficiency, CO_2 emissions generated, circular approach to the management of materials even in the construction phase, management of suppliers and impact of the works on the socio-economic context of reference.

The progress of the certification activities will be monitored through the "green infrastructures" indicator which represents the total of terminal surfaces certified at the observation date, weighted according to the level of certification actually achieved, compared to the total of terminal areas.

THE PROGRAM ENVISAGES, STARTING FROM THE BASE YEAR 2019 IN WHICH THE SYNTHETIC VALUE OF THE INDEX STANDS AT A VALUE OF APPROXIMATELY 4%, TO REACH A VALUE OF AT LEAST 60% OF CERTIFIED TERMINAL INFRASTRUCTURES BY 2030. BY 2046, THE YEAR OF THE END OF THE CONCESSION, THE SYNTHETIC INDEX WILL BE OVER 80%.

PROTECT BIODIVERSITY

ADR accepts the challenge linked to the problems deriving from climate change, by contrasting the loss of biodiversity as well. To this end, it provides, in its development plan, protective measures and effective management of this aspect.

In fact, the planning of interventions for the territory aimed at safeguarding and strengthening the natural balance of the territorial context is integrated within the infrastructure development programs. With this in mind, a detailed environmental analysis was developed through the application of specific indices and the construction of a correlated territorial information system. The index that allows a synthetic estimate of the environmental quality of the areas analyzed is the ILC (index of landscape conservation - Pizzolotto & Brandmayr) which, starting from the index of vegetation naturalness (IVN), allows the state of conservation of the territory to be obtained on the basis of the coherence or lack of it between the ground cover and the corresponding potential natural vegetation.

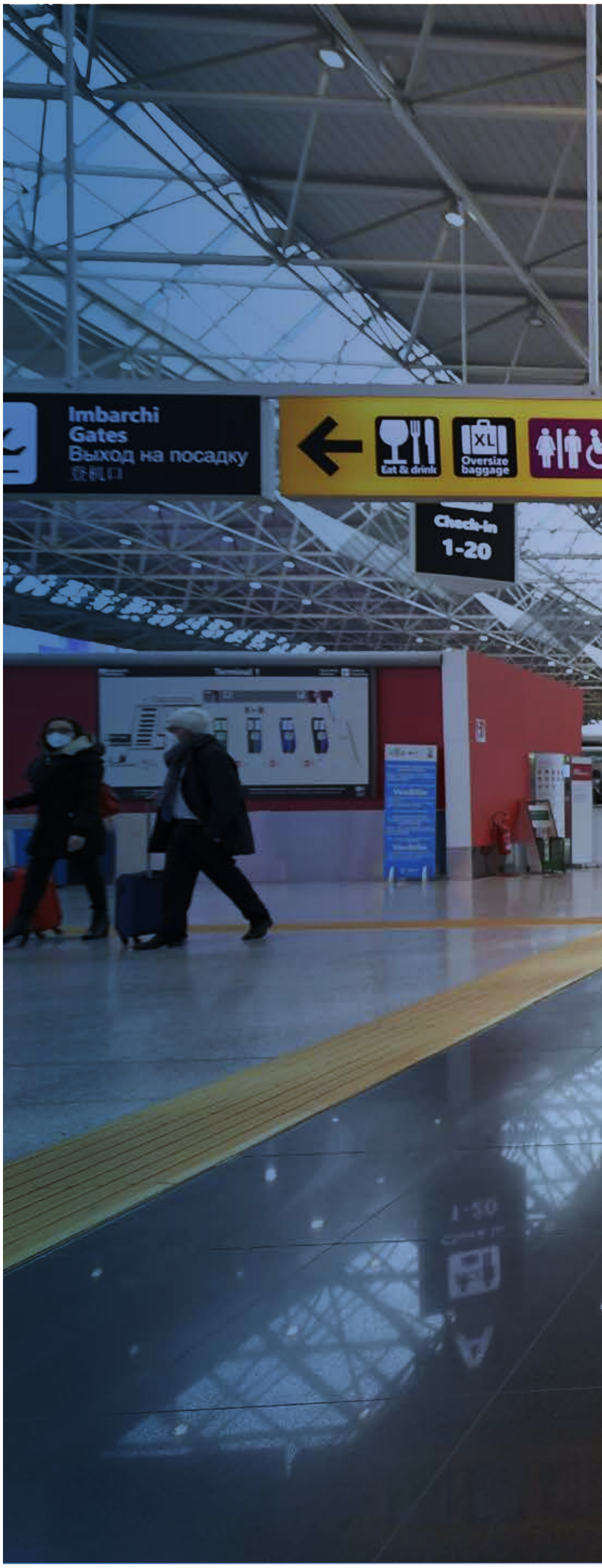
Starting from the analysis of these indices, ADR has defined, with objective and measurable criteria, the conservation status, from the ecosystem point of view, of the areas adjacent to Fiumicino airport in the "ante operam" phase with the aim of defining a path that ensures an improvement of this index in parallel with the implementation of the infrastructure development plan. It is important to underline that the planned interventions give significant benefits, not only with regard to the protection of biodiversity, but also on numerous other sustainability fronts; in particular: the fight against climate change; the protection of natural resources including air and water; positive impacts on the social and economic context.

Promote, accelerate and enhance the inclusion and uniqueness of persons in the community and among employees

People are at the center of ADR's development strategy: the airport workers, passengers and customers who use airport services and infrastructures, local communities and commercial partners are the main point of reference for defining ADR strategies. In this context, the commitment of the whole Group to service quality plays a central role, just like the support, engagement and listening for workers with the aim of consolidating the level of closeness to staff, as well as listening to and supporting the local communities that reside - in the widest possible sense - in our airports.

SOME KEY TARGET ON
People

- IN 2021, **17 MEETINGS** WITH THE EMPLOYEES OF ALL THE COMPANIES OF THE ADR GROUP, ATTENDED BY AROUND **470 PEOPLE**, TO MAINTAIN PROXIMITY AND CLOSENESS BETWEEN ADR'S PEOPLE, CREATE OPPORTUNITIES FOR MANAGEMENT TO LISTEN AND ILLUSTRATE THE MOST RELEVANT ISSUES CONCERNING THE WORKING REALITY.

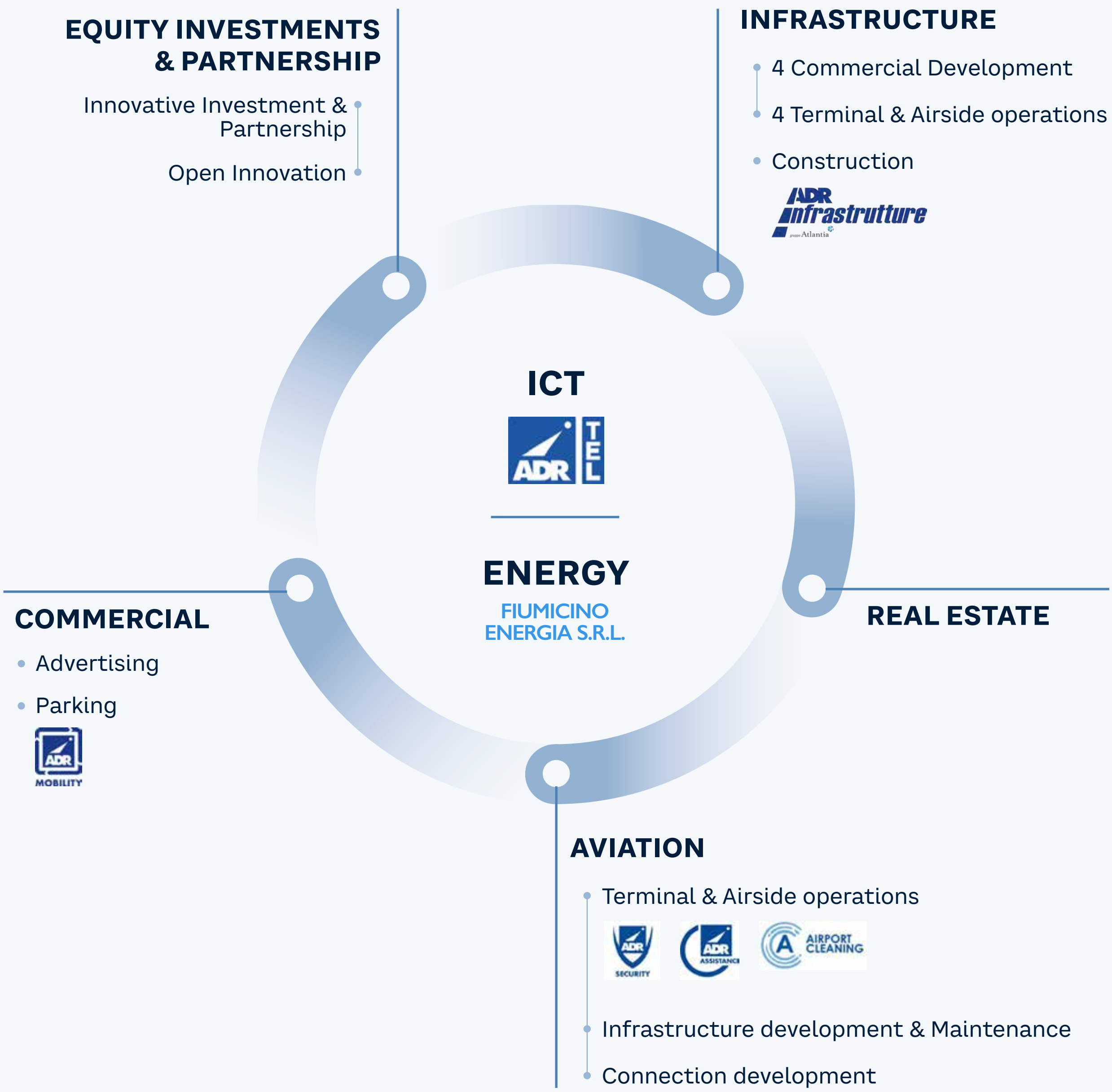


Leonardo da Vinci Airport - Terminal 1

2.3
The model

INFOGRAPHIC 6

The organizational and business model of the ADR Group



Aviation

The Aviation sector, coordinated by the Business Unit (BU) of the same name, manages the **core business** of the Company and at an organizational level includes, starting from 2021, the Aviation Business Development department.

The BU has the main task of **assisting passengers** and **airlines** engaged in aeronautical activities for airport needs, guaranteeing the safety, quality and punctuality of flights, through the use of the best available technologies, and coordinating the activities relating to the movement and parking of aircraft in terms of safety, regularity of service, quality and environmental protection.

Commercial activities

The commercial activities, coordinated by the BU of the same name, include the retail sales activities of the shops at the airport through the sub-concession of activities to third-party specialized operators. Airport advertising and real estate activities are also managed.

Its action is divided into:

- **commercial activities** under sub-concession which include shops, bars, restaurants and other services offered to passengers at the Rome Fiumicino and Ciampino airports divided into the following product macro-categories: **core categories, specialist retail, food & beverage and commercial passenger services**;
- **advertising**, business relating to the sale of advertising space inside and outside the Fiumicino and Ciampino airport system;
- **Real Estate** collaborates in defining the Group's real estate enhancement and development strategy, also in coordination with the Aviation BU. In addition, it ensures the effective and efficient allocation of real estate assets, the planning and marketing of real estate development initiatives.

All the projects of this function are conceived through the principle of regeneration, limiting land consumption and contributing to the enhancement of the Fiumicino and Ciampino airport systems, in line with the high levels of service already provided and perceived today. Furthermore, attention to environmental sustainability is an essential driver of both development initiatives, using the tool of energy certifications, as well as real estate management activities.

Infrastructural development

The Infrastructure BU has the task of coordinating ADR's infrastructure development activities and is guided, not only by the objective of supporting the growing demand for traffic by improving the operational efficiency of the airports but also by improving and renovating existing infrastructures, guaranteeing high standards of safety and service as well as compatibility with the objectives of reducing the environmental impact.

In particular, the Masterplan 2046, in harmony with the principle of the circular economy, assumes as a resource to be included in the construction process the materials produced by the building demolitions necessary for the realization of the new configuration, providing for the recovery / reuse of at least 80% of the resulting materials. From the point of view of production from renewable sources, the key solutions envisaged by the Masterplan 2046 reside in the construction, on the one hand, of two solar farms for a peak photovoltaic power of up to 60 MWp, by 2030, and 110 MWp, by 2044, and, on the other hand, electrochemical energy storage systems (Li-Ion batteries).

Also in the field of mobility, the MP2046 initiative will be able to make an important contribution with the construction of a new infrastructure dedicated to the recharging of plug-in electric vehicles, capable of powering - by 2030 - as many as 7,000 charging points serving the car parks dedicated to passenger and operator cars, taxis / rental cars with drivers, shuttle buses, rent-a-cars, car sharing.

Chapter 3

Risks and opportunities

Chapter 3

The information required by art. 123-bis paragraph 2, letter b) of Italian Legislative Decree no. 58 of February 24, 1998 ("TUF") to be understood as a Report on corporate governance and ownership structures in compliance with the legislation in question is reported in the following section.

It should be noted that the Company, having not issued shares admitted to trading on regulated markets or multilateral trading systems, has applied the option provided for by paragraph 5 of art. 123-bis of the TUF to omit the publication of the information referred to in paragraphs 1 and 2, without prejudice to that provided for by paragraph 2, letter b), of the same article of the TUF.

3.1 Risk management system

The correct management is a fundamental element for ADR to maximize opportunities and reduce the potential losses associated with unexpected events, preserve the creation of economic value in the long-term and protect the tangible and intangible assets of interest of the stakeholders.

The Group has adopted a preventive approach to risk management, by means of a structured Risk Management process, to direct choices and activities of the management, with the belief that a suitable process of identification, measurement, management and monitoring of the main risks contributes to guaranteeing that the company is run smoothly, correctly and in line with the strategic objectives.

In 2020 and 2021, in order to further strengthen the monitoring of the risk management issue:

- a new methodology and a new Enterprise Risk Management process were defined, in line with the plan objectives and investments;
- the Risk Governance & Compliance function was set up, reporting directly to the Managing Director, with the aim of enabling synergies between the various players in the internal control and risk management system and integrate risk management with compliance requirements;
- a Control, Risk and Sustainability Committee was set up with the task of supporting and ordering the assessments and decisions of the Board of Directors concerning sustainability issues and the internal control and risk management system;
- risk management metrics have been included in management's variable remuneration systems, with the aim of further strengthening the risk culture within the organization.

Leonardo da Vinci Airport – Front building of boarding area E

3.2 Mapping risks and related control measures

The strategic approach to the risk management system can be summarized mainly as the activities performed by:

- Board of Directors, which defines the nature and level of risk compatible with the strategic objectives (Risk Appetite), and the related response strategies (Risk Response);
- top management of ADR, which pursues the corporate objectives in compliance with the guidelines defined by the Board of Directors and made operational by the Risk Officer who, together with the Heads of the corporate structures (Process Owners), carries out specific analyses, evaluation and risk monitoring in line with the risk appetite expressed by top management.

In particular, the Enterprise Risk Management process is structured as follows:

- preparation/updating of the Risk Appetite Framework, i.e. the organization's propensity to risk and the related response strategy for each applicable risk category;
- preparation/update of the Risk Catalogue and related measurement (so-called risk assessment). This phase, which involves ADR Risk Officer and Risk Owners, provides for the identification and assessment of risks, as well as the identification of the Company's Top Risks and of any corrective action taken or to be taken to align the level of residual risk with the risk appetite defined;
- periodic review of risk management activities in the Control, Risk and Sustainability Committee;
- approval by the Board of Directors of the results of the Risk Assessment and the related mitigation actions.

Below is a summary of the main risks to which the ADR Group is exposed.

TABLE 1

Main risks of the ADR Group: Strategic

Risk Factor	Description	Impacts	Risk response
Change in the demand for air transport	**Risks related to the evolution of the air transport market**, which may also derive from the economic situation and/ or from health emergencies	◆ Particularly significant effects on long-term performance, thereby resulting in changes to ADR Group's development policies	**I.** monitoring macroeconomic and socio-political dynamics of the markets and scenario analysis **II.** attractiveness of airports **III.** diversification and development of the carriers / markets portfolio
Dependence on key carriers	**Risks related to excessive dependence on key carriers**	◆ Negative short and long-term effects on the economic performance of the ADR Group	
Reputation	**Risks deriving from a negative perception of the organization's image** by relevant internal or external stakeholders	◆ Reputational damage with deterioration in relations with stakeholders and attention from national / international media and press	**I.** effective communication process for safeguarding and improving the image and the brand, also through specific monitoring and control activities **II.** systems for monitoring and verifying the progress of the quality of services **III.** corporate sustainability plan IV. coherence between investments and public needs
Climate change	**Risks related to climate change and the carbon footprint** of the organization and its assets	◆ Reputational damage, devaluation of assets and lower profitability as well as failure to achieve the objectives of reducing emissions and achieving carbon neutrality	**I.** Net Zero Carbon goal in 2030 for Scope 1 & 2 emissions **II.** certified emissions measurement system (ACA 4+ certification), maintenance of Carbon Neutral status until 2030 **III.** actions aimed at reducing Scope 3 emissions **IV.** investments to maximize the resilience of infrastructures to extreme weather events and the risks associated with rising sea levels

TABLE 2

Main risks of the ADR Group: External

Risk Factor	Description	Impacts	Risk response
Evolution of the regulatory framework	**Risks deriving from changes in the reference regulatory framework at national and/or international level**	◆ Property and economic damage potentially due, for example to the revision of the tariff system and/ or to higher costs for adaptation to changes in the reference context	**I.** impact mitigation actions by monitoring the regulatory and legislative context at national and international level, legal / economic benchmarking activities and quantitative assessment of any changes to the tariff dynamics
Extreme weather events	**Risks arising from extreme weather events and natural disasters**	◆ Plane crashes, damage to persons, property, equipment and infrastructure of ADR and third parties	**I.** procedures, protocols and emergency plans in compliance with the reference legislative and / or regulatory requirements **II.** cooperation and coordination activities with stakeholders (e.g. local authorities and landowners)

TABLE 3

Main risks of the ADR Group: Compliance

Risk Factor	Description	Impacts	Risk response
Rules, regulations and ethical principles	**Risks related to the violation of rules and regulations, ethical principles by employees, suppliers, partners**	◆ Criminal and administrative sanctions, initiation of the procedure for forfeiture of the concession, reputational damage, etc.	**I.** organizational model of control and monitoring for compliance with the regulations, current legislation and ethical standards of the Company (MOG 231, Code of Ethics, Anti-corruption Policy, Report management policy, ADR Policy on Diversity, Equality and Inclusion) **II.** Operating in sectors and with partners compatible with the Group's ethical standards
Health, safety and environment	**Risks related to health, personnel safety and environmental protection** (waste, soil water contamination, noise pollution)	◆ Accidents to people, economic, criminal and administrative sanctions as well as impacts on corporate reputation	**I.** continuous monitoring of the reference regulatory context **II.** compliance with obligations and continuous improvement / alignment with best practices in the field of Health, Safety and the Environment **III.** adoption and certification of Health and Safety in the Workplace Management Systems

TABLE 4

Main risks of the ADR Group: Operational

Risk Factor	Description	Impacts	Risk response
Air transport security	**Risks for the safety of people and means of transport** in airport operations (ground/airside) (pandemic emergency management, terrorism)	◆ Plane crashes, damage to persons, property, equipment and infrastructure of ADR and third parties	**I.** organization of safety and security systems and procedures of which by way of example: ◆ safety management system ◆ staff training ◆ airport emergency plans ◆ monitoring of compliance with safety and security standards
Cybercrime	**Risks of loss, theft, modification, disclosure of or unauthorized access** to company data	◆ System unavailability with consequent blockage of airport operations, theft of sensitive or confidential data, fraud	**I.** cybersecurity tools and procedures and business continuity and disaster recovery plans for ICT systems
Business continuity	**Risks related to the unavailability of people, infrastructures and/or systems** (e.g. malfunction of a plant or critical IT system)	◆ Effects on the provision of services and on business activities, compromising the achievement of company objectives	**I.** planning and execution of preventive and scheduled maintenance activities on all types of infrastructures and systems **II.** direct supervision of the maintenance of strategic facilities **III.** continuous improvement of systems, infrastructures and procedures to guarantee the continuity of airport operations **IV.** system of industrial relations and trade union policies **V.** business continuity and disaster recovery plans for ICT systems

TABLE 5

Main risks of the ADR Group: Financial

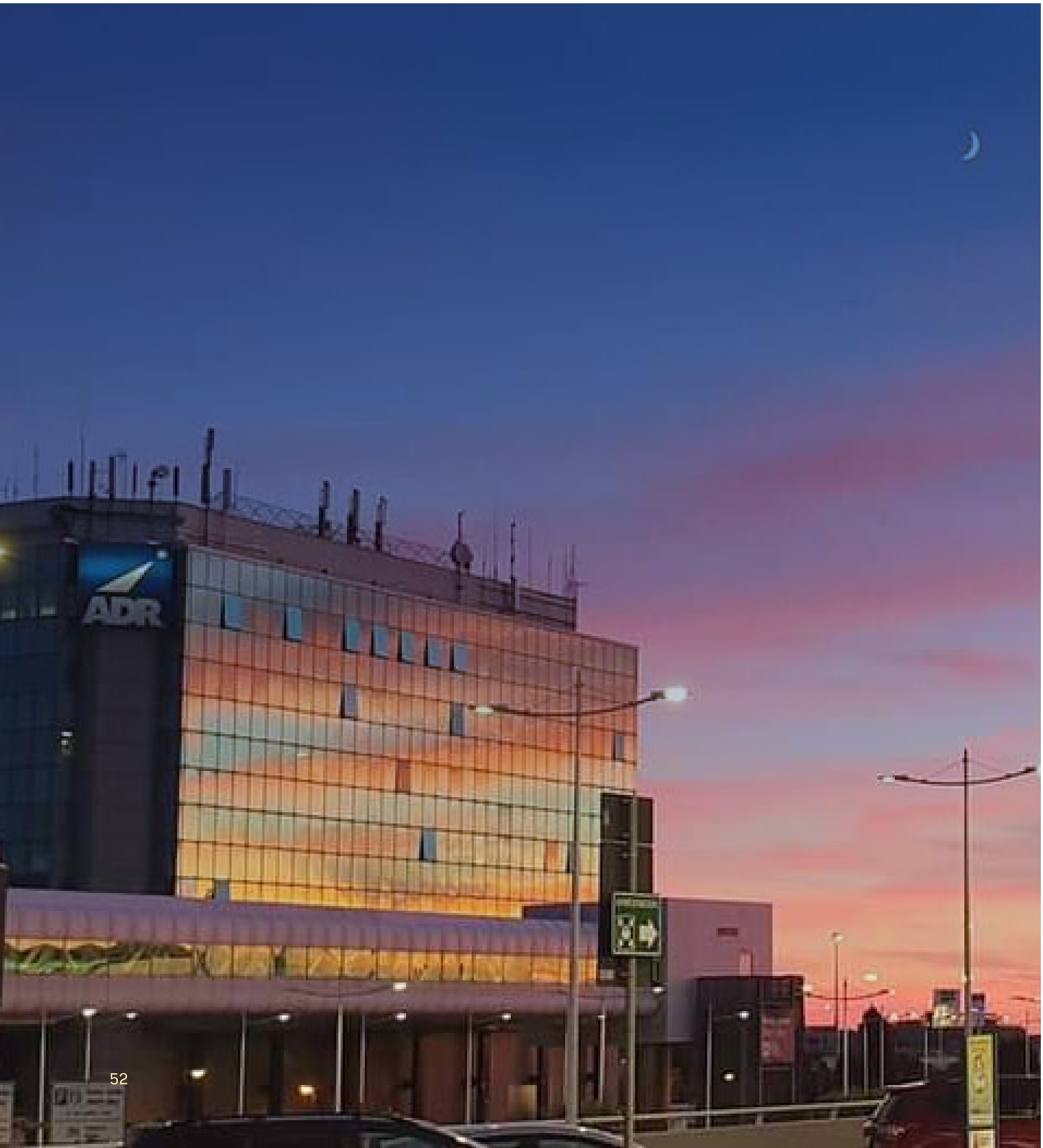
Risk Factor	Description	Impacts	Risk response
Liquidity	◆ **Risks deriving from inadequate financial planning / management** with excess liquidity or tensions on the availability of liquidity or risks associated with difficulty / inability to contract or refinance the debt to secure the necessary financing for organic growth and/or face financial commitments ◆ **Risks associated with failure to comply with the obligations to perform/not perform** (including financial covenants) and/or the conditions of use provided for in financial contracts	◆ worsening of the ability to meet current commitments and invest in the maintenance and development of airport infrastructure ◆ impossibility of repaying maturing financial debts, with potential declaration of "default" by the lending institutions (see below) ◆ lack of usability of the sources of financing ◆ limitations on operations (according to the provisions of financial contracts) ◆ declaration of "default" by the lending institutions with the activation of coercive actions that may go as far as requesting early full repayment of the loans concerned	**I.** monitoring and forecasting of short and long-term prospective financial requirements **II.** monitoring of capital market conditions **III.** refinancing of borrowings well in advance of the contractual due dates **IV.** diversification of the sources of financing **V.** in times of financial tension, increase in the liquidity reserve **VI.** monitoring the commitments and due dates set by the financial contracts **VII.** periodic and preventive assessment of the performance of the financial covenants and early activation of any corrective actions (e.g. request for a covenant holiday)
Interest Rates	**Risks associated with the change / volatility of interest rates**	◆ increase in the borrowing costs, with an impact on the level of financial charges and on the value of financial assets and liabilities	**I.** using "derivative" instruments (interest rate swaps) **II.** borrowing at a fixed rate
Exchange Rates	**Risks associated with the change / volatility of exchange rates**	◆ increase in the face value in euro of obligations in foreign currency assumed by the company (debts, commitments, contracts, investments, etc.) ◆ decrease in the face value in euro of obligations in foreign currency assumed by third parties towards the company (receivables, contracts, etc.)	**I.** assumption of obligations and commitments preferably in euros **II.** use of so-called "derivative" instruments (currency swaps) to hedge financial liabilities in foreign currency
Credit and counterparty	**Risks related to the assignment of commercial counterparties**, to the monitoring and recovery of the related receivables	◆ incurring the costs of monitoring and recovering non-performing exposures ◆ write-down of receivables with impacts on the income statement ◆ default of the counterparties	**I.** using databases for screening counterparties in the assignment phase **II.** obtaining suitable collateral guarantees (deposits / guarantees or sureties) or, alternatively, "spot" or advance payment **III.** periodic and continuous monitoring of credit positions, with the support of the "credit committee"
	Risks associated with the possible default of financial counterparties	◆ default of the counterparties ◆ loss of value of liquidity investments	**I.** preferential use of financial counterparties with a high credit standing **II.** compliance with the absolute concentration limits and by rating class provided for by the policies in force **III.** continuous monitoring of the creditworthiness of financial counterparties

Chapter 4

Governance

Chapter 4

4.1
The Group's structure



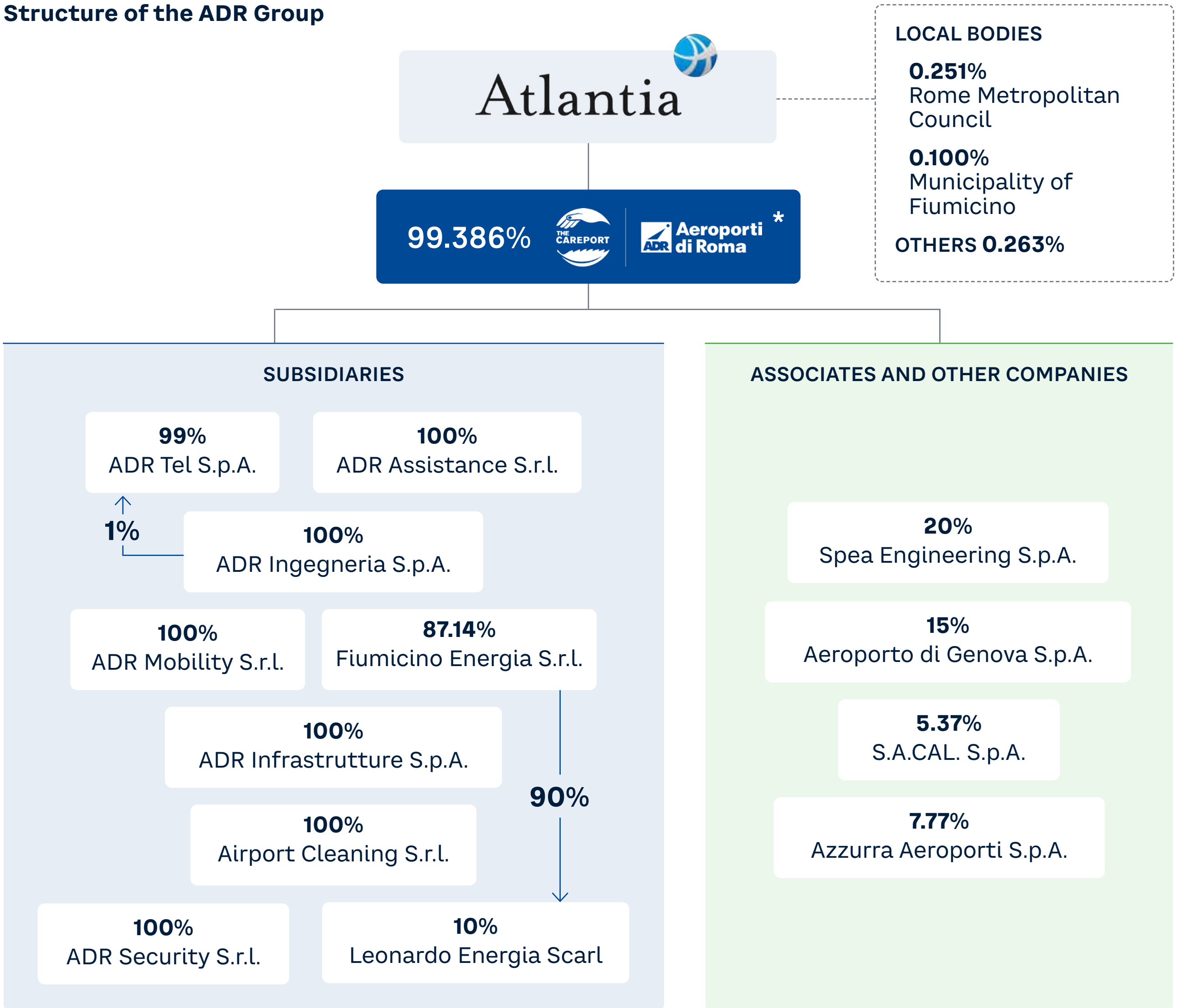
ADR manages the two airports on the basis of the terms and conditions set forth in the **concession contract** signed with the regulator (ENAC) in 2012, expiring on June 30, 2046, which establishes the methods by which ADR and ENAC agree and update the Airport Development Plan and provides for a content update mechanism based on the actual evolution of traffic. In addition, the agreement also obliges the Company to guarantee the ordinary and extraordinary maintenance of airport infrastructures and facilities. ADR fulfills this obligation directly or through qualified external companies.

ADR does not manage flight control and assistance activities, aeronautical handling activities and aircraft refueling.

The ADR Group is structured according to a matrix and interconnected logic through which it distributes and manages the main operations connected to its business model (see section **The model**) through its subsidiaries.

INFOGRAPHIC 7

Structure of the ADR Group



(*) ADR S.p.A. also hold a 0.99% share in Consorzio Autostrade Italiane Energia (CAIE) and a one thousand euro share in the capital of Convention Bureau Roma e Lazio Scrl.

4.2 Governance model

ADR's governance system is based on the traditional organizational model consisting of the Shareholders' Meeting, the Board of Directors, the Board of Statutory Auditors (in which three permanent members are appointed by the Minister of Economy and Finance - acting as Chairman - the Minister of Sustainable Infrastructures and Mobility and the Minister of Economic Development), the Independent Auditors and the Supervisory Board (pursuant to Italian Legislative Decree no. 231/2001).

Article 16 of the Articles of Association requires a member of the Board of Directors to be appointed jointly by the Local Authorities that are members of the Company.

BOARD OF DIRECTORS

The Board of Directors[3] was appointed by the Shareholders' Meeting of April 16, 2019 for the financial years 2019-2021 (until approval of the financial statements at 12.31.2021).

TABLE 6

Composition of the Board of Directors as of 12.31.2021

Name	Appointment	Office
Catricalà Antonio	Atlantia S.p.A.	Chairman (until 02.23.2021)[4]
De Vincenti Claudio	Atlantia S.p.A.	Chairman (since 03.30.2021)[5]
Troncone Marco	Atlantia S.p.A.	Managing Director
Angela Carla	Atlantia S.p.A.	Vice Chairwoman (since 03.4.2021)[6]
Barracco Tommaso	Atlantia S.p.A.	Director
Benetton Christian	Atlantia S.p.A.	Director
De Bernardi Di Valserra Elisabetta	Atlantia S.p.A.	Director
Ferrino Beatrice	Atlantia S.p.A.	Director
Panfilo Francesco	Atlantia S.p.A.	Director
Rossi Nicola	Atlantia S.p.A.	Director

[3] *The ADR Shareholders' Meeting of April 27, 2021 determined the number of members of the Board of Directors to be 10, including the non-appointed Director designated by the local Authorities.*

[4] *On February 24, 2021, the President Prof. Antonio Catricalà prematurely passed away.*

[5] *On April 27, 2021, the Shareholders' Meeting resolved to appoint, until the approval of the financial statements at December 31, 2021, as Director and Chairman of the Company, Prof. Claudio De Vincenti, already co-opted and appointed Director and Chairman in the Board of Directors of March 30, 2021.*

[6] *On March 4, 2021 the Director Prof. Carla Angela, pursuant to art. 17 of the Articles of Association, was appointed Vice Chairwoman of the Company by the Board of Directors.*

BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors was appointed at the Shareholders' Meeting of April 16, 2019 for the financial years 2019-2021 (until approval of the financial statements at 12.31.2021).

TABLE 7

Composition of the Board of Statutory Auditors as of 12.31.2021

Name	Appointment	Office
Tolone Cosimo Giuseppe	Min. Economy and finance	Chairman
De Falco Pasquale	Min. Sustainable Infrastructures and Mobility	Statutory Auditor
De Filippo Maurizio	Min. Economic Development	Statutory Auditor
Bonura Alessandro	Atlantia S.p.A.	Statutory Auditor
Vietti Pier Vittorio	Atlantia S.p.A.	Statutory Auditor
Follina Francesco	Atlantia S.p.A.	Alternate Auditor
Regoliosi Carlo	Atlantia S.p.A.	Alternate Auditor

On January 14, 2020 and February 10, 2021, three Board Committees were established, with advisory functions to the Board of Directors. More specifically:

- the Investment Committee which has the task of examining the most significant investment proposals, with a value exceeding the threshold of the powers conferred on the Managing Director, to be presented for the approval of the Board of Directors;
- the Control, Risk and Sustainability Committee with the task of supporting and ordering the assessments and decisions of the Board of Directors concerning internal control and risk management system;
- the Human Resources Committee which has the task of supporting and ordering the assessments and decisions of the Board relating to both the remuneration policies and the incentive plans aimed at increasing the motivation and loyalty of directors, executives and top management.

The composition of the Committees described above is shown below:

INVESTMENT COMMITTEE

The Investment Committee was appointed by the Board of Directors on January 14, 2020 for the financial years 2020-2021 (until approval of the financial statements at 12.31.2021).

Name	Office
Panfilo Francesco	Chairman
Barracco Tommaso	Member
De Bernardi Di Valserra Elisabetta	Member

CONTROL, RISK AND SUSTAINABILITY COMMITTEE

The Control and Risk Committee was appointed by the Board of Directors on January 14, 2020 for the financial years 2020-2021 (until approval of the financial statements at 12.31.2021). The Board of Directors of March 4, 2021 integrated the duties of the Committee by redefining it as the Control, Risk and Sustainability Committee.

Name	Office
Rossi Nicola	Chairman
Ferrino Anna Beatrice	Member
Angela Carla	Member

HUMAN RESOURCES COMMITTEE

The Human Resources Committee was appointed by the Board of Directors on February 10, 2021 for a term equal to that of the current Board of Directors.

Name	Office
Rossi Nicola	Chairman
De Bernardi Di Valserra Elisabetta	Member
Panfilo Francesco	Member

Relations with the parent Atlantia S.p.A.

On October 15, 2021 Atlantia S.p.A. - which owns 99.386% of the share capital, the remainder is divided between the local bodies (pursuant to Council of Ministers Presidential Decree 25/2/1999) and other minor shareholders (with an overall stake of 0.264%) - informed ADR that its board of directors, on October 14, following the redesign of the organizational, functional and managerial structure that led Atlantia to focus on the core businesses of portfolio management, strategy, risk, talent, partnership, innovation and sustainability, as well as following the redefinition of relations with operating subsidiaries to which full management autonomy is reserved , it resolved to terminate the exercise of management and coordination activities towards ADR.

However, the termination of the management and coordination activity did not invalidate those Policies and Guidelines aimed at (i) allowing Atlantia to fulfill the obligations of preparing the consolidated financial statements and forecast data, the obligations set out in the TUF and the Corporate Governance Code, as well as (ii) allowing the monitoring of those operational, compliance and financial risks that may have an impact at the level of the entire Group.

In turn, ADR "manages and coordinates" its subsidiaries, ADR Tel S.p.A., ADR Assistance S.r.l., ADR Mobility S.r.l., ADR Security S.r.l., Airport Cleaning S.r.l., ADR Infrastrutture S.p.A., ADR Ingegneria S.p.A, Fiumicino Energia S.r.l and Leonardo Energia S.c.a.r.l.

Intragroup and related party transactions

All transactions with parents, subsidiaries and other related parties were carried out on an arm's length basis.

With reference to intragroup and related party transactions, please see Note 10 of the Consolidated financial statements and Note 9 of the Separate financial statements.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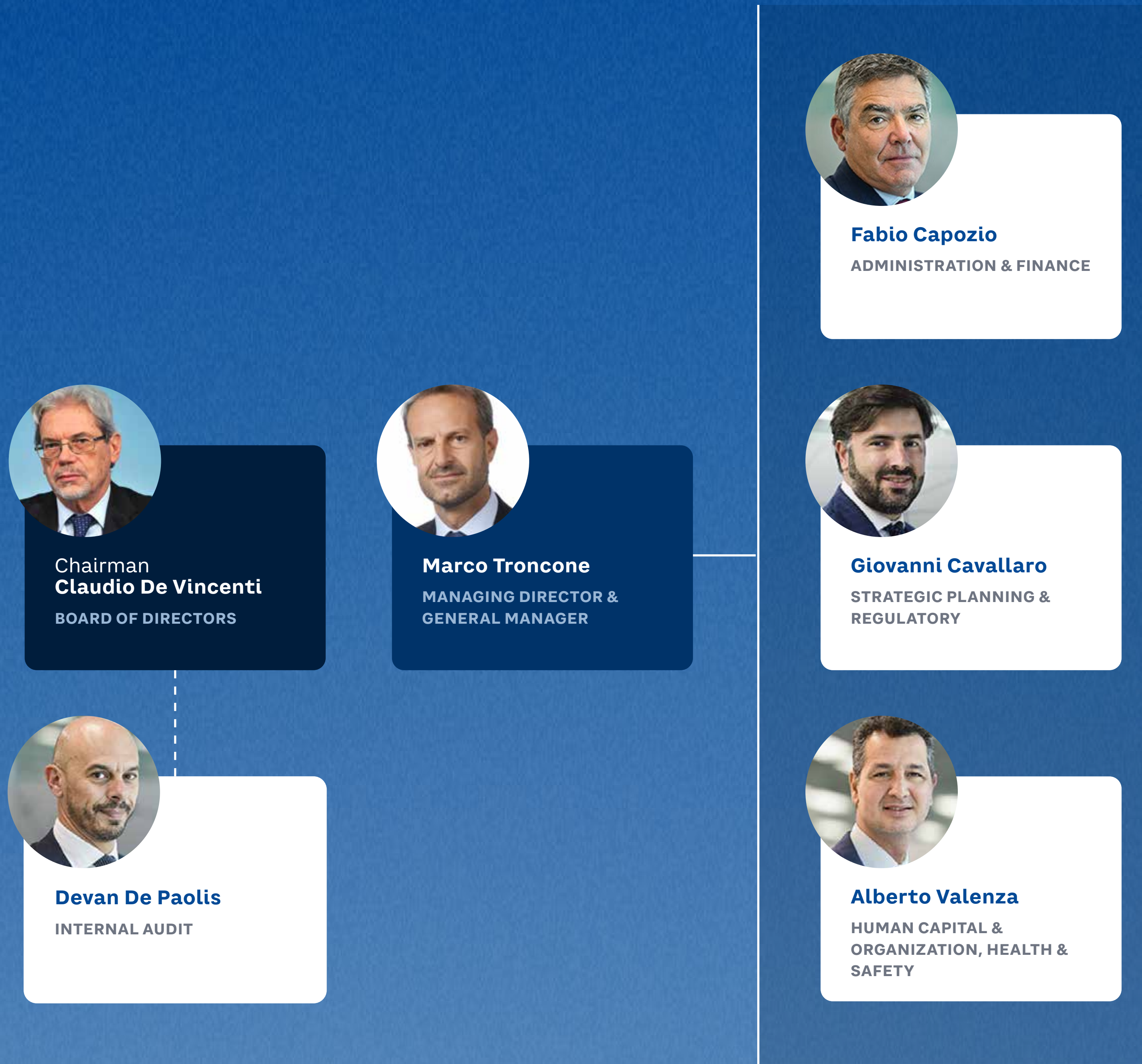
4.3 Management

INFOGRAPHIC 8

ADR S.p.A. organizational chart



Gabriele Di Cintio
PROCUREMENT & LOGISTIC

Lorenzo Rinaldi
RISK GOVERNANCE & COMPLIANCE

Ivan Bassato
BU AVIATION

Emanuele Calà
INNOVATION & QUALITY

Veronica Pamio
EXTERNAL RELATIONS & SUSTAINABILITY

Marilena Blasi*
BU COMMERCIAL

Emiliano Sorrenti
INFORMATION & COMMUNICATION TECHNOLOGY

Primiano De Maria
LEGAL & CORPORATE AFFAIRS

Giorgio Gregori
BU INFRASTRUCTURES

**Appointed after December 31, 2021*

The current corporate organization, approved by the Company's Board of Directors on May 11, 2021 sees the presence of **3 Business Units** with full accountability of the Business Critical corporate areas:

- the **Aviation BU** includes within its scope all the activities and processes relating to the aeronautical world, as well as those directly and indirectly connected with air transport. The governance of the subsidiaries ADR Security, ADR Assistance and Airport Cleaning falls within the scope of the Aviation BU;
- the **Commercial BU**[7]; includes all the activities in the Retail, Food & Beverage, Core Categories, Advertising and Real Estate sectors as well as the governance of the subsidiary ADR Mobility for full accountability of non-aviation revenue;
- the **Infrastructures BU** includes the management of the entire infrastructure development process, also through the inclusion in this scope of a governance of the subsidiaries ADR Ingegneria S.p.A. and ADR Infrastrutture S.p.A.

The evolution of the organizational model, in line with the new challenges of the group, was approved on the basis of certain guidelines including, but not limited to:

- unification of the role previously held by the General Manager with that of the Managing Director;
- breakdown of the activities of the Aviation Development function in the Aviation area (for the Business Development part) and in the Strategic Planning area (for the Traffic Reporting part and forecasts);
- unification of the commercial functions (Retail, Mobility, Advertising and Real Estate) in the Commercial BU;

[7] *As regards the Commercial BU, the responsibility was entrusted ad interim to the Managing Director Marco Troncone. Starting from February 2022, Dr. Marilena Blasi was appointed as Chief Commercial Officer.*

- redefinition of the Human Resources & Organization (HRO) area into Human Capital & Organization (HCO) with the inclusion within it of the Health & Safety and Internal Communication functions;
- elevation of the Innovation & Quality function reporting directly to the Managing Director;
- coordination of the compliance functions, level II controls and certification systems headed by the Risk & Compliance area;
- acquisition of governance responsibilities on Energy & Decarbonization for the External Relations & Sustainability area.

ADR has also set up management committees for the management of specific issues of interest to the Company. In particular, 2021 saw:

- the establishment of the Sustainability Steering Committee with a focus of responsibilities on achieving the Group's Sustainability objectives;
- the definition of the Group Tax Control Framework, appointment of the Tax Risk Officer and establishment of the Tax Steering Committee to monitor and manage tax risks;
- the establishment of the Innovation Committee, with the task of defining the priority innovative macro-trends for ADR on which to develop new ideas and projects and to supervise the correct performance of activities during the Idea Management cycle;
- the evolution of the cyber security governance model to cope with the evolution of the related legislation, including the establishment of the Cyber Security Steering Committee.

4.4 Ethics and compliance

ADR, which has always been committed to combining the needs of optimizing economic growth with the fundamental principles of business ethics, has adopted and implements the Code of Ethics and the Anti-Corruption Policy of the Atlantia Group.

The Code of Ethics of the Atlantia Group - adopted by ADR in 2016 and subsequently updated in 2019 - clearly and transparently defines the values that the Atlantia Group draws upon to achieve its objectives and the ethical and operational principles relevant to the conduct of its activities. The Code of Ethics identifies the essential core of the values that make up the corporate culture and that translate into the principles and management policies that guide our daily actions.

The Anti-Corruption Policy[8] of the Atlantia Group - adopted by ADR in 2017 and subsequently updated in 2019 and 2021 - summarizes and integrates in an organic framework the rules for preventing and combating corruption in force in the Group, with the aim of further raising employees and third parties awareness of the rules and behaviors that must be observed.

ADR - aware of the negative impact of corruption, as an obstacle to developing and maintaining an environment that is sustainable from an economic and, above all, a social point of view - is committed at the forefront not only to counter, but to prevent the occurrence of corrupt practices in carrying out its activities.

ADR acts in the awareness that compliance with the anti-corruption legislation in force is more than a juridical-legal obligation and represents a basic element of the Company's culture and way of operating. To this end, the Company has adopted an Anti-Bribery Management System according to international standard ISO 37001: 2016 Anti-bribery Management Systems, with the aim of supporting the organization in preventing, detecting and dealing with corruption and in complying with applicable laws on the prevention and fight against corruption. Compliance with this Management System, which is based on the Anti-Corruption Policy of the Atlantia Group, in addition to representing an obligation for all ADR personnel, is an essential and founding condition of every relationship with the Company in carrying out its business.

In April 2018, ADR's Anti-Bribery Management System was certified in compliance with the ISO 37001 Anti-Bribery standard by a certification body accredited with Accredia and was renewed in 2021.

As part of this system, with regard to the Anti-Corruption Policy of the Atlantia Group, the company periodically carries out activities of:

- periodic updating and review by the Board of Directors;
- training for newly hired employees;
- raising awareness through the publication of information material in a specific section on the website.

In line with the applicable legislation and the organizational and governance structure of the Group, ADR defined a process for collecting and managing reports (so-called Whistleblowing) - governed by the Whistleblowing Policy - aimed at providing ample access to all those

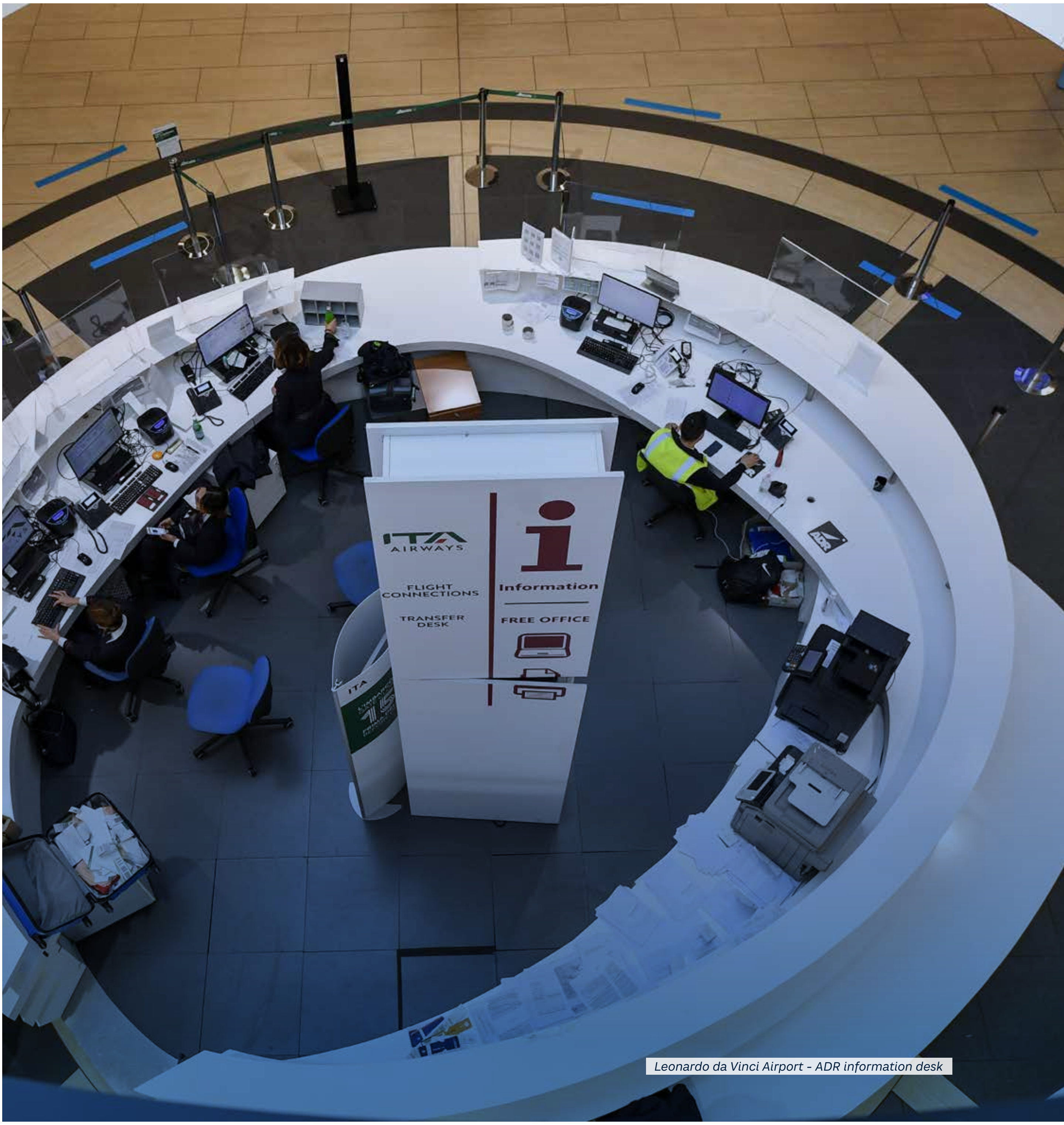
[8] *For further details, please refer to http://www.ADR.it/policy-anticorruzione-di-gruppo*

who wish to make a report and guarantee the confidentiality of the whistleblower's identity.

ADR has also set up a specific Collegial body responsible for the process to manage reports.

ADR makes a plurality of alternative channels available, specifically:

1. IT platform, accessible by everyone (employees, third parties, etc.) on the ADR website;
2. electronic mail;
3. ordinary mail.



Leonardo da Vinci Airport - ADR information desk

4.5 Management, Organization and Control Model

The companies of the ADR Group - in addition to having adopted the Code of Ethics and the Anti-Corruption Policy of the Atlantia Group - adopt and implement their own management, organization and control model (Models) adhering to the requirements of Legislative Decree 231/2001 and developed on the respective legal subjectivities and operational specificities.

The Models - respectively adopted by the Group Companies - are constantly updated in the light of organizational changes and / or regulatory changes that have taken place.

The General Part of each Model describes

1. the inspiring principles and operating procedures relating to the updating of the Model itself,
2. the distinctive features of the body responsible for supervising its functioning and its observance pursuant to art. 6 of Legislative Decree no. 231/2001,
3. the disciplinary system defined by the Company,
4. information and training methods.

The Models are then made up of specific Special Parts which contain principles of control and behavior suitable for governing the processes for which a potential risk of commission of the relevant crimes and administrative offenses pursuant to Legislative Decree no. 231/2001 has been identified.

Pursuant to art. 6 of Legislative Decree 231/2001, each company of the ADR Group has entrusted the task of "supervising the functioning and observance of the Model and updating it" to a respective Supervisory Board (SB). The circumstances relevant to the compliance and operation of the Model as well as any illegal conduct or violations of the Model must be reported to the Supervisory Board, ensuring that the reports are substantiated and based on precise and consistent facts.

Each report received is managed by the Supervisory Board of the competent Company, in compliance with the provisions of art. 6 of Legislative Decree 231/2001, guaranteeing the confidentiality of the whistleblower's identity and their protection from any form of retaliation, discrimination or prejudice connected, directly or indirectly, to the report. Each Company of the ADR Group provides alternative channels ("Whistleblowing" web platform accessible from the website, e-mail box and postal address) to transmit the reports.

Leonardo da Vinci Airport - Exterior detail of the front building of boarding area E

Chapter 5

2021 performance and our ongoing response to COVID-19

Sanitation work outside terminals

Chapter 5

5.1 The impact of COVID-19 on 2021 performance

The ADR Group continued the path undertaken in 2020 confirming the high level of services offered and the great attention to the protection of the health of its customers and employees, as shown by the confirmation of the acknowledgments and certifications in the field of COVID-19 protection already received during the past year.

The counter measures plan drawn up and adopted at the beginning of the pandemic was further implemented and developed by extending the involvement of the Group also to the national vaccination campaign for which a vaccination hub of approx. 1,500 square meters, which ensures a capacity to administer approximately 3,000 vaccines per day and 1,900 swabs per day was built, without prejudice to the measures already activated:

- in the stringent implementation of the new measures and regulations to combat COVID-19;
- in stimulating innovation and creating best practices to combat the spread of the virus;
- in obtaining certification from Third-Parties;
- in the new organization to verify compliance with prevention and follow-up measures.

The main initiatives to combat and mitigate the COVID-19 pandemic include the Vax&Go vaccine point dedicated to passengers departing, arriving and in transit, and to airport operators, created by ADR together with the Lazio Regional Authority and the Spallanzani Institute, which adds to the health hub in operation since February at the airport's Long Term Car Park, to the COVID-19 test center at the arrivals hall of Terminal 3, operational from 2020, and to the testing facilities at the boarding gates reserved for passengers traveling with COVID Tested flights.

As in 2020, ADR then maintained constant relations with the main national government institutions, regulatory bodies and trade associations in order to help identify the best recovery and relaunching solutions for the airport sector. Thanks to this proactive participation, ADR was able to benefit from some significant initiatives in support of the airport sector agreed with the Government including:

- the two-year extension, from 2044 to 2046, of the concession;
- economic support, equal to 735 million euros for the entire sector, to cover the losses suffered in 2020, in line with the principles of the European Union;
- a set of reliefs for damages caused by the COVID-19 pandemic defined and regulated by ART through the definition of a methodology to recover economic losses in 2020-2021 on regulated services, net of other elements of economic compensation.

5.2 Business activities

5.2.1 AVIATION

The start of the 2021 financial year was marked by the worsening of the COVID-19 contagion curve and, consequently, by the new contraction in traffic volumes following the new lockdowns introduced in Great Britain and Germany and the continuation of restriction on non-essential travel.

However, despite a still compromised health context, 2021 was characterized by the entry into full swing of the vaccination campaign which mitigated, at least in part, the negative impact linked to the pandemic, allowing a timid resumption of air traffic, especially in the summer season.

In 2021 Fiumicino and Ciampino airports recorded a reduction compared to 2019 of 71.7% in the number of passengers transported and a decrease of 58.2% in the number of movements, with 14 million passengers handled. On the other hand, the delta compared to 2020 was positive, a year characterized for 10 twelfths by the spread of the pandemic: +22.2% of passengers and +15.2% of movements.

The most impacted network sector is the international one, which represents about 70% of total traffic for Rome. The strong decrease in volumes affected both the EU segment, down by 71.9% compared to the previous year, and the non-EU segment with a negative change of 81.5%, mainly attributable to the absence of the long-haul network on specific markets (Far East and Central South America).

Finally, the Domestic segment recorded a decrease of 59.5%, confirming the best market performance since the beginning of the pandemic.

TABLE 8

Main traffic data of the Roman Airport System

	2021	2020	2019	Δ% (2021-2020)	Δ% (2021-2019)
Movements (n°)	**151,191**	**131,195**	**362,036**	**15.2%**	**-58.2%**
Fiumicino	113,972	103,496	309,783	10.1%	-63.2%
Ciampino	37,219	27,699	52,253	34.4%	-28.8%
Passengers (n°)	**13,988,955**	**11,452,116**	**49,412,069**	**22.2%**	**-71.7%**
Fiumicino	11,662,842	9,830,957	43,532,573	18.6%	-73.2%
Ciampino	2,326,113	1,621,159	5,879,496	43.5%	-60.4%
Of which: boarded	6,922,911	5,693,310	24,615,046	21.6%	-71.9%
Fiumicino	5,760,634	4,868,193	21,664,400	18.3%	-73.4%
Ciampino	1,162,277	825,117	2,950,646	40.9%	-60.6%
Cargo (t.)	**111,254**	**90,232**	**204,900**	**23.3%**	**-45.7%**
Fiumicino	95,096	70,908	186,492	34.1%	-49.0%
Ciampino	16,158	19,324	18,408	-16.4%	-12.2%

CHART 2

Traffic composition in 2021 for the Roman airport system

% change 2021 vs. 2020 (millions of passeggers)

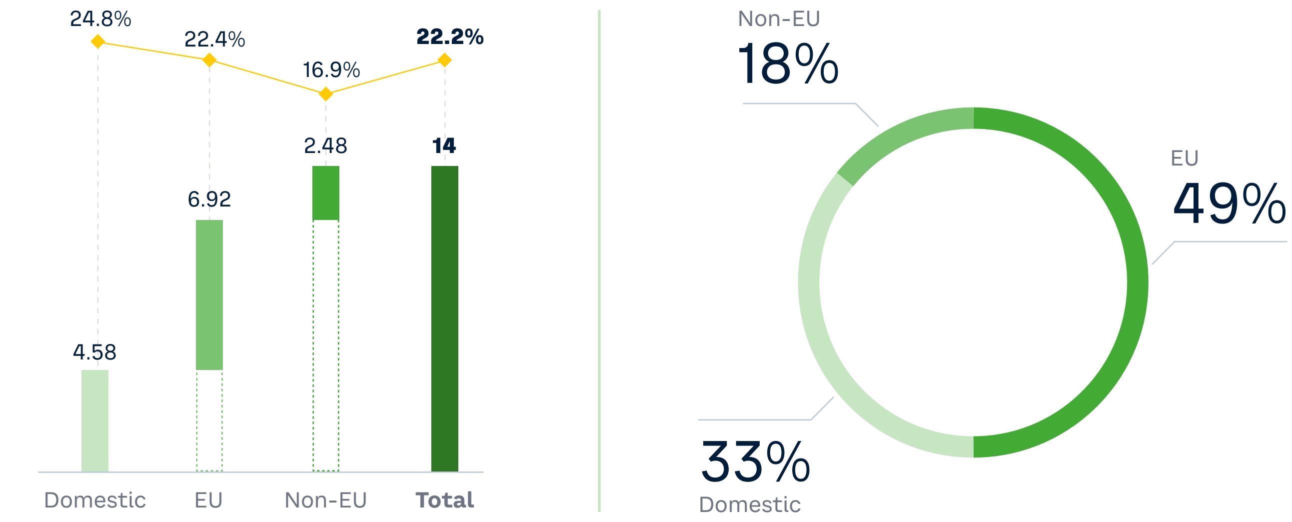


CHART 3

Monthly trend in passenger traffic in the Roman airport system compared to 2020

% change 2021 vs. 2020 (millions of passeggers)

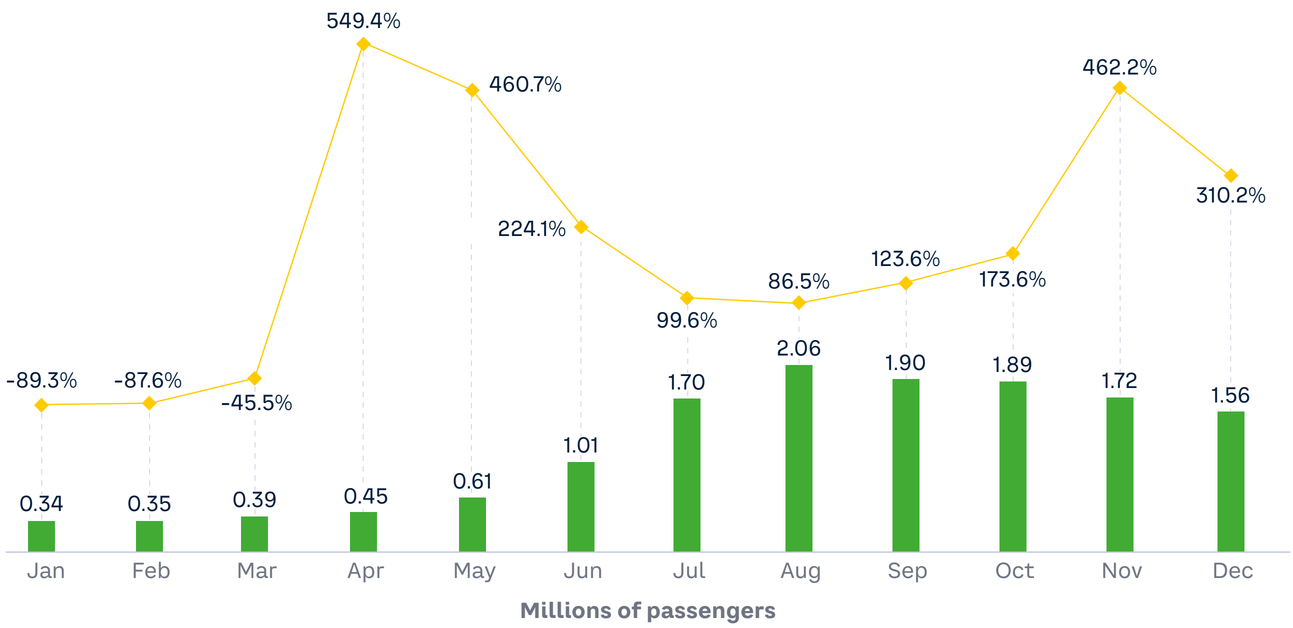


CHART 4

Passenger traffic distribution of the Roman airport system by geographic area

Fiumicino

Fiumicino airport saw around 11.7 million passengers pass through during 2021, a decrease of 73.2% compared to 2019. Limitations to mobility have affected above all the result of the international market, which recorded a significant decline in traffic equaling -77.7%.

Compared to 2019, the Non-EU confirmed its significant downsizing, recording 2.2 million passengers, down 83.4%, of which around 1 million Long Haul passengers (-88.6%).

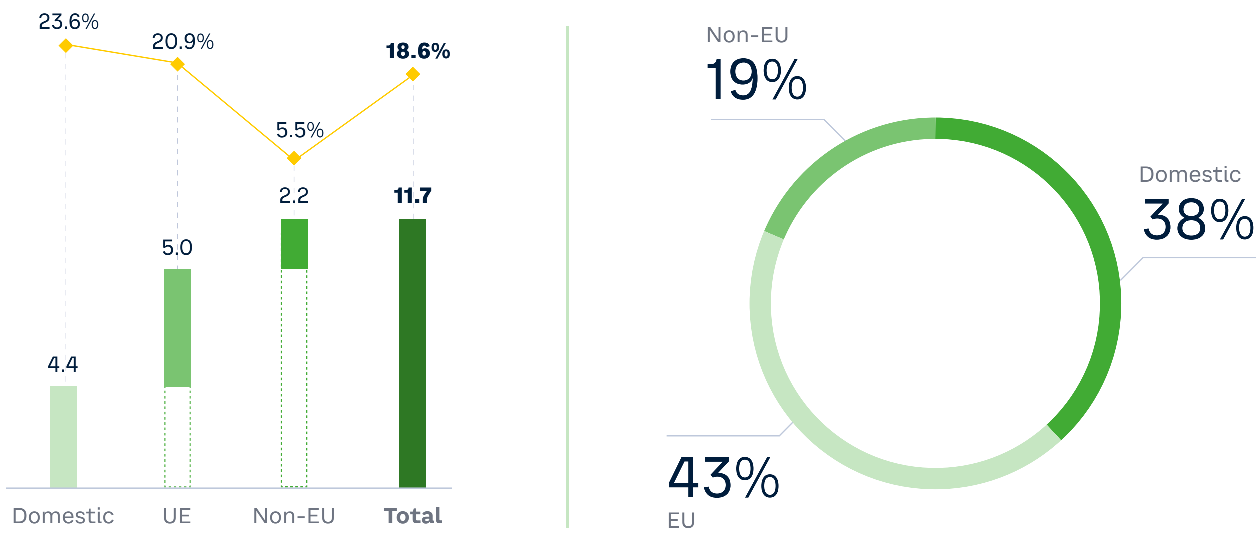
EU Europe is the market with the largest reduction in traffic in absolute terms, ending the year with 5 million passengers and down -73.8% compared to 2019, becoming the main market in terms of passenger volumes.

More resilient and mostly linked to the national pandemic situation, the Domestic is confirmed as the area with the best recovery of passenger traffic (about 40% of 2019), with a total of 4.4 million passengers, down 60.0% compared to 2019, mainly transported by Alitalia/ITA Airways.

CHART 5

2021 traffic composition for Fiumicino airport

% change 2021 vs. 2020 (millions of passeggers)



Note: starting from January 1, 2021 the United Kingdom is considered non-EU

Ciampino

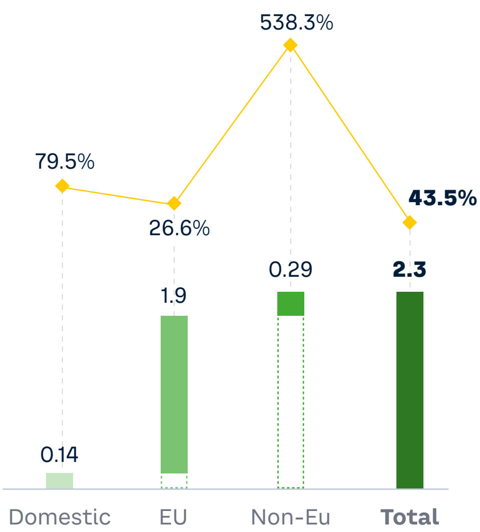
Ciampino airport handled around 2.3 million passengers in 2021, with a decrease in passenger volumes of 60.4% compared to 2019. The strong recovery is recorded in the second half of the year, in particular in September, reaching around 80% of the passenger traffic transited in 2019. Starting from October 27, the reduction of commercial movements, for the reduction of noise in the airport area, came into effect, passing from 100 to 65 flights per day.

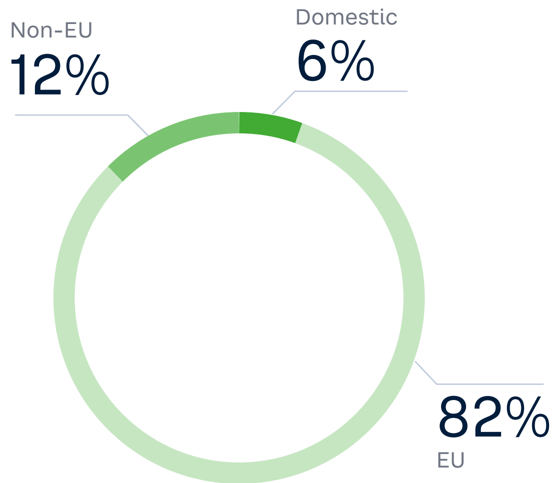
EU Europe, with 1.9 million passengers, is the largest market by traffic reduction, reporting a decrease compared to 2019 of -65.5%. Domestic and Non-EU, closed with 139 thousand passengers (-28.1% compared to 2019) and 209 thousand passengers (+50.8% compared to 2019) respectively, recording the best results in terms of recovery from 2019.

CHART 6

2021 traffic composition for Ciampino airport

% change 2021 vs. 2020 (millions of passeggers)





Note: starting from January 1, 2021 the United Kingdom is considered non-EU

FOCUS ON: AVIATION SAFETY

Safety of airside operations

The safety of operations is guaranteed by adapting to a complex system of reference standards, relying on the best available technology and representing the best practices applied at airports in international tables.

ADR, in the European context with regard to the occurrence of aeronautical events, stands out for -32% of events, furthermore without significant consequences, compared to the average recorded in Europe.

2021 was characterized by the change in operations due to the reduction in the number of aircraft following the impact that the COVID-19 pandemic had on air traffic. The work carried out to analyze this change, how it impacted the presence of wildlife, the number of resources in the field and the human factor, made it possible to maintain the safety levels improving in proportion to the number of traffic managed.

Both airports are equipped with a certified Compliance Monitoring Management which has carried out rigorous monitoring of regulatory compliance in accordance with the requirements of the complex European regulation of reference.

The Safety & Compliance Monitoring Management system is also periodically subject to surveillance audits carried out by ENAC. In 2021, approximately 18 internal processes within the Company were audited in which no significant non-conformities were found, certifying the ability of the organization to comply with the requirements of the regulations even in the difficult context of the current pandemic.

The Aviation Safety Management System

In line with the provisions of European Regulation no. 2014/139, ADR has adopted a certified Safety Management System (SMS), one for Fiumicino airport and one for Ciampino airport, i.e. a suitable system to guarantee that airport operations are carried out under preset Aviation Safety conditions.

The Safety Management System carries out continuous monitoring of the safety levels for operations in the aircraft movement area, making use of the system to collect and manage reports (reporting system) relating to aeronautical events taking place during airport operations.

The risk assessment of all changes is also considered one of the strategic activities and is aimed at analyzing the impact that infrastructural, procedural and organizational changes generate on the safety of aircraft operations at airports.

In 2021, 38 change initiatives were activated - 20 infrastructural, 17 procedural and 1 organizational - while 32 initiatives were evaluated until the end of the process - 17 infrastructural, 14 procedural and 1 organizational.

In terms of risk, ADR, the only airport in Italy and one of the few in Europe, started the long process of assessing the "human factor" risk within the organization in 2020 and concluded it in 2021. The assessment for the threats to human performance and work stress related to the COVID-19 pandemic did not reveal critical human factors capable of affecting the frequency of human errors. Approximately 1,004 employees were interviewed according to internationally accredited methods. The areas most exposed to risk from a Human Factor profile were identified through an innovative assessment designed by ADR.

Medical aid

The airport first aid centers at Fiumicino and Ciampino airports, managed by ADR, provided assistance to approximately 1,900 passengers and approximately 1,300 airport operators who were taken ill or victims of road accidents or injuries around the airport.

Airport emergency plan

On August 16, 2021, version 2 of the Airport emergency plan for Fiumicino airport came into force. The revised Plan acknowledged the changes requested by the Bodies/Organizations involved in implementing the Plan, the changes requested by ENAC as part of checking the adequacy of the new review and the actions of the periodic review of the document also following the numerous exercises carried out. All the corrective actions opened during the full scale exercise of 2021 were incorporated into the revised plan and therefore managed and closed.

During 2021, also Ciampino airport finalized the project to review and integrate the airport emergency plans into a single document: the Airport emergency plan. The Airport emergency plan was shared within the Emergency Response Committee with all the bodies involved and approved by the competent authority.

Therefore, the two airports are among the few in Italy to have an emergency plan that meets the requirements of the European regulator which includes the management procedures not only of the plane crash emergency, but also other risk scenarios that can impact on the levels of security expected for operations.

5.2.2 COMMERCIAL ACTIVITIES

Despite the decline in traffic and the volume of passengers and in compliance with the provisions and actions to mitigate the health risk, ADR continued to implement and improve its commercial offer through a careful selection of retailers with the ultimate goal of improving the passenger experience at the airport and partnerships with retailers and brands.

TABLE 9

Main indicators of commercial activities for Fiumicino

	M.U.	2021	2020	2019	Δ% (2021 vs 2020)
Retail average spending	€/outbound passenger	14.6	15.1	16.5	-3.6%
Food & Beverage average spending	€/outbound passenger	5.6	5.4	5.45	4.4%

TABLE 10

Main indicators of commercial activities for Ciampino

	M.U.	2021	2020	2019	Δ% (2021 vs 2020)
Retail average spending	€/outbound passenger	5.5	5.1	5	7.7%
Food & Beverage average spending	€/outbound passenger	3.1	3.2	3.5	-3.3%

Average spending per passenger at Fiumicino airport recorded a decrease of -1.5% compared to the whole of 2020, a period not fully comparable as it was characterized by the first two months not impacted by the COVID-19 epidemic, by a different use of infrastructures and operational discontinuities recorded up to June 2020; making the comparison only with respect to the period July-December 2020, a comparable period in terms of continuity of use of the infrastructures and type of traffic, the growth was 15%. Again compared to this period, the categories that recorded the highest average spending growth per passenger are: Core Categories (17%), Specialist Retail (21%) and Food & Beverage (11%).

Advertising

With regard to Advertising, ADR has further strengthened its data-driven commercial proposal on the advertising market, allowing advertiser customers to structure, in Programmatic mode, 100% customized Digital Out Of Home advertising campaigns in terms of day and time of delivery, manned digital circuits and audience reached in Rome's airports.

Despite these actions to mitigate the effects of COVID-19, the Advertising activities, due to the sharp contraction of the reference market and the reduction in passengers, in any case recorded a decrease in revenue equal to -41% compared to the previous year.

5.2.3 REAL ESTATE

In the context of real estate management, in order to limit the environmental impact by facilitating an "intelligent" and rational use of resources in 2021, despite the persistence of the health emergency, the improvement projects launched last year continued, aimed at strengthening the management and control system of sub-granted spaces also with a view to sustainability, and ensuring sustainability in restructuring initiatives or those relating to new contracts.

5.2.4 INFRASTRUCTURES

Starting from 2020, ADR decided, as part of the plan to develop Fiumicino airport, to set up a roadmap to ensure the synergical development of the infrastructural system of the Roman airports and, at the same time, of the sustainability levels of the same infrastructures. With this in mind, a roadmap has been defined that envisages a strictly scientific and quantitative approach that uses the most authoritative certification systems at international level: LEED® (Leadership in Energy and Environmental Design) and BREEAM® (Building Research Establishment Environmental Assessment Method). It is important to specify that the indexes adopted evaluate the sustainability of the infrastructures with a "holistic" approach: energy efficiency, CO_2 emissions generated, circular approach to the management of materials even in the construction phase, management of suppliers and impact of the works on the socio-economic context of reference.

The process was launched in 2019, when the Ciampino "General Aviation Terminal" achieved LEED® Gold level certification. The new pier A, which is being completed, was also designed and built according to the LEED® Gold standard; the program envisages, starting from the base year 2019 in which the synthetic value of the index stands at a value of approximately 4%, to reach a value of at least 60% of certified terminal infrastructures by 2030. By 2046, the year of the end of the concession, the synthetic index will be over 80%. Again in this context, in 2021 ADR launched a program of "extraordinary maintenance" also aimed at raising the level of sustainability of the buildings already built using the BREEAM® certification protocol to certify the sustainable performance achieved. This program is already operational for "Terminal 3 Front Building" and "Pier E", inaugurated in 2016. The immediately following step, in accordance with the roadmap, provides for the certifications of "Pier B", a building soon to be renovated, and of the "Terminal 1 Front building", whose construction is in the process of being finalized.

ADR's mission includes taking on, in line with the European strategy, the two challenges related to the problems deriving from climate change and the loss of biodiversity, underlining the need to include, in its development plan, protection measures and effective management of these two aspects. In this context, the planning of interventions for the territory aimed at safeguarding and strengthening the natural balance of the territorial context is integrated within the infrastructure development programs. With this in mind, a detailed environmental analysis was developed through the application of specific indices and the construction of a correlated territorial information system.

Leonardo da Vinci Airport - Exterior detail of the front building of boarding area E

The index that allows a synthetic estimate of the environmental quality of the areas analyzed is the ILC (Index of Landscape Conservation - Pizzolotto & Brandmayr) which, starting from the Index of Vegetation Naturalness (IVN), allows the state of conservation of the territory to be obtained on the basis of the coherence or lack of it between the ground cover and the corresponding potential natural vegetation.

Starting from the analysis of these indices, ADR has defined, with objective and measurable criteria, the conservation status, from the ecosystem point of view, of the areas adjacent to Fiumicino airport in the "ante operam" phase with the aim of defining a path that ensures an improvement of this index in parallel with the implementation of the infrastructure development plan.

The achievement of the biodiversity protection objective defined by ADR implies the activation of an articulated program of initiatives on the vast area adjacent to Fiumicino airport, which will ensure an overall improvement in the index by balancing the effects induced by the airport development plan in an environmental perspective with particular attention to:

- Mitigation of climate change: the interventions include ecosystem restoration works and the planting of a large number of tree species with a positive impact on the offsetting of CO_2 emissions and the improvement of air quality;
- Development of the socio-economic context: the projects will have a positive impact on local employment both in the construction and in the maintenance phase.

5.2.5 UPDATES AND CHANGES TO THE REFERENCE FRAMEWORK

TABLE 11

Changes to the reference regulatory framework

Scope	Airport	Reference provisions	Impact on ADR business	Notes
Infrastructural development	FCO	Environmental Impact Assessment (EIA) Procedure on the Master Plan for 2030 (Italian Legislative Decree no. 152/2006): Decree of the Ministry of the Environment in agreement with the Ministry for Cultural Heritage and Activities no. 179/2020	Procedure for the approval of the Master Plan for 2030 at Fiumicino "L. da Vinci" Airport	With Decree 179/2020 the EIA procedure on the Fiumicino Master Plan for 2030 was negatively concluded. The Decree was appealed by ADR to the Lazio Regional Administrative Court, which rejected the appeal on March 12, 2021.
Infrastructural development	FCO	Decree of January 16, 2020 adopting the Management Plan and Implementing Regulations of the Roman Coastline State Reserve	Long-term infrastructure development at Fiumicino "L. da Vinci" Airport.	The Plan confirms the building restrictions imposed on certain areas of the Reserve affected by development at Fiumicino airport (so-called Type 1 areas). The Plan was challenged by ADR to the Lazio Regional Administrative Court, which rejected the appeal and the additional grounds on March 12, 2021.
Infrastructural development	FCO	Single Deed - Planning Agreement	Long-term infrastructure development at Fiumicino "L. da Vinci" Airport.	On January 22, 2021, ADR sent the new version of the long-term airport development plan - prepared following Decree 179/2020 - to ENAC. Discussions are currently underway between ADR and ENAC for the adoption of the Technical Authorization, under the responsibility of the Body, on the new Airport Development Plan within the terms provided for by art. 9 paragraph 6 of the Planning Agreement (CdP).

Scope	Airport	Reference provisions	Impact on ADR business	Notes
Consultations with the users	FCO-CIA	Directive 2009/12/C (art. 8) consultation of Users before the finalization of new infrastructure projects	Updating of the regulated fees	On June 25, 2021, with reference to art. 8 of the Directive - and as part of the annual consultation with users - ADR organized a meeting, via computer, with the Users of Fiumicino and Ciampino airports to present and provide information on the relevant plans for the development of infrastructures aimed at expanding the capacity of Rome's airports, inviting Users to submit any comments and assessments.
Concession fees	FCO-CIA	Decree of the State Property Office of November 18, 2021 "Determination of the airport management fees for the three-year period 2022-2024.	Calculation of the concession fee due by ADR to ENAC	The Decree confirms, also for the next three years, the method of quantifying the fee based on the overall Work Load Unit (WLU) of the airport as established by the inter-managerial decree of 30 June 2003.
ART and on tariff adjustment models	FCO-CIA	Resolution no. 136/2020 of July 16, 2020 with which the ART approved the Airport Fee Regulation Models attached to resolution no. 92/2017, confirming, among other things, that it holds an alleged power to define the aforementioned fees also with reference to operators - such as ADR - acting on the basis of a Planning Agreement under derogation	ART taking over from ENAC in the procedures for the review of airport fees subject to economic regulation and amendment of the Planning Agreement in force with ENAC	ADR has challenged the Resolution at the Piedmont Regional Administrative Court, with additional grounds to the previous appeal with which it had challenged the Resolution initiating the procedure for the revision of the models by ART. ADR has also appeared in the appeal brought by IBAR against Resolution 136/2020. At the hearing on 9 June 2021, both appeals were adjourned to a date to be determined, at the request of the Parties
ART and on tariff adjustment models	FCO-CIA	Resolution no. 68/2021 of May 20, 2021 with which ART has (i) deferred the entry into force of the Models for the regulation of airport fees pursuant to Resolution no. 136 /2020, from July 1, 2021 to January 1, 2023; (ii) gave the alternative to the airport operators that activate the consultation procedure for the revision of the fees during the two-year period from 2021 to 2022 to: a) start the related procedure pursuant to the provisions of the Models referred to in Resolution 92/2017, or b) subject to a reasoned application to the Authority, propose the extension of the fees in force at the time of the application also to apply to the following year. With reference to the airports regulated by the planning agreements provided for by art. 17, paragraph 34-bis, of Law Decree no. 78/2009 - such as Fiumicino and Ciampino - the Authority specified that the economic regulation provisions set out in the Models pursuant to Resolution no. 92/2017 are intended to be encompassed in an additional deeds to the Concession between the grantor and the concessionaire	ART taking over from ENAC in the procedures for the review of airport fees subject to economic regulation and amendment of the Planning Agreement in force with ENAC	Without prejudice to the objections raised in the appeal against Resolution no. 136/2020, on August 11, 2021, ADR and the grantor ENAC negotiated and stipulated an ad-hoc additional deed, with which, in line with the provisions of Resolution no. 68/2021, the methods for implementing the regulatory model set forth in Resolution no. 92/2017 were positively defined, while taking into account the regulatory and substantial peculiarities of the Planning Agreement itself. Subsequently, ART sent critical observations regarding the additional deed stipulated between ENAC and ADR, and, on December 16, 2021, in response to the ADR request to start the consultation of the User for the revision of rights, expressed its refusal to the consultation as it deemed that the additional deed was not yet finalized. For updates, please refer to Chapter 6 on Subsequent events.
COVID-19 health emergency	FCO-CIA	Law Decree no. 73 of May 25, 2021 (known as "Support bis" LD)	Increase in the Fund set up at the MIMS to support handlers' airport management companies in compensating them for the damage suffered as a result of COVID-19	Article 73, paragraphs 2 and 3 of Italian Law Decree no. 73/2021 increased the amount of the COVID damage fund by a further 300 million euros (including 285 million euros for airports), bringing the resources allocated to compensate for damages suffered by airport operators to 735 million euros. On May 10, 2021 the Government notified the European Commission of the framework aid measure in favor of the airport business. The European Commission authorized the aid scheme in July 2021. The inter-ministerial decree implementing the aid was published in the Official Journal on December 28, 2021.
Brexit	FCO-CIA	"EU-UK Trade Cooperation Agreement" of December 24, 2020	Maintaining connections to and from Great Britain	In order to mitigate the effects of a Hard Brexit in various sectors, including civil aviation, the EU and the UK have reached this agreement, which is provisionally enforceable from January 1, 2021 until February 28, 2021, by which date the Parties must complete respective institutional steps to ratify it. Following consensus by the European Parliament and the European Council on April 27 and 29, 2021, respectively, the Trade and Cooperation Agreement and the Security of Information Agreement between the EU and the United Kingdom entered into force on May 1, 2021.

Scope	Airport	Reference provisions	Impact on ADR business	Notes
Noise pollution	CIA	Italian Ministerial Decree no. 345/2018 Approval of the plan for containing and combatting noise.	Limiting the number of arriving and departing flights	The start of the limitation to 65 movements/day, envisaged by the Noise Abatement and Containment Plan, which became effective following three judgments of March 17, 2021 with which the Lazio Regional Administrative Court rejected all appeals against Ministerial Decree 345/18, was again temporarily "suspended" following the orders of the Council of State that accepted the pre-trial motions of the carriers Ryanair and Wizzair. With sentence no. 6976/2021, published on October 18, 2021, the Council of State rejected the appeal of the carrier Ryanair and therefore finalized the reduction to 65 movements/day for Ciampino airport. As a result of the combined provisions of the ENAC notes of April 13, April 26 and September 13, 2021, the reduction has no effect only on the Cargo operators that continue to maintain, until March 26, 2022, the number of slots envisaged before the reduction ordered by Ministerial Decree 345/18. The limitation to no. 61 movements/day of the General Aviation is instead fully effective and complied with.
Public tenders	FCO-CIA	Law Decree no. 77 of May 31, 2021 (Simplification Decree)	Provisions regarding public tenders	The Decree introduced several amendments to provisions regarding public tenders.
Public tenders	FCO-CIA	Law Decree 73/2021 (Support Decree bis)	Provisions regarding public tenders	The Decree introduced a provision to deal with the exceptional increases in the prices of certain construction materials in the first half of 2021, for construction contracts being executed as of July 25, 2021. With the subsequent Ministerial Decree of 11.11.2021, the MIMS recorded the percentage increases or decreases above 8 percent that occurred in the first half of 2021 in the single prices of the most significant construction materials.
Administrative liability of entities pursuant to legislative decree 231/2001	-	Legislative Decree no. 184/2021	Implementation of Directive (EU) 2019/713 of the European Parliament and of the Council of April 17, 2019 on combating fraud and counterfeiting of non-cash means of payment and replacing Council Framework Decision 2001/413/JHA.	The Decree extended the so-called list of predicate offenses of administrative liability pursuant to Legislative Decree no. 231/2001 by inserting the new article 25-octies-1.
Sustainable finance	FCO-CIA	◆ Delegated Regulation (EU) 2021/2139 that integrates the EU Reg. 2020/852 on Taxonomy; ◆ Delegated Regulation (EU) 2021/2178 that integrates the EU Reg. 2020/852 on Taxonomy.	Identification of taxonomy-aligned activities in order to respond to the information needs of stakeholders and investors and the financing requirements of projects. First activities for the financial year 2022: relating to the reporting period 2021.	◆ Delegated act 2139/2021 establishes the technical criteria for determining the contribution of an economic activity to the first two objectives of the EU Taxonomy (climate change mitigation and climate change adaptation); ◆ The delegated act 2178/2021 specifies the content and methods of presentation of the information that must be disclosed by companies on the environmental performance of their assets and their economic activities.
Climate	FCO-CIA	REG. (EU) 2021/1119 establishing the framework for achieving climate neutrality ("European climate law")	Legally binding targets at Union level.	The regulation sets a binding target for climate neutrality in the Union by 2050, and plans to reduce net greenhouse gas emissions by 55% by 2030 compared to 1990 levels.
Energy communities	FCO	◆ Legislative Decree no. 210 of November 8, 2021; ◆ Legislative Decree no. 199 of November 8, 2021.	Regulatory framework within which to promote the activation of energy communities in the airport area.	The Decree implements EU directive 2019/944 on common rules for the internal market for electricity. Among other things, the decree lays down provisions relating to active customers and citizens' energy communities. Legislative Decree 199/2021 implements Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources. Among other things, the decree defines renewable energy communities and the conditions in which they must operate.

5.3 Economic, equity and financial performance

5.3.1 INTRODUCTION

Compared to December 31, 2020, the consolidation scope has changed after the inclusion, from January 1, 2021, of the new subsidiary ADR Infrastrutture S.p.A. ("ADR Infrastrutture") and, from July 1, 2021, of Fiumicino Energia S.r.l. ("Fiumicino Energia") and Leonardo Energia - Società consortile a r.l. ("Leonardo Energia") as a result of the following operations:

- on January 21, 2021, the Parent Aeroporti di Roma S.p.A. (hereafter "ADR", "the Parent" or "the Company") acquired the 100% equity investment previously held by Pavimental S.p.A. in ADR Infrastrutture, the company to which Pavimental had contributed the business unit specialized in the construction and maintenance of airport infrastructure and runways at the beginning of the year. The purchase price was 12.2 million euros;
- on July 1, ADR acquired Atlantia S.p.A.'s 87.14% stake in Fiumicino Energia at a price of 10.5 million euros. Fiumicino Energia manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia, which is owned by Fiumicino Energia S.r.l. and ADR, with respective shareholdings of 90% and 10%.

In March, ADR Ingegneria S.p.A. became operational and rented the business unit of Spea Engineering S.p.A., specialized in airport engineering and works supervision, with effect from March 1, 2021.

On April 23, 2021, the sale of ADR's 20% equity investment in Pavimental S.p.A. to Autostrade per l'Italia S.p.A. was finalized at a price of 3.7 million euros.

5.3.2 CONSOLIDATED FINANCIAL PERFORMANCE

TABLE 12

Reclassified consolidated income statement

(Thousands of euros)	2021	2020[9]	Δ	Δ%
Revenue from airport management of which:	296,866	260,716	36,150	13.9%
Aviation revenue	*198,117*	*170,836*	*27,281*	*16.0%*
Non-aviation revenue	*98,749*	*89,880*	*8,869*	*9.9%*
Revenue from construction services	104,783	98,882	5,901	6.0%
Other operating income	231,846	12,436	219,410	1,764.3%
TOTAL REVENUE	**633,495**	**372,034**	**261,461**	**70.3%**
External operating costs	(134,327)	(126,927)	(7,400)	5.8%
Total costs for construction services	(101,830)	(98,787)	(3,043)	3.1%
Concession fees	(10,034)	(8,299)	(1,735)	20.9%
Net personnel expense	(121,434)	(113,421)	(8,013)	7.1%
(Allocation to) re-absorption of provisions for risks and charges	(4,573)	956	(5,529)	(578.3%)
TOTAL NET OPERATING COSTS	**(372,198)**	**(346,478)**	**(25,720)**	**7.4%**
GROSS OPERATING PROFIT (EBITDA)	**261,297**	**25,556**	**235,741**	**922.4%**
Amortization and depreciation, impairment losses and reversals	(105,463)	(107,836)	2,373	(2.2%)
Provisions for renovation and other adjusting provisions	(201,696)	(41,354)	(160,342)	387.7%
OPERATING PROFIT (LOSS) (EBIT)	**(45,862)**	**(123,634)**	**77,772**	**(62.9%)**
Net financial expense	(62,161)	(58,317)	(3,844)	6.6%
Share of profit (loss) of equity-accounted associates	(1,385)	342	(1,727)	(505.0%)
PROFIT (LOSS) BEFORE TAXES FROM CONTINUING OPERATIONS	**(109,408)**	**(181,609)**	**72,201**	**(39.8%)**
Income taxes	71,450	37,925	33,525	88.4%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**(37,958)**	**(143,684)**	**105,726**	**(73.6%)**
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	0	0	0	0%
PROFIT (LOSS) FOR THE YEAR	**(37,958)**	**(143,684)**	**105,726**	**(73.6%)**
ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	77	0	77	n.s.
ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**(38,035)**	**(143,684)**	**105,649**	**(73.5%)**

[9] *The data relating to 2020 differ from those contained in the 2020 Annual Report due to the reclassification from the item Personnel expense (renamed in this Report "Net personnel expense") to the item Costs for construction services (renamed in this Report "Total costs for construction services") of the costs relating to Group personnel dedicated to construction services. This reclassification was necessary in order to better represent the overall costs of construction services in relation to the increase in the cost of personnel dedicated to construction services following the internalization of the construction and engineering activities in the ADR Group, managed through separate companies.*

Revenue

Revenue from airport management of 296.9 million euros was still impacted by the effects of the pandemic crisis on traffic, despite a slight recovery in the second half of 2021. The increase compared to 2020, which had been affected by the border closure measures only starting in March, is 13.9%. In particular, aviation activities recorded an increase of 16.0% due to the recovery of traffic, mainly in the summer months, while the non-aviation sector, with revenue up by 9.9%, benefited from the increase in passengers and revenue for the works that the new company ADR Infrastrutture carried out for third parties in the year (+8.2 million euros). In detail, revenue from commercial sub-concessions rose by 9.5%, whilst those from car parks fell by 20.6%; revenue from real estate sub-concessions fell by 7.7% and those from advertising by 41.0%.

Revenue from construction services amounted to 104.8 million euros and increased by 5.9 million euros compared with 2020, due to the partial recovery of the investment program that in 2020, starting from the second quarter, had been affected by the almost complete suspension of worksites at the entire airport system.

Other operating income, equal to 231.8 million euros, which includes the registration of the subsidy that the Italian government, through Law 178/2020, assigned to airports to offset the losses attributable to the COVID-19 health emergency in the period March 1 - June 30, 2020.

Net operating costs

External operating costs amounted to 134.3 million euros, with an increase of 7.4 million euros compared to the previous year (+ 5.8%) mainly linked to the consolidation of ADR Infrastrutture, as well as to the increase in airport management costs attributable to the increase in electricity costs and charges associated with the reopening of terminal T1 in August.

Total costs for construction services, equal to 101.8 million euros, increased by 3.0 million euros on the previous year, consistently with the trend of the corresponding revenue. This item includes both external costs and the personnel expense for the works carried out during the year on infrastructures under concession.

The liability for concession fees, directly correlated to traffic trends, amounts to 10.0 million euros, up by 1.7 million euros compared to 2020.

Net personnel expense , equal to 121.4 million euros, increased by 7.1% (+8.0 million euros), mainly due to:

1. lower use of social security benefits (Special Income Support Fund) for the increase in activities,
2. the provisions for the year relating to the reintroduction of short and medium-term managerial incentive plans in 2021 and
3. the change in scope deriving from the consolidation of ADR Infrastrutture, Fiumicino Energia and ADR Ingegneria.

This trend was partially offset by the reduction in the net headcount and in charges for redundancy incentives (in 2020 there was a provision for risks and charges of 5.7 million euros, classified as labor costs).

Allocations to provisions for risks and charges amounted to 4.6 million euros (compared to a net re-absorption of 1.0 million euros in 2020) and mainly refer to disputes pending with customers and non-recurring items relating to employees.

Gross operating profit (EBITDA)

The gross operating profit (EBITDA), equal to 261.3 million euros, rose by 235.7 million euros compared to 2020.

[10] *Net of the cost of personnel dedicated to construction services and renovation works of airport infrastructure.*

Amortization and depreciation

Amortization and depreciation of intangible assets and property, plant and equipment amounted to 105.5 million euros and mainly represented the amortization of the airport concession which the Parent ADR holds. The decrease of 2.4 million euros compared to 2020 is mainly attributable to the extension of the duration of the airport concession by two years, i.e. until June 30, 2046, which resulted in a change in the useful life of the Concession Rights as of June 30, 2020, partially offset by the commissioning of new plants and infrastructure.

Provisions for renovation and other provisions

This item, totaling 201.7 million euros (41.4 million euros in the previous year), is broken down as follows:

- allocation to the provisions for renovation of airport infrastructure of 64.7 million euros (38.8 million euros in the previous year), up 25.8 million euros as a result of an updated estimate of the costs of restoration and replacement works envisaged in the updated business plan, partly offset by the updated interest rate used as a reference for discounting expected future cash flows, which had a positive impact on the allocation for 2021;
- allocations to the loss allowance, equal to 137.0 million euros (2.5 million euros in 2020), essentially due to the increased risk assessments which, in relation to the most recent events, affect the expected conditions of recoverability for the receivable from Alitalia SAI under extraordinary administration subject to filing in insolvency proceedings.

Operating profit (loss)

Operating loss (EBIT) is 45.9 million euros (-123.6 million euros in 2020).

Net financial expense

Net financial expense, amounting to 62.2 million euros, increased by 3.8 million euros compared with 2020 due mainly to the increase in average debt.

Share of profit (loss) of equity-accounted associates

This item, equal to -1.4 million euros, includes the impairment of the equity investment in the associate SPEA Engineering S.p.A. (+0.3 million euros in 2020 regarding the impairment gain on the equity investment in the associate SPEA Engineering S.p.A. of 1.2 million euros, almost totally offset by the impairment loss on the equity investment in the associate Pavimental S.p.A. of 0.9 million euros).

Profit (loss) for the year attributable to the owners of the parent

The estimated tax benefit for current and deferred taxation amounted to a total of 71.5 million euros (37.9 million euros in 2020), mainly deriving from the combined effect of income from consolidated taxation on the tax loss for the year and the substitute tax (by 3%), amounting to 11.0 million euros, assessed in relation to the alignment, pursuant to Law Decree no. 104/2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired.

Net of the tax burden, the ADR Group reported a loss of 38.0 million euros in 2021, compared with a loss of 143.7 million euros in 2020.

TABLE 13

Consolidated Statement of Comprehensive Income

(Thousands of euros)	2021	2020
PROFIT (LOSS) FOR THE YEAR	**(37,958)**	**(143,684)**
Fair value gains (losses) on cash flow hedges	42,133	(31,989)
Tax effect	(10,112)	6,825
Share of other comprehensive income (loss) of equity-accounted investees	9	(81)
OTHER COMPREHENSIVE INCOME (LOSS) THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**32,030**	**(25,245)**
Actuarial losses on employee benefits	(427)	(174)
Tax effect	103	(57)
Fair value losses on equity investments	(13,020)	(27,591)
OTHER COMPREHENSIVE INCOME (LOSS) THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(13,344)**	**(27,822)**
RECLASSIFICATIONS OF OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	**3,224**	**1,539**
OTHER COMPREHENSIVE INCOME (LOSS), NET OF THE TAX EFFECT	**21,910**	**(51,528)**
COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	**(16,048)**	**(195,212)**
Of which:		
Attributable to the owners of the parent	(16,125)	(195,212)
Attributable to non-controlling interests	77	0

5.3.3 CONSOLIDATED FINANCIAL POSITION

TABLE 14

Reclassified consolidated statement of financial position

	(Thousands of euros)	12.31.2021	12.31.2020	Change
	Intangible assets	2,502,720	2,480,972	21,748
	Property, plant and equipment	50,898	51,964	(1,066)
	Non-current financial assets	19,954	37,285	(17,331)
	Deferred tax assets	90,451	91,227	(776)
	Other non-current assets	470	458	12
A	NON-CURRENT ASSETS	2,664,493	2,661,906	2,587
	Trade assets	192,202	262,559	(70,357)
	Other current assets	265,341	34,826	230,515
	Current tax assets	73,735	3,981	69,754
	Trade liabilities	(140,513)	(170,274)	29,761
	Other current liabilities	(148,066)	(126,603)	(21,463)
	Current tax liabilities	(7,521)	(26)	(7,495)
B	WORKING CAPITAL	235,178	4,463	230,715
	Employee benefits	(975)	(1,115)	140
	Provisions for renovation of airport infrastructure	(55,138)	(47,740)	(7,398)
	Other provisions for risks and charges	(4,923)	(8,793)	3,870
C	CURRENT SHARE OF PROVISIONS	(61,036)	(57,648)	(3,388)
D = B + C	WORKING CAPITAL NET OF THE CURRENT SHARE OF PROVISIONS	174,142	(53,185)	227,327
	Non-current liabilities	(196,618)	(182,276)	(14,342)
E	NON-CURRENT LIABILITIES	(196,618)	(182,276)	(14,342)
F = A + D + E	NET INVESTED CAPITAL	2,642,017	2,426,445	215,572
	Equity attributable to the owners of the parent	966,971	991,873	(24,902)
	Equity attributable to non-controlling interests	2,795	0	2,795
G	EQUITY	969,766	991,873	(22,107)
	Non-current financial liabilities	2,261,910	2,043,202	218,708
	Other non-current financial assets	(718)	(1,188)	470
H	NON-CURRENT NET FINANCIAL DEBT	2,261,192	2,042,014	219,178
	Current financial liabilities	76,375	491,137	(414,762)
	Current financial assets	(665,316)	(1,098,579)	433,263
I	CURRENT NET FINANCIAL DEBT	(588,941)	(607,442)	18,501
L = H + I	NET FINANCIAL DEBT	1,672,251	1,434,572	237,679
G + L	INVESTED CAPITAL COVERAGE	2,642,017	2,426,445	215,572

Non-current assets

Non-current assets as of December 31, 2021 equaled 2,664.5 million euros, rising by 2.6 million euros compared to the end of 2020, mainly due to the following changes:

- an increase in Intangible assets (+21.7 million euros), mainly in relation to investments during the year (117.7 million euros), offset by amortization (90.6 million euros) and the effect of including in the consolidation scope ADR Infrastrutture (-21.7 million euros in relation to the elimination of receivables for advances claimed by the company, following Pavimental's transfer of airport activities to ADR Infrastrutture) and Fiumicino Energia (+16.7 million euros in relation to the inclusion of the cogeneration plant among the concession rights);
- a decrease in Non-current financial assets by 17.3 million euros mainly attributable to the fair value measurement of the equity investment in Azzurra Aeroporti S.p.A., which caused an adjustment of -12.5 million euros and, though residually, the equity investment in S.A.Cal. S.p.A. (-0.5 million euros) based on the best information available at the date of this report. The decrease is also affected by the sale by ADR of its equity investment in Pavimental S.p.A. to Autostrade per l'Italia S.p.A. and the measurement of the associate Spea Engineering S.p.A. using the equity method (-1.4 million euros), which considers the pro rata result for the year.

Working capital

Working capital was 235.2 million euros and showed an increase of 230.7 million euros compared to December 31, 2020 due to the trends described below.

Trade assets amounted to 192.2 million euros and decreased by 70.4 million euros compared to the end of 2020 mainly due to the aforementioned impairment of the receivables from Alitalia SAI under extraordinary administration This trend was partially offset by the change in the consolidation scope, which led to an increase in raw material inventories (+6.6 million euros), work in progress for third parties (+4.7 million euros) and trade receivables due from third parties, advances and prepaid expenses (+9.9 million euros).

Other current assets rose by 230.5 million euros, primarily due to the recognition of the credit for the COVID-19 relief (+219.2 million euros) and the higher VAT credit (+10.3 million euros).

Current tax assets saw an increase of 69.8 million euros due essentially to the recognition of the consolidated tax credit towards Atlantia, corresponding to the 24% IRES tax benefit on both the tax loss recorded in the year, which can be transferred to the tax consolidation scheme, and the share of prior tax losses remunerated in 2021.

Trade liabilities decreased by 29.8 million euros mainly due to the lower volume of investments compared to the last part of the previous year.

Other current liabilities increased by a total of 21.5 million euros, mainly as the combined effect of:

- increase in liabilities to personnel of 3.9 million euros mainly deriving from the assessment of payments due in connection with the reintroduction of variable incentive plans;
- decrease in the concession fees of 2.2 million euros in relation to the advance payment for 2020 and the payment of the first installments of 2021, made in April 2021 and July 2021, net of the portion accrued in the year;
- increase in the surtax on passenger fees by 15.8 million euros due to the impact of the performance during the year of this type of collections from carriers. For this type of charge, ADR is an intermediary in the collection of the surcharges, which it pays back to the end beneficiaries in the month following that of collection.

Current tax liabilities increased by 7.5 million euros mainly due to the recognition of the substitute tax for the alignment of the tax base to the higher carrying amount pursuant to art. 110 of Law Decree no. 104/20 converted with amendments into Law no. 126 of 2020.

TABLE 15

Current share of provisions and non-current liabilities

(Thousands of euros)	12.31.2021	12.31.2020	Change
Employee benefits	15,185	16,860	(1,675)
Provisions for renovation of airport infrastructure	216,871	197,033	19,838
Other provisions for risks and charges	24,612	26,031	(1,419)
TOTAL	**256,668**	**239,924**	**16,744**
Of which:			
Current	61,036	57,648	3,388
Non current[11]	195,632	182,276	13,356

Employee benefits, totaling 15.2 million euros, decreased by 1.7 million euros due to the payment of severance indemnities to employees involved in the redundancy payments.

The provision for renovation, which includes the present value of the estimate of the costs to be incurred for the contractual obligation to restore and replace assets under concession, increased by 19.8 million euros compared to the balance at the end of 2020 due to the allocations for the year, which reflect the amounts resulting from updating the scheduled replacement/renewal actions included in the updated business plan, partially offset by operating uses.

Other provisions for risks and charges decreased by 1.4 million euros compared to 2020 as a result of uses during the year (-7.1 million euros) mainly relating to the redundancy plan pursuant to the labor union agreement of December 1, 2020 (-5.7 million euros), partially offset by the allocations for the year (+4.6 million euros) and the effect of including Leonardo Energia in the consolidation scope (+1.1 million euros).

Net invested capital

The net invested capital, equal to 2,642.0 million euros as of December 31, 2021, showed an increase of 215.6 million euros compared to December 31, 2020.

Equity

The Group's equity, equal to 967.0 million euros, decreased by 24.9 million euros compared to December 31, 2020, due to the comprehensive expense for the year (-16.0 million euros), which was affected by the loss for the year as well as by the negative change in the fair value of the equity investments in Azzurra Aeroporti S.p.A. and S.A.CAL. S.p.A., effects partially offset by the positive change in the fair value of interest rate risk hedging derivatives that took place during the year.

The purchase of the equity investment in ADR Infrastrutture from Pavimental S.p.A. was classified as a transaction between companies under common control. Consequently, the

[11] *Non-current liabilities also include the item Other liabilities equal to 986 thousand euros as of 12.31.2021 and 0 thousand euros as of 12.31.2020.*

amount of the assets and liabilities acquired was recognised at the original carrying amount recognised by the seller, whilst the difference with the price paid, amounting to 17.3 million euros, was deducted from equity.

The purchase of the equity investment in Fiumicino Energia was also classified as an "under common control" transaction, so the difference between the price paid by ADR for the purchase of 87.14% of Fiumicino Energia, equal to 10.5 million euros, and the pro-rata amount of the carrying amount of the net assets acquired (18.2 million euros) was allocated to the equity reserve for +7.7 million euros.

The equity attributable to non-controlling interests is equal to 2.8 million euros and includes the portion attributable to non-controlling shareholders in the companies Fiumicino Energia and Leonardo Energia.

Net financial debt

Net financial debt as of December 31, 2021 amounted to 1,672.3 million euros, an increase of 237.7 million euros compared to the end of 2020, in relation to the investments of the year and the negative trend of the working capital, partially offset by the positive change in the interest rate component of the fair value of the hedging derivatives.

TABLE 16

Net financial debt

(Thousands of euros)	12.31.2021	12.31.2020	Change
Non-current financial liabilities	**2,261,910**	**2,043,202**	**218,708**
Bonds	1,521,416	1,006,473	514,943
Medium/long-term loans	656,360	873,671	(217,311)
Derivatives	81,230	161,238	(80,008)
Other non-current financial liabilities	2,904	1,820	1,084
Other non-current financial assets	(718)	(1,188)	470
NON-CURRENT NET FINANCIAL DEBT	**2,261,192**	**2,042,014**	**219,178**
Current financial liabilities	76,375	491,137	(414,762)
Current share of medium/long-term financial liabilities	37,903	431,431	(393,528)
Derivatives	38,472	59,706	(21,234)
Current financial assets	(665,316)	(1,098,579)	433,263
Cash and cash equivalents	(661,640)	(1,097,229)	435,589
Other current financial assets	(3,676)	(1,350)	(2,326)
CURRENT NET FINANCIAL DEBT	**(588,941)**	**(607,442)**	**18,501**
NET FINANCIAL DEBT	**1,672,251**	**1,434,572**	**237,679**

Non-current net financial debt

The non-current net financial debt amounted to 2,261.2 million euros, up by 219.2 million euros mainly as a result of the changes described below.

Bonds (1,521.4 million euros) recorded an increase of 514.9 million euros mainly attributable to the first Sustainability-Linked bonds issued by ADR in April 2021 and the adjustment of Tranche A4 to the year-end exchange rate, as well as to the effects of the measurement of loans using the amortized cost method.

Medium/long-term loans, equal to 656.4 million euros, decreased by 217.3 million euros due to the early repayment, which took place in June, of the bank loan, guaranteed by SACE, granted in 2020 by a banking syndicate for a par value of 200.0 million euros and with a duration of 3 years, as well as the short-term reclassification of the portions maturing in 2022 of the EIB (12.2 million euros) and CDP (5.6 million euros) loans.

Derivatives amounting to 81.2 million euros comprised the Cross Currency Swap to hedge the Tranche A4 in pounds sterling, down compared to December 31, 2020 (-25.5 million euros), due to the change in the exchange rate component (-16.7 million euros) and the positive performance of the interest rate component (-8.8 million euros). The further reduction of 54.5 million euros compared to December 31, 2020 refers to the short-term reclassification of the three forward starting Interest Rate Swaps (with a notional value of 300.0 million euros, with deferred application: February 20, 2022).

Current net financial debt

The financial position shows, for the current portion, a net cash position of 588.9 million euros, down by 18.5 million euros compared to December 31, 2020 in relation to the following trends:

- reduction in the current share of medium/long-term financial liabilities (-393.5 million euros) substantially following the repayment, for 400.0 million euros, of the EMTN bonds maturing in February 2021 and the short-term reclassification of the stakes maturing in 2022 of EIB and CDP loans for a total of 17.9 million euros, partly offset by the repayment of short-term installments falling due, equal to 12.5 million euros;
- decrease in liabilities for derivatives of 21.2 million euros due to the combined effect of the positive performance of the interest rate component (-31.7 million euros) and the closure of four forward starting Interest Rate Swap contracts, in connection with the hedging of the SLB bond issue of last April, at a (negative) market value of 44.0 million euros. These effects are partly offset by the reclassification of the three forward starting Interest Rate Swap contracts mentioned above;
- lower cash and cash equivalents of 435.6 million euros.

As of December 31, 2021 the ADR Group had a liquidity reserve of 911.6 million euros, comprising:

- 661.6 million euros attributable to cash and/or invested with a time horizon not exceeding the short term;
- 250.0 million euros attributable to a committed revolving credit line with an average residual utilization period of approximately one year and three months.

As regards the financial documentation, given the persistence of the pandemic crisis, it is emphasized that the derogation from the consequences deriving from exceeding the limits imposed by the financial covenants included in the bank loan agreements was most recently extended, for all counterparties, up to the calculation date of June 30, 2022 included.

TABLE 17

Consolidated Statement of cash flows

(Thousands of euros)	2021	2020
PROFIT (LOSS) FOR THE YEAR	**(37,958)**	**(143,684)**
Adjusted by:		
Amortization and depreciation	105,463	107,836
Allocation to provisions for renovation of airport infrastructure	64,661	38,848
Financial expense from discounting provisions	44	1,275
Change in other provisions	(4,731)	2,315
Share of profit (loss) of equity-accounted associates	1,385	(342)
Net change in deferred tax (assets) liabilities	(12,552)	(34,317)
Other non-monetary costs	11,799	11,367
Changes in working capital and other changes	(214,056)	(111,921)
CASH FLOWS USED IN OPERATING ACTIVITIES (A)	**(85,945)**	**(128,623)**
Investments in property, plant and equipment (*)	(12,418)	(13,511)
Investments in intangible assets (**)	(117,688)	(108,144)
Works for renovation of airport infrastructure	(47,576)	(32,095)
Equity investments and non-controlling interests in consolidated companies	0	(1)
Investments in consolidated companies net of net cash contributions	(13,451)	0
Gains from disinvestments and other changes in property, plant and equipment and intangible assets and equity investments	4,800	12,765
Net change in other non-current assets	23	(57)
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(186,310)**	**(141,043)**
New medium/long-term loans	0	678,818
Issue of bonds	491,643	297,732
Repayments of bonds	(400,001)	0
Repayment of medium/long-term loans	(212,500)	(112,500)
Net change in other current and non-current financial liabilities	(42,050)	1,795
Net change in current and non-current financial assets	(426)	165
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**(163,334)**	**866,010**
NET CASH FLOWS FOR THE YEAR (A+B+C)	**(435,589)**	**596,344**
Opening cash and cash equivalents	1,097,229	500,885
Closing cash and cash equivalents	661,640	1,097,229

(*) including advances to suppliers for 280 thousand euros in 2021 and 1,698 thousand euros in 2020.

(**) including advances to suppliers for 134 thousand euros in 2021 and 124 thousand euros in 2020.

TABLE 18

Additional information to the statement of cash flows

(Thousands of euros)	2021	2020
Net income taxes paid	3,396	24,522
Interest income collected	84	1,284
Interest expense and commissions paid	50,041	47,767

The cash flows used in operating activities of the ADR Group in 2021 amounted to 85.9 million euros, up by 42.7 million euros compared to the comparative year, due essentially to the lower loss recorded in the year, considered net of the non-monetary items (deferred tax assets and liabilities and allocation to the provisions for renovation of airport infrastructure), partly offset by the more unfavorable trend in working capital.

Cash flows used in investing activities, amounting to -186.3 million euros, up 45.3 million euros on 2020, were affected by the acquisition of the equity investment in ADR Infrastrutture (-12.1 million euros, net of cash and cash equivalents contributed), the equity investment in Fiumicino Energia (-1.3 million euros, net of cash and cash equivalents contributed and inclusive of the effects of Leonardo Energia) and increased investments and renovation works of airport infrastructure during the year, partially offset by the effects of the sale of the equity investment in Pavimental S.p.A. (+3.7 million euros).

Cash flows used in financing activities amounted to 163.3 million euros due to the early repayment of the loan, guaranteed by SACE, granted by a banking syndicate for a par value of 200.0 million euros, the repayment of the installments due during the year for EIB and CDP loans totaling 12.5 million euros and the repayment of the EMTN bond issue maturing in February 2021 for a par value of 400.0 million euros, in addition to the closure of forward starting interest rate swaps for 44.0 million euros. These effects were partly offset by the issue of the first Sustainability-Linked Bonds in April 2021 with a par value of 500 million euros. As a result of the trends described above, the cash flows for the year, which were negative for 435.6 million euros, decreased the closing cash and cash equivalents to 661.6 million euros compared to the opening balance of 1,097.2 million euros.

5.3.4 ECONOMIC AND FINANCIAL PERFORMANCE OF ADR S.P.A.

The economic and financial figures of the Parent ADR were substantially affected by the same factors which impacted the performance of the ADR Group. For more information, please refer, therefore, to the previous sections of the document

TABLE 19

Reclassified income statement

(Thousands of euros)	2021	2020[12]	Change	Change %
Revenue from airport management of which:	289,066	260,908	28,158	10.8%
Aviation	198,090	170,786	27,304	16.0%
Non-aviation	90,976	90,122	854	0.9%
Revenue from construction services	98,581	98,060	521	0.5%
Other operating income	228,595	9,427	219,168	2,324.9%
Total revenue	**616,242**	**368,395**	**247,847**	**67.3%**
External operating costs	(187,745)	(173,510)	(14,235)	8.2%
Total costs for construction services	(98,872)	(98,060)	(812)	0.8%
Concession fees	(10,034)	(8,299)	(1,735)	20.9%
Net personnel expense	(67,640)	(63,909)	(3,731)	5.8%
(Allocation to) re-absorption of provisions for risks and charges	(3,582)	1,173	(4,755)	(405.4%)
Net operating costs	**(367,873)**	**(342,605)**	**(25,268)**	**7.4%**
Gross operating profit (EBITDA)	**248,369**	**25,790**	**222,579**	**863.0%**
Amortization and depreciation, impairment losses and reversals	(103,034)	(106,315)	3,281	(3.1%)
Provisions for renovation and other adjusting provisions	(202,865)	(41,146)	(161,719)	393.0%
Operating profit (loss) (EBIT)	**(57,530)**	**(121,671)**	**64,141**	**(52.7%)**
Net financial expense	(62,070)	(59,446)	(2,624)	4.4%
Profit (loss) before taxes from continuing operations	**(119,600)**	**(181,117)**	**61,517**	**(34.0%)**
Taxes	74,732	37,764	36,968	97.9%
Profit (loss) from continuing operations	**(44,868)**	**(143,353)**	**98,485**	**(68.7%)**
Profit (loss) from discontinued operations	0	0	0	0
Profit (loss) for the year	**(44,868)**	**(143,353)**	**98,485**	**(68.7%)**

The revenue of ADR S.p.A., though still impacted by the effects of the pandemic crisis on traffic, despite the slight recovery that took place in the second half of 2021, increased overall by 67.3% compared to the year under comparison.

In particular, aviation activities recorded an increase of 16.0%, due to the slight recovery in traffic mainly in the summer months, as did the non-aviation sector (+0.9%) due to higher revenue from commercial sub-concessions

[12] *The data relating to the 2020 financial year differ from those contained in the 2020 Annual Report due to the reclassification from the item Personnel expense (renamed in this Report "Net personnel expense") to the item Costs for construction services (renamed "Total costs for construction services") of the costs relating to ADR personnel dedicated to construction services, in line with the arrangement adopted by the ADR Group.*

and car parks, partly offset by the decline in revenue from real estate sub-concessions and advertising revenue.

The increase in other operating income mainly reflects the posting of the revenue for 219.2 million euros regarding the subsidy that the Italian government, through law 178/2020, assigned to airports to offset the losses attributable to the COVID-19 health emergency in the period March 1 - June 30, 2020.

Net operating costs increased by 7.4% compared to the comparative year mainly due to the increase in external operating costs.

The gross operating profit (loss) (EBITDA), equal to 248.4 million euros, rose by 222.6 million euros compared to 2020.

Provisions for renovation and other adjusting provisions amounted to 202.9 million euros, an increase of 161.7 million euros compared to the previous year, attributable for 134.6 million euros to higher allocations to the loss allowance, essentially due to the increased risk assessments which, in relation to the most recent events, affect the expected conditions of recoverability for the receivable from Alitalia SAI under extraordinary administration subject to filing in insolvency proceedings.

Operating loss (EBIT) is -57.5 million euros (-121.7 million euros compared to 2020).

Net financial expense, amounting to 62.1 million euros, increased by 2.6 million euros compared with 2020 due to the increase in average debt.

The estimated tax burden for current and deferred taxation amounted to 74.7 million euros, mainly deriving from the combined effect of income from consolidated taxation on the tax loss for the year and the substitute tax, assessed in relation to the alignment, pursuant to Law Decree no. 104/2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired.

Net of the tax burden, ADR reported a loss of 44.9 million euros in 2021, compared with a loss of 143.4 million euros in 2020.

TABLE 20

Statement of comprehensive income

(Thousands of euros)	2021	2020
PROFIT (LOSS) FOR THE YEAR	**(44,868)**	**(143,353)**
Fair value gains (losses) on cash flow hedges	42,134	(31,989)
Tax effect	(10,112)	6,825
Other comprehensive income (loss) that can be reclassified to profit or loss, net of the tax effect	**32,022**	**(25,164)**
Actuarial losses on employee benefits	(153)	(126)
Tax effect	37	(68)
Fair value losses on equity investments	(13,020)	(27,591)
Other comprehensive expense that will not be subsequently reclassified to profit or loss, net of the tax effect	(13,136)	(27,785)
Reclassifications of other comprehensive income for the period	3,224	1,539
Other comprehensive income (expense), net of the tax effect	**22,110**	**(51,410)**
COMPREHENSIVE EXPENSE FOR THE YEAR	**(22,758)**	**(194,763)**

TABLE 21

Reclassified statement of financial position

	(Thousands of euros)	12.31.2021	12.31.2020	Change
	Intangible assets	2,497,308	2,480,781	16,527
	Property, plant and equipment	47,418	49,912	(2,494)
	Non-current financial assets	52,949	45,613	7,336
	Deferred tax assets	91,685	89,644	2,041
	Other non-current assets	445	456	(11)
A	**Non-current assets**	**2,689,805**	**2,666,406**	**23,399**
	Trade assets	188,706	263,553	(74,847)
	Other current assets	256,919	29,805	227,114
	Current tax assets	75,634	4,475	71,159
	Trade liabilities	(159,860)	(181,188)	21,328
	Other current liabilities	(135,079)	(119,635)	(15,444)
	Current tax liabilities	(7,320)	0	(7,320)
B	**Working capital**	**219,000**	**(2,990)**	**221,990**
	Employee benefits	(615)	(889)	274
	Provisions for renovation of airport infrastructure	(53,287)	(47,340)	(5,947)
	Other provisions for risks and charges	(3,531)	(7,424)	3,893
C	**CURRENT SHARE OF PROVISIONS**	**(57,433)**	**(55,653)**	**(1,780)**
D = B + C	**Working capital net of the current share of provisions**	**161,567**	**(58,643)**	**220,210**
	Non-current liabilities	(185,022)	(172,403)	(12,619)
E	**Non-current liabilities**	**(185,022)**	**(172,403)**	**(12,619)**
F = A + D + E	**Net invested capital**	**2,666,350**	**2,435,360**	**230,990**
	Share capital	62,225	62,225	0
	Reserves and retained earnings (losses carried forward)	940,540	1,061,783	(121,243)
	Net profit (loss) for the year	(44,868)	(143,353)	98,485
G	**Equity**	**957,897**	**980,655**	**(22,758)**
	Non-current financial liabilities	2,261,598	2,043,201	218,397
	Other non-current financial assets	(718)	(1,188)	470
H	**Non-current net financial debt**	**2,260,880**	**2,042,013**	**218,867**
	Current financial liabilities	89,866	500,223	(410,357)
	Current financial assets	(642,293)	(1,087,531)	445,238
I	**Current net financial debt**	**(552,427)**	**(587,308)**	**34,881**
L = H + I	**Net financial debt**	**1,708,453**	**1,454,705**	**253,748**
G + L	**Invested capital coverage**	**2,666,350**	**2,435,360**	**230,990**

Non-current assets as of December 31, 2021 amounted to 2,689.8 million euros and increased by 23.4 million euros compared to the end of 2020 essentially due to the increase in intangible assets for 16.5 million euros for investments for the year and due to the increase in property, plant and equipment for 7.3 million euros mainly attributable to the acquisition of 87.14% of the capital of the company Fiumicino Energia S.r.l., to the acquisition of 100% of the capital of the company ADR Infrastrutture S.p.A. and to the capital increase of the subsidiary ADR Ingegneria S.p.A. These increases in equity investments were partially offset by the sale of the 20% shareholding held in the capital of Pavimental S.p.A., to Autostrade per l'Italia S.p.A., as well as the impairment of the equity investments in Azzurra Aeroporti S.p.A. and S.A.Cal. S.p.A., both valued at fair value.

Working capital was 219.0 million euros and showed an increase of 222.0 million euros compared to December 31, 2020 due to the trends described below:

- Trade assets decreased by 74.8 million euros mainly due to the write-down of the receivables from Alitalia under extraordinary administration;
- Other current assets increased by 227.1 million euros primarily due to the recognition of the credit for the COVID-19 relief (+219.2 million euros) and the higher VAT credit (+6.4 million euros);
- Current tax assets saw an increase of 71.2 million euros due essentially to the recognition of the consolidated tax credit towards Atlantia, corresponding to the 24% IRES tax benefit on both the tax loss recorded in the year, which can be transferred to the tax consolidation, and the share of prior tax losses remunerated in 2021;
- Trade liabilities decreased by 21.3 million euros mainly due to the lower volume of investments compared to the last part of the previous year;
- Other current liabilities increased by 15.4 million euros, essentially due to the higher payable for additional charges on passenger boarding fees;
- Current tax liabilities increased by 7.3 million euros mainly due to the recognition of the payable relating to the substitute tax for the alignment of the tax amount to the higher carrying amount pursuant to art. 110 of Law Decree no. 104/20.

The net invested capital, equal to 2,666.4 million euros as of December 31, 2021, showed an increase of 231.0 million euros compared to the end of the previous year.

Sculpture from the Ostia Antica Archaeological Park on display in the boarding area E of Leonardo da Vinci Airport

TABLE 22

Net financial debt

(Thousands of euros)	2021	2020	Change
Non-current financial liabilities	**2,261,598**	**2,043,201**	**218,397**
Bonds	1,521,416	1,006,473	514,943
Medium/long-term loans	656,360	873,671	(217,311)
Derivatives	81,230	161,238	(80,008)
Other non-current financial liabilities	2,592	1,819	773
Other non-current financial assets	**(718)**	**(1,188)**	**470**
Non-current net financial debt	**2,260,880**	**2,042,013**	**218,867**
Current financial liabilities	**89,866**	**500,223**	**(410,357)**
Current share of medium/long-term financial liabilities	37,758	431,391	(393,633)
Derivatives	38,472	59,706	(21,234)
Other current financial liabilities	13,636	9,126	4,510
Current financial assets	**(642,293)**	**(1,087,531)**	**445,238**
Cash and cash equivalents	(638,617)	(1,086,181)	447,564
Other current financial assets	(3,676)	(1,350)	(2,326)
Current net financial debt	**(552,427)**	**(587,308)**	**34,881**
Net financial debt	**1,708,453**	**1,454,705**	**253,748**

Net financial debt as of December 31, 2021 amounted to 1,708.5 million euros, an increase of 253.7 million euros compared to the end of 2020, in relation to the investments of the year and the negative trend of the working capital, partially offset by the positive change in the interest rate component of the fair value of the hedging derivatives.

TABLE 23

Statement of cash flows

(Thousands of euros)	2021	2020
Profit (loss) for the year	**(44,868)**	**(143,353)**
Adjusted by:		
Amortization and depreciation	103,034	106,315
Allocation to provisions for renovation of airport infrastructure	65,915	38,809
Financial expense from discounting provisions	24	1,239
Changes in other provisions	(3,903)	1,661
Impairment losses (reversals of impairment losses) on non-current financial assets and equity investments	0	1,107
Net change in deferred tax (assets) liabilities	(13,135)	(33,159)
Other non-monetary costs	11,794	10,088
Changes in working capital and other changes	(221,004)	(98,644)
Cash flows used in operating activities (A)	**(102,143)**	**(115,937)**
Investments in property, plant and equipment (*)	(11,884)	(13,256)
Investments in intangible assets (**)	(114,817)	(106,170)
Works for renovation of airport infrastructure	(48,774)	(31,975)
Equity investments	(24,056)	(1)
Gains from disinvestments and other changes in property, plant and equipment and intangible assets and equity investments	13,334	12,765
Net change in other non-current assets	11	(57)
Cash flows used in investing activities (B)	**(186,186)**	**(138,694)**
Issue of bonds	491,643	297,732
New medium/long-term loans	0	678,818
Repayments of bonds	(400,001)	0
Repayment of medium/long-term loans	(212,500)	(112,500)
Net change in other current and non-current financial liabilities	(42,462)	1,921
Net change in current and non-current financial assets	(426)	165
Cash flows from (used in) financing activities (C)	**(163,746)**	**866,136**
CASH FLOWS FOR THE YEAR (A+B+C)	**(452,075)**	**611,505**
Opening cash and cash equivalents	1,077,056	465,551
Closing cash and cash equivalents	624,981	1,077,056

(*) including advances to suppliers for 280 thousand euros in 2021 and 1,698 thousand euros in 2020.

(**) including advances to suppliers for 5,097 thousand euros in 2021 and 124 thousand euros in 2020.

TABLE 24

Additional information to the statement of cash flows

(Thousands of euros)	2021	2020
Net income taxes paid	2,242	24,344
Interest income collected	84	1,284
Interest expense and commissions paid	50,042	47,771

5.3.5 ALTERNATIVE PERFORMANCE INDICATORS

In order to illustrate the Group's results of operations as well as its financial position and cash flows, reclassified statements were prepared which are different from those required under EU-endorsed IFRS adopted by the Group and contained in the Consolidated financial statements.

These reclassified statements contain alternative performance indicators to those directly resulting from the Consolidated financial statements that management deem useful for monitoring the Group's performance and representing the financial position and financial performance of the business.

These alternative performance indicators ("API") are:

- Net operating costs;
- Gross operating profit (loss) (EBITDA).

Reference is made to the next paragraph for a reconciliation of the above mentioned indicators with the Consolidated financial statements.

Moreover, in order to better assess the Group's financial position and financial performance, the following additional alternative performance indicators are presented:

TABLE 25

Alternative Performance Indicators (API)

API	SOURCE/CALCULATION METHOD
Investments	are determined as follows: ◆ investments in Property, plant and equipment net of advances paid to suppliers in the year (see Note 6.1 of the Notes to the consolidated financial statements) ◆ investments in Intangible assets net of advances paid to suppliers in the year (see Note 6.2 of the Notes to the consolidated financial statements) ◆ revenue for construction services (see Note 7.1 of the Notes to the consolidated financial statements) ◆ operating uses of the Provisions for renovation of airport infrastructure (see Note 6.13 of the Notes to the consolidated financial statements)
Liquidity	Cash and cash equivalents as can be inferred from the consolidated financial statements

The reclassified statements and the above-mentioned indicators must not be considered as a replacement to the conventional ones required by IFRS.

Reconciliation between the reclassified income statement and the income statement included in the consolidated financial statements

The income statement was reclassified on a "value-added" basis, which shows the contribution of the financial and core areas of operation.

For the items that cannot be directly inferred from the consolidated financial statements, the calculation method and the reference to the sections of this Financial report containing the necessary information for calculation purposes are provided.

TABLE 26

Reclassified income statement

	SOURCE/CALCULATION METHOD
Revenue from airport management of which:	inferred from the consolidated financial statements
Aviation revenue	see Note 7.1 of the Notes to the consolidated financial statements
Non-aviation revenue	see Note 7.1 of the Notes to the consolidated financial statements
Revenue from construction services	inferred from the consolidated financial statements
Other operating income	inferred from the consolidated financial statements
TOTAL REVENUE	
External operating costs	calculated as follows ◆ Consumption of raw materials and consumables (inferred from the consolidated financial statements) ◆ Service costs (inferred from the consolidated financial statements) ◆ Costs for construction services (see Note 7.3 of the Notes to the financial statements) ◆ Costs for renovation of airport infrastructure (see Note 7.3 of the Notes to the financial statements) ◆ Lease payments (inferred from the consolidated financial statements) ◆ Other costs (inferred from the consolidated financial statements) ◆ Allocations to the loss allowance (see Note 7.5 of the Notes to the financial statements)
Total costs for construction services	◆ Costs for construction services (see Note 7.3 of the Notes to the financial statements) ◆ Cost of personnel dedicated to construction services (see Note 7.4 of the Notes to the financial statements)
Concession fees	inferred from the consolidated financial statements
Net personnel expense	◆ Personnel expense (inferred from the consolidated financial statements) ◆ Cost of personnel dedicated to construction services (see Note 7.4 of the Notes to the consolidated financial statements) ◆ Cost of personnel dedicated to renovation works of airport infrastructure (see Note 7.4 of the Notes to the consolidated financial statements)
(Allocation to) re-absorption of provisions for risks and charges	inferred from the consolidated financial statements
TOTAL NET OPERATING COSTS	
GROSS OPERATING PROFIT (LOSS) (EBITDA)	
Amortization and depreciation	inferred from the consolidated financial statements
Provisions for renovation and other adjusting provisions	calculated as follows ◆ allocations to the loss allowance (see note 7.5 of the Notes to the consolidated financial statements) ◆ allocation to (use of) the provisions for renovation of airport infrastructure (inferred from the consolidated financial statements) ◆ operating uses of the provisions for renovation of airport infrastructure (see Note 6.13 of the Notes to the consolidated financial statements)
OPERATING PROFIT (LOSS) (EBIT)	
Net financial expense	inferred from the consolidated financial statements
Share of profit (loss) of equity-accounted associates	inferred from the consolidated financial statements
PROFIT (LOSS) BEFORE TAXES FROM CONTINUING OPERATIONS	inferred from the consolidated financial statements
Income taxes	inferred from the consolidated financial statements
PROFIT (LOSS) FROM CONTINUING OPERATIONS	inferred from the consolidated financial statements
Profit (loss) from discontinued operations	inferred from the consolidated financial statements
PROFIT (LOSS) FOR THE YEAR	inferred from the consolidated financial statements
Attributable to non-controlling interests	inferred from the consolidated financial statements
ATTRIBUTABLE TO THE OWNERS OF THE PARENT	inferred from the consolidated financial statements

Reconciliation between the reclassified statement of financial position and the statement of financial position included in the consolidated financial statements

The statement of financial position was reclassified on a management account basis, which, on one hand, shows the division of invested capital between non-current assets and working capital, net of provisions, and on the other, the related sources of funding, represented by self-financing (equity) and borrowing (current and non-current net financial debt). For the items that cannot be directly inferred from the consolidated financial statements, the calculation method is provided.

TABLE 27

Reclassified consolidated statement of financial position

		SOURCE/CALCULATION METHOD
	INTANGIBLE ASSETS	corresponding to the item "Intangible assets" in the consolidated financial statements
	PROPERTY, PLANT AND EQUIPMENT	corresponding to the item "Property, plant and equipment" in the consolidated financial statements
	NON-CURRENT FINANCIAL ASSETS	corresponding to the item "Equity investments" in the consolidated financial statements
	DEFERRED TAX ASSETS	inferred from the consolidated financial statements
	OTHER NON-CURRENT ASSETS	inferred from the consolidated financial statements
A	**NON-CURRENT ASSETS**	
	TRADE ASSETS	inferred from the consolidated financial statements
	OTHER CURRENT ASSETS	inferred from the consolidated financial statements
	CURRENT TAX ASSETS	inferred from the consolidated financial statements
	TRADE LIABILITIES	inferred from the consolidated financial statements
	OTHER CURRENT LIABILITIES	inferred from the consolidated financial statements
	CURRENT TAX LIABILITIES	inferred from the consolidated financial statements
B	**WORKING CAPITAL**	
	EMPLOYEE BENEFITS	inferred from the consolidated financial statements
	PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE	inferred from the consolidated financial statements
	OTHER PROVISIONS FOR RISKS AND CHARGES	inferred from the consolidated financial statements
C	**CURRENT SHARE OF PROVISIONS**	**corresponding to the item "Current provisions" in the consolidated financial statements**
D = B + C	**WORKING CAPITAL NET OF THE CURRENT SHARE OF PROVISIONS**	
	NON-CURRENT LIABILITIES	+ Non-current provisions inferred from the consolidated financial statements + Other non-current liabilities inferred from the consolidated financial statements
E	**NON-CURRENT LIABILITIES**	
F = A + D + E	**NET INVESTED CAPITAL**	
	EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	inferred from the consolidated financial statements
	EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	inferred from the consolidated financial statements
G	**EQUITY**	
	NON-CURRENT FINANCIAL LIABILITIES	inferred from the consolidated financial statements
	OTHER NON-CURRENT FINANCIAL ASSETS	inferred from the consolidated financial statements
H	**NON-CURRENT NET FINANCIAL DEBT**	
	CURRENT FINANCIAL LIABILITIES	inferred from the consolidated financial statements
	CURRENT FINANCIAL ASSETS	+ Other current financial assets inferred from the consolidated financial statements + Cash and cash equivalents inferred from the consolidated financial statements
I	**CURRENT NET FINANCIAL DEBT**	
L = H + I	**NET FINANCIAL DEBT**	
G + L	**INVESTED CAPITAL COVERAGE**	

Leonardo da Vinci Airport - New Terminal 1 opened in November 2021

5.4 Asset and investments

5.4.1 ADR GROUP INVESTMENTS

TABLE 28

ADR Group investments in 2021, 2020 and 2019

(Millions of Euros)	2021	2020	2019
Airport concession investments	105.1	98.9	174.4
Other investments in property, plant and equipment and intangible assets	24.6	20.9	33.1
Total investments	**129.7**	**119.8**	**207.5**
Renovation works[13]	47.6	32.1	47.6
Total	**177.3**	**151.9**	**255.1**

The investments made during the year relate to the works for the extension of Terminal 1, where the security area and the duty free area at departures level have been opened since November, for the boarding Hub D, belonging to the "East Hub", and for the completion of the Joint Control Room (APOC). The restructuring works of Terminal 3 and the related operational recovery works have started. The work and planning of investments essential for safety, operational continuity and compliance with regulatory obligations also continued.

177.3 million euros have been spent in total, broken down as follows:

- 96.2 million euros targeted to the expansion of capacity; in particular, 67.2 million euros for the construction of the East Airport System, 19.1 million euros for the construction of new Terminals and Piers and 9.9 million euros for works on runways and aprons;
- 33.5 million euros for the development of computing and technological equipment and systems to support the airports of Fiumicino and Ciampino and other minor works;
- 47.6 million euros for restoration works, extraordinary maintenance and restructuring of the existing infrastructure.

[13] *These amounts are for the use of the provisions for renovation of airport infrastructure.*

TABLE 29

Details of investments for the year

(Milioni di Euros)	2021
East Airport System	67.2
Works on runways and aprons	9.9
of which the main ones are:	
Joint Control Room (APOC)	6.2
Works on terminals and piers	19.1
of which the main ones are:	
Terminal 3 - restructuring	14.6
Development of systems, ICT systems and other minor systems	33.5
of which the main ones are:	
Information systems	13.1
Property developments	0.6
Total investments	129.7
Of which:	
finished	29.3
In progress	100.4
Renovation works	47.6
Total	177.3

5.5 Sustainable Finance tools

The issue of ADR's first Green Bonds in November 2020 reflects ADR's determination to place Sustainability among its strategic priorities, together with Innovation and excellence in Quality and Safety, as well as its commitment to position itself as a leader in the airport development and management activities with reduced environmental impact.

This commitment was further strengthened by the establishment, in November 2020, of the "Green Finance Committee", with the aim of updating and monitoring the Green Financing Framework, as well as identifying eligible investments for inclusion in the green portfolio.

To strengthen its financial policy combined with its sustainability commitments, ADR launched Sustainability-Linked bonds as the first airport in the world in April 2021, which directly links the borrowing costs to the achievement of specific sustainability objectives. The transaction represents a further demonstration of the Group's constant and growing commitment to environmental and sustainability issues.

5.5.1 GREEN BONDS

THE GREEN FINANCING FRAMEWORK

The Green Financing Framework, published in November 2020, describes the objectives and methods with which the ADR Group intends to put into practice its commitment in terms of Sustainability, through specific sustainable financial instruments. This instrument will allow the Company to use the Green Debt (through the issue of bonds or the taking out of bank loans) to finance and/or refinance projects with a positive environmental impact (so-called Eligible Green Projects).

The Green Financing Framework[14] was prepared by taking into account the Green Bond Principles (GBP) published by the International Capital Market Association (ICMA) in 2018, as well as the Green Loan Principles (GLP) published by the Loan Market Association (LMA) in 2020.

ADR is committed to constantly improving its approach to sustainability and intends to periodically evaluate the Green Financing Framework to ensure its alignment with market expectations, voluntary standards and regulatory developments.

In line with the core components of GBP and GLP, the Green Financing Framework is structured into the following sections:

- Use of proceeds;
- Project evaluation and selection process;
- Income management;
- Reporting;
- External review.

ISSUE OF THE GREEN BONDS

In November 2020, ADR issued its first Green Bonds for an amount of 300 million euros. The response from investors, characterized by significant geographical diversification, was extremely positive: demand exceeded supply by approximately 12 times (with orders exceeding 3.6 billion euros). ADR's Green Financing

[14] *The Green Financing Framework is available at the following link https://www.ADR.it/web/aeroporti-di-roma-en/sustainable-financing*

Framework was reviewed by DNV-GL, which also provided an eligibility assessment of the "Green Bonds" ("SPO") operation[15].

ADR's Green Bond Issue envisages the redemption in a single installment at maturity on February 2, 2029 and a fixed rate coupon of 1.625% with the first payment date scheduled for February 2, 2022 (long coupon). The issue price was set at 99.672% and the effective yield at maturity is 1.668%.

GREEN BOND IMPACT REPORT

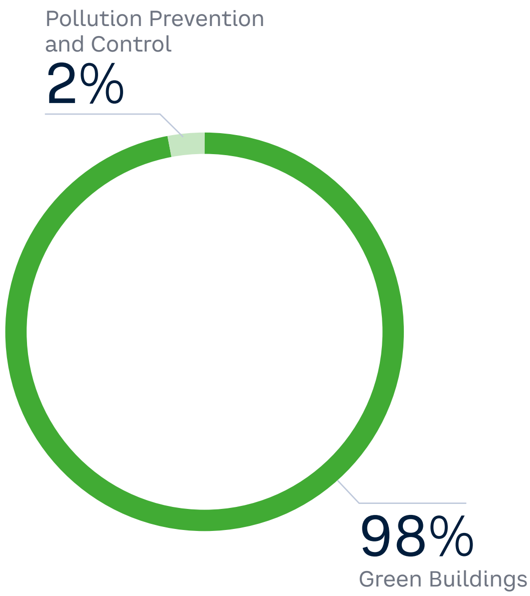
In line with the reporting requirements of the Green Financing Framework, ADR prepared and published, 12 months after their issue, the first "Green Bond Report"[16] including the Allocation Report and the Impact Report. Since the Green Bond Allocation Report, already subject to limited assurance by an independent auditing firm, confirmed the full use of the proceeds from the bond issue, it will not be subject to new disclosure. Therefore, this paragraph represents the Green Bond Impact Report, providing an update - where relevant - on the selected KPIs.

The Green Bond Impact Report includes case studies of specific Eligible Green Projects, as well as data on environmental KPIs relevant to this category of projects.

Since approximately 98% of the proceeds were allocated to "Green Buildings" (see the graph represented below), disclosure is mainly concentrated on this category of eligible projects.

CHART 7

Allocation of income by category of Eligible Project



[15] *The SPO is available at the following link https://www.ADR.it/web/aeroporti-di-roma-en/sustainable-financing*

[16] *The Green Bond Report is available at the following link Infomemo Automatic (ADR.it)*

MAIN ELIGIBLE PROJECTS

57% of the proceeds was allocated to the "Departures pier E and T3 front building" project, completed at the end of 2016. The performance of the KPIs of the Impact report takes into account the completion of this project starting from 2017. Instead, the east development project (which received 36% of the proceeds) will generate an impact on KPIs only after its completion.

TABLE 30

Description of the progress of the eligible projects

Project	Description	State	Total project cost[17] (Millions of euros)	Amount allocated (millions of euros)	% Of 300m allocated income
Departures pier e and T3 front building	The works led to the completion of these new infrastructures: ◆ Departures pier E; ◆ Extension of Terminal 3; ◆ HBS-BHS system dedicated to the west terminal system. The new buildings contribute to offering passengers a seamless airport experience through 14 contact gates and 8 bus gates, within an innovative structure equipped with technologically advanced systems, implemented in line with the best energy and construction practices.	Completed	341.00	170.50	57%
East Development	The works, now in progress, are leading to the completion of these new infrastructures: ◆ New departures pier A and related aprons; ◆ Extension of North Terminal 1 and airside commercial hall; ◆ Extension of West Terminal 1 and restructuring of boarding area C, to improve the airside commercial area; ◆ New immigration process area. These new buildings, once completed, will help to offer passengers a seamless airport experience, through 23 new gates (13 contact and 10 for buses) and 3 new baggage reclaim belts. All systems have been designed in line with the highest standards in terms of construction and energy measures. Pier A will be LEED certified.	In progress: ◆ New departures pier A, extension of North Terminal 1: scheduled for completion in 2022; ◆ Extension of West Terminal 1 and restructuring of boarding area C: completion scheduled for 2023.	354.70[18]	106.71	36%
TOTAL			**695.70**	**277.21**	**92%**

ENVIRONMENTAL KPIs

The main impact indicators for each single category of eligible projects have been identified in Chapter 8. Appendix of the Green Financing Framework. The KPIs in the table below have been selected among the indicators proposed for Green Buildings as the most relevant to measure the environmental benefits deriving from eligible projects.

For energy consumption and CO_2 emissions, the average performance of 2014, 2015 and 2016 was selected as the "baseline". This makes it possible to highlight the performance prior to the completion of the project, at the end of 2016, of pier E and the T3 front building. Regarding the "year of observation", 2019 was selected as the last full year before the COVID-19 pandemic crisis, which affected both traffic and operations - including changes in the management of heating and cooling systems of buildings, which led to a temporary, non-recurring and unpredictable deterioration of KPIs.

[17] *The total project cost includes i) the capital expenditure financed through some capex resources of ADR and therefore not financed by the Green Bonds and ii) the balance of the so-called Green Project Eligible for potential future green bond issues.*

[18] *Compared to the Green Bond report published in November 2021, the final estimate of the "Total Project Cost" of the "East development" has been updated, with an increase of 1.4 million euros".*

TABLE 31

Associated environmental KPIs

KPI	Description, methodology and assumptions	Impact[19]
Reduction of electricity consumption	*Energy consumption of FCO terminals (Kwh)* / *(#passengers)* (total net area of the Terminals in square meters)*	-28%
Reduction of CO_2 emissions:	*(CO_2 equivalent and FCO Terminals emissions (Kg)* / *(#passengers)* (total net area of the Terminals in square meters)* ◆ CO_2 emissions calculated according to the location-based methodology generated by the electricity purchased for the FCO Terminals; ◆ The emission factor per kWh calculated according to the Italian ISPRA standards; ◆ Electricity consumption does not include in-house production or the purchase of renewable energy (approximately 8% of the total electricity consumed in the terminals in 2019).	-42%
Certifications and sustainable labels for green buildings	Certification of eligible buildings according to international environmental protocols, such as: ◆ LEED®[21] Gold ◆ BREEAM®[22] Very Good ◆ EPBD[23] A	**ADR's Sustainable Certification Agenda** ◆ > 60% of terminals built or renovated in line with LEED or BREEAM certifications by 2030; ◆ > 80% by the expiry of the concession in 2046 (LEED, BREEAM or ENVISION). **Achievement of LEED gold certification** ◆ Ciampino General Aviation Terminal (completed); ◆ Fiumicino Boarding Area A (design certified as LEED-ready); ◆ Hubtown real estate (project certified as LEED-ready); ◆ Kinder garden (works completed; presentation of documents for LEED certification completed in 2021; release of certification scheduled for 2022, Gold target). **Green Bond Eligible Projects - Pier E and T3 front building:** BREEAM "**Excellent**" target certification (improvement over the previous "Very Good" target). Assessment completed in 2021, presentation of BREEAM certification documents to be completed in the first quarter of 2022 and subsequent release of certification. **Green Bond Eligible Projects - Hub East - pier A:** Certificazione LEED in corso, **target** "**Gold**" *Green Bond Eligible Projects - Hub East - pier A:* *LEED certification in progress, "Gold" target* *First evaluation of the project presented in October 2021; the new changes proposed to the Design Project require a second evaluation of the project, to be completed in the first half of 2022.* *The construction review will be presented in 2022, after the completion of the capex, and the certification will be issued accordingly.* *The executive design has been certified as eligible for Leed Gold by the independent auditor Bureau Veritas.* . **Green Bond Eligible Projects - Hub East - T1 front building:** BREEAM certification to be achieved, "**Very Good**" target The assessment and certification process will start in 2022 as soon as the works are completed.

[19] *Source: ADR internal report*

[20] *"Istituto Superiore per la Protezione e la Ricerca Ambientale" (Higher Institute for Environmental Protection and Research), a state-owned independent body focusing on environmental research*

[21] *LEED - Leadership in Energy and Environmental Design*

[22] *BREEAM - Building Research Establishment Environmental Assessment Method*

[23] *EPBD - Energy Performance of Buildings Directive*

5.5.2 SUSTAINABILITY-LINKED BONDS

THE SUSTAINABILITY-LINKED FINANCING FRAMEWORK

The Sustainability-Linked Financing Framework represents a complementary document to ADR's Green Financing Framework.

The Framework, published in April 2021, was prepared in compliance with the Sustainability-Linked Bond Principles (SLBPs) published in 2020 by the International Capital Markets Association (ICMA) and the Sustainability-Linked Loan Principles (SLLPs) published in the same year by the Loan Markets Association (LMA).

In the case of Sustainability-Linked Bonds (SLBs), the central body of the Framework, in line with the provisions contained in the SLBPs, consists of the following sections:

1. selection of Key Performance Indicators (KPIs);
2. Sustainability Performance Targets (SPTs);
3. financial characteristics;
4. reporting;
5. external review.

The Sustainability-Linked Financing Framework could also be used by ADR for new financial transactions.

ISSUE OF THE SUSTAINABILITY-LINKED BONDS

The placement of ADR's first Sustainability-Linked bonds in April 2021, for a value of 500 million euros and with a duration of 10 years, received requests for more than 5 times the offer, totaling orders for an amount equal to approximately 2.7 billion euros.

The bond issue envisages repayment in a single installment at maturity on July 30, 2031 and payment of a fixed rate coupon of 1.750%, payable annually in arrears in July, starting July 2022. The issue price was set at 98.839 and the effective yield at maturity is 1.875%.

The issue, listed on the Irish Stock Exchange, provides for the application of a potential step-up on interest up to 25 bps that can be activated starting from the first coupon payable from 2028 until maturity in the event of failure to achieve one or more sustainability Targets (SPTs) reported and described in the Sustainability-Linked Financing Framework.

PROGRESS REPORT

In line with the reporting requirements of the Sustainability-Linked Framework, ADR is required to communicate the performance of the three KPIs, selected to monitor the Group's sustainability performance, on an annual basis, indicating the methodology used. The aforementioned data is subject to assurance in order to verify the achievement of the Sustainability Performance Targets.

KPI 1
SCOPE 1 AND SCOPE 2 CO_2 EMISSIONS (TONS)

6. **Definition of the metric:** Scope 1 and 2 CO_2 emissions generated by ADR's operating activities. The unit of measurement is tons/year;
7. **Units:** percentage reduction in tons of carbon dioxide equivalent (tCO_2).
8. **Scope:** Fiumicino airport (FCO)
9. **Methodology**: the total Scope 1 and 2 CO_2 emissions is calculated according to the ACA rules for Level 4+ defined by ACI Europe, in line with the guidance provided by the ISO 14064-1 certification. This scheme provides for the accounting of direct and indirect emissions, distinguishing them into three types or "Scopes": (i) Scope 1: direct emissions; (ii) Scope 2: indirect emissions associated with energy consumption; (iii) Scope 3: other indirect emissions. In particular, this KPI focuses on the first two types:
   - Direct CO_2 emissions (Scope 1): "fixed sources", "mobile sources", "process emissions", and "others". The emission

factors for Scope 1 have been identified in line with the GHG Protocol;

- Indirect CO_2 emissions (Scope 2) associated with energy consumption: emissions from purchased electricity, heating and cooling. The emission factors associated with electricity consumption are those published by ISPRA3.

10. Baseline:

- 59,173 tons of CO_2 in 2019 (Scope 1 = 4,413 and Scope 2 = 54,760);
- The 2019 baseline was verified by RINA and WSP according to the ACA rules.

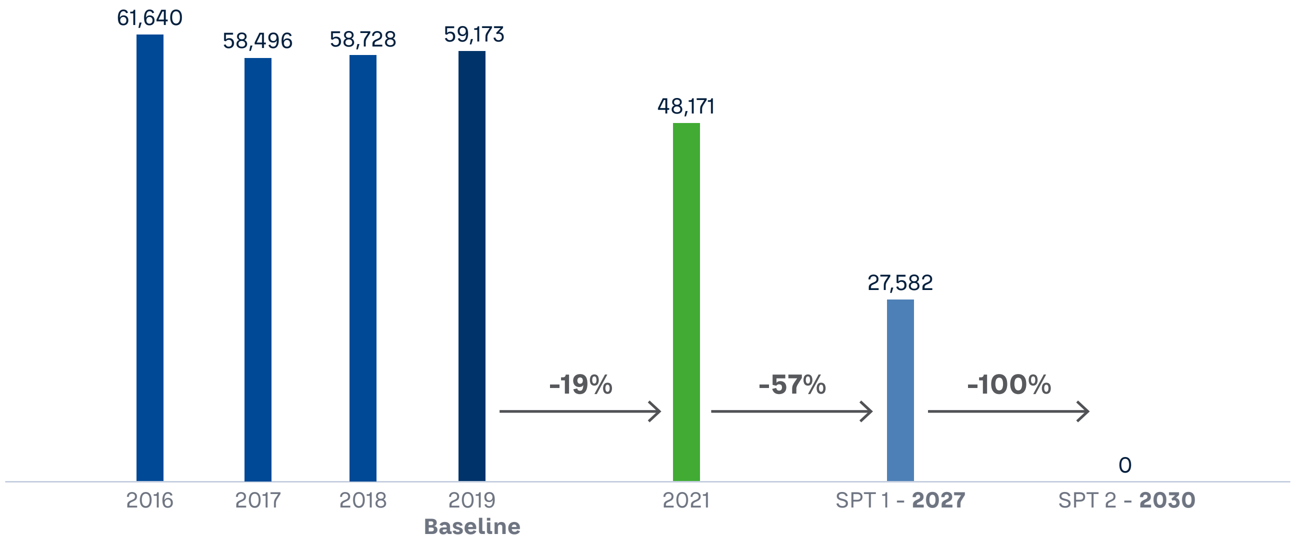
11. Progress:

- Total value for the year 2021 Scope 1 and 2: **48,171 tons of CO_2** (Scope 1 = 2,078 and Scope 2 = 46,092);
- Track progress compared to the Baseline: **-18.6%.**

As is known, airport operations were strongly influenced by the COVID-19 pandemic due to both the significant decrease in aircraft movements and the health policies dictated by the Ministry of Health to protect the safety of passengers and airport operators. However, the substantial decrease in passengers (-73% at Fiumicino airport) did not imply a related reduction in energy consumption, since the cooling and heating operations of the airport structures have been influenced, and continue to be, by the health protocols, which require continuous ventilation of the common areas. All this inevitably impacts on energy consumption, but is of fundamental importance for the safety of operators and passengers. Furthermore, in order to ensure social distancing is maintained and the required health conditions are met, together with the optimization of the systems in operation, Fiumicino airport has undergone multiple changes regarding the configuration of the airport, taking into consideration the various operational capacities associated with the number of passengers. This approach was followed to ensure better management of the pandemic situation and to optimize consumption at the airport.

CHART 8

Scope 1 & 2 emissions (tons of CO_2)



KPI 2

MAINTENANCE OF THE ACA LEVEL 4+ CERTIFICATION

Definition of the metric: ACA Level 4+ is the most advanced certification in the airport sector that aims to achieve the reduction of emissions, including Scope 3 emissions.

Scope: Fiumicino airport (FCO)

Methodology: Accreditation at level 4+ must be renewed every three years. The requirements to be met are:

- submission of the verified carbon footprint according to level 4 requirements;
- revised Carbon Management Plan. The plan must demonstrate that the airport has met in a timely manner any relevant long-term objective or planned intermediate milestone;
- update of the Stakeholder Partnership Plan with information on the progress regarding the reduction of stakeholder emissions compared to the general objective;
- annual submission of the carbon footprint not verified in the intermediate years;
- every two renewals (i.e. every six years), the airport must demonstrate that it is in line with the expected trajectory towards its long-term objective or intermediate milestone.

Progress:

- Certification maintained;
- Since 2011, ADR has adhered to the ACA certification system of ACI Europe (Airports Council International), with the aim of reducing direct and indirect CO_2 emissions. At the end of 2020, ACI Europe introduced two other accreditation levels: 4 (Transformation) and 4+ (Transition). ADR has obtained the new maximum level of certification, ACA - Level Transition 4+, for Fiumicino and Ciampino airports. The airports managed by ADR were the first in Europe and the third in the world to obtain this important recognition.
- ADR is committed to achieving the "Net Zero Carbon" target by 2030. The main areas of action on which ADR is operating are listed below:
  - the construction at the airport of two large multi-megawatt photovoltaic plants for which administrative checks are underway;
  - the construction of electrical and thermal storage systems through a European tender won together with other companies for the installation of the "Second Life" Batteries (Pioneer Project);
  - the use of biomethane and low-carbon transport infrastructures, the installation of various charging stations for electric vehicles and the preparation of the electricity infrastructure to serve them;
  - the introduction of Sustainable Aviation Fuel (SAF) and the use of smart and green energy in airports within the European Project won in 2020 ALIGHT - in this context ADR has made the SAF available for some of the flights of the ITA airline company in October 2021 and the Hydrogenated Vegetable Oils (HVO) in November 2021;
  - progressive transition of operational fleets (e.g. service cars, operational vehicles or passenger shuttles) to low-emission vehicles, through electrification or the use of biofuels;
  - awareness-raising and support initiatives for all airport stakeholders involved in emission activities, such as airlines, handling service operators, sub-concessionaires and retailers, airport employees and operators, as well as passengers;
  - preparation of a partnership with CHOOSE, a solution for passengers to offset the CO_2 emissions associated with their flight.

KPI 3

SCOPE 3 CO_2 EMISSIONS (EXCLUDING AIRCRAFT SOURCES) PER PASSENGER (KG CO_2/ PASSENGER)

Definition of the metric: Scope 3 CO_2 emissions per passenger (excluding emissions deriving from "Cruise, Landing and Take-off Cycle" (LTO) and taxiing of aircraft).

Scope: Fiumicino airport (FCO)

Methodology: the total amount of Scope 3 CO_2 emissions is calculated according to the ACA rules for Level 4+ defined by ACI Europe, in line with the guidance provided by ISO 14064-1. The overall calculation of Scope 3 emissions includes the following sources:

- ground Support Equipment (GSE) and the vehicles of the operators, which support the aircraft during the "turnaround at the stand";
- accessibility of passengers traveling to and from the airport (source which, in 2019, accounts for almost 89% of the scope 3 emissions included in the baseline);
- accessibility of third-party staff, traveling to and from the airport;
- accessibility of goods (estimated);
- waste management, treatment and disposal of solid and liquid waste generated in airport operations;
- business trips by ADR staff;
- fixed sources of third parties (emissions from generators and on-site plants);
- aircraft deicing;
- energy purchased from third parties.

Baseline:

- 623,357 tons of CO_2 in 2019, equal to 14.3 kgCO_2 per passenger;
- the 2019 baseline was verified by RINA and WSP according to the ACA rules.

Progress:

- Total Scope 3 value: 217,206 tons of CO_2 and 18.6 kgCO_2 per passenger;
- track progress compared to the Baseline: + 30% (per passenger).

The trend of the kgCO_2 per passenger indicator was significantly influenced by the pandemic which led to increased emissions. The main reason is attributable to emissions related to the "Accessibility of passengers traveling to and from the airport", which in 2019 represented 89% of Scope 3 emissions included in the baseline. In 2021, the choice of the methods for passengers to access the airport showed a significant increase (more than doubled) in the use of their personal car with accompanying person and in the taxi service, while the use of other public transport, such as buses, car sharing and NCC has fallen sharply. It should be emphasized that this trend depended both on the general and widespread preference among passengers to limit the use of public transport, but also on the cancellation of numerous runs by public transport companies. The same observations apply to the movements of personnel, not belonging to ADR, who went to the airport for work. The table below highlights the differences between the year 2019 and the year 2021 regarding the preferred means of transport for passengers to go to the airport. The major changes are reported, which mainly concern fuel-powered vehicles, which have a more negative impact from the point of view of emissions than others such as trains.

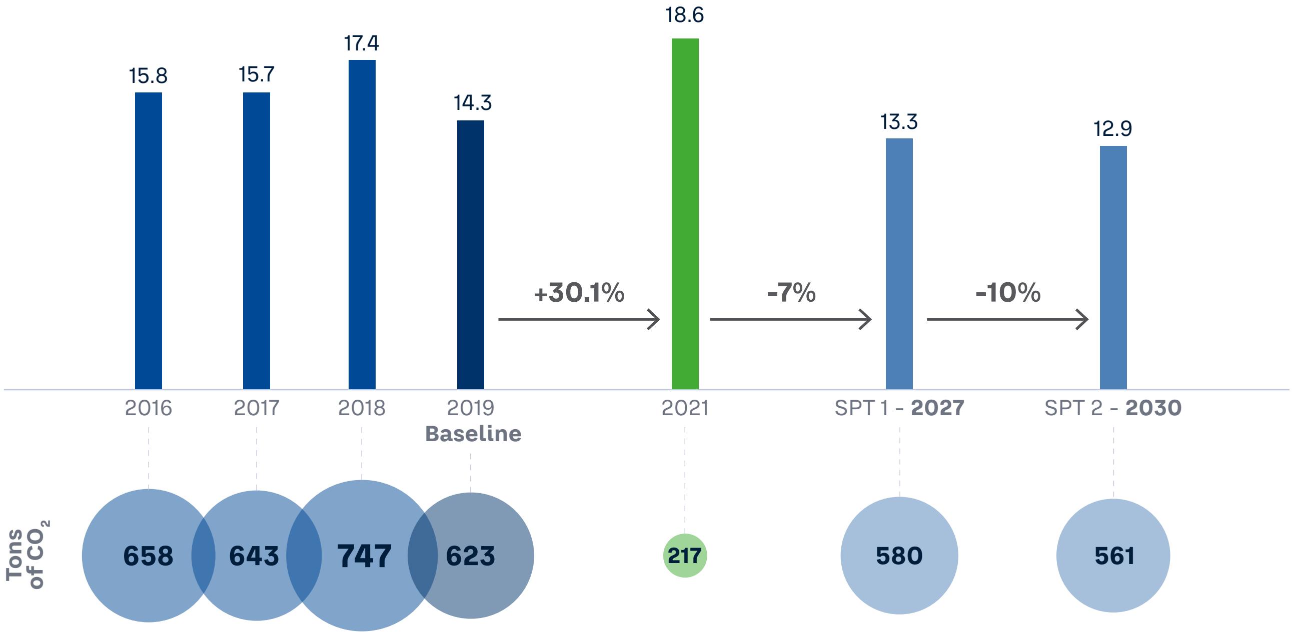
TABLE 32

Distribution of means of transport by road

Means of transport (access by road)	Passengers % 2019	Passengers % 2021	% Change
Taxis	9.9%	15.8%	5.9%
Own car with accompanying person	18.2%	41.9%	23.7%
Buses	18.1%	1.1%	-17%
Car sharing	0.6%	0.1%	-0.5%
NCC	2.7%	0.8%	-1.9%
Own car/motorbike	27.7%	12.0%	-15.7%
Rental car	2.7%	2.7%	0%

CHART 9

Scope 3 emissions (excluding aircraft sources) per passenger (Kg of CO_2)



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the sustainability-linked bond progress report

To the board of directors of
Aeroporti di Roma S.p.A.

We have been engaged to perform a limited assurance engagement on the 2021 sustainability-linked bond progress report (the "report") of Aeroporti di Roma S.p.A. (the "company"). This report has been prepared in accordance with the sustainability-linked financing framework published in April 2021.

The report is included in the company's 2021 integrated annual report.

Responsibilities of the company's directors for the report

The directors are responsible for the preparation of the report in accordance with the sustainability-linked financing framework described in paragraph 5.5.2 of the company's 2021 integrated annual report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a report that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for identifying the content of the report, selecting and applying policies and making judgements and estimates that are reasonable in the circumstances.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

KPMG

Aeroporti di Roma S.p.A.
Independent auditors' report
31 December 2021

Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion on the report based on the procedures performed. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 2021 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 2021 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information presented in the report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following main procedures:

1 obtaining and reading the second party opinion;

2 understanding the existing processes, systems and controls trough inquiries with company's management and relevant personnel responsible for the report;

3 obtaining a breakdown of the 2021 scope 1, 2 and 3 CO2 emissions by passenger (excluding aircraft sources) for the Fiumicino airport;

4 understanding the processes underlying the generation, recording and management of the information on the 2021 scope 1, 2 and 3 CO2 emissions by passenger (excluding aircraft sources) for the Fiumicino airport;

5 performing selected procedures on documentation to gather information on the processes and procedures used to gather, combine and process the information on the 2021 scope 1, 2 and 3 CO2 emissions by passenger (excluding aircraft sources) for the Fiumicino airport;

6 performing selected procedures, on a sample basis, to check the correct processing of the information on the 2021 scope 1, 2 and 3 CO2 emissions by passenger (excluding aircraft sources) for the Fiumicino airport;

7 checking the ACA (airport carbon accredited) level 4+ certification at 31 December 2021.

KPMG

Aeroporti di Roma S.p.A.
Independent auditors' report
31 December 2021

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 sustainability-linked bond progress report of Aeroporti di Roma S.p.A. has not been prepared, in all material respects, in accordance with the sustainability-linked financing framework described in paragraph 5.5.2 of the company's 2021 integrated annual report.

Rome, 31 March 2022

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

5.6 Customer experience

5.6.1 SERVICE QUALITY

Rome-Fiumicino airport has established itself as the best European airport for years and one of the best in the world in terms of service quality.

The quality policy represents ADR's commitment to guarantee the quality of the services provided and to constantly check the satisfaction of its customers.

The key elements on which the quality policy is based are:

- customer centricity;
- pursuit of excellence;
- process improvement;
- transparency;
- centrality of human resources.

ADR is committed to guaranteeing passengers excellent services, in line with the best international standards. The Group uses all the tools available to interact with its customers and measure the level of services offered to them, using a constant monitoring system (UNI EN ISO 9001 certified since 2007) of the performance of the services provided to passengers, based on techniques statistically defined in accordance with the ENAC JAN 06 circular.

In particular, ADR carries out:

- passenger surveys to check their level of satisfaction and analyze their needs and expectations;
- objective checks to verify the services actually provided to passengers and compare them with national/international standards, including past performances or indicators;
- participation in international benchmarking and rating programs to know the ADR's positioning with respect to "competing" airports and identify the "best in class" airports on service indicators that have an impact on the passenger experience;
- continuous maintenance and upgrading of airport facilities to make the airport suitable for changing customer needs;
- quality plans for the identification and implementation of initiatives aimed at maintaining excellent service levels and improving the customer experience, collaborating with the business lines to meet the needs of passengers identified by monitoring KPIs, listening to the customer, benchmarking with international airports, scouting for innovative solutions made available by the market.

The progress of all these activities, aimed at improving the passenger experience, is the subject of periodic meetings with internal and external stakeholders and ENAC.

Through the Service Charter, which incorporates the ENAC legislation and is updated every year through a process that involves all the stakeholders in airport processes, quality indicators are proposed for each type of passenger, with the aim of providing information on the level of service achieved and on the improvement objectives for the current year.

Passenger satisfaction

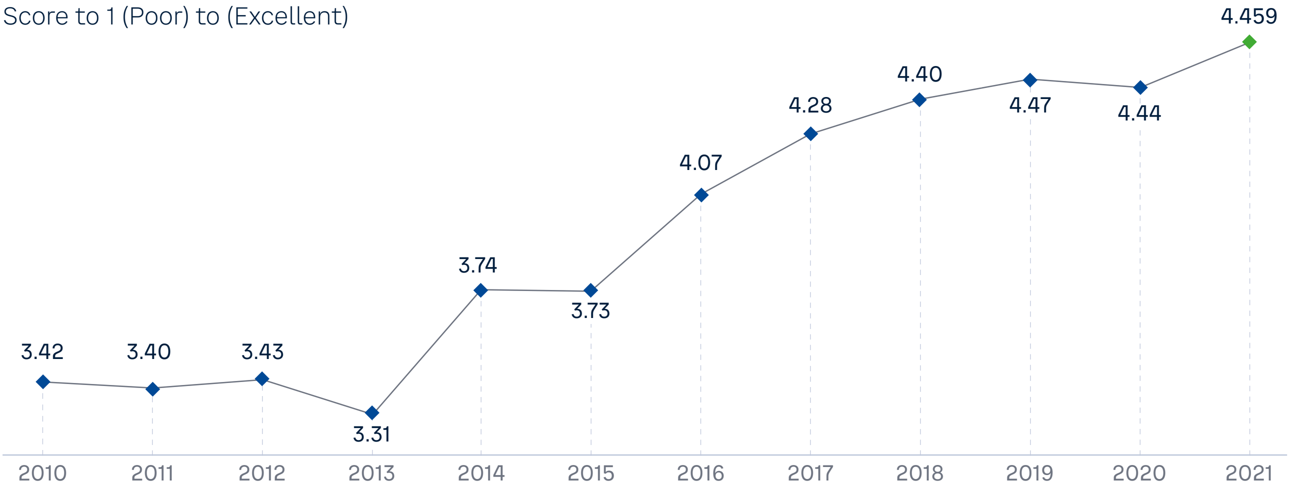
ADR adopts the main internationally recognized customer experience survey tools to monitor the quality offered and the degree of passenger satisfaction in order to identify possible areas for improvement and translate them into concrete actions. These tools take the form of:

- **surveys;**
- **listening channels;**
- **measurement of the NET Promoter Score (NPS);**
- **international benchmarking and rating** (see the following graphic).

CHART 10

Survey ACI World – Airport Service Quality. "Overall Satisfaction" Index 2010-2021 (FCO)[24]

Score to 1 (Poor) to (Excellent)



Quality control of services on sub-concessions

The strengthening of the management system and the control of sub-concessions with a view to sustainability is achieved, as far as the continuous improvement system is concerned, through the plan of active quarterly controls to verify the sub-concessionaires compliance with contractual agreements and the state of conservation of the spaces (carried out through a planned system of inspections). In addition, specific checks are also carried out with reference to environmental issues on aspects shared with the appropriate specialist company department.

In 2021, these controls recorded a total of approximately 2,870 local inspections which are carried out based on a check-list prepared and agreed upon also with the specialized company departments (e.g. Environment and Noise, Health & Safety, Legal, etc.). The activities are managed through the aid of an IT platform, launched at the end of 2020, which allows the scheduling of inspections, the use of checklists on tablets, the geolocalized mapping of non-conformities identified, the management of countermeasures generated for each non-compliance found during the inspections. The checklist used in the controls was revised in 2021 with the support of Health & Safety and Environment and Noise, in order to manage and address any new risks that emerged following changes in the infrastructures, regulatory updates and outcomes of previous monitoring. Finally, it should be noted that the afore-mentioned control system is also used in preparation for the subsequent specialist environmental checks carried out by the competent corporate departments.

In order to stimulate virtuous environmental behavior on the part of sub-concessionaires, ADR has developed an "Environmental Vademecum", which summarizes the guidelines and best practices to be implemented in the sub-concessions with reference to the environmental

[24] *Source: ACI World – Airports Council International: Airport Service Quality - Survey Report*

issues identified in the "Environmental Information Note", and sent it, in 2021, to all sub-concessionaires. The document is in its first edition and ADR's goal is to ensure that it is constantly updated to increase the awareness of its customers on environmental issues.

5.6.2 THE INITIATIVES

In line with the past years and taking into account the new requirements deriving from the health emergency, also in 2021 ADR is committed to identifying actions aiming to improve the passenger experience at both Rome airports and maintain high levels of quality working to make the facilities and services provided to passengers increasingly innovative, sustainable and focused on the customer experience. The results achieved are to be attributed to an ongoing commitment focused on improving the customer experience, on innovation, construction and renovation of airport spaces as well as on safety, which was even more important during the COVID-19 pandemic.

Infrastructural interventions

In 2021, various infrastructural interventions were carried out with the provision of new passenger services which are shown below.

- **The refurbishment of the check-in islands "J" and "K" at Terminal T3,** to complete the works started in 2020 with island "I", which saw an increase in the number of desks available, more efficient collectors, larger spaces and greater brightness increasing the perception of comfort in the area.

These activities were complemented by the installation of dynamic signage that indicates to the passengers the direction to follow to reach the desk number, and the airlines that perform the check in.

- **The reopening, in August 2021, of the T1 check-in hall**, closed since the first months of the pandemic, is part of the plan to maximize service levels by making a renewed, wider and more functional infrastructure available to passengers to ensure fluidity in airport operations. Among the improvements made during the works, we highlight **the installation of a ledwall system about 130m long** (600 m2), which accompanies passengers from check-in to the security checkpoint, for which students and teachers from AANT (Accademia delle Arti e delle Nuove Tecnologie - Academy of Arts and New Technology) have created the multimedia campaign "Italian History/Italian Stories", which uses visual suggestions to tell the story of the Italian way of life, and encourages people to fly again and get connected. The security checks of Terminal 1 have reopened in a completely renewed and wider configuration, developed in a new area, ET1 (Extension of Terminal 1): the new **"preparation area" was created**, before the security check-point that guides passengers in identifying objects not allowed on the plane and allows correct **separate collection** of the various waste items through bins/liquid emptying units integrated into the furnishings, compacting machines for the **disposal of plastic, aluminum and liquids**. The same

furnishings were also installed at the T3 East security check points. All the safety lines are equipped with **innovative systems for sanitizing** the trays using UVC rays, with systems for handling and recovering the trays to make the process more fluid, with **"Shoes Metal Detectors"** for the selective control of footwear that reduces the passenger's need to remove them by over 70%. In accordance with the security check point of Terminal 3 East and Transits, the **"destress area" was also created at Terminal 1** where passengers can place their hand luggage after security checks, and that consists of a corrugated wall in Corian that gives the area a sinuous shape, and combines architectural solutions with passenger comfort by integrating the architectural line of the wall and the green-system fed by industrial waters irrigation, with an eco-sustainable impact.

In November 2021, the release of the infrastructural areas continued with the opening of the airside square of Terminal T1, a completely new space, characterized by comfortable and innovative furnishings: ledwalls for flight information and experiential contents, seats equipped with charging points, very large spaces equipped with ledwalls, a new information desk and an elevator covered with a transparent LED system. Afterwards, in December 2021 the new duty free area was opened that takes passengers from the security checks of T1 to the square, towards the boarding areas, in a very large space with a variety of offers, allowing a completely immersive experience.

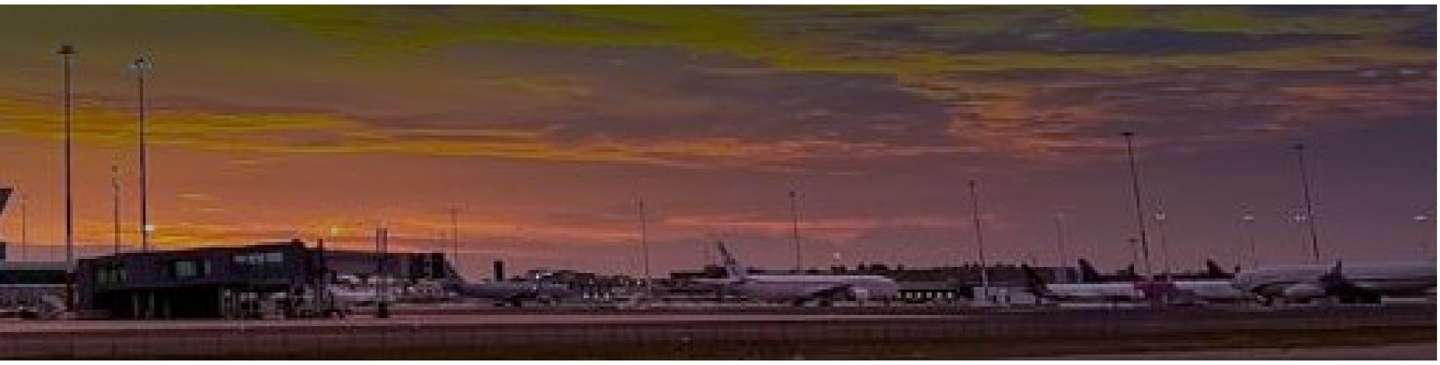
In line with its commitment to sustainability, the initiative aimed at passengers was also designed to allow them to offset the CO_2 emissions related to their flight. Emission offset will help to carry out some projects to be verified and certified according to rigorous international standards in developing areas.

The same attention and care is dedicated to people with reduced mobility in order to guarantee maximum comfort and use of the services offered in the terminals. In 2021, approximately 100,143 passengers were assisted at the Fiumicino airport and 7,405 at the Ciampino airport.

Finally, with regard to baggage handling, a percentage of mishandled baggage of 6.16%.

ACI World surveys measure passengers' satisfaction levels at over 317 airports worldwide, a minimum of 350 times per quarter, in every single airport (800 at FCO until 1QTR 2020; 500 from 3QTR 2020 following COVID-19). The surveys continually evaluate 34 different service quality indicators, including: Overall Satisfaction, Access, Check-In, Passport/Personal ID Control, Security, Finding Your Way, Airport Facilities, Airport Environment and Arrivals Services.

ACI is a non-profit organization of civil airport operators established in 1991 and based in Montréal.



5.7
Human Capital

From the point of view of management and enhancement of the Human Capital, 2021 was a bivalent year: on the one hand, the persistence of the impact of the pandemic, not only on the airport sector, required some policies to focus on cost containment and at the same time, the emphasis was placed on safeguarding the health of passengers, stakeholders and employees; on the other hand, the strategy for developing and enhancing Human Capital was designed and the foundations for restarting were laid. From the employment point of view, there was an increase in staff of +7% compared to the end of 2020.

Employees as of 31 December 2021 were 3,345 (vs 3,121 in 2020). In terms of full-time equivalents (FTEs), the Group's average workforce for 2021 was 3,004, an increase of +32.6% FTEs compared to 2020.

The main factor of this growth is attributable to the extension of the scope (entry into the Group of the companies ADR Ingegneria and ADR Infrastrutture for a total of 199.3 FTEs).

TABLE 33

Staff broken down by gender

Gender	2021	2020	2019
Women	37%	37%	40%
Men	63%	63%	60%

TABLE 34

Employees by employment contract and gender

Contract of employment and gender	M.U.	2021	2020	2019
PERMANENT	**No.**	**3,191**	**3,112**	**3,104**
Men	No.	2,046	1,958	1,957
Women	No.	1,145	1,154	1,147
FIXED TERM	**No.**	**154**	**9**	**455**
Men	No.	60	4	188
Women	No.	94	5	267
TOTAL EMPLOYEES	**No.**	**3,345**	**3,121**	**3,559**
Total Men	No.	2,106	1,962	2,145
Total Women	No.	1,239	1,159	1,414

TABLE 35

Staff broken down by type of contract

Gender	2021	2020	2019
Type of contract: FULL TIME			
Man (N)	1,704	1,610	1,621
Woman (N)	588	595	592
Type of contract: PART TIME			
Man (N)	402	352	524
Woman (N)	651	564	822

TABLE 37

Employees by type of contract by area (FCO and CIA)

Type of contract and area	M.U.	2021	2020	2019
Permanent	**No.**	**3,191**	**3,112**	**3,104**
FCO	No.	2,908	2,847	2,835
CIA	No.	283	265	269
Fixed term	**No.**	**154**	**9**	**455**
FCO	No.	138	9	411
CIA	No.	16	0	44
Total	**No.**	**3,345**	**3,121**	**3,559**
Total FCO	No.	3,046	2,856	3,246
Total CIA	No.	299	265	313

TABLE 36

Percentage of protected categories by type of contract out of total employees by type of contract

Professional category	2021	2020	2019
Managers	-	-	-
Administrative staff	5%	5%	5%
White-collar	3%	3%	3%
Blue-collar	1%	1%	1%

TABLE 38

Percentage of protected categories by type of contract out of total employees by type of contract

Ratio	2021	2020	2019
Total protected category/Total employees	2.4%	2.5%	-

The persistence of the pandemic emergency has meant that the discussion between the Group and the Social Partners has focused mainly on the need to resort to the activation of social security benefits (Income Support Fund, Air Transport Fund), also through the signing of a framework agreement on the subject. The Company and the trade unions met on a monthly basis to monitor and evaluate the applicative aspects of the Income Support Fund, signing specific agreements with the Social Partners that allowed the necessary containment of payroll costs. During the year, further agreements with the trade unions extended the use of social security benefits and executed a formal agreement on this matter.

The attention to the development of Human Capital has resulted in the definition of the **People Strategy ADR 2021-2023**, that is a coherent system of development and training activities, processes and tools that support the strategic vision and the evolution of the business, in line with the positioning of the Group and with the development plan

ADR has also adopted a Policy on Diversity, Equality and Inclusion (so-called DE&I) which, in line with what was defined by Atlantia, aims to foster and promote a culture of diversity, guarantee each employee equal professional conditions and opportunities, as well as respect for fundamental rights in the workplace.

TABLE 39

Employees by professional category and gender

GENDER	2021	2020	2019
MANAGERS	**1.7%**	**1.7%**	**1%**
Women	0.3%	0.3%	0.2%
Men	1.4%	1.5%	1%
ADMINISTRATIVE STAFF	**8.9%**	**8.9%**	**8%**
Women	2.7%	2.7%	2.3%
Men	6.2%	6.2%	5%
WHITE-COLLAR	**55.4%**	**55.1%**	**57%**
Women	24.5%	24%	26%
Men	30.9%	31.1%	30%
BLUE-COLLAR	**34.1%**	**34.3%**	**34%**
Women	9.6%	10.2%	11%
Men	24.5%	24.1%	23%

TABLE 40

Employees by professional category and age group

AGE GROUPS	2021	2020	2019
MANAGERS	**1.7%**	**1.7%**	**1%**
<30	0.0%	0.0%	0.0%
30-50	0.9%	0.9%	0.6%
>50	0.9%	0.9%	0.8%
ADMINISTRATIVE STAFF	**8.9%**	**8.9%**	**8%**
<30	0.0%	0.0%	0.0%
30-50	5.5%	5.3%	4.4%
>50	3.4%	3.6%	3.1%

AGE GROUPS	2021	2020	2019
WHITE-COLLAR	**55.4%**	**55.1%**	**57%**
<30	2.8%	2.1%	5.6%
30-50	36.5%	36.7%	37.9%
>50	16.0%	16.4%	13.1%
BLUE-COLLAR	**34.1%**	**34.3%**	**34%**
<30	0.8%	1.2%	2.8%
30-50	20.5%	21.7%	22.5%
>50	12.7%	11.2%	9.1%

The desire to focus on ESG topics and the ambition to become a Careport has led to the definition of a training plan on sustainability topics that will be implemented in 2021 through the "Sustainability Awareness Program", aimed at around 800 employees and designed to raise awareness, inform and train resources on the Sustainability Goals.

Among the **people care** initiatives aimed at employees, in 2021, the following were implemented:

- accident and life policies;
- supplementary health care coverage;
- telemedicine service;
- dedicated medical support 24 hours a day;
- screening campaigns for the prevention and promotion of well-being;
- psychological support;
- online shopping service;
- nursery, kindergarten and summer camps;
- scholarships for employees' children;
- initiatives to facilitate home-work travel;
- services and utilities for individuals and households;
- tax consulting.

To accompany and support the progressive return to the office, at the end of the pandemic emergency, the plan dedicated to "Back to the new normal" was designed and launched. It was the result of employee listening initiatives and was based on various tools such as the new regulation on remote working, guidelines issued for the protection of the health and safety of workers, rules of good conduct for the use of offices and to optimize the work life balance of people.

The centrality of human capital is favored by the implementation of proximity, training and development initiatives aimed at identifying and enhancing the key skills for the future of ADR's business, redefining the employee experience, promoting the culture of comparison and continuous feedback, motivate and engage people to develop their talent.

In order to enhance the organization's key talents, in 2021 the MBO Plan to incentivize the entire management and the Retention Plan aimed at retaining key resources for ensuring business continuity were developed.

Personnel qualification and training

Consistent with the organizational model adopted and the People Strategy, an important commitment was made by ADR in terms of training, allowing a recovery of the slowdown in training programs halted during 2020; in 2021 63,398 hours of training were provided, involving 3,447 employees. The main training areas focused on:

- updating of specific training for workers for homogeneous groups;
- training for Employers, Delegates, Sub Delegates, Managers for Safety and Supervisors;
- training on the use of vehicles, equipment and systems;
- training on airport emergency plans, fire prevention and aircraft arson;
- training on Club Car use in safety;
- specialist training relating to contracts and construction site management;
- open innovation as part of the Innovation Cabin Crew initiative;
- digital transformation.

It is important to underline that, in 2021, over 12,000 hours/participant of training were provided to ensure high standards of specialist technical professionalism in the areas indicated in the Fiumicino and Ciampino Airport Certificate. Among the main initiatives, to be noted are the multi-year training program in aeronautical English (level 4 and higher ICAO 9835) which allowed to experiment the use of the English language in communications with the Control Tower for Runway inspections, with the aim of full alignment with what will be required starting from 2025 in accordance with Reg. EU 201/139 (ref. Commission Delegated Regulation (EU) 2020/2148 and ED Decision 2021/003/R). With the same objective, ADR has organized training sessions on BIM and REVIT centered on the training necessary to accompany the release of the platforms that will host the airport development projects by integrating all phases of the life cycle of the projects themselves.

With regard to behavioral training, a training course was provided in connection with the design of the new "APOC Room", characterized by the definition of a Mission, Values and a Logo that distinguish it. The objectives were to create the identity and cultural image of the APOC Room and to strengthen an integrated and shared Leadership among the managers of said Room.

The ADR Group has also started training on LEED Certifications involving ADR Ingegneria with the aim of aligning resources with the necessary targets in terms of developing sustainable infrastructures in full respect of the environment.

In 2021, the use of ADR training courses on airport Safety by Airport Operators and Bodies that access Fiumicino and Ciampino airside exceeded 32,000 hours/participant in total.

TABLE 41

Average hours of training by gender

	2021	2020	2019
Men	21	11	30
Women	16	15	25

TABLE 42

Average hours of training by type of contract

	2021	2020	2019
Managers	23	4	15
Administrative staff	41	6	28
White-collar	19	17	34
Blue-collar	12	7	18

Health and safety in the workplace

In the area of **workers' health and safety**, in 2021 the adoption of the management system certified according to the international standard UNI ISO 45001:2018, already applied to the companies ADR S.p.A., ADR Assistance, ADR Security and Airport Cleaning, was extended to ADR Mobility and ADR Tel.

With the partial resumption of airport activities compared to 2020, Health and Safety activities have focused on the definition and management of risks related to the dissemination of COVID-19 among employees. In particular, both the Risk Assessment related to the infection and the specific "Company Protocol Containment of COVID-19 Contagions" were updated. In light of the prevention measures adopted, it was possible to ensure the gradual return to service of all operational and staff roles within the airport organization in full safety.

In terms of injuries, in 2021 135 injuries at work and 29 injuries while traveling (home-work transfer) were recorded, none of which with transport organized by the Company. Various initiatives have been launched to reduce injuries, including timely interviews with all injured persons to investigate the event that had occurred and to identify any further prevention measures.

The commitment in defining the health and safety requirements of the Group's suppliers was also significant, the assessment of which will, from now on, be carried out both in the pre-contractual phase and during the term of the contract; the adoption of a reward system for virtuous suppliers on health and safety issues, which is accompanied by penalties for non-conforming behaviors, highlights the Group's intention to support the continuous improvement of its partners.

TABLE 43

ADR injury rates

	M.U.	2021	2020	2019
Number of recordable injuries at work	n	126	62	212
Recordable injuries at work rate	i	32.7	18.76	38.29
Number of injuries at work with serious consequences	n	1[25]	3	0
Rate of injuries at work with serious consequences	i	0.25	0.9	0
Number of deaths resulting from injuries at work	n	0	0	0
Number of injuries while traveling[26]	n	29[27]	31	58

[25] *Injuries with a prognosis of more than 180 days*

[26] *Home-work-home travel*

[27] *Injuries while traveling (home-work-home transfer) of which none with transport organized by the organization. The data is consistent with that provided in previous years.*

5.8 Ecosystem

The development of the airport is regulated in accordance with the provisions of the Planning Agreement between ENAC and ADR, with the aim of guaranteeing, year after year, a balanced relationship between the forecasts of passenger traffic and movements and the response capacity of the infrastructures themselves (terminals, runways, aprons, roads), according to specific drivers that see sustainability as the key to growth and infrastructural development.

In responding to this need, the ADR Group enables, thanks to its business activities, a value chain that provides an important contribution to the country system, directly generating wealth and stimulating the production of third parties, directly or indirectly related to the Group's business context.

5.8.1 PROTECTION AND DEVELOPMENT OF THE TERRITORY

ADR aims to support the development of the territory also by contributing to safeguarding its environmental integrity, renewing its commitment to contribute to the social and environmental development of the areas in which the Rome airports are located. During 2021, the most significant activities were:

- Development of projects related to environmental rehabilitation and protection;
- Definition of projects related to accessibility and local roads;
- Launch of projects with local schools;
- Development and expansion of the health hub at Fiumicino airport, with the construction of the first vaccine center built in an Italian airport and the creation of the "Vax & Go" rapid vaccine point;
- Launch of campaigns dedicated to the inclusion and enhancement of the uniqueness of people.

The commitment of the ADR Group towards local realities and to Rome, the city in which the airports are located and with which ADR maintains an active and constant dialogue in a year that continues to be marked by the pandemic crisis, has been witnessed by significant initiatives carried out in various fields.

As regards the productive dialogue between ADR and local institutions, a key role was played by the implementation of permanent institutional coordination and debate meetings with the Municipality of Fiumicino, on a bimonthly basis.

This relationship has allowed the execution of a number of works and projects for the benefit of the territory and neighboring communities, including:

- development of the project linked to the construction of the new cycle path, which will bring benefits to the area both in terms of accessibility and sustainability;
- organization, with the collaboration and/or participation of the Municipality of Fiumicino, of environmental and social awareness and voluntary initiatives - e.g. coastal cleaning event to complete the reclamation activities in Pesce Luna, held on June 8, 2021, on the occasion of the World Oceans Day; corporate volunteer initiative for Tree Day, November 21, 2021;
- collaboration with the Department of School Policies of the Municipality of Fiumicino, thanks to which projects involving the local

high schools have been launched – the first of these, the social media call "ADR 4 NextGen", saw the students of the ISS [High Schools] Baffi and da Vinci protagonists of a digital contest aimed at exploring new ideas on innovative communication of sustainability;

- donations for the benefit of the territory (e.g. donation of 3,000 serological tests to the Municipality of Fiumicino, 600 pairs of safety shoes).

MASTER PLAN

Moreover, during the year, ADR launched a campaign to present and describe the **new Master Plan** in order to allow the local population to fully understand the innovative aspects of the new development plan, which is strongly focused on the theme of sustainability. A media strategy was adopted that highlighted in a structured and planned manner the narrative of ADR as a driver of sustainable and innovative development for its territory, highlighting the extent of investments and focus on local communities (166 media outlets during the year). In this context, ADR also organized **The Careport** conference, focused precisely on the importance that the development of the territory and local communities play as an integral part of the airport system; the event has been selected (together with other initiatives promoted by ADR, i.e. the aforementioned "ADR 4 nextgen" and "Let's clean up our coast", as well as a webinar dedicated to sustainable finance) to be included in the official program all 4 climate Italy 2021 promoted by the ministry of ecological transition.

In addition to the afore-mentioned communication campaign, the new development plan was the subject of institutional meetings and a specific hearing in the regional council where positive feedback was received.

INCLUSION

During 2021, ADR also carried out a number of activities aimed at strengthening the communication of its vision regarding the issues of inclusion and gender equality. Among these, the main initiatives to be noted are:

- creation of an "ad hoc" logo for the month of "Pride", dedicated to social inclusion, in June 2021;
- launch of the "Generation Equality Stories" campaign, dedicated to creating greater awareness on gender equality and culminating in the International Day on Violence against Women, with performances and events carried out at the airport. Throughout the month of November, using an "ad hoc" logo and graphics, stories and experiences related to gender equality were shared on ADR's social media;

- moreover, in view of the International Day on Violence against Women, four red benches with the dedicated logo and the claim "No Violence Against Women" were set up at the entrance to the terminals. The initiative received positive results in terms of engagement and dialogue that is taking place on ADR's social platforms, and saw the active involvement of employees, who committed themselves to the creation of a video - disseminated by national newspapers and TV.

ADR FOR CULTURE

TV BOY 2021 "A second Renaissance - Flying away from Covid"

ADR has chosen to celebrate the restart after the pandemic, through a monumental work of street art on the external wall of Terminal 1, relying on the contemporary and innovative style of the street artist TV BOY who has depicted Leonardo da Vinci and the Mona Lisa in summer clothes and ready to take a flight, with trolley and mask at hand, to communicate the desire for freedom and travel. The work "A second Renaissance - Flying away from Covid" represents ADR's desire to embrace an inclusive and participatory strategy, placing culture at the heart of a sustainable corporate vision and making the airport a place with an identity, recalling its history and ambitions, while activating exchange, contamination and energy.

Leonardo & the journey. Beyond the boundaries of man and space

On the occasion of the 500th anniversary of the death of Leonardo da Vinci, ADR has announced a competition for the creation of contemporary artworks inspired by Leonardo's theme of travel. The six finalist sculptors have designed and created works in white marble from the Apuan Alps, to best represent the spirit of Leonardo's genius; **90% of the sculptures were made in the artists' ateliers and finished live in the laboratories installed in Terminal 3. Alda Marina Iacoianni and Diego Perrone** were awarded, respectively for the Young and Over categories of the competition, together with the sculptor **Silvia Scaringella**, nominated as the winner by the public via web voting. Once completed, they were transferred to boarding area E, where they are currently on display for the passengers of the Leonardo da Vinci to admire.

Street art of TVBOY on display outside Terminal 1 at Leonardo da Vinci Airport

The new Terminal 1: Italian History/Italian Stories

To make Fiumicino airport an increasingly vibrant and welcoming place, ADR, in collaboration with the Academy of Arts and New Technology, winner of a contest that saw the participation of students and professors from five schools of arts and design, created the images of the new ledwall in the check-in hall of Terminal 1, within the scope of the multimedia campaign "Italian History/Italian Stories". The images of the ledwall, made up of 14 modules for a total area of 600 square meters, tell in an original way and with visual suggestions the uniqueness of the way of connecting, interpreting and experiencing places, monuments and works of excellence of our country.

**The images of Time.
Roman art and the flow of the seasons**

Thanks to a well-established partnership between ADR and the Ostia Antica Archaeological Park, an exhibition path has been created and renovated in the boarding area E where it is possible to admire six works from the Roman period, five sculptures and a splendid mosaic, all from the excavations of Ostia Antica and the necropolis of Isola Sacra. The fil rouge of the exhibition is Time, a theme particularly felt by travelers. The sculptures have a special connection with the airport. They come from the area that for centuries was the arrival and departure base of ancient Rome, through a port system capable of connecting with the whole then known world. It is the same area that today hosts the Leonardo da Vinci international airport, the main hub for passenger traffic in Italy and one of the major European hubs.

MOU – Rai Cinema

In line with its sustainability strategy and in order to offer Italy's cultural heritage an opportunity for visibility and dissemination of its content in an extremely critical historical moment for the sector, ADR has chosen to work alongside Rai Cinema. It is a choice, consistent with its corporate principles and values, which contributes to enhancing its image and identity.

Moreover, ADR is interested in promoting, in the manner to be agreed upon from time to time, cultural initiatives and events in collaboration with Rai Cinema, at Fiumicino and Ciampino airports. On December 14, 2021, the first event resulting from the agreement was held at Terminal 5, the private preview screening of the film "Diabolik". Photo opportunities in the terminals allowed passengers to interact with the character and the film proposal.

Rome Film Fest

ADR, which has always supported initiatives of a cultural and social nature, from 13 to 24 October 2021 has promoted, as from its first edition, the 16th Rome International Film Festival in the capacity of technical sponsor.

Promotion of cultural, social and institutional initiatives

In line with the sustainability strategy and in order to promote cultural initiatives and events, ADR has offered visibility, on the facilities at the airport intended for institutional communication, of the following:

- Roma Europa Festival, now in its 36th edition and organized by the Romaeuropa Foundation, one of the most prestigious institutions in Italy and Europe, for the promotion and dissemination of contemporary art, theater, dance and music;
- "Dante Assoluto" Festival organized by the Colosseum Archaeological Park as part of the celebrations of the year 2021 for the 700th anniversary of the death of Dante Alighieri. The Festival held at the Basilica of Maxentius saw performers of Italian and foreign theater, cinema and music celebrate Dante's work.

Furthermore, ADR, which has always been supporting cultural and social campaigns promoted by Entities and institutions, has undertaken to distribute videos and promotion campaigns dedicated to the following initiatives free of charge on its digital systems at the airport reserved for institutional communication:

- Municipality of Viterbo: project dedicated to sharing the contents for the promotion of cultural and institutional activities of the Municipality;
- Rome Metropolitan Council: "Roma informa" video, illustrating the main activities and initiatives of Roma Capitale;
- FAO: promotion of the "World Food Day (WFD) 2021" with the aim of raising the awareness of the population on proper eating habits and raising the necessary funds for the activation and continuation of the Organization's social projects;
- ONLUS KOMEN: campaign of usefulness and social solidarity dedicated to the prevention of breast cancer;
- Customs and Monopoly Office: spot of the promotional campaign "Disegniamo la fortuna";
- State Police, Carabinieri and Guardia di Finanza: promotion of the 2022 calendars of the three armed forces, the proceeds of which were donated to charity.

Reopening of the Museum of Ships

On October 12, 2021, after 20 years, the Museum of Ships of Fiumicino reopened, closely associated with ADR: the modern airport hub of Fiumicino, in fact, rests on the ancient hub of the Roman Empire, confirming the continuity of this territory's vocation to open up to the world.

ADR actively participated in the inauguration of the Museum, also commented by Minister Franceschini: "The opening of a museum that has an enormous scientific resonance with ancient Roman ships and also offers opportunities for integration with the millions of travelers arriving at Fiumicino airport, just a few hundred meters away, is unique in the world, an urban planning challenge that sees the integration of services combined with heritage and innovation. Another important step for Italy and Italian culture."

To allow its passengers and the community to easily reach the Museum of Ships, ADR has made available a free shuttle that leaves every half hour from Fiumicino and takes visitors to via Alessandro Guidoni, where the Museum is located.

5.8.2 THE CREATION OF VALUE

Economic value generated and distributed

ADR shares its generated economic value with its stakeholders. The quantification of the value generated, distributed and retained is made possible by the reclassification of the income statement of the financial statements.

In detail, the generated economic value stems from revenue from airport management, financial income and other operating income, while the distributed economic value is the flow of resources directed to its stakeholders in various forms:

- operating costs for the consumption of raw materials and consumables, costs for services, lease payments and concession fees represent the wealth distributed to suppliers and the Granting Authority;
- salaries and benefits for collaborators correspond to the remuneration of employees;
- taxes, duties and penalties are of value for the State and the Public Administration;
- donations and gifts to charities, NGOs and research institutes bring wealth to the community;
- financial charges net of exchange rate gains form the remuneration of the lenders.

TABLE 44

Economic value generated and distributed[28]

Value component (€/000)	2021	2020
Generated economic value	529,240	274,703
Distributed economic value	281,934	308,194
Remuneration of suppliers	133,335	126,171
Remuneration of collaborators	138,558	120,007
Remuneration of lenders	62,923	59,868
Remuneration of the public administration	-52,890	2,007
Remuneration of the community	8	142
Retained economic value	247,306	-33,492

It should be noted that, for the purpose of defining the economic and distributed value, the economic and equity data of 2021 are impacted by the effects of reliefs or tax credits recognized by the national authorities to partially offset the losses resulting from the COVID-19 pandemic. For further details, see the Economic, equity and financial performance section.

Supply chain

The focus on ESG issues and service quality means that ADR is constantly engaged in a proactive and profitable management with its suppliers with the aim of supporting and guiding them along the process of improving their ESG footprint while strictly complying with the Group's quality and ethical standards.

In this regard, the inspiring principles of ADR and the basic values expected from our suppliers are:

- selection based on elements that are clear and related to the key aspects of the supply (technical specifications, price, quality, delivery time, etc.), selection procedures that encourage free competition, and compliance with criteria of transparency and publicity;
- conditions or restrictions on the access to selection procedures, as well as any contractual penalties, must respect criteria of non-discrimination and proportionality with the value of the contract and the specific interests of the company;
- building relationships based on principles of integrity, ethics and honesty. Rules and procedures are applied in line with best practices whose objective is complete compliance with the applicable legislation;
- sustainability by periodically assessing suppliers' performance and encouraging good behavior, communicating the company's priorities in this regard. Where possible, development of the local community is encouraged, while assessing and managing the risks of the supply chain;
- expectation of the highest standards in the field of health and safety in the workplace, communicating all useful information to ensure adequate management. ADR's contractual standards provide for specific penalties to punish any non-compliance in this regard, where they are found;
- incentive for innovation both by stimulating the evolution and improvement of the current products and services supplied to ADR and through constant scouting of the market, for the purpose of identifying the best solutions and most innovative companies.

[28] It should be noted that the "Generated Economic Value" does not include revenue for construction services; this revenue, according to the IFRIC 12 accounting model, represents the consideration for self-financed construction services and is measured at fair value, determined on the basis of the total costs incurred (mainly external costs); accordingly, the related costs for construction services have not been included in the "Distributed Economic Value". The retained economic value is calculated as the difference between the generated and distributed value.

Reference context

As a "contract awarding entity", ADR is required to comply with public procedures for the execution of contracts, if these relate to the activities referred to in article 119 of the Public Contracts Code (Legislative Decree 50/2016, hereinafter the "Contracts Code").

On the other hand, all contracts awarded for purposes other than the use of specific geographical areas to provide airports availability, as expressly set forth in Article 14 of the Contracts Code, are excluded from the public procedures and may be freely awarded without any formality or constraint.

From this context, therefore, derives the need to adopt a line of behavior towards the suppliers and rigorous selection procedures in line with current regulations and best practices in the sector.

Therefore, in order to manage purchases (procurement of goods, services and works) as well as the process of registration and qualification of suppliers, ADR has adopted an e-procurement platform that allows suppliers to manage their own qualification process in order to become part of the Vendor Register, ensuring benefits for both parties in terms of transparency and efficiency of the process.

Procurement process

The ADR procurement process can be broken down into 4 macro-phases:

1. SCOUTING

Together with the usual Scouting activities, ADR has launched, in 2021, a study to make the monitoring of the ESG performance of the supplier portfolio more in-depth and on-going.

TABLE 45

Suppliers evaluated/qualified according to sustainability criteria

	M.U.	2021	2020	2019
Number of evaluated/qualified active suppliers[29] according to sustainability criteria	n	361	356	436
Number of active suppliers evaluated according to environmental criteria	n	361	130	436
Number of active suppliers evaluated according to social criteria	n	360	265	436
Number of active suppliers evaluated according to anti-corruption criteria	n	348	106	436

TABLE 46

Breakdown of supply costs

	M.U.	2021	2020	2019
Breakdown of foreign supply costs	%	14%	2%	5%
Breakdown of supply costs in Italy	%	86%	98%	95%

[29] *The term "evaluated/qualified active suppliers" means those suppliers enrolled in the register which confirmed that they have the certifications in the social, environmental and anti-corruption areas, such as ISO 14000, ISO 37001, SA 8000 Ethical and Social, etc.*

2. NEGOTIATION AND CONTRACTS

During the negotiation phase of contracts, ADR has introduced in each supply contract specific clauses for the acceptance of the Code of Ethics and the Anti-Corruption Policy, the non-observance of which constitutes serious breach of contractual obligations and specific penalties on aspects related to issues of environmental sustainability and Health & Safety.

Furthermore, in tenders awarded on the basis of the economically most advantageous offer (EPV), evaluation elements on sustainability aspects are taken into consideration as a distinctive element of reward for the best competitors.

3. PERFORMANCE OF THE CONTRACT

ADR makes use of the "Performance Vendor Rating" tool to assess the commercial (timeliness of responses, competitiveness) and technical (quality, reliability, punctuality) aspects of the suppliers who are assigned an order and which, together with the "Qualification Vendor Rating", constitutes a fundamental element for identifying the best suppliers to be invited to tenders (Vendor List).

Furthermore, ADR has launched a study aimed at increasing the information available on the Group's suppliers, integrating the evaluation obtained from the audits and the assessments carried out by the various company functions, so as to obtain a complete view of the legal compliance of the supplier and of its control processes on environmental, social and ethical topics.

4. FOLLOW UP

The follow-up arises from the desire to constantly improve the supply chain and is implemented through Sustainability Audits on a group of suppliers identified on the basis of the following criteria:

- product category;
- economic value of orders in the previous year;
- evaluation of the certifications obtained by the supplier;
- evaluation via vendor register questionnaire.

During 2021, 58 sustainability audits were performed, all in a remote mode due to the restrictions imposed by the COVID-19 pandemic.

5.9 Environment

In addition to the strategic objectives defined autonomously by the development plan, ADR's commitment to the on-going improvement of its environmental performance is monitored, inter alia, by means of specific environmental indicators implemented by the Planning Agreement. This is a series of objectives whose calculation takes place at the end of each year and is associated with a bonus/malus tariff system which, in past years, has seen the achievement of far better results than those forecast at the time of stipulation.

Specifically, the objectives are:

- reduced energy consumption at the terminals;
- energy production through photovoltaic systems;
- replacement of the car-pooling fleet with low-emission vehicles (mainly electric or hybrid);
- further optimization of the separate waste collection of non-hazardous waste in the passenger transit areas;
- reduced drinking water consumption per passenger;
- verification of environmental activities of the primary suppliers.

The last year of the second five-year period of the Planning Agreement will end in June 2022. In this regard, in 2021 the new Environmental Protection Plan was discussed and shared with ENAC which, on the basis of the ENAC 2015 Guidelines and the new materiality matrix, has defined the new set of indicators:

- reduction of electricity consumption;
- increase in the share of renewable electricity;
- replacement of the existing vehicle fleet with vehicles powered by fuels with a lower environmental impact or reduced emissions;
- separate waste collection of non-hazardous waste;
- staff training on environmental topics;
- reduction of greenhouse gas emissions, including CO_2.

The last indicator was added, in agreement with ENAC, in order to objectively measure ADR's commitment to reducing its own CO_2 emissions, confirming the Group's commitment.

Another key pillar is the adherence with the ISO 14001:2015 Environmental Management System, which was renewed in 2021.

The Internal Management System is the main tool, together with the "Environmental Document" and the "Control System", through which the company ensures a "systemic" approach to environmental topics, committing itself to verifying not only the conformity of its processes, but also the behavior of all subjects operating within the Roman airports. The "Environmental Document" is a tool that requires that companies operating inside the airport areas, both at Fiumicino and Ciampino, define in advance how they will manage the potential environmental impact of their activities. The documentation, which has become contractually binding, is evaluated by the technical body responsible for approving it or, if necessary, following appropriate analysis, requires additions or amendments.

Continuing ADR's commitment to "monitoring environmental conduct", field inspections aimed at assessing the correct application of regulations, third-party conduct, and best environmental practices have been systematized and stepped up. The results of the checks carried out show a situation of general compliance with the reference legislation and environmental guidelines defined by ADR.

Environmental governance

ADR holds, for the management of Rome airport system, different authorizations for the management of facilities and operational processes, in particular:

- for waste management, it is registered in the register of environmental operators for both Fiumicino and Ciampino airports;
- for the management of the Fiumicino and Ciampino thermal power stations, it owns 8 authorizations for water discharge and 1 authorization for atmospheric emissions;
- it holds the respective authorizations for the management of 19 rainwater treatment plants;
- for water purification plants, it holds 2 discharge authorizations at Fiumicino, while at Ciampino the purification and de-oiling plants are managed by the Air Force;
- for the extraction of water from the Fiumicino airport construction site, it holds 1 authorization for discharge into the sea.

Ownership of environmental permits has been assigned to the heads of organizational areas who are responsible for managing the relevant processes. The persons holding authorizations have been provided with a specific environmental power of attorney granted by the Legal Representatives of ADR for environmental topics.

The water resource

Fiumicino airport is characterized by the presence of a dual water network that allows separate management of consumption intended for drinking water from that intended for industrial use.

At the Fiumicino airport, drinking water is supplied by the public water operator and distributed by ADR throughout the airport grounds, with consumption concentrated mainly in terminals and boarding areas. ADR annually invests significantly in the optimization of drinking water consumption with constant extraordinary maintenance interventions on the plants and the distribution network according to the principles of regulation and control of pressures and flow rates.

In particular, during 2021, important users previously served by the Acea network were connected through new pipelines on the ADR network, and the flow monitoring system was further implemented with the installation of meters at the main network nodes.

In recent years, despite the increase in passengers and airport infrastructures, there has been a constant reduction in the consumption of drinking water. In contrast, the years surrounding the COVID-19 pandemic saw a drastic reduction in the number of passengers with a substantial decrease in water consumption.

The airport's industrial water supply system has two distinct sources: water from the Tiber intake and water from the biological wastewater treatment plant, which converge in an accumulation basin known as the "pond" with a nominal capacity of about 10,000 m3.

Industrial water undergoes a complex system of treatment and sanitization before being fed into the distribution networks intended for specific industrial uses such as heating systems, fire extinguishing systems, irrigation systems and toilet drains.

A new clear-flocculation treatment plant for water from the Tiber river has been activated in 2021 to improve water quality. In addition, a new continuous monitoring system of the most significant parameters of the supply water has been installed, allowing a better management of the supply sources in terms of the quality of the distributed water.

With regard to the management of water resources, ADR is committed to guaranteeing an increasingly widespread use of industrial water, in order to preserve the resource as a valuable asset, with a conscious view to the circularity of industrial processes. In order to achieve this, it is essential not only to guarantee suitable supply flows consistent with airport demand, but also to guarantee high quality standards in order to ensure re-use. In this regard, there are several actions that will be implemented in the coming months. First of all, the construction of the reverse osmosis plant dedicated to the treatment of industrial water collected from the Tiber river or coming from the purification plant. This plant will consist of successive filtration and disinfection units and will guarantee very high quality standards so that the water will be perfectly compatible with the construction characteristics of the towers and all the industrial equipment they supply.

TABLE 47

Water consumption

	M.U.	2021	2020	2019
Fiumicino				
Drinking water	cu m	518,247	560,745	883,526
Industrial water	cu m	1,068,769	1,226,732	1,237,000
Ciampino				
Drinking water	cu m	191,451	112,394	101,300

Climate change ed efficienza energetica

In line with its strategy to achieve Carbon Neutrality by 2030, ADR constantly monitors the direct emissions of greenhouse gases from ADR and its subsidiaries, as well as by other operators in the sector, such as airlines and other companies operating at our airports.

TABLE 48

CO_2[30] emissions

CO_2[31] emissions	M.U.	2021			2020	2019
		Fiumicino	Ciampino	Total	Total	Total
Total CO_2 emissions	**tCO_2**	**359,838**	**67,337**	**427,175**	**395,820[32]**	**1,271,565[33]**
Direct emissions - Scope 1	tCO_2	2,078	1,197	3,275[34]	3,982[35]	5,603[36]
Indirect emissions - Scope 2	tCO_2	46,093	2,312	48.404[37]	43,662[38]	57,403[39]
Indirect emissions - Scope 3	tCO_2	311,668	63,828	375,496	348,176[41]	1,208,559[42]
Of which: items included in the scope of the Sustainability-Linked Bonds[43]	tCO_2	217,206	-	217,206	170,174	623,357
Of which: other Scope 3 emissions	tCO_2	94,462	63,828	158,290	178,002	585,202

An important result obtained by ADR in the fight against climate change was the achievement of the highest level of certification, ACA - Level Transition 4+, introduced by ACI at the end of 2020, for Fiumicino and Ciampino airports. The airports managed by ADR were the first in Europe and the third in the world to obtain this important recognition.

Consistent with ADR's commitment to improving energy efficiency and in line with the ISO 50001:2018 standard, 122.02 GWh were consumed by Fiumicino airport in 2021. As in 2020, it was not possible to construct the kWh/(passengers x square meters) indicator due to the drastic reduction in airport operations and in passenger numbers resulting from the COVID-19 pandemic.

Fiumicino Airport was the first airport in the world to join The Climate Group's EP100 initiative, with the ambitious goal of increasing energy productivity by 150% by 2026, compared to the 2006 baseline.

In 2021, based on the corporate procedure on Efficiency Monitoring, despite the partial closure of the terminal, approximately 230 reports were made that allowed the operational optimization of the systems with consequent energy savings.

As regards the Ciampino airport, 8.00 GWh were consumed in 2021; as for Fiumicino, ADR aims to provide this information when pre-pandemic conditions reoccur.

TABLE 49

Energy consumption

ADR Group [44]	M.U.	2021	2020	2019[45]
Energy consumed within the organization for the two airports[46]	**GJ**	**719,195.17**	**657,156.97**	**902,322.8**
From renewable energy sources[47]	GJ	67,859.32	15,228.13	29,728.91
Electricity	GJ	468,640.17	424,560.32	596,205.40
Natural gas and heat from cogeneration[48]	GJ	249,390.31	230,575.35	303,062
Of which for heating	GJ	177,512.67	157,905.76	167,307.93
Of which for cooling	GJ	-	-	-
Diesel fuel for emergency groups	**GJ**	**1,164.69**	2,021.3	**3,055.4**

[30] *The data relating to "CO_2 emissions" have been restated compared to the information published in the 2020 Sustainability Report. In particular, a calculation of indirect Scope 3 emissions was carried out.*

[31] *Airports participating in the ACA must have their carbon emissions calculations verified in accordance with ISO 14064 (greenhouse gas accounting). Evidence must be provided to the WSP system administrator, along with carbon management processes, which must also be independently verified. CO_2 emissions are calculated in accordance with the above standard; for 2018 they have already been verified by the competent authority for ACA certification purposes. The following notes provide details for 2020 and 2021.*

[32] *The 2020 data for Fiumicino and Ciampino airports will be shared with the competent authority for ACA certification in 2022. The subtotals for the individual airports are for FCO 346,982 and for CIA 48,838 tCO_2.*

[33] *At the beginning of 2021, Fiumicino and Ciampino airports submitted their 2019 data to the certification body, obtaining the new highest level of certification, ACA - Level Transition 4+. The subtotals relating to individual airports are for FCO 1,139,708 and for CIA 131,857 tCO_2.*

[34] *The 2021 data for Fiumicino and Ciampino airports will be shared with the competent authority for ACA certification in 2022.*

[35] *The 2020 data for Fiumicino and Ciampino airports will be shared with the competent authority for ACA certification in 2022. The subtotals relating to individual airports are for FCO 3,006 and for CIA 976 tCO_2.*

[36] *At the beginning of 2021, Fiumicino and Ciampino airports submitted their 2019 data to the certification body, obtaining the new highest level of certification, ACA - Level Transition 4+. The subtotals relating to individual airports are for FCO 4,413 and for CIA 1,190 tCO_2.*

[37] *The 2021 data for Fiumicino and Ciampino airports will be shared with the competent authority for ACA certification in 2022.*

[38] *The 2020 data for Fiumicino and Ciampino airports will be shared with the competent authority for ACA certification in 2022. The subtotals relating to individual airports are for FCO 41,458 and for CIA 2,204 tCO_2.*

[39] *At the beginning of 2021, Fiumicino and Ciampino airports submitted their 2019 data to the certification body, obtaining the new highest level of certification, ACA - Level Transition 4+. The subtotals relating to individual airports are for FCO 54,760 and for CIA 2,642 tCO_2.*

[40] *In Scope 3 all emission sources have been reported, except aircraft cruise.*

[41] *The subtotals relating to individual airports are for FCO 302,518 and for CIA 45,658 tCO_2*

[42] *The subtotals relating to individual airports are for FCO 1,080,534 and for CIA 128,025 tCO_2*

[43] *See section 5.5.2*

[44] *Starting from 2020, the conversion factors used refer to the publications of the Istituto Superiore per la Protezione e la Ricerca Ambientale [Higher Institute for Environmental Protection and Research] (ISPRA 2021) and to the Department for Environment, Food and Rural Affairs (DEFRA 2020).*

[45] *The figures for 2019 have changed due to adjustment invoices received after the publication of the reporting year.*

[46] *The data shown in the table concern the overall consumption of Rome airports and differ from the production data of Leonardo Energia SCARL as the latter also include the energy sold to the grid and purchased from the grid for Leonardo Energia's own uses. Total energy excludes consumption deriving from the company fleet.*

[47] *The item "of which from renewable energy sources" includes self-produced renewable energy and the part of renewable energy from the national energy mix.*

[48] *The item "Natural gas and heat from cogeneration" also includes the portion of heat purchased by Leonardo Energia at Fiumicino Airport and the gas consumption of the heating boilers.*

TABLE 50

Electricity consumption in GJ

	M.U.	2021	2020	2019
Fiumicino	%	93.9%	93.6%	93.8%
Ciampino	%	6.1%	6.4%	6.2%

TABLE 51

Energy sold and fed into the grid

	M.U.	2021	2020	2019
Total energy sold and fed into the grid	MWh	8,789	4,357	4,781

Waste management

An environmental aspect on which ADR has invested heavily in recent years and which over time has led to important results in terms of minimizing the environmental impact is waste management. On this issue, ADR's commitments are concrete: from the use of at least 5% of waste in circular economy processes by 2025, to the reduction of waste produced per passenger (-5% by 2025).

In 2021 Fiumicino airport produced 4,793 tons of waste, including 974.8 tons relating to types of waste that by their nature cannot be sorted.

Net of these types, 98%[49] of the waste produced was sent for recovery, thanks to the now consolidated effective door-to-door separate collection system. This percentage is in line with the results of 2019 (the last significant year before the COVID-19 pandemic), despite the operational difficulties caused by the reconfiguration of the processes due to the pandemic.

At Ciampino airport, 560 tons of waste were generated in 2021 (1,130 tons in 2019), including 0.4 tons of mixed packaging produced by handlers. 65% of the waste produced was sent for recycling; this is a precautionary percentage as it does not consider those fractions that, despite having the code relating to recycled waste, were collected in areas where ADR does not have complete control over the methods of disposal.

The percentage of waste recovered at Fiumicino airport has steadily increased in recent years thanks to systematic interventions including:

- reconfiguration of the waste collection points which have all been delimited in such a way as to make it objectively identifiable who is responsible for delivering the waste;
- constant updating of the tariff system, which has constantly developed the component of the tariff that incentivizes proper waste separation;
- development of dialogue with sub-concessionaires, through systematic meetings to identify in a coordinated way the actions to be implemented to optimize the waste collection system;
- strengthening of the internal control system on the way in which deliveries are made, which has seen the development of actual audits thereon.

Also at Ciampino airport, the graph shows a significant process of improvement implemented in the way waste is delivered. The tools used to obtain these results follow the process adopted in Fiumicino.

[49] *Percentage of waste sent for recycling recalculated without considering waste consisting of sludge, septic tanks and mixtures of water and grease.*

TABLE 52

Waste generated and sent for recycling

	M.U.	2021	2020	2019
FIUMICINO				
Total tons of waste	t	4,833.7	4,793	12,775
Total waste sent for recycling[50]	%	99%[51]	98%[52]	98%
CIAMPINO				
Total tons of waste	t	626.8	560	1,132
Total waste sent for recy-cling	%	80%	65%	74%

Circular economy

ADR intends to systematically and determinedly pursue the goal of being a zero-waste airport by 2030 by ensuring the re-use of all waste produced at the airport, increasingly developing circular economy programs.

These programs are applicable in different environmental sectors: from waste management, water resource management, management of soil, rock and milled material from airport construction sites, to the reuse of assets intended for a second life through donations.

In order to ensure the recovery of the food waste produced, ADR has built a large self-composting plant with a capacity of 1,000 tons of organic waste (a quantity equivalent to ADR's annual production for 2019) with on-site reuse of the compost obtained in the airport green areas; the procedure has also been started to request authorization to transfer the compost produced also to third parties.

In addition, ADR has been working closely with airport operators to progressively reduce the use of plastic for packaging, bags distributed to passengers and single-use plastic.

In the airport sector, the concept of circular economy can also be extended to sustainable management of construction sites. In the phases of demolition and subsequent reconstruction, ADR has always pursued a strategy of recycling and reuse of excavated materials and demolished building materials. For the management of materials generated by demolition activities, there is an aggregates crushing plant and a bituminous aggregates processing plant at Fiumicino airport, which over time have allowed the recycling of large quantities of materials that would otherwise have been sent to landfills. This approach has allowed the achievement of important results:

- 580,000 cubic meters of excavated earth, completely reused within the airport grounds;
- 149,000 cubic meters of bituminous mantle demolished by milling and reused within the airport grounds for the maintenance of runways and taxiways and for the construction of new flooring.

Finally, there have been numerous timely collaborations with various non-profit organizations, the Red Cross and other associations aimed at combating waste.

Continuing to work on the following projects:

- collaboration with the non-profit organization Banco Building, to encourage the reuse of goods otherwise destined for disposal;
- the "Food Bank" project for the recovery of unsold meals which will be immediately reactivated as soon as air traffic allows it.

[50] *For the Fiumicino airport, the percentages of waste sent for recycling were calculated without considering the waste produced by the maintenance of the networks, degreasers, oil separators and septic tanks, which by their nature cannot be subjected to recovery operations.*

[51] *For Fiumicino, the percentages of waste sent for recycling were calculated without considering the waste produced by the maintenance of the networks, degreasers, oil separators and septic tanks, which by their nature cannot be subjected to recovery operations.*

[52] *Percentage of waste sent for recycling recalculated without considering waste consisting of sludge, septic tanks and mixtures of water and grease produced by degreasers.*

The collaboration with the non-profit organization Banco Building, launched in 2020 and continued in 2021, has allowed the recycling and reuse of goods otherwise destined for landfill and combating the culture of waste and discarding, while supporting a solidarity initiative worthy of a society more attentive to the needs of all.

In addition, ADR is now regularly contacting and proposing to local schools and units of voluntary and civil protection associations active in the area (such as the Red Cross, Avis, etc.), company assets that have reached the end of their useful life but are still in good condition, which would otherwise be destined for landfill.

Acoustic impact

ADR actions aimed at mitigating the acoustic impact of operations are numerous and take the form of projects for the benefit of the community. For example, ADR contributed to the enhancement of the Pineta di Coccia di Morto through the replanting of 7,000 tree species by 2025, or to the project dedicated to the acoustic improvement of the Ciampino school complexes (28 schools subject to renovation by 2022).

In both airports, noise pollution monitoring activities continued in 2021, in compliance with legal requirements, as did the communication with ARPA Lazio, which is responsible for controlling the monitoring systems.

Full compliance with the LVA indicator (Airport Noise Assessment Level) required by the relevant legislation was found at all measurement points around both airports. This result was significantly affected by the drastic decline in traffic resulting from the effects of the pandemic.

Leonardo da Vinci Airport - Boarding area E

5.10 Innovation

Innovation is an integral part of ADR's strategy and is developed through its own Open Innovation model and the implementation of new solutions at the service of the digitization and digital transition process of managed airports.

5.10.1 NEW OPEN INNOVATION MODEL

In 2021 ADR has adopted a new innovation model aimed at managing ideas in their life cycle (Idea Management), from the identification of a need to the implementation of a project, in which the solutions implemented can in turn be improved with new ideas in a process of continuous refinement. The principle behind the model is the idea of innovation as a widespread and shared way of working.

Therefore, an open ecosystem (Open Innovation) was created in order to involve start-ups and SMEs, universities and other corporations that share the principles underlying the digital and environmental transformation of ADR. In particular:

- at the beginning of 2021 ADR began to implement its Open Innovation strategy with the organization of the "Hackathon Born to Fly" in collaboration with the "Board of European Students of Technology" (BEST) association of the University of Tor Vergata. The "hackathon" was developed along 4 project lines (improving operational performance; passenger experience; commercial initiatives; sustainability) and saw the participation of 87 students grouped in 21 teams;
- at the end of September 2021 ADR launched its first "Call for Ideas" where start-ups from all over the world were asked to propose ideas on six different areas: (i) Sustainability and Energy; (ii) Data Driven Systems; (iii) Airport efficiency; (iv) Automation of operational processes; (v) Passenger Experience; (vi) Ecommerce & Phygital retail. The "Call for Ideas" saw the participation of 96 start-ups from all over the world (China, India, USA, Canada, UK, etc.) who submitted 116 project proposals. In order to implement the solutions that will be chosen in the Call for Ideas, ADR has commenced the design of the first "vertical business incubator" in the Italian aviation sector, an innovative hub (over 600 square meters of space) that will be built in 2022 at Terminal 1 of Fiumicino airport to facilitate the development of new digital solutions and collaboration with start-ups;
- In order to accelerate the energy and digital transition process and reach the NetZero Carbon target in 2030, twenty years ahead of the industry, in 2021 collaboration agreements were executed with Enel, Eni and Leonardo, Italy's leading companies in the electricity, gas, oil and chemical, and technology sectors, aimed at launching joint initiatives with a strong focus on sustainability and innovation. Furthermore, in July 2021, ADR and AENA launched "Airport For Innovation", an international network aimed at strengthening collaboration among airports and whose primary objective is to contribute to the development of new solutions to make airports increasingly digital.

5.10.2 INNOVATIVE PROJECTS

As part of the SESAR projects, on November 24, 2021, the new APOC room became operational. It occupies an area of approximately 1,900 square meters and is equipped with state-of-the-art technological systems, designed to ensure operational continuity even in case of critical situations and possible cyber security attacks. With 16 control rooms and 112 workstations, APOC has a single working area where the airport's main stakeholders can work side by side and efficiently manage all the activities necessary for the smooth running of the airport's operations. APOC develops and updates the Airport Operation Plan that integrates with the EUROCONTROL Network Manager's Network Operation Plan that will be connected with SWIM technology in 2022. This will improve the punctuality and resilience of operations for both aircraft and passengers and baggage with the important advantages that the SESAR project itself provides for the Single European Sky Capacity and consequently the Sustainability of flight operations at the airport.

Also as part of the SESAR projects, the project to install 75 VDGS - Visual Docking Guidance Systems (Optical Guides) - was completed. Thanks to the systems installed in them and the software that controls them, it is possible to increase the safety and performance of operations at the aprons. The system, in addition to allowing aircraft parking guidance operations with automatic systems to check for the possible presence of moving obstacles and the availability of systems, provides important information on the screen available to the crew and handling personnel on board.

Information such as expected aircraft release time, assigned climb procedures, baggage claim areas, or the presence of any airspace restrictions support on-board activities. This allows a more precise and optimal use of the infrastructures, reduces the waiting times of the aircraft with the engine running in the taxiing phases, allowing a reduction of CO_2 emissions.

In October 2021 ADR activated an industrial partnership also thanks to the Atlantia Group's shareholding in Volocopter, the first company in the world to develop and operate e-VTOL aircraft (new generation electric aircraft) for the transport of passengers and goods within urban areas, with high "first-mover" potential for the relevant certifications. The goal is to bring Urban Air Mobility to Rome in 2024 and make Italy among the first countries in Europe to have commercial flights with passengers on board on eVTOL for the connection from the airport to downtown Rome.

The project involves the creation of a vertiport at Fiumicino airport, an infrastructure dedicated to this new type of aircraft, for the construction of which, as for the study of routes and the vertiport in the city center, a regulatory process is underway that envisages ADR's contribution to the work of the ENAC, ENAV and EASA.

The initiative called "Urban Blue" was also launched together with Venice Airport, Aeroports de la Cote d'Azur and Guglielmo Marconi Airport in Bologna, which aims to prepare technical-economic feasibility studies and master plans, in coordination with all the players of the new ecosystem, preparatory to the authorization phase and the subsequent construction and management of the vertiports.

Ciampino Airport is also distinguished by innovation. In fact, the following initiatives aimed at improving safety in compliance with EASA regulatory requirements are currently being implemented:

- implementation of an approach lighting system (ALS) for runway 33, in compliance with the requirements of Regulation (EU) no. 139/2014;
- implementation of a stop bar and red bar system for all runway connections, in order to reduce the risk of runway incursion.

[53] *The SESAR Program (Single European Sky Air traffic management Research) is the technological pillar of the single European sky. This Program aims to improve the performance of air traffic management by modernizing and harmonizing management systems through the definition, development and dissemination of innovative technological solutions and standardized operational processes. For further details, please refer to adr.it/programma-sesar.*

[54] *For details, please refer to adr.it/sala-apoc..*

On the basis of this last initiative, the implementation of an intermediate waiting point in the middle of the runway will also be activated, in order to reduce the taxiing time of helicopters operating in rescue missions (BAT).

Additional initiatives aimed at improving sustainability include the launch of an initiative for the implementation of new charging points for electric handling vehicles in order to convert fleets. Specifically, the new areas will be available for both General Aviation (upgrading the existing area) and Commercial Aviation (providing a new area tailored to the actual needs of handlers).

As regards the commitment to the environment, as part of the research and innovation program of the European Commission Horizon 2020, ADR participated in and won a tender, financed with 12 million, to find solutions that demonstrate how an airport can be designed to operate completely carbon-free. The project called "Alight" plans to make SAF (Sustainable Aviation Fuel) available at participating airports, whether biofuel, electricity, hydrogen or e-fuel, which are essential to decarbonize aircraft flight. The consortium that won the tender is made up of ADR, the German research center DLR, the Danish Technological Institute, Copenhagen Airport (CPH), IATA, the University of Parma and 10 other European partners.

On October 15, 2021, Fiumicino airport, thanks to the strategic partnership with Eni, was the first airport in Italy to make available the SAF (Sustainable Aviation Fuel), a blend of traditional A1 Jet with a biogenic component capable of reducing emissions of CO_2 up to 60-90%.

The new ITA airline was the first to be able to use the SAF product on certain flights from the very first day of operations, thus being able to immediately present a new element also in terms of the drive towards decarbonization.

As part of the collaboration with ENI, work is being done on the development of a business model (fuel supplier - airport - air carrier) to facilitate the use of the SAF at Fiumicino airport, with ADR as a "facilitator" for interaction with the airlines as well as for logistical support and the study of any incentive policies.

Another important initiative concerns the supply of Hydrotreated Vegetable Oil (HVO) fuel: November 2021 saw the first delivery of around 5,000 liters of extremely low-emission HVO for use in ADR Assistance vehicles. The use will be extended over the next few years to the other ADR group vehicles that cannot be easily electrified.

Furthermore, the concept of the Smart Energy Airport of the future will be developed, maximizing the production of energy from renewable sources, energy storage and the use of electricity for vehicular mobility in airports.

In this context, last March 2021 ADR participated together with ENEL X and the Fraunhofer research and development institute, in the program called Innovation Fund of the European Union. In July 2021, the PIONEER project on "Second Life" batteries was awarded, in collaboration with ENEL X and Fraunhofer. The latter is financed with an amount equal to approx. 3.1 million euros (approx. 60% of the planned investment), of which approx. 2.3 million euros destined directly to ADR. In December 2021 the Grant Agreement was signed by CINEA with ADR as the coordinator. The "Second Life Battery" project involves the design, construction, commissioning and management of an energy storage system composed of recycled batteries from decommissioned electric vehicles, which will be used to store part of the excess energy produced by the photovoltaic system to cover the airport's evening peak demand, avoiding the construction of new batteries for storage and/or the purchase of energy from the national grid. It will be the first plant in Europe in terms of power managed, and in the future it may be expanded using the batteries of other vehicles and aircraft for Urban Air Mobility. Overall, the project is expected to avoid nearly 100% of greenhouse gas emissions compared to building new batteries for electrical storage.

In addition, numerous initiatives were implemented in 2021 aimed at innovating and improving customer satisfaction and the journey experience.

Biometric

First intercontinental corridor "COVID tested", totally contactless and with a mirror use from Rome to Atlanta and vice versa, for a safer and faster boarding experience. In July 2021 ADR and Delta Airlines introduced a new boarding procedure for the Rome-Atlanta route characterized by biometric face detection: departing passengers can thus make the entire journey at the airport quickly and safely without having to repeatedly show documents or boarding pass. Furthermore, this new boarding procedure acquires even more value in terms of containing the contagion from Covid-19, allowing a completely touchless process. The system provides for the installation in specific airport areas of equipment (check-in; pax track security checks; boarding gate) that detect the biometric characteristics of the passenger and temporarily acquire the information contained in the ID and boarding passes.

New adr.it website and new flight info system

In May 2021 ADR introduced a new layout and functionality to provide flight information to passengers: the ability to track their flight directly from their smartphone without the need to physically be at the airport.

Finally, the ADR website was updated, with a new graphics and user experience, clearer and more intuitive, adding here as well the function of tracking flights (both departing and arriving) with the possibility of receiving updates in real time by email.

Digital Signage and new Ledwalls

To improve the customer experience, digital totems were introduced inside the airport, for complete digital assistance. Passengers can ask for information by interacting with the totems via a touchscreen and making a call with the operators.

In August 2021, as part of the Terminal 1 expansion work, the largest LED wall in the European airport sector was built, with a 600-square meter area that plays videos in motion and flight information giving the passenger a "sense of place" and a unique digital effect. The multimedia contents were created with the students of an Italian art academy and are centered on images and visual inputs strongly linked to the beauties of our country.

Chapter 6

Subsequent events

Chapter 6

Subsequent events

TRAFFIC DATA

Traffic performance at the Roman airport system is shown for an extended period (until February 28, 2022) in order to provide an update on the resumption of air traffic. At the airport system level (Fiumicino + Ciampino) since the beginning of the year, the number of passengers has increased by 250.6% compared to 2021 and aircraft movements by 135.0%, mainly thanks to the presence of fewer restrictions on circulation due to the effectiveness of the vaccination campaign.

TABLE 53

Main traffic data of the Roman airport system as of February 28, 2022[55]

	Jan 1 – Feb 28, 2022	Jan. 1 – Feb. 28, 2021	% Change
Movements (no.)	**27,438**	**11,675**	**+135.0%**
Fiumicino	21,677	9,043	+139.7%
Ciampino	5,761	2,632	+118.9%
Passengers (no.)	**2,442,421**	**696,701**	**+250.6%**
Fiumicino	2,038,248	659,227	+209.2%
Ciampino	404,173	37,474	+978.5%
Cargo (tons)	**15,964**	**14,950**	**+6.8%**
Fiumicino	13,465	12,397	+8.6%
Ciampino	2,499	2,553	-2.1%

Following the trend of individual airports:

Fiumicino

Between January 1 and February 28, 2022, the Fiumicino airport has recorded a traffic volume of approximately 2.04 million of passengers, up by 209.2% compared to 659 thousand in the same period of 2021 and in line with the recovery trend of traffic recorded in the final months of last year. Aircraft movements recorded growth of 139.7%.

In this period, an average of almost 35 thousand passengers per day was recorded against the 11 thousand of the same period of 2021.

Domestic traffic, equal to approximately 652 thousand passengers, is up by 94.3% compared to the same period of 2021. International traffic recorded a percentage growth of +328.4%; this percentage difference is higher as this market segment was most affected by the restrictions on mobility adopted in most of the world in the first months of 2021.

[55] *Provisional data*

Ciampino

The Rome-Ciampino airport also recorded, in the period January 1 – February 28, 2022, a recovery in traffic with a number of passengers passing through equal to approximately 404 thousand, i.e. an increase of +978.5%. In detail, commercial movements recorded an increase of +404.4% against a growth in total movements of +118.9% in the period in question.

Due to the recent events in Ukraine and the closure of airspace in Russia, in the last days of February, the airlines have suspended their connections.

The identification of further risks related to any new routing of the connections from/to Asia expected during the Summer season that fly over Russian airspace is being verified and constantly monitored.

OTHER SUBSEQUENT EVENTS

Resolution of the Transport Regulatory Authority (ART) concerning the public consultation for the review of the "airport fee regulation" models

ART has published resolution no. 68/2021 of May 20, 2021 with which it has (i) deferred the entry into force of the Models for the regulation of airport fees pursuant to Resolution no. 136 /2020, from July 1, 2021 to January 1, 2023; (ii) gave the alternative to the airport operators that activate the consultation procedure for the revision of the fees during the two-year period from 2021 to 2022 to: a) start the related procedure pursuant to the provisions of the Models referred to in Resolution 92/2017, or b) subject to a reasoned application to the Authority, propose the extension of the fees in force at the time of the application also to apply to the following year. With reference to the airports regulated by the planning agreements provided for by art. 17, paragraph 34-bis, of Law Decree no. 78/2009 - such as Fiumicino and Ciampino - the Authority specified that the economic regulation provisions set out in the Models pursuant to Resolution no. 92/2017 are intended to be encompassed in an additional deed to the Concession between the grantor and the concessionaire.

Without prejudice to the objections raised in the appeal against Resolution no. 136/2020, on August 11, 2021, ADR and the grantor ENAC negotiated and stipulated an ad-hoc additional deed, with which, in line with the provisions of Resolution no. 68/2021, the methods for implementing the regulatory model set forth in Resolution no. 92/2017 were positively defined, while taking into account the regulatory and substantial peculiarities of the Planning Agreement itself.

Subsequently, ART sent critical observations with respect to the additional deed stipulated between ENAC and ADR, and, on December 16, 2021, in response to the ADR request to start the consultation of the User for the revision of rights, expressed its refusal to the consultation as it considered that the additional deed was not yet finalized.

Between mid-December and January several meetings and hearings were held between ADR and ART and ADR and the ENAC, of which on February 11, 2022, ADR received a new text of the Act which, on February 15, 2022, was deemed unacceptable by ADR since, by limiting the validity of the tariff rules only for a five-year period, it does not confirm the principle of long-term regulatory stability, the cornerstone of the Planning Agreement signed in 2012. The stability of the rules, which in the Planning Agreement are valid for the entire duration of the concession, is the essential requirement to ensure the financeability of the important development plan that provides for investments of 1.5 billion euros in the next 5 years, 4 billion in the next 10 and no less than 8 billion euros until the end of the concession (2046). This is a plan of unique scope, under the responsibility of an operator that already accounts for more than 50% of investments in the Italian airport sector, the implementation of which cannot disregard the raising of debt capital, characterized by durations that often exceed ten years and which requires, as a guarantee of repayment, rules that are certain and stable over the long term, even more so at a time when it is precisely the airport sector that is still bearing the very heavy effects of the pandemic crisis and is preparing to face new geopolitical risks.

ADR therefore filed, on February 14, 2022, an appeal with the Lazio Regional Administrative Court asking the Administrative Judge to cancel the refusal to start the consultation, indicating the validity and effectiveness of the additional signed deed. On February 15, ADR submitted, as necessary, an application to ART to extend the airport fees defined for 2021 also in relation to the 2022 tariff year, limited to the period strictly necessary to review them for the new regulatory period, as it was precluded from initiating the consultation requested on December 13, 2021. On February 18, ART responded by inviting ADR to initiate consultations with the users within the terms described, reserving the right to carry out the assessments under its competence, following their outcome. The latter took place on February 28, 2022 with a tariff forecast for 2022 in continuity with the one in force, as, moreover, already provided for in the tariff dynamics presented to ART in mid-December 2021 and in line with the intention, already presented to the market, to promote a tariff proposal oriented towards stability and supported by certain rules.

Compensation for damage suffered by airport operators due to the COVID-19 emergency

On March 4, 2022 ENAC notified that, following information provided to the Ministry of Infrastructure and Sustainable Mobility, an advance payment had been made to all the beneficiaries of the refunds provided for in the Inter-ministerial Decree of November 25, 2021, adopted pursuant to art. 1, paragraph 718, of Law no. 178 of 2020. This initiative is made possible by the fact that ENAC has verified that the total of requests do not exceed the total availability of the fund and therefore the conditions for the application of reductions and limits that the law would have imposed in this circumstance are not met. The amount paid by ENAC, equal to 50% of the claim for reimbursement of the damage, was collected by the company on March 8, 2022 in the amount of 109.6 million euros.

Leonardo da Vinci Airport - Commercial area

Chapter 7

Business Outlook


AEROPORTO LEONARDO

Chapter 7

Business Outlook

The health crisis has not yet ended, however, also following the end of the state of emergency in Italy scheduled for March 31, 2022, significant progress is estimated for the summer (in particular from North America) with a traffic forecast for 2022 which at Fiumicino, with strong growth compared to the previous year, will be able to exceed 20 million passengers.

This trend could be negatively influenced by the conflict in Ukraine, the impacts of which on traffic volumes, however, are not yet foreseeable either in terms of duration or intensity.

In this context, the Group continues to work on its objectives also with the aim of accelerating the rapid resumption of activities.

The completion of the approval process for the updating of the development plan and the final setting of the post-crisis regulatory framework are in any case essential for guaranteeing stability and future growth.

Chapter 8

Proposal to the Ordinary Shareholders' Meeting

Leonardo da Vinci Airport - Boarding area E

Chapter 8

Proposal to the Ordinary Shareholders' Meeting

Dear Shareholders,

The separate Financial Statements for the year ended December 31, 2021 reported a loss of 44,867,618.30 euros. Therefore, we hereby propose you:

1. approve the 2021 separate Financial statements, which disclose a loss of 44,867,618.30 euros, having acknowledged the documents that accompany them;
2. cover the loss by using the retained earnings for the same amount.

We also propose that you approve the tax-suspension restriction placed on a portion of the Share premium reserve, amounting to 355,036 thousand euros, in connection with the alignment pursuant to Italian Law Decree no. 104/2020 converted with amendments into Italian Law no. 126 of 2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired.

The Board of Directors

Chapter 9

Consolidated Non-Financial Statement pursuant to Italian Legislative Decree 254/16

Chapter 9

9.1 Methodological note

The first Consolidated Non-Financial Statement (hereinafter also the "Statement", "NFS", "Sustainability Report") of Aeroporti di Roma S.p.A. (also "the Parent" or "the Company") is drawn up on a voluntary basis as the Company, being consolidated by the Parent Atlantia S.p.A., would be exempted from drafting this document and in accordance with Article 4 of Legislative Decree 254/2016 (hereinafter the "Decree"), represents the activities of the Company, its performance, its results and the impact produced by it, and covers topics such as the environment, social issues, personnel, respect for human rights, fight against active and passive corruption, which are relevant in view of the Company's business activities and characteristics.

This Annual Integrated Report includes the Consolidated Non-financial Statement, as shown in the following reconciliation table AIR with Decree/NFS. The reporting scope of the document includes Aeroporti di Roma S.p.A. and its subsidiaries, in line with the consolidation scope in terms of financial information for the same reporting year.

In order to provide an overview that reflects the effectiveness of the management and the trend of the results achieved in terms of economic and social sustainability, both qualitative and quantitative information was presented with a time frame of at least two years, unless otherwise indicated.

The 2021 Annual Integrated Report, albeit with the innovations and additions of this innovative reporting method, represents ADR's sixth sustainability report. This document has been prepared in accordance with the principles and contents of the <IR> Framework drawn up by the International Integrated Reporting Council[56]. The NFS, included in the AIR, is also compliant with the GRI Sustainability Reporting Standards published in 2016 and subsequently integrated and updated by the GRI - Global Reporting Initiative, based on the "in accordance core" option.

Finally, the NFS 2021 reports the evidence that emerged from the analyzes conducted by the Company with respect to the former Art. 8 of the EU Regulation 2020/852 of June 18, 2020 (EU Taxonomy) and of the Delegated Regulations 2021/2178 and 2021/2139. The evidence that emerged as well as the description of the methodological definition process are reported in section 9.3.

The selection of the topics and indicators covered took place on the basis of the materiality analysis process carried out in 2021, as detailed in the following paragraph, and aimed at identifying the relevant issues for the Group based on their impact on the business as well as its importance for the stakeholders and the probability and magnitude of the associated risks/opportunities. Furthermore, the process was developed consistently with the principle of materiality and in consideration of the reporting principles adopted that define its content and quality (inclusiveness of stakeholders, completeness of information, sustainability context, balance, comparability, clarity, timeliness, reliability and accuracy).

The inclusion of the non-financial statement in this Report was achieved through a transversal process coordinated by the Administration &

Finance function in close collaboration with the External Relations & Sustainability function and the involvement of all functions and Business Units of ADR.

The Annual Integrated Report, and its contents which make up the NFS for the year ended December 31, 2021 was approved by the Board of Directors of Aeroporti di Roma S.p.A. on March 8, 2022. The NFS has been subjected to a limited assurance engagement (according to the criteria indicated by the ISAE 3000 Revised standard) by the Independent Auditors KPMG, and is published in Italian and in English on the ADR website **https://www.ADR.it/azn-archivio-bilanci**.

Leonardo da Vinci Airport - Commercial area

9.2 Materiality analysis

The aspects reported in the Annual Integrated Report were also identified on the basis of the principle of materiality and in consideration of the reporting principles of the GRI Standards, therefore considering the aspects relating to the inclusiveness of stakeholders, completeness of information, sustainability context, balance, comparability, clarity, timeliness, reliability and accuracy.

Leonardo da Vinci Airport - Terminal 3 check-in desks

In particular, as regards the materiality analysis process, it has been developed in three main phases:

- at the beginning of 2021, ADR decided to renew the materiality matrix by integrating the analyses already available with the topics derived from a sector analysis and with the results of the engagement initiatives dedicated to the most relevant stakeholders;
- subsequently, through the surveys distributed to the main categories of stakeholders and to the management of ADR, the proposed social, environmental and economic responsibility themes were prioritized;
- finally, the results of the materiality analysis process are summarized in the materiality matrix and in the reconciliation table between material topics and GRI Standards indicators.

In particular, the issue related to the management of the COVID-19 pandemic continues to emerge as particularly relevant.

Elements that see greater attention than in the past are those related to climate change and the circular economy. The first issue acquires more relevance by positioning itself in the upper right quadrant of the matrix, while the second issue becomes a specific focus by detaching itself from the more general issue of waste management.

Additional topics that emerge from the completion of the analysis carried out are: water consumption, contractual conditions, airport emissions, ecosystem and biodiversity, responsible supply chain management and equal opportunities & diversity.

CHART 11

ADR 2021 materiality matrix

ENVIRONMENT

1. Energy efficiency
2. Climate change
3. Water consumption
4. Waste management
5. Airport emissions
6. Noise
7. Circular economy
8. Intermodality and accessibility
9. Biodiversity ecosystem

SOCIAL

10. Airport security
11. COVID-19 response
12. Workers' health and safety
13. Service quality
14. Staff training
15. Equal opportunities and diversity
16. Community involvement

GOVERNANCE

17. Development of sustainable infrastructure
18. Regulatory compliance
19. Management of airport operations
20. Anti-corruption and conflicts of interest
21. Risk management
22. Ideas and innovation
23. Contractual conditions
24. Responsible supply chain management

9.3
EU Taxonomy

INTRODUCTION TO EUROPEAN TAXONOMY

The European Taxonomy introduced by EU Regulation 852/2020 and in force from January 1, 2022 (hereinafter also the Taxonomy) is a classification system aimed at identifying sustainable economic activities from an environmental point of view and was created with the aim of increasing the development of sustainable investments and to favor the achievement of the objectives set by the European Green Deal.

The purpose of the Taxonomy is to ensure the reliability, consistency and comparability of sustainable economic activities to protect private investors from greenwashing, help companies in their sustainable transition, mitigate market fragmentation and bridge the gap in sustainable investments.

The EU Regulation 852/2020 (hereinafter also the Regulation) has established six objectives for the identification of sustainable economic activities from an environmental point of view: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and finally the protection and restoration of biodiversity and ecosystems

During 2021, the Delegated Act Climate Change (2021) 2800 was published together with the related Annexes I and II in which the eligible economic activities (eligible with respect to the perimeter of validity of the Taxonomy) are identified and the technical screening and impact assessment criteria (the so-called DNSH principle - Do Not Significant Harm) are defined with respect to which it is possible to establish whether an economic activity is eco-sustainable (i.e. aligned), in accordance with the objectives of climate change mitigation and adaptation.

Regulation 2020/852, in article 8, provides in particular that companies subject to the obligation to publish non-financial information pursuant to article 19 bis or article 29 bis of Directive 2013/34/EU (and therefore, pursuant to Directive 2014/95/EU - NFRD and its implementation in Italy through Italian Legislative Decree no. 254 of December 30, 2016) include, in their non-financial statement, starting from January 1, 2022, information on how and to what extent their activities are eco-sustainable. The methodology and indicators to be reported are specified in the underlying Delegated Act C2021/4987 and related Annexes.

For this first year of application, it is required by the European legislator to provide a measure of the eligibility of economic activities only. In this sense, it is specified that eligible activities mean an economic activity described in the delegated acts adopted pursuant to articles 10 to 15 of Regulation (EU) 2020/852, regardless of whether this economic activity satisfies some or all of the technical screening criteria set out in these delegated acts.

The measure of eligibility must be expressed in terms of turnover, capital expenditure (CapEx) and operating expenses (OpEx). Information related to the so-called accounting policy and other qualitative and contextual information must also be disclosed.

From the next financial year, data and information on the alignment of economic activities with Taxonomy are also expected to be published, as evidence of their effective ecosustainability in the event of a positive outcome of the following assessment steps:

- substantial contribution to the achievement of one or more environmental objectives,
- does not negatively and significantly affect any of the environmental objectives,
- compliance with the minimum safeguards, as defined in the OECD guidelines for multinational companies and in line with the United Nations guiding principles on business, human and labor rights.

ACTIVITIES OF THE ADR GROUP THAT CONTRIBUTE TO THE ACHIEVEMENT OF EU OBJECTIVES

Sustainability is one of the strategic priorities of the ADR Group. The integration of the ESG paradigm into the business model is essential today, in order to guide the Group on the path towards a low-carbon economy and contribute to the fight against climate change.

For this reason, the Group has long since embarked on an ecological transition path that contributes to the development of an increasingly sustainable society.

This process is coordinated by the Sustainability Committee which formally represents the body in charge of defining the strategic guidelines and of sharing the main intervention programs and their progress in terms of sustainability.

The Group has also formalized this commitment through the definition of the 2021-2025 Sustainability Plan which, as described in section 2.2.1, summarizes objectives and programs for each corporate function and ensures the coordination of programs and energies to make the airport an inclusive, sustainable place, oriented to the development of people and the territory.

In light of this scenario, the ADR Group welcomes the Taxonomy, not only as a mere exercise of compliance and transparency but as a further reference of its strategy and its sustainable investments.

Therefore, with exclusive reference to the two objectives connected to climate change, the Group has carefully analyzed the principles and regulatory requirements to assess their impacts and links with the Group's activities and strategies. As a first step, we proceeded to identify the potentially eligible activities within each business segment, as follows:

- **Aviation**:
  Low-carbon airport infrastructure (6.17)[56];
- **Mobility**:
  Infrastructure enabling low-carbon road and public transport (6.15);
- **Real Estate e Retail:**
  Acquisition and ownership of buildings (7.7);
  Other activities:
  Electricity generation using solar photovoltaic technology (4.1);
  Transmission and distribution of electricity (4.9);
  District heating/cooling distribution (4.15).

It must be noted that the activities 6.15 and 6.17 identified in relation to the Group's infrastructures are presented, within the Taxonomy, as enabling activities, i.e. activities that directly allow third party activities to make a substantial contribution to one or more environmental objectives.

For this reason, only part of the business of the Aviation and Mobility segments has been taken into account, with particular reference to those activities related to the use of hydrogen and the electrification of services offered through infrastructures, as well as to functional and connecting activities for urban public transport.

In addition, the Group monitors the regulatory changes related to the Taxonomy and expected

[56] *Unlike many other activities, for points 6.15 and 6.17, the legislator has identified clear and specific green attributes also in the description of the activities, thus providing for compliance with eco-sustainable thresholds or characteristics also in the eligibility analysis.*

for the next few years, with particular reference to the draft[57] concerning the new 4 environmental objectives and it is confident that will significantly expand its perimeter of admissibility.

In the draft published to date, although pending the conclusion of the related technical and legislative process by the European Commission, there are indeed activities that could directly or indirectly impact the business and activities of the Group, including:

- 8.9 "Manufacturing of aircraft";
- 8.10 "Passenger air transport";
- 8.11 "Air transportation ground handling operations".

THE MAIN RESULTS

Graphs/tables summarizing the main results

The following section presents, in line with regulatory requirements, the share of the Group's turnover and capital expenditures (CapEx) for the 2021 reporting period that are associated with the economic activities eligible for the Taxonomy related to the first two environmental objectives (climate change mitigation and climate change adaptation) in accordance with Article 8 of the Taxonomy Regulation and Article 10 (2) of the Delegated Act C2021/4987 and related Annexes.

Furthermore, as required by law, the data related to eligible operating expenses (OpEx) are not presented in the section below, as they are not considered particularly relevant for the purposes of representing the Group's business model and in light of the fact that the specific accounting items are not immediately traceable.

	Taxonomy-eligible	Taxonomy-eligible	Taxonomy non-eligible
Turnover	66,716,298 €	15%	85%
CapEx	53,827,330 €	33%	67%

Methodological Note

The methodological note aims to present the process followed for the identification of eligible activities pursuant to Regulation 852/2020 and the methodologies for calculating the indicators related to turnover and capital expenditure (CapEx) with reference to the financial year 2021.

The process of collecting the data and information necessary for the identification of the activities eligible under the Taxonomy and the calculation of the 2 indicators have involved various functions of the Group.

The activity concerned the entire consolidation scope of the ADR Group, currently composed of the following subsidiaries: ADR Ingegneria S.p.A - Unipersonale; ADR Infrastrutture S.p.A. - Unipersonale; ADR Tel S.p.A.; ADR Assistance S.r.l. - Unipersonale, ADR Mobility S.r.l. - Unipersonale; ADR Security S.r.l. - Unipersonale; Airport Cleaning S.r.l. - Unipersonale; Fiumicino Energia S.r.l.

The process of defining eligible activitiese

To identify the activities eligible under the Taxonomy, the activities carried out by the ADR Group were analyzed with the aim of determining which of these could be considered eligible, or included among the activities described in the annexes (Annexes I and II) to the delegated acts of the Regulation, regardless of whether or not said activities meet the technical screening criteria, do not cause significant harm to the other environmental objectives (DNSH) and comply with the minimum protection thresholds, as set forth in the delegated acts themselves (this verification, related to the actual "alignment" with the requirements of the Taxonomy, is in fact expected as from next year).

As a result of the analysis, the categories of eligible economic activities of the Group are shown below:

[57] *https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/210803-sustainable-finance-platform-report-technical-screening-criteria-taxonomy-annex_en.pdf*

TABLE 54

Taxonomy eligible economic activities

Activity	Description	Climate Change Mitigation	Climate Change Adaptation
4.1 Electricity genera-tion using solar photo-voltaic technology	Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology. Where an economic activity is an integral element of the 'Installation, maintenance and repair of renewable energy technologies' as referred to in Section 7.6 of this Annex, the technical screening criteria specified in that section apply.	✓	✓
4.9 Transmission and distribution of electricity	Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system. Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems.	✓	✓
4.15 District heat-ing/cooling distribution	Construction, restoration and operation of pipelines and associated infrastructure for distribution of heating and cooling, ending at the sub-station or heat exchanger.	✓	✓
6.15 Infrastructure ena-bling low-carbon road transport and public transport	Construction, modernization, maintenance and operation of infrastruc-ture that is required for zero tailpipe CO_2 operation of zero-emissions road transport, as well as infrastructure dedicated to transshipment, and infrastructure required for operating urban transport.	✓	✓
6.17 Low carbon airport infrastructure	Construction, modernization, maintenance and operation of infrastructure that is required for zero tailpipe CO_2 operation of aircraft or the airport's own operations, as well as for provision of fixed electrical ground power and preconditioned air to stationary aircraft.	✓	✓
7.7 Acquisition and ownership of buildings	Buying real estate and exercising ownership of that real estate.	✓	✓

It must be noted that the activities that have not emerged as Taxonomy eligible - and which therefore constitute the % "Taxonomy non-eligible" - are currently not included in the analysis activities considered by the EU Taxonomy but could fall within the additional 4 environmental objectives provided for by the Regulation and currently being standardized.

Process of calculating indicators

For the 2021 reporting period, the indicators (eligible turnover and eligible CapEx) must be disclosed in relation to the eligible and non-eligible economic activities (Article 10 (2) of Article 8 of the Delegated Act).

These indicators have been determined considering the regulatory requirements and the indications provided by the European Commission. The accounting policy used is described below.

ELIGIBLE TURNOVER

The percentage of turnover was calculated as the gross turnover deriving from products or services associated with eligible economic activities (numerator), divided by the total consolidated gross turnover (denominator).

For further details on accounting policies relating to consolidated net turnover (Economic, equity and financial performance section)

The numerator includes the turnover of the activities classified as eligible:

- 6.15 Infrastructure enabling low-carbon road transport and public transport;
- 6.17 Low carbon airport infrastructure;
- 7.7 Acquisition and ownership of buildings;

- Electricity generation using solar photovoltaic technology;
- 4.9 Transmission and distribution of electricity;
- 4.15 District heating/cooling distribution.

In order to identify eligible revenue and thus develop the related indicator, a process of analysis of the individual items used for the Group's accounting was activated, based on a selection that ensured the highest level of granularity possible.

Where the level of granularity available was not sufficient for the analyses, approximations were made, albeit through a conservative and prudential approach.

In view of future reporting, also in light of the requirements for alignment disclosure, any improvement actions in the accounting process will be examined in depth.

ELIGIBLE CAPEX

The percentage of capital expenditure presented was calculated as the ratio of the capital expenditure associated with eligible activities to the total of the Group's CapEx, as specified in points 1.1.2.1 and 1.1.2.2 of the Delegated Act on article 8 (Annex I).

In line with regulatory requirements, the denominator includes the increases in property, plant and equipment and intangible assets for the year 2021, before amortization, depreciation and any re-measurement, including those deriving from revaluations and impairment losses, for the year in question and excluding changes in fair value.

The denominator also includes increases in property, plant and equipment and intangible assets deriving from business combinations. For further details on the Group's accounting policies relating to Capex (see section 5.3)

The numerator includes the share of investments relating to the Group's eligible activities:

- Investments related to assets or processes that have been associated with eligible economic activities ("category a", Section. 1.2.1 (a), of Annex I to Art. 8 of the Delegated Act);
- Investments aimed at expanding the perimeter of one or more eligible assets;
- Investments attributable to the purchase of products and services and the implementation of individual measures aimed at reducing the GHG emissions of the Group's activities.

Assumptions

It must be noted that the investments of the AdR Group follow a different accounting classification from that used to identify the eligibility of the Group's revenue.

In order to identify the eligible Capex, it was necessary to carry out an analysis process that matched the Group's investments with the activities identified as eligible.

The calculation and analysis methods are strictly connected to the granularity and nature of the accounting items: in the absence of precise data, "assumptions" were adopted, maintaining a conservative and prudential approach.

In view of future reporting, also in light of the requirements for alignment disclosure, any improvement actions in the accounting process will be examined in depth.

To be noted is that the risk of double counting was minimized through a reconciliation process for each single accounting item that was carried out in order to identify the proportion of investments related exclusively to eligible activities.

Leonardo da Vinci Airport - Terminal 1 Baggage claim area

9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI

The Table above associates the material topics identified by the ADR Group with the SDGs, GRI Standards aspects and related specific indicators that have been included in this Report. For each aspect of the GRI linked to the material topics identified, the related impacts, current or potential, internal and external to the Group's perimeter were considered.

TABLE 55

Material topics	Scope of the im-pact	Involvement of ADR	GRI topic specific standard	
COVID-19 response	ADR Group, Customers, Supply chain	Direct Related to business relationships	n.a.	n.a.
Management of airport operations	ADR Group - Group Stakeholders	Direct Related to business relationships	Economic Performance Procurement Practices Supplier Social Assessment Supplier Environmental Assessment	201-1 204-1 414-1 308-1
Noise	ADR Group Community	Direct Related to business relationships	n.a.	n.a.
Intermodality and accessibility	ADR Group Clients Country system	Direct Related to business relationships	n.a.	n.a.
Risk Management	ADR Group Supply chain	Direct Related to business relationships	n.a.	n.a.
Airport security	ADR Group Customers Supply chain	Direct Related to business relationships	n.a.	n.a.
Community involvement	ADR Group Community	Direct Related to business relationships	Indirect Economic Impacts Local Communities	203-2 413-2
Service quality	ADR Group Customers	Direct Related to business relationships	Training and Education	404-1
Regulatory compliance	ADR Group Country system	Direct Related to business relationships	Environmental Compliance	307-1
Workers' health and safety	ADR Group Supply chain	Direct Related to business relationships	Occupational Health and Safety	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-9

Material topics	Scope of the im-pact	Involvement of ADR	GRI topic specific standard	
Waste management	ADR Group Commu-nity and environment	Direct Related to business relationships	Waste	306-1 306-2 306-3
Staff training	ADR Group	Direct	Training and Education	404-1
Climate change	ADR Group - Group Stakeholders and Country system Community and envi-ronment	Direct Related to business relationships	Emissions	305-1 305-2
Energy efficiency	ADR Group - Group Stakeholders and Country system Institutions Community and environment	Direct Related to business relationships	Energy	302-1
Ideas and Innovation	ADR Group Customers Country system	Direct Related to business relationships	n.a.	n.a.
Water consumption	ADR Group Community and envi-ronment	Direct Related to business relationships	Water	303-1 303-2 303-5
Development of sustainable infrastructure	ADR Group; Investors, financial community and institutions	Direct Related to business relationships	n.a.	n.a.
Circular economy	ADR Group Community and environment	Direct Related to business relationships	Waste	306-1 306-2 306-3
Contractual conditions	ADR Group Clients	Direct Related to business relationships	Supplier Environmental Assessment	308-1
			Supplier Social Assessment	414-1
Airport emissions	ADR Group Community and environment	Direct Related to business relationships	Emissions	305-1 305-2
Biodiversity ecosystem	ADR Group Community and environment	Direct Related to business relationships	Biodiversity	304
Responsible supply chain management	ADR Group Supply chain	ADR Group Supply chain	Procurement Practices	204-1
			Supplier Environmental Assessment	308-1
Equal opportunities and diversity	ADR Group Community and environment	Direct	Diversity and Equal Opportunity	405-1
Anti-corruption and conflicts of interest	ADR Group; Investors, financial community and institutions	Direct Related to business relationships	Anti-Corruption	205-2

9.5 GRI content index

TABLE 56

GRI Indicators - Standards

GRI 102: GENERAL DISCLOSURES		
Organization profile		
Disclosure		**Reference/Direct Answer/Omissions**
102-1	Name of the organiza-tion	Aeroporti di Roma S.p.A.
102-2	Activities, brands, products, and services	2.3 The model
102-3	Location of headquar-ters	Via Pier Paolo Racchetti, 1 - 00054 Fiumicino (RM)
102-4	Location of operations	Lazio
102-5	Ownership and legal form	4.1 The Group's structure 4.3 Management
102-6	Markets served	1.2 The Roman airport system 2.3 The model
102-7	Scale of the organiza-tion	1.1 Financial and non-financial highlights 2021 5.3 Economic, equity and financial performance 5.7 Human capital 5.8 Ecosystem
102-8	Information on employ-ees and other workers	5.7 Human Capital
102-9	Supply chain	5.8 Ecosystem
102-10	Significant changes to the organization and its supply chain	There have been no significant changes in the organization and in the supply chain
102-11	Precautionary Principle or approach	a. Risk management system b. Mapping risks and related control measures 4.4 Ethics and compliance 4.5 Management, Organization and Control Model
102-12	External initiatives	In 2021 ADR participated in various initiatives in the official All 4 Climate Italy 2021 program promoted by the Ministry of Ecological Transition. In 2021 ADR confirmed its support for the United Nations Global Compact, a network that unites businesses, governments and non-governmental organiza-tions with the aim of promoting a more inclusive and sustainable global econo-my through the pursuit of the Sustainable Development Goals (SDGs). In 2011 ADR joined ACI Europe's "Airport Carbon Accreditation" (ACA), a pro-gram aimed at limiting greenhouse gas emissions associated with airport activi-ties. Moreover, ADR participates in the Sesar Program, (Single European Sky Air traffic management Research project), whose measures involve both the civil and military sectors, and concern regulation, economics, safety, the envi-ronment, technology and institutions. The program includes a number of pro-jects, in which Italy intends to play a leading role, together with airport man-agement companies and national air transport stakeholders. For more infor-mation, visit: www.adr.it/programma-sesarPrincipio.
102-13	Membership of associa-tions	Assaeroporti - Italian Airport Manager Association

STRATEGY		
Disclosure		**Reference/Direct Answer/Omissions**
102-14	Statement from senior decision-maker	Letter to the stakeholder

ETHICS AND INTEGRITY		
Disclosure		**Reference/Direct Answer/Omissions**
102-16	Values, principles, standards and norms of behavior	a. Business strategy b. Areas of commitment 4.4 Ethics and compliance 4.5 Management, Organization and Control Model

GOVERNANCE

Disclosure		Reference/Direct Answer/Omissions
102-18	Governance structure	4.1 The Group's structure 4.2 Governance model 4.3 Management

STAKEHOLDER ENGAGEMENT

Disclosure		Reference/Direct Answer/Omissions
102-40	List of stakeholder groups	2.1 Our Stakeholders
102-41	Collective bargaining agreements	All employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakehoders	The criteria used to identify the stakeholders are the following: accountability, dependence, relevance, influence, level of interest/impact.
102-43	Approach to stakeholder engagement	2.1 Our Stakeholders
102-44	Key topics and con-cerns raised	2.1 Our Stakeholders 9.2 Materiality analysis

REPORTING METHODS

Disclosure		Reference/Direct Answer/Omissions
102-45	Entities included in the consolidated financial statements	9.1 Methodological note
102-46	Defining report content and topic Boundaries	2.1 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis
102-47	List of material topics	2.2 Materiality matrix 9.2 Materiality analysis
102-48	Restatements of infor-mation	9.1 Methodological note
102-49	Changes in reporting	9.1 Methodological note
102-50	Reporting period	The document refers to the period ended 12.31.2021
102-51	Date of most recent re-port	The latest Sustainability Report was published with reference to the reporting year 2020. For the year 2021, the ADR Group has published for the first time the Annual Integrated Report, a single document that includes the Report on Operations, the Consolidated Non-Financial Statement, the Consolidated Financial State-ments and the Financial Statements.
102-52	Reporting cycle	The Sustainability document is drawn up on an annual basis.
102-53	Contact point for ques-tions regarding the re-port	www.adr.it
102-54	Claims of reporting in accordance with the GRI Standards	This document has been drawn up in compliance with the GRI Standards: "in accordance - Core" option.
102-55	GRI content index	GRI content index
102-56	External assurance	9.6 Report of the Independent Auditors on the Consolidated Non-Financial Statement

GRI 200: ECONOMIC TOPICS

GRI 201: Economic Performance

Disclosure		Reference/Direct Answer/Omissions
103-1	Explanation of the ma-terial topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management ap-proach and its compo-nents	5.3 Economic, equity and financial performance
103-3	Evaluation of the man-agement approach	5.3 Economic, equity and financial performance
201-1	Direct economic value generated and distrib-uted	5.8 Ecosystem
203-2	Significant indirect economic impacts	5.8 Ecosystem

GRI 204: Procurement Practices

Disclosure		Reference/Direct Answer/Omissions
103-1	Explanation of the ma-terial topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management ap-proach and its compo-nents	5.8 Ecosystem
103-3	Evaluation of the management approach	5.8 Ecosystem
204-1	Proportion of spending on local suppliers	"Local suppliers" mean those suppliers with registered office in the country whe-re the supply contract was executed. The "significant local offices" are represented by the subsidiaries included in the scope. 5.8 Ecosystem

GRI 205: Anti-corruption		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	4.4 Ethics and compliance 4.5 Management, Organization and Control Model
103-3	Evaluation of the management approach	4.4 Ethics and compliance 4.5 Management, Organization and Control Model
205-2	Communication and training about anti-corruption policies and procedures	The Group publishes on its website (http://www.adr.it/policy-anticorruzione-di-gruppo) the anti-corruption policies and communications towards commercial partners. There are no ad hoc training sessions on anti-corruption aimed at individual members of the governing body. The Board of Directors approves the anti-corruption policy and periodically reviews the system. Every two years, the Chairman and the Managing Director of the Company sign a declaration of commitment to comply with the Anti-Corruption Policy.

GRI 300: ENVIRONMENTAL TOPICS		
GRI 302: Energy		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the ma-terial topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.9 Environment
103-3	Evaluation of the management approach	5.9 Environment
302-1	Energy consumption within the organization	5.9 Environment

GRI 303: Water and Effluents		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the ma-terial topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.9 Environment
103-3	Evaluation of the management approach	5.9 Environment
Information on management methods		
303-1	Interactions with water as a shared resource	5.9 Environment
303-2	Management of water discharge-related impacts	5.9 Environment
Informative specifiche		
303-5	Water consumption	5.9 Environment

GRI 304: Biodiversity		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the ma-terial topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	2.2 Strategy and objectives 5.9 Environment
103-3	Evaluation of the management approach	2.2 Strategy and objectives 5.9 Environment

GRI 305: Emissions		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.9 Environment
103-3	Evaluation of the management approach	5.9 Environment
305-1	Direct (Scope 1) GHG emissions	5.9 Environment
305-2	Energy indirect (Scope 2) GHG emissions	5.9 Environment
305-3	Other indirect (Scope 3) GHG emissions	5.9 Environment

GRI 306: Waste		
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.9 Environment
103-3	Evaluation of the management approach	5.9 Environment
Information on management methods		
306-1	Waste generation and significant waste-related impacts	5.9 Environment
306-2	Management of significant waste-related impacts	5.9 Environment
Specific information		
306-3	Waste generated	5.9 Environment
GRI 307: Environmental Compliance		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	2.2 Strategy and objectives
103-3	Evaluation of the management approach	5.9 Environment
307-1	Non-compliance with environmental laws and regulations	5.9 Environment
GRI 308: Supplier Environmental Assessment		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.8 Ecosystem
103-3	Evaluation of the management approach	5.8 Ecosystem
308-1	New suppliers that were screened using environ-mental criteria	5.8 Ecosystem
GRI 400: SOCIAL TOPICS		
GRI 403: Update 2018, Occupational health and safety		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.7 Human Capital
103-3	Evaluation of the management approach	5.7 Human Capital
Information on management methods		
403-1	Occupational health and safety management system	5.7 Human Capital
403-2	Hazard identification, risk assesment, and incident investigation	5.7 Human Capital
403-3	Occupational health services	5.7 Human Capital
403-4	Worker participation, consultation, and communication on occupational health and safety	5.7 Human Capital
403-5	Worker training on occupational health and safety	5.7 Human Capital
403-6	Promotion of worker health	5.7 Human Capital
403-7	Prevention and mitigation of occupational health and safety im-pacts directly linked by business relationships	5.7 Human Capital
Specific information		
403-9	Work-related injuries	5.7 Human Capital

GRI 404: Training and Education		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.7 Human Capital
103-3	Evaluation of the management approach	5.7 Human Capital
404-1	Average hours of training per year per employee	5.7 Human Capital

GRI 405: Diversity and Equal Opportunity		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.7 Human Capital
103-3	Evaluation of the management approach	5.7 Human Capital
405-1	Diversity of governance bodies and employees	5.7 Human Capital

GRI 413: Local Communities		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.8 Ecosystem
103-3	Evaluation of the management approach	5.8 Ecosystem
413-2	Operations with significant actual and potential negative impacts on local communities	5.8 Ecosystem 5.9 Environment

GRI 414: Supplier Social Assessment		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its compo-nents	5.8 Ecosystem
103-3	Evaluation of the management approach	5.8 Ecosystem
414-1	New suppliers that were screened using social criteria	5.8 Ecosystem

MATERIAL TOPICS [NOT COVERED BY GRI TOPIC-SPECIFIC DISCLOSURE]

Response to the COVID-19 emergency		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.1 The impact of COVID-19 on 2021 performance
103-3	Evaluation of the management approach	5.1 The impact of COVID-19 on 2021 performance

Airport security		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.2 Business activities
103-3	Evaluation of the management approach	5.2 Business activities

Service quality and customer satisfaction		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.6 Customer Satisfaction
103-3	Evaluation of the management approach	5.6 Customer Satisfaction

Noise		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.9 Environment
103-3	Evaluation of the management approach	5.9 Environment

Intermodality and accessibility		
Disclosure		**Reference/Direct Answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	2.2 Strategy and objectives
103-3	Evaluation of the management approach	2.2 Strategy and objectives

Management of airport operations		
Disclosure		**References/Direct answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.2 Business activities
103-3	Evaluation of the management approach	5.2 Business activities

Development of sustainable infrastructure		
Disclosure		**References/Direct answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	2.2 Strategy and objectives
103-3	Evaluation of the management approach	2.2 Strategy and objectives

Risk management		
Disclosure		**References/Direct answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	3.2 Mapping risks and related control measures
103-3	Evaluation of the management approach	3.2 Mapping risks and related control measures

Ideas and innovation		
Disclosure		**References/Direct answer/Omissions**
103-1	Explanation of the material topic and its Boundary	2.2 Materiality matrix 9.1 Methodological note 9.2 Materiality analysis 9.4 Reconciliation table - Italian Legislative Decree 254/16 - Material Topics - GRI
103- 2	The management approach and its components	5.10 Innovation
103-3	Evaluation of the management approach	5.10 Innovation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projects for our land

9.6
Report of the Independent Auditors on the Consolidated Non-Financial Statement

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

To the board of directors of
Aeroporti di Roma S.p.A.

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2021 consolidated non-financial statement of the Aeroporti di Roma Group (the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 8 March 2022 (the "NFS").

Our procedures did not cover the information set out in the "EU taxonomy" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Aeroporti di Roma S.p.A. (the "parent") for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.
2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.

4 Gaining an understanding of the following:

- the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
- the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
- the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

Specifically, we held interviews and discussions with the parent's management personnel and personnel of ADR TEL S.p.A., ADR Security S.r.l., ADR Mobility S.r.l., ADR Ingegneria S.p.A., ADR Infrastrutture S.p.A. and ADR Assistance S.r.l.. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS. The parent's management personnel is also responsible for the above subsidiaries at the Fiumicino site.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at group level
  a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
  b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited ADR TEL S.p.A., ADR Security S.r.l., ADR Mobility S.r.l., ADR Ingegneria S.p.A., ADR Infrastrutture S.p.A. and ADR Assistance S.r.l., whose data relevant for purposes of the group's NFS are available and managed at the Fiumicino site and which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to meet their management and obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 consolidated non-financial statement of the Aeroporti di Roma Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

Our conclusion does not extend to the information set out in the "EU taxonomy" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

KPMG

Aeroporti di Roma Group
Independent auditors' report
31 December 2021

Other matters

The group prepared 2020 and 2019 sustainability reports and has presented the data included therein for comparative purposes in its NFS. Other auditors reviewed those sustainability reports in compliance with ISAE 3000 revised, not pursuant to any legal requirements, and expressed their unqualified conclusions thereon on 14 April 2021 and 17 June 2020, respectively.

Rome, 31 March 2022

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

Leonardo da Vinci Airport - Terminal 3 security checks

Consolidated Financial Statements at December 31, 2021

Consolidated Financial Statements of the Aeroporti di Roma Group

Consolidated Statement of Financial Position

Assets (Thousands of euros)	Notes	12.31.2021	*of which related parties*	12.31.2020	*of which related parties*
NON-CURRENT ASSETS					
Property, plant and equipment	6.1	50,898		51,964	
Concession rights		2,473,539		2,435,782	
Other intangible assets		29,181		45,190	
Intangible assets	6.2	2,502,720		2,480,972	
Equity investments	6.3	19,954		37,285	
Other non-current financial assets	6.4	718		1,188	
Deferred tax assets	6.5	90,451		91,227	
Other non-current assets	6.6	470		458	
TOTAL NON-CURRENT ASSETS		**2,665,211**		**2,663,094**	
CURRENT ASSETS					
Inventories		6,500		5,635	
Contract assets		1,105		0	
Trade receivables		184,597	2,195	256,924	3,154
Trade assets	6.7	192,202	2,195	262,559	3,154
Other current financial assets	6.4	3,676	1,350	1,350	1,350
Current tax assets	6.8	73,735	73,580	3,981	3,618
Other current assets	6.9	265,341	491	34,826	487
Cash and cash equivalents	6.10	661,640		1,097,229	
TOTAL CURRENT ASSETS		**1,196,594**	**77,616**	**1,399,945**	**8,609**
TOTAL ASSETS		**3,861,805**	**77,616**	**4,063,039**	**8,609**

Equity and Liabilities (Thousands of euros)	Notes	12.31.2021	*of which related parties*	12.31.2020	*of which related parties*
EQUITY					
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT					
Share capital		62,225		62,225	
Reserves and retained earnings		942,781		1,073,332	
Loss for the year		(38,035)		(143,684)	
		966,971		**991,873**	
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS					
Share capital and reserves		2,718		0	
Profit (loss) for the year		77		0	
		2,795		0	
TOTAL EQUITY	**6.11**	**969,766**		**991,873**	
LIABILITIES					
NON-CURRENT LIABILITIES					
Employee benefits	6.12	14,210		15,745	
Provisions for renovation of airport infrastructure	6.13	161,733		149,293	
Other provisions for risks and charges	6.14	19,689		17,238	
Non-current provisions		195,632		182,276	
Bonds		1,521,416		1,006,473	
Medium/long-term loans		656,360		873,671	
Financial instruments - derivatives		81,230		161,238	
Other financial liabilities		2,904	286	1,820	
Non-current financial liabilities	6.15	2,261,910	286	2,043,202	
Other non-current liabilities	6.16	986		0	
TOTAL NON-CURRENT LIABILITIES		**2,458,528**	**286**	**2,225,478**	
CURRENT LIABILITIES					
Employee benefits	6.12	975		1,115	
Provisions for renovation of airport infrastructure	6.13	55,138		47,740	
Other provisions for risks and charges	6.14	4,923		8,793	
Current provisions		61,036		57,648	
Trade payables	6.17	140,513	5,276	170,274	48,013
Trade liabilities		140,513	5,276	170,274	48,013
Current share of medium/long-term financial liabilities		37,903	129	431,431	
Financial instruments - derivatives		38,472		59,706	
Current financial liabilities	6.15	76,375		491,137	
Current tax liabilities	6.8	7,521		26	
Other current liabilities	6.18	148,066	483	126,603	845
TOTAL CURRENT LIABILITIES		**433,511**	**5,888**	**845,688**	**48,858**
TOTAL EQUITY AND LIABILITIES		**3,861,805**	**6,174**	**4,063,039**	**48,858**

Consolidated Income Statement

(Thousands of euros)	Notes	2021	*of which related parties*	2020	*of which related parties*
REVENUE					
Revenue from airport management		296,866	3,962	260,716	4,181
Revenue from construction services		104,783		98,882	
Other operating income		231,846	981	12,436	1,067
TOTAL REVENUE	**7.1**	**633,495**	**4,943**	**372,034**	**5,248**
COSTS					
Consumption of raw materials and consumables	7.2	(18,255)		(11,391)	0
Service costs	7.3	(236,324)	(11,225)	(229,883)	(72,691)
Personnel expense	7.4	(138,558)	(787)	(120,007)	(443)
Concession fees		(10,034)		(8,299)	
Lease payments		(1,004)		(895)	
Allocation to the provisions for renovation of airport infrastructure	6.13	(17,085)		(6,753)	
(Allocation to) re-absorption of provisions for risks and charges	6.14	(4,573)		956	
Other costs		(148,061)	(10)	(11,560)	(17)
Other operating costs	7.5	(180,757)	(10)	(26,551)	(17)
Depreciation of property, plant and equipment	6.1	(14,872)		(15,349)	
Amortization of concession rights	6.2	(84,061)		(85,733)	
Amortization of other intangible assets	6.2	(6,530)		(6,754)	
Amortization and depreciation		(105,463)		(107,836)	
TOTAL COSTS		**(679,357)**	**(12,022)**	**(495,668)**	**(73,151)**
OPERATING LOSS		**(45,862)**		**(123,634)**	
Financial income		17,486		1,551	
Financial expense		(62,923)	(2)	(73,421)	(1,082)
Exchange gains (losses)		(16,724)		13,553	
NET FINANCIAL EXPENSE	**7.6**	**(62,161)**	**(2)**	**(58,317)**	**(1,082)**
Share of profit (loss) of equity-accounted associates	7.7	(1,385)		342	
LOSS BEFORE TAXES		**(109,408)**		**(181,609)**	
Income taxes	7.8	71,450		37,925	
LOSS FROM CONTINUING OPERATIONS		**(37,958)**		**(143,684)**	
Profit (loss) from discontinued operations		0		0	
LOSS FOR THE YEAR		**(37,958)**		**(143,684)**	
of which:					
Attributable to the owners of the parent		(38,035)		(143,684)	
Attributable to non-controlling interests		77		0	

Consolidated Statement of Comprehensive Income

(Thousands of euros)	2021	2020
LOSS FOR THE YEAR	(37,958)	(143,684)
Fair value gains (losses) on cash flow hedges	42,133	(31,989)
Tax effect	(10,112)	6,825
Share of other comprehensive income (loss) of equity-accounted investees	9	(81)
Other comprehensive income (expense) that may be reclassified to profit or loss, net of the tax effect	**32,030**	**(25,245)**
Actuarial losses on employee benefits	(427)	(174)
Tax effect	103	(57)
Fair value losses on equity investments	(13,020)	(27,591)
Other comprehensive expense that will not be subsequently reclassified to profit or loss, net of the tax effect	**(13,344)**	**(27,822)**
Reclassifications of other comprehensive income for the period	**3,224**	**1,539**
OTHER COMPREHENSIVE INCOME (LOSS), NET OF THE TAX EFFECT	**21,910**	**(51,528)**
COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	**(16,048)**	**(195,212)**
of which		
Attributable to the owners of the parent	(16,125)	(195,212)
Attributable to non-controlling interests	77	0

Statement of changes in consolidated equity

(Thousands of euros)	Share capital	Legal reserve	Share Premium reserve	Hedging Reserve	Equity Accounting Reserve	Fair value reserve	Other reserves and retained earnings	Profit (loss) for the year	Total	Equity attributable to non-controlling interests	Total Equity
BALANCE AS OF DECEMBER 31, 2019	**62,225**	**12,462**	**667,389**	**(88,107)**	**11**	**0**	**285,326**	**245,161**	**1,184,467**	**0**	**1,184,467**
Loss for the year								(143,684)	(143,684)	0	(143,684)
Other comprehensive expense:				(23,625)	(81)	(27,591)	(231)		(51,528)	0	(51,528)
Fair value losses on cash flow hedges, net of the tax effect				(23,625)					(23,625)	0	(23,625)
Actuarial losses on employee benefits, net of the tax effect							(231)		(231)	0	(231)
Share of loss of equity-accounted investees					(81)				(81)	0	(81)
Fair value losses on equity investments						(27,591)			(27,591)		(27,591)
Comprehensive expense				(23,625)	(81)	(27,591)	(231)	(143,684)	(195,212)	0	(195,212)
Allocation of profit (loss) for the previous year							245,161	(245,161)		0	0
Other changes					267		2,351		2,618	0	2,618
BALANCE AS OF DECEMBER 31, 2020	**62,225**	**12,462**	**667,389**	**(111,732)**	**197**	**(27,591)**	**532,607**	**(143,684)**	**991,873**	**0**	**991,873**
Loss for the year								(38,035)	(38,035)	77	(37,958)
Other comprehensive income:				35,245	9	(13,020)	(324)		21,910	0	21,910
Fair value gains on cash flow hedges, net of the tax effect				35,245					35,245	0	35,245
Actuarial losses on employee benefits, net of the tax effect							(324)		(324)	0	(324)
Share of profit of equity-accounted investees					9				9	0	9
Fair value losses on equity investments						(13,020)			(13,020)	0	(13,020)
Comprehensive expense				35,245	9	(13,020)	(324)	(38,035)	(16,125)	77	(16,048)
Allocation of loss for the previous year							(143,684)	143,684	0	0	0
"Under common control" transactions							(8,776)		(8,776)	2.718	(6,058)
Other changes					24		(25)		(1)	0	(1)
BALANCE AS OF DECEMBER 31, 2021	**62,225**	**12,462**	**667,389**	**(76,487)**	**230**	**(40,611)**	**379,798**	**(38,035)**	**966,971**	**2,795**	**969,766**

Consolidated Statement of Cash Flows

(Thousands of euros)	2021	2020
Loss for the year	**(37,958)**	**(143,684)**
Adjusted by:		
Amortization and depreciation	105,463	107,836
Allocation to provisions for renovation of airport infrastructure	64,661	38,848
Financial expense from discounting provisions	44	1,275
Change in other provisions	(4,731)	2,315
Share of profit (loss) of equity-accounted associates	1,385	(342)
Net change in deferred tax (assets) liabilities	(12,552)	(34,317)
Other non-monetary costs, net	11,798	11,367
Changes in working capital and other changes	(214,056)	(111,921)
CASH FLOWS USED IN OPERATING ACTIVITIES (A)	**(85,945)**	**(128,623)**
Investments in property, plant and equipment (*)	(12,418)	(13,511)
Investments in intangible assets (**)	(117,688)	(108,144)
Works for renovation of airport infrastructure	(47,576)	(32,095)
Equity investments and non-controlling interests in consolidated companies	0	(1)
Investments in consolidated companies net of net cash contributions	(13,451)	0
Proceeds from disinvestments and other changes in property, plant and equipment, intangible assets and equity investments	4,800	12,765
Net change in other non-current assets	23	(57)
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(186,310)**	**(141,043)**
New medium/long-term loans	0	678,818
Issue of bonds	491,643	297,732
Repayments of bonds	(400,001)	0
Repayment of medium/long-term loans	(212,500)	(112,500)
Net change in other current and non-current financial liabilities	(42,050)	1,795
Net change in current and non-current financial assets	(426)	165
CASH FLOWS FROM (USED) IN FINANCING ACTIVITIES (C)	**(163,334)**	**866,010**
CASH FLOWS FOR THE YEAR (A+B+C)	**(435,589)**	**596,344**
Opening cash and cash equivalents	1,097,229	500,885
Closing cash and cash equivalents	661,640	1,097,229

(*) including advances to suppliers for 280 thousand euros in 2021 and 1,698 thousand euros in 2020.

(**) including advances to suppliers for 134 thousand euros in 2021 and 124 thousand euros in 2020.

ADDITIONAL INFORMATION TO THE STATEMENT OF CASH FLOWS

(Thousands of euros)	2021	2020
Net income taxes paid	3,396	24,522
Interest income collected	84	1,284
Interest expense and commissions paid	50,041	47,767

Notes to Consolidated Financial Statements of the Aeroporti di Roma Group

1.
General information

Aeroporti di Roma S.p.A. (hereafter the "Company" or "ADR" or the “Parent") manages the Roman airport system on an exclusive basis under the concessionary relationship signed between the Italian Civil Aviation Authority ("ENAC") and ADR. On December 21, 2012, the Prime Minister approved the new Planning Agreement ("Planning Agreement") signed between ADR and ENAC on October 25, 2012, based on which ADR is entrusted with managing the airport system directly and indirectly through the subsidiaries, to which specific activities are assigned. The concession expires on June 30, 2046.

The registered office of the Parent is in Fiumicino, Via Pier Paolo Racchetti 1, while the secondary office is in Ciampino, Via Appia Nuova 1651. The duration of the Company is currently set until December 31, 2050, unless extended.

At the reporting date, Atlantia S.p.A. ("Atlantia") directly holds the majority of the shares of ADR (61,842,535, equal to 99.386% of the share capital).

On October 15, 2021, Atlantia, following a resolution of its Board of Directors of October 14, 2021, communicated the discontinuation of management and coordination activities for ADR.

These Consolidated financial statements of ADR and its subsidiaries (the "ADR Group") were approved by the Board of Directors of the Company during the meeting of March 8, 2022 and audited by KPMG S.p.A.

The Consolidated financial statements were prepared on a going-concern basis.

2.
Basis of presentation

The consolidated financial statements for the year ended December 31, 2021 have been prepared in accordance with art. 2 of Italian Legislative Decree No. 38/2005, in compliance with the international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Committee (IFRIC) and by the Standing Interpretations Committee (SIC), recognized in the European Union pursuant to Regulation (EC) No. 1606/2002 and in force at year end.

Consideration was also given to the measures issued by Consob (Commissione Nazionale per le Società e la Borsa) in implementing paragraph 3 of Article 9 of Italian Legislative Decree no. 38/2005 on the preparation of the financial schedules.

The consolidated financial statements comprise a statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and these notes, applying the provisions of IAS 1 "Presentation of Financial Statements" and the general criterion of the historical cost, with the exception of the financial statement items that according to IFRS are recognized at their fair value, as stated in the valuation criteria of the individual items.

The statement of financial position is presented on the basis of the statement that provides for a distinction between current and non-current assets and liabilities, while costs are classified on the basis of their nature in the income statement. The statement of cash flows was prepared by applying the indirect method. IFRS were applied consistently with the indications of the "Framework for the Preparation and Presentation of Financial Statements" and no issues emerged that required derogations pursuant to IAS 1. The statement of changes in equity was defined in compliance with IAS 1, obviously taking into account the overall economic result.

All the values are expressed in thousands of euros, unless otherwise stated. Euro is the functional currency of the Parent and the subsidiaries and the currency of presentation of the financial statements.

For each item in the consolidated financial statements, the corresponding balance of the previous year is reported for comparison purposes.

3. Basis of consolidation

The Consolidated financial statements at and for the year ended December 31, 2021 include the financial statements of ADR and its subsidiaries, directly or indirectly controlled by ADR, both by virtue of the shares held corresponding to the majority of votes in the Shareholders' Meeting (also when considering the potential voting rights deriving from options that can be exercised immediately) and due to other events or circumstances that (also when excluding the related shares) assign power over the relevant activities of the company, the exposure or the right to variable returns on the investment in the company and the ability to influence the returns on the investment.

The subsidiaries are included in the consolidation scope as of the date when control is acquired by the Group and are excluded from the area as of the date when control is lost by the Group. Annex 1 "List of equity investments" lists the companies included in the consolidation scope.

Compared to December 31, 2020, the consolidation scope has changed due to the inclusion of the following companies:

- ADR Infrastrutture S.p.A. ("ADR Infrastrutture") starting from January 2021. On January 21, 2021, the Parent, ADR, acquired 100% of the equity investment previously held by Pavimental S.p.A. ("Pavimental") in ADR Infrastrutture, the company to which Pavimental had contributed the business unit specialized in the construction and maintenance of airport infrastructure and runways at the beginning of the year. This operation can be classified as "business combinations under common control"; therefore, it is treated in compliance with the provisions of IAS 1 and IAS 8, being excluded from the scope of application of IFRS 3 "Business combinations";
- Fiumicino Energia S.r.l. ("Fiumicino Energia") and Leonardo Energia - Società consortile a r.l. ("Leonardo Energia") starting from July 2021. Indeed, on July 1, 2021 ADR acquired Atlantia's 87.14% stake in Fiumicino Energia at a price of 10.5 million euros. Fiumicino Energia manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia, which is owned by Fiumicino Energia S.r.l. and ADR, with respective shareholdings of 90% and 10%. This operation can be classified as "business combinations under common control"; therefore, it is treated in compliance with the provisions of IAS 1 and IAS 8, being excluded from the scope of application of IFRS 3 "Business combinations".

Furthermore, in March 2021, ADR Ingegneria S.p.A. ("ADR Ingegneria") became operational and rented the business unit of Spea Engineering S.p.A. ("Spea Engineering"), specialized in airport engineering and works supervision, with effect from March 1, 2021.

The result of the statement of comprehensive income relating to a subsidiary is attributed to non-controlling interests, even if this implies a negative balance for the latter. The variations in the interest of the Parent in a subsidiary that do not imply the loss of control are recorded as capital transactions. If the Parent loses the control of a subsidiary, it:

- cancels the assets (including goodwill) and the liabilities of the subsidiary;
- cancels the carrying amounts of all the non-controlling interests in the former subsidiary;

- cancels the accumulated exchange rate differences recorded in the equity;
- records the fair value of the payment received;
- records the fair value of all the shareholdings in the former subsidiary;
- records the profit or loss in the income statement;
- reclassifies the share attributable to the Parent of the components previously recorded in the statement of comprehensive income in the income statement or in the retained earnings, as the case may be.

For consolidation purposes, the financial statements of the subsidiaries were used, approved by the relevant Boards of Directors, adjusted to comply with the IFRS standards adopted by the Group.

The main consolidation principles are described below:

- the assets and liabilities, charges and income of companies consolidated using the line-by-line method are fully included in the Consolidated financial statements;
- the carrying amount of the equity investments is set off against the corresponding share of equity in the investees, attributing to the single asset and liability items their fair value at the date of acquisition of control;
- where necessary, adjustments have been made to the financial statements of subsidiaries to bring their accounting criteria in line with those adopted by the Group;
- non-controlling interests in the net assets of subsidiaries are indicated separately from the equity attributable to the group;
- intercompany profits and losses still to be realized, as well as significant sums relating to payables and receivables and costs and revenue relating to consolidated companies have been eliminated;
- consolidation adjustments take account, where applicable, of the related deferred taxation;
- dividends received by subsidiaries during the year and recorded in the Parent's income statement as income from equity investments are eliminated against retained earnings.

Business combinations

Business combinations are recorded by using the acquisition method. The cost of an acquisition is valued as the sum of the transferred consideration, measured at fair value on the acquisition date, and the amount of the non-controlling interest in the acquired company. For each business combination, the Group defines whether to measure the non-controlling interest in the acquired company at fair value or in proportion to the share of the non-controlling interest in the net assets that can be identified in the acquired company. The acquisition costs are written off in the year and classified under administrative expenses.

When the Group acquires a business, it classifies or designates the financial assets acquired or the liabilities assumed in accordance with the contractual terms, the economic conditions and the other relevant conditions in place on the acquisition date. This includes the check to establish whether an embedded derivative must be separated from the host contract.

If the business combination is realized in several phases, the equity investment previously held is measured at the fair value on the acquisition date and any resulting gain or loss is recorded in the income statement.

Any contingent consideration due is recorded by the purchaser at fair value on the acquisition date. The change in fair value of the contingent consideration classified as asset or liability, as a financial instrument contemplated by IFRS 9, must be recorded in the income statement or in the other components of the statement of comprehensive income. In the cases where the contingent consideration is not within the scope of IFRS 9, it is measured at fair value with the fair value changes recognized in the income statement. If the contingent consideration is classified in equity, its value is not recalculated and its subsequent settlement is recorded in equity.

In the event that the fair values of the assets, liabilities and contingent liabilities can be determined only provisionally, the business combination is recognized using these provisional values. Any adjustments, deriving from the completion of the valuation process, are recognized within twelve months from the date of acquisition, restating the comparative data.

The transactions for the acquisition or sale of companies and/or business units under common control are treated, in accordance with IAS 1 and IAS 8, on the basis of their economic substance, making reference to both the (i) methods to determine the amount of the sale and the (ii) check of the added value generated for all the parties concerned, resulting in significant changes that can be measured in the cash flows before and after the transaction of the transferred assets. In this context:

- if both requirements being checked are met, these transactions for the purchase of companies and/or business units are recorded according to IFRS 3, following the same criteria illustrated previously for similar transactions with third parties. In these cases, the transferor posts in the income statement the possible difference between these carrying amounts of the assets and liabilities and the related amount;
- in the other cases, the transferred assets and liabilities are posted by the transferee with the same values these were recorded in the financial statements of the transferor before the transactions, with the recognition in equity of any difference compared to the acquisition cost. Consistently with this, the transferor records in equity the difference between the carrying amount of the assets and liabilities sold and the amount agreed.

4.
Accounting policies

Described below are the most important accounting policies applied in preparing the Consolidated financial statements as of and for the year ended December 31, 2021. These standards and criteria comply with those used to prepare the consolidated financial statements for the previous year.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at purchase or production cost, net of accumulated depreciation and any impairment losses. The cost includes any expenses directly incurred to prepare the assets for their use as well as any dismantling and removal charges that will be incurred to restore the site to its original condition.

The charges incurred for maintenance and repairs of an ordinary and/or cyclical nature are recognized directly in the income statement for the year in which they are incurred.

The cost of property, plant and equipment whose use is limited over time is systematically depreciated each year on a straight-line basis in relation to the residual possibility of use of the asset on the basis of its useful life. If significant parts of these property, plant and equipment have different useful lives, these components are recorded separately. Depreciation is recorded from the time the fixed asset is available for use, or is potentially capable of providing the economic benefits associated therewith. The annual depreciation rates applied are:

- land: 0%;
- buildings: 4%;
- plant and machinery: from 10% to 25%;
- equipment: from 10% to 25%;
- other assets: from 10% to 25%.

Assets held under a lease are recorded as property, plant and equipment, initially as a contra-entry to the related liability, at a value equal to the relative fair value or, if lower, to the present value of the minimum payments due contractually. The lease payment is broken down into its components of financial expense, recorded in the income statement, and repayment of capital, recorded as a reduction of the financial debt.

The Group applies the exemption for the recognition of short-term leases relating to machinery and equipment (i.e., leases that last 12 months or less from the inception date and do not contain a purchase option). The Group has also applied the exemption for leases relating to assets of modest value in reference to lease contracts relating to office equipment whose value is considered low. The installments relating to short-term leases and leases of low-value assets are recognized as costs on a straight-line basis over the lease term.

In the presence of specific indicators regarding the risk of failed recovery of the carrying amount of property, plant and equipment, these undergo an impairment test, as described in the specific paragraph.

Property, plant and equipment are no longer shown in the financial statements after their transfer or if no future economic benefit exists expected from their use; any deriving profit or loss (calculated as the difference between the transfer value, net of sale costs, and the carrying amount) is recorded in the income statement in the year of sale.

Any ordinary maintenance costs are charged to the income statement.

INTANGIBLE ASSETS

Intangible assets are assets without physical substance, controlled by the group and able to produce future economic benefits and goodwill acquired in business combinations.

An asset is classified as intangible when there is the possibility of distinguishing it from the goodwill. This condition is normally met when: (i) the intangible asset arises from contractual or legal rights, or (ii) the asset is separable, i.e. can be sold, transferred, rented or exchanged autonomously or as an integral part of other assets. The group controls an asset if it has the power to obtain future economic benefits generated by the underlying assets and to restrict the access of others.

A peculiar element of those companies that, like ADR, operate under a concession agreement lies in the recognition of the so-called "Concession rights", which, on the basis of the applicable accounting standards, and IFRIC 12 in particular, represent the value attributed to the right to use the assets (infrastructure, plants, etc.) held under a concession agreement and with respect to which the company cannot exercise any right of ownership. Therefore, for this intangible asset, the carrying amount is the cost and may include: a) the fair value of the consideration for the construction and/or improvement services provided to the grantor (measured as illustrated in the standard regarding "construction contracts and services being executed"), net of the parts represented as financial assets, corresponding to the portions in the form of contribution; b) the rights acquired by third parties, in case costs are incurred to obtain concessions from the Grantor or third parties.

Intangible assets are stated at cost as determined by the methods indicated for property, plant and equipment, only when the latter can be reliably measured and when these assets can be identified, are controlled by the group and can generate future economic benefits.

Intangible assets with a finite useful life are amortized starting from the time when they are available for use, based on their residual possibility of use with respect to the residual useful life. On the other hand, concession rights are amortized throughout the entire concession, with a criterion that reflects the methods with which the economic benefits will be received by the group, with the use of constant rates determined with reference to the expiry of the concession on June 30, 2046. The amortization starts from the time when the rights in question start to generate the relevant economic benefits. The other intangible assets are amortized in three years.

The profit or loss deriving from the sale of an intangible asset is the difference between the sale value, net of sale costs, and the carrying amount, and is recorded in the income statement in the year of sale.

EQUITY INVESTMENTS IN ASSOCIATES AND OTHER COMPANIES

An associate is a company the Group exercises significant influence on. Significant influence means the power to take part in the determination of the financial and management policies of the investee without having control over it. The equity investments in associates are accounted for using the equity method. Under the equity method, an equity investment in an associate or joint venture is initially recognized at cost. The carrying amount of the equity investment is increased or decreased to recognize in the income statement the portion of profits or losses for the year attributable to the owners of the parent, except for the effects related to other changes in the equity of the investment, reflected directly in the statement of comprehensive income of the Group. The risk deriving from possible losses that exceed the carrying amount of the equity investment is recorded in a specific liability provision proportionally to the investor's commitment to fulfilling the legal or constructive obligations towards the investee or in any case covering its losses. When they have no significant effects on the statement of financial position and on the results of operations, the equity investments in associates are recorded at cost, adjusted to reflect any loss in value. When the reasons for the impairment loss cease, the equity investments are revalued within the limits of the impairment losses made. Dividends received from an investee reduce the carrying amount of the equity investment.

Equity investments in other companies, which can be classified in the category of equity instruments as defined in IFRS 9, are initially recognised at cost, as determined on the settlement date as it represents the fair value, inclusive of the directly attributable transaction costs.

Following initial recognition, these equity investments are measured at fair value, recognizing the effects in the income statement, with the exception of those that are not held for trading purposes and where, as permitted by IFRS 9, the option was exercised, upon acquisition, to designate them at fair value through other comprehensive income, and therefore in a specific equity reserve. Non-controlling interests can be measured at cost in limited cases where the cost represents an adequate estimate of the fair value.

Dividends are recognized when the right of the Shareholders to receive their payment arises.

CONSTRUCTION CONTRACTS AND SERVICES BEING EXECUTED

The construction contracts being executed are assessed on the basis of the contractual payments accrued with reasonable certainty in connection with the work progress using the percentage of completion criterion determined with the methodology of physical measurement of the works executed in order to attribute the revenue and the contract outcome to the years in line with the work progress report. The positive or negative difference between the value of the contracts performed and the value of the advances received is posted as an asset or liability in the statement of financial position, respectively, in consideration also of possible impairment losses made for risks related to the failed recognition of the works executed for the principals.

The revenue from the contract, in addition to the contractual consideration, includes the variations, the price reviews and any claims to the extent these are likely to represent actual revenue that can be determined reliably. In case a loss is expected from the execution of the contract activities, this is immediately recognised in full, regardless of the progress made in the contract.

The construction services in favor of the grantor pertaining to the concession agreement held by ADR are specifically recognised in the income statement based on the progress of the works. Revenue for construction and/or upgrade services in particular, which represent the consideration due for the activity performed, are measured at their fair value, calculated on the basis of the total costs incurred, which mainly comprise the costs of external services and the costs of benefits for the employees devoted to these activities. This revenue from construction services is set off against a financial asset or the "airport management concession" entered among Concession rights as intangible assets as shown in this paragraph.

INVENTORIES

Inventories are valued at the lower of acquisition or production cost and the net realizable value that can be obtained from their sale during normal operations. The acquisition cost is determined by applying the weighted average cost method.

FINANCIAL INSTRUMENTS

The financial instruments include cash and cash equivalents, derivatives and financial assets and liabilities (as defined by IFRS 9 which includes, inter alia, trade payables and receivables).

Cash and cash equivalents

Cash and cash equivalents are recognised at fair value, which normally coincides with the nominal value, and include the values that meet the requirements of high liquidity, availability on demand or in a very short term, good outcome and negligible risks of change in their value.

Derivatives

All derivatives are recognised at their fair value, determined on the year-end date. Derivatives are classified as hedging instruments, in accordance with IFRS 9, when the relationship between the derivative and the hedged item is formally recorded and the effectiveness of the hedge, checked initially and periodically, is high.

For the instruments that hedge against the risk of changes in the cash flows of the assets and the liabilities (also with reference to prospective and highly probable assets and liabilities) being hedged (cash flow hedges), the changes in fair value are recognised in the statement of comprehensive income and any ineffective part of the hedge is recognised in the income statement. The accumulated changes in fair value allocated to the hedging reserve are reclassified from the statement of comprehensive income to the income statement for the year when the hedging relationship comes to an end.

Financial assets

The classification of the financial assets and relevant measurement consider both the model for the management of the financial assets and the contractual characteristics of the cash flows that can be obtained from the assets. The financial asset is measured with the amortized cost method if both conditions below are met:

- the management model for the financial asset implies the holding of the same with the aim of collecting the related cash flows; and
- the financial asset contractually generates, on pre-set dates, the cash flows only representing the return of said financial asset (principal and interest).

A financial asset that meets the requirements for classification and measurement at amortized cost may, at the date of the initial recognition, be designated as a financial asset measured at fair value through profit or loss, if this measurement allows the measurement or recognition inconsistency ("accounting mismatch") to be eliminated or reduced significantly, which would otherwise result in the measurement of assets or liabilities or the recognition of the related profits or losses according to a different base.

The receivables measured at amortized cost are initially recognized at the fair value of the underlying asset, net of any directly attributable transaction proceeds; the amortized cost is measured by using the effective interest rate method, net of any impairment related to the sum considered uncollectable. The Group records an impairment loss for expected credit losses ("ECL") for all the financial assets represented by debt instruments not held at fair value through profit or loss. The estimate of the amounts considered to be uncollectable is made on the basis of the future expected cash flows. These flows consider the expected recovery terms, the likely realisable value, any guarantees as well as the costs that are estimated to be incurred to recover the receivables. The original value of the receivable is reinstated in the next years as the reasons for its impairment cease to apply. In this case the impairment gain is recorded in the income statement and cannot exceed the value of the amortized cost that the receivable would have had in the absence of previous impairment losses.

Trade receivables, whose expiration falls within normal commercial terms or those where there are no significant financial components, are not discounted.

Financial liabilities

The financial liabilities are initially recognised at fair value, net of any directly attributable transaction costs. After initial recognition, the financial liabilities are measured with the amortized cost criterion by using the effective interest rate method.

Trade payables, whose expiration falls within the normal commercial terms or those where there are no significant financial components, are not discounted.

If there is a change to one or more elements of a financial liability in place (including through replacement with another instrument) a qualitative and quantitative analysis will be made to check whether that change is substantial compared to the contractual terms already in place. In the absence of substantial changes, the difference between the present value of cash flows as modified (calculated using the effective interest rate of the existing instrument at the date of the change) and the carrying amount of the instrument is recognised in the income statement, with consequent adjustment to the carrying amount of the financial liability and recalculation of the effective interest rate of the instrument; if there are substantial changes, the instrument in place will be derecognized with simultaneous recognition of the fair value of the new instrument, allocating the difference to the income statement.

Derecognition of financial instruments

Financial instruments are no longer recognised when, due to their sale or redemption, the Group is no longer involved in their management and does not hold the risks or benefits related to these sold/redeemed instruments.

FAIR VALUE MEASUREMENTS

Fair value is the price that would be obtained from the sale of an asset or that would be paid for the transfer of a liability in a regular market transaction (i.e. forced liquidation or distress sale) on the measurement date (exit price).

The fair value of an asset or liability is determined by adopting the valuations that market operators would use to determine the price of the asset or liability. The fair value measurement also supposes that the asset or liability is exchanged in the main market or, in its absence, in the most advantageous market the group has access to.

The calculation of the fair value of a financial asset requires the inclusion of a fair value adjustment factor referred to the counterparty risk called CVA - Credit Valuation Adjustment. This credit risk must be quantified in the same way in which a market operator would determine it to define the purchase price of a financial asset. The determination of the fair value of a financial liability, as explicitly provided for by IFRS 13, also requires the quantification of a fair value adjustment factor referred to the own credit risk, i.e. DVA (Debit Valuation Adjustment).

In determining the fair value, a hierarchy of criteria is defined which is based on the origin, type and quality of the information used for the calculation. Such classification is aimed at establishing a hierarchy in terms of reliability of the fair value, with precedence given to the use of parameters that can be observed in the market and reflect the assumptions that the market participants would use to value the assets/liabilities. The fair value hierarchy includes the following levels: (i) level 1: Inputs represented by quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date; (ii) level 2: inputs other than the quoted prices included within level 1, which can be observed, directly or indirectly, for the assets or liabilities to be measured; (iii) level 3: inputs that cannot be observed for assets or liabilities.

In the absence of market prices available, the fair value is determined by using the measurement techniques that suit the specific case and maximize the use of important observable inputs, minimizing the use of non-observable inputs.

EMPLOYEE BENEFITS

The liabilities relating to short-term benefits granted to employees, disbursed during the employment relationship, are recognised for the amount accrued at year end.

The liabilities related to benefits granted to employees and paid during or after the termination of the employment relationship through defined benefit plans, mainly consisting of the post-employment benefits of the Group companies accrued until December 31, 2006 (or, where applicable, until the next date of adhesion to the complementary pension fund), are recognised in the year when the right arises, net of any advances paid; these are calculated on the basis of actuarial assumptions and measured on an accruals basis in line with the services needed to obtain the benefits; the liabilities are valued by independent actuaries.

The actuarial gains and losses relating to defined benefit plans are recognised in the statement of comprehensive income and are not subsequently recognised in the income statement; the interest cost is recognised in the income statement under financial income (expense).

PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE

One of the main obligations that the concession agreement imposes on the concessionaire is that of guaranteeing that, for the entire duration of the concession, the requirements of operation and safety of the assets under concession continue to be met (see paragraph Intangible assets - concession rights). To this end the concessionaire, in addition to routine maintenance activities, must systematically plan the necessary extraordinary and replacement maintenance interventions so that it fulfills this important concession obligation. The list of restoration/replacement measures is an integral part of the company's investment plan, which is drawn up by the relevant technical structures and included in the Group's business plan.

The Provisions for renovation of airport infrastructure thus represent the present value of the estimate of the charges to be incurred over time for the contractual obligation imposed on the group by the concession agreement, for the execution of the necessary maintenance interventions of an extraordinary nature and to restore and replace the assets under concession. Since these charges cannot be posted as an increase in the value of the assets at the time when they are incurred from time to time, in the absence of the necessary accounting requirement (intangible assets) of the assets these are destined for, they are allocated to provisions according to IAS 37, based on the degree of use of the infrastructure, as they represent the charge that the group is likely to be called to incur to guarantee, over time, the correct fulfillment of the obligation to meet the requirements of operation and safety of the assets under concession.

As these are cyclical interventions, the carrying amount of the provisions in the consolidated financial statements reflects the estimate of the charges that shall be incurred in the timeframe of the first cycle of interventions planned, subsequently to the year-end, calculated by taking into account the necessary discounting factors, analytically for each individual intervention.

The classification of the interventions among those that constitute the value of the provisions and those for building/improvement purposes in favor of the grantor, is based on a corporate assessment made by the group's technicians based on the essential contents of the projects included in the investment plan approved.

OTHER PROVISIONS FOR RISKS AND CHARGES

The Other provisions for risks and charges include the provisions arising from current obligations of a legal or construtive nature, deriving from past events, and the fulfillment of which will probably require the outflow of resources, of which the amount can be reliably estimated.

Provisions are allocated based on a best estimate of the costs required for fulfilling the obligation at the year-end date or to transfer it to third parties.

If the effect of the time value of money is material, provisions are determined by discounting the future expected cash flows at a discount rate that reflects the current market assessment of the time value of money, and the specific risks related to the liability. When discounting, the increase in the provision due to the passage of time is recognised as financial expense.

ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE

Assets held for sale and liabilities associated with assets held for sale, whose carrying amount will be recovered mainly through the sale rather than through their continuous use, are presented separately from the other assets and liabilities in the Statement of financial position. Immediately before being classified as held for sale, they are recognised on the basis of the specific reference IFRS applicable to each asset and liability and subsequently recognised at the lower between the carrying amount and the estimated fair value less costs to sell. Any loss is immediately recognised in the income statement.

Regarding their presentation in the income statement, discontinued operations or operations being discontinued are classifiable as "discontinued operations" when they meet the requirements below:

- they represent an important independent operational branch or geographical area of operation;
- they are part of a single coordinated plan to discontinue an important branch or geographical area;
- they are subsidiaries acquired exclusively in order to be sold at a later stage.

The economic effects of these transactions, net of the related tax effects, are recognised under a single item in the income statement, also with reference to the date in the year of comparison.

IMPAIRMENT OF ASSETS (IMPAIRMENT TEST)

At year-end, the carrying amount of property, plant and equipment, intangible and financial assets and of equity investments is tested to find any indication of impairment of these assets.

If these indications exist, the recoverable amount of these assets is estimated to determine the amount of any impairment loss to be recognised. The Group has no goodwill or intangible assets with an indefinite useful life to be subject to impairment test every year.

If the recoverable amount of an asset cannot be estimated individually, the estimate of the recoverable amount is included within the cash generating unit the asset belongs to.

This test estimates the recoverable amount of the asset (represented by the higher of its fair value less costs to sell and the value in use) and compares it with the relevant carrying amount. If the latter is higher, the asset is impaired until reaching the recoverable amount. In determining the value in use, the future expected post-tax cash flows are discounted by using a post-tax discount rate, which reflects the current market assessments of the time value of money and risks specific to the asset.

Impairment losses are recognised in the income statement and classified differently depending on the nature of the impaired asset. These impairment losses are reversed, within the limits of the impairment made, if the reasons that generated them ceased to apply, except for goodwill.

REVENUE FROM CONTRACTS WITH CUSTOMERS

The recognition of revenue from contracts with customers is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligation, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the price of the transaction; (iv) allocation of the transaction price to the performance obligation identified on the basis of the stand-alone sales price of the individual goods or service; (v) recognition of the revenue when (or as) the performance obligation has been fulfilled, i.e. upon transfer to the customer of the goods or service promised; the transfer is considered to be complete when the customer obtains the control of the goods or services that may occur over time or at a specific point in time.

The revenue recognized amounts to the fair value of the payment that the group believes it has the right to in exchange for the goods and/or services promised to the customer, not including the amounts collected on behalf of third parties. When calculating the transaction price, the amount of the consideration is adjusted to take account of the time value of money, if the timing of the payments agreed between the parties attributes a significant financial benefit to one of them. The consideration is not adjusted to take account of the time effect of money if, at the start of the contract, it is expected that the payment delay will be a year or less.

If the consideration is variable, the Group will estimate the amount of the consideration that it will have the right to in exchange for the transfer of goods and/or services promised to the customer; in particular, the amount of the consideration may vary in accordance with discounts, refunds, bonuses or concessions on the price, performance bonuses, penalties or whether the price itself depends on the occurrence or not of certain future events.

LEASE REVENUE

Lease contracts, that essentially leave all the risks and benefits of ownership of the goods to the Group, are classified as operating leases. For the Group, lease revenue refers to the fees and royalties owed and is recognized over the period of accrual on the basis of the contractual agreements signed. This revenue includes those from the sub-concessions to third parties of trading areas and offices in the airport infrastructures managed by the Group, and since they essentially relate to leases of parts of the infrastructure, they are governed by IFRS 16. In relation to the contractual agreements in place, this revenue is partly determined on the basis of the revenue obtained from the sub-concessionaire; therefore, the amount varies over time.

PUBLIC GRANTS

Public grants are recognized at fair value when their amount can be reliably determined and there is a reasonable certainty that they will be received and that the conditions for obtaining them will be met.

Operating grants are recognized in the income statement in the relevant year, consistently with the costs on which they are based. If the grant offsets costs or losses already incurred in previous years, it is recognized in the year in which the relative right to obtain it arises.

Capital grants are recognized as deferred revenue recognized with a systematic criterion in the income statement for the year during the useful life of the asset to which the grant received is directly attributable.

COSTS

Costs are measured at the fair value of the amount paid or to be paid, and are recognized in the income statement on an accruals basis and in correlation with any related revenue. Any expense related to transactions of share capital increase is recorded as a reduction in equity.

SHARE-BASED PAYMENTS

The cost of the services provided by the employees, associates and/or directors of the Group, remunerated through share-based remuneration plans and settled with the conferment of securities, is calculated on the basis of the fair value of the rights assigned, valued by independent actuaries on the date the plan is transferred. This fair value is entered in the income statement, counterbalanced by an equity reserve, in the vesting period set by the plan.

The cost or revenue in the income statement represents the change in the accumulated cost recognised at the beginning and end of the year. No cost is recorded for the rights which do not vest, except for those rights with assignment subject to market conditions or a non-vesting condition; these are treated as if they had vested, regardless of the fact that the market conditions or the other non-vesting conditions they are subject to are respected or not, notwithstanding that all the other performance and/or service conditions must be met.

If the conditions of the plan are changed, the minimum cost to be recorded is the one which would have been incurred in the absence of the change to the same plan. In addition, a cost is recorded for each change which implies an increase in the total fair value of the payment plan, or that is in any case favorable for the employees; this cost is valued with reference to the amendment date.

The cost of the services provided by directors and employees that are remunerated through cash-settled share-based payments, is measured at the fair value of the liabilities assumed, counterbalanced under liabilities. For as long as the liability is not redeemed, the fair value of the liability is calculated with reference to the year-end, recognising the relevant changes in the income statement.

INCOME TAXES

The current income taxes are calculated based on the tax expenses to be paid, in compliance with current legislation. Current taxes relating to items recognized directly in equity are also recognized in equity and not in the income statement.

Deferred tax assets and liabilities resulting from temporary differences between the carrying amount of assets and liabilities, calculated by applying the criteria described in this section, and their tax base, deriving from the application of current legislation, are recognised: a) the former, only if sufficient taxable income is likely to allow the recovery; b) the latter, if any, in any case. Deferred tax assets and liabilities are measured based on the tax rates that are expected to be applied in the year when these assets will be created or these liabilities will be settled, considering the rates in force and those already issued, or substantially in force, at the reporting date.

Deferred tax assets and liabilities are recorded in the income statement, with the exception of those relating to items that are directly recorded in equity. In that case, also deferred tax assets and/or liabilities are charged to equity. Deferred tax assets and liabilities are offset where there is a legal right that allows current tax assets to be offset against current tax liabilities, and the deferred taxes refer to the same taxable entity and to the same tax authority.

It should be noted that, also for 2021, the tax consolidation agreement in place with the Parent Atlantia is in force, to which ADR and all the companies belonging to the ADR Group adhere.

ESTIMATES AND JUDGEMENTS

According to IFRS, the preparation of the financial statements requires estimates and judgements to be made, which affect the determination of the carrying amount of assets and liabilities as well as the information provided in the Notes, also with reference to contingent assets and liabilities existing at the end of the year. These estimates and judgements are used in particular for the measurement of receivables, the provisions for renovation of airport infrastructure, other provisions for risks and charges, employee benefits, the fair value of financial assets and liabilities, the recoverability of deferred tax assets and of the concession rights.

Therefore, the actual results recorded may differ from these estimates; furthermore, the estimates and valuations are reviewed and updated periodically and the effects deriving from any variation are immediately reflected in the financial statements.

The elements of estimation for the preparation of the provisions for renovation of airport infrastructure essentially concern the identification of the type of restoration work to be carried out, its timing and the quantification of the costs that will be incurred.

TRANSLATION OF THE ITEMS IN FOREIGN CURRENCIES

Any transaction in a currency other than the euro is translated at the exchange rate in force on the date of the transaction. The related monetary assets and liabilities denominated in currencies other than the euro are subsequently retranslated at the exchange rate in force on the date of closing the year of reference and any exchange differences are recognised in the income statement.

Non-monetary assets and liabilities denominated in foreign currency and recognised at historical cost are traslated by using the exchange rate in force on the date the transaction is first recorded.

SEGMENT REPORTING

The Group is engaged in one segment only, i.e. the development and management of airport infrastructures. Thus, the Group's operations are subject to reporting and analysis by management as an individual unit. Consequently, with reference to the provisions of IFRS 8, no (financial and/or economic) segment information is provided for the business segments, as this is not applicable.

STANDARDS AND NEWLY ISSUED INTERPRETATIONS, REVISIONS AND AMENDMENTS TO EXISTING STANDARDS NOT YET IN FORCE OR NOT YET ENDORSED BY THE EUROPEAN UNION

As requested by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", stated below are the new standards and interpretations, in addition to the amendments to the already applicable standards and interpretations not yet in force at the reporting date, which may be applied in the future to the consolidated financial statements of the Group.

Document title	Date of issue	Date of entry into force	Date of endorsement	EU regulation and publication date
New documents issued by the IASB and endorsed by the EU to be mandatorily adopted starting from the financial statements for the years starting on January 1, 2021				
Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	August 2020	January 1, 2021	January 13, 2021	(EU) 2021/25 January 14, 2021
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	March 2021	April 1, 2021	August 30, 2021	(EU) 2021/1421 August 31, 2021
IAS/IFRS and related IFRIC interpretations applicable to financial statements starting after January 1, 2021, documents approved by the EU as of December 31, 2021				
Annual Improvements to IFRS (2018-2020 cycle) [Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41]	May 2020	January 1, 2022	June 28, 2021	(EU) 2021/1080 July 2, 2021
Property, plant and equipment – Proceeds before intended use (Amendments to IAS 16)	May 2020	January 1, 2022	June 28, 2021	(EU) 2021/1080 July 2, 2021
Onerous contracts – Costs necessary to fulfill a contract (Amendments to IAS 37)	May 2020	January 1, 2022	June 28, 2021	(EU) 2021/1080 July 2, 2021
Reference to the Conceptual Framework (Amendments to IFRS 3)	May 2020	January 1, 2022	June 28, 2021	(EU) 2021/1080 July 2, 2021
IAS/IFRS and related IFRIC interpretations applicable to financial statements after January 1, 2021, documents NOT yet approved by the EU at December 31, 2021				
IFRS 14 Regulatory Deferral Accounts	January 2014	January 1, 2016	Approval process suspended pending the new standard on "rate-regulated activities"	
Amendments				
Classification of Liabilities as Current or Non-current (Amendments to IAS 1), including subsequent amendment issued in July 2020	January 2020 July 2020	January 1, 2023	TBD	(EU) 2021/1080 July 2, 2021
Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)	February 2021	January 1, 2023	TBD	(EU) 2021/1080 July 2, 2021
Definition of Accounting Estimates (Amendments to IAS 8)	February 2021	January 1, 2023	TBD	(EU) 2021/1080 July 2, 2021
Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)	May 2021	January 1, 2023	TBD	(EU) 2021/1080 July 2, 2021

New documents issued by the IASB and endorsed by the EU to be mandatorily adopted starting from the financial statements for the years starting on January 1, 2021

The adoption of the new standards applicable from January 1, 2021 did not have any effects.

INTEREST RATE BENCHMARK REFORM – PHASE 2 (AMENDMENTS TO IFRS 9, IAS 39, IFRS 7, IFRS 4 AND IFRS 16) EXTENSION BEYOND JUNE 2021

The document "Amendments to IFRS 9, IAS 39 and IFRS 17: Interest Rate Benchmark Reform – phase 2" is effective from January 1, 2021, as part of the IBOR (Interbank Offered Rates) reform process. For the assessment/definition of hedging relationships for financial instruments affected by these rates, it: (i) clarifies that the replacement of the existing IBOR rate with the new risk free rate does not represent an event of derecognition of assets and liabilities; (ii) introduces provisions on hedge accounting aimed at not creating discontinuity in existing hedging relationships; (iii) requests qualitative and quantitative information on the nature and risks associated with this reform, on the management of such risks and on progress in the process of transition to the new rates. In addition, the practical expedient (to the incentives for Covid-19 to reduce the payment of fees due by June 30, 2021) introduced from June 1, 2020 by the document "Amendment to IFRS 16 Leases Covid 19-Related Rent Concessions", was extended to June 30, 2022.

CONCESSIONS ON FEES CONNECTED TO COVID-19 AFTER JUNE 30, 2021 (AMENDMENT TO IFRS 16)

With Regulation (EU) no. 2021/1421 of August 30, 2021, published in the Official Gazette of the European Union on August 31, 2021, the document "Concessions on fees connected to Covid-19 after June 30, 2021 (amendment to IFRS 16 Leasing)" was enforsed, approved by the IASB Board on March 31, 2021 and it has expanded the scope of application of the practical expedient for accounting for the "rent concessions" obtained by lessees as a direct consequence of the Covid-19 pandemic. With the 2021 Amendment, the IASB has published some amendments to IFRS 16 which move the deadline from June 30, 2021 to June 30, 2022 to take advantage of the practical expedient for the measurement of lease contracts, in the event that, due to the Covid-19, rents have been renegotiated. The lessee may choose to account for the concession as a variable rent over the period in which a lower payment is recognized.

IAS/IFRS and related IFRIC interpretations applicable to financial statements starting after January 1, 2021, documents approved by the EU as of December 31, 2021

ANNUAL IMPROVEMENTS TO IFRS (2018-2020 CYCLE); AMENDMENTS TO IAS 16 PROPERTY, PLANT AND EQUIPMENT; IAS 37 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS; IFRS 3 – BUSINESS COMBINATIONS

On May 14, 2020, the IASB published the document "Amendments to (i) IFRS 3 Business Combinations; (ii) IAS 16 Property, Plant and Equipment; (iii) IAS 37 Provisions, Contingent Liabilities and Contingent Assets (iv) Annual Improvements to IFRS Standards 2018-2020", whose provisions are effective starting from January 1, 2022. In particular: (i) with the "Amendments to IFRS 3 Business Combinations", the IASB updated the reference to the Conceptual Framework in the revised version, without this leading to changes in the provisions of the standard; (ii) through the "Amendments to IAS 16 Property, Plant and Equipment" the IASB introduced some clarifications, in particular regarding the way in which it is not allowed to deduct the amount received from the sale of goods produced before the asset was ready for use from the cost of the asset. These sales revenue, and the related costs, must therefore be recognized in the income statement; (iii) with "Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets" the IASB clarified which cost items must be considered to assess whether or not a contract constitutes an onerous contract; (iv) finally, through "Annual Improvements to IFRS Standards 2018-2020", changes were made to IFRS 9 Financial Instruments, clarifying that when carrying out the "10 percent" test, in assessing whether the changes made to a financial liability are significant (and therefore involve derecognition), only those fees paid or received between the entity and the lender must be included.

IAS/IFRS and related IFRIC interpretations applicable to financial statements after January 1, 2021, documents NOT yet approved by the EU at December 31, 2021

AMENDMENTS TO IAS 1 – PRESENTATION OF FINANCIAL STATEMENTS – CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

On January 23, 2020, the IASB issued the document "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current", clarifying the criteria that must be used in order to determine whether liabilities should be classified as current or non-current. The provisions are effective from financial years starting on January 1, 2023 or later. The amendments aim to promote a consistent application of the requirements by helping companies to determine whether payables and other liabilities with an uncertain settlement date should be classified as current (due or potentially to be paid within one year) or non-current. In addition, they include clarifications regarding the classification requirements for payables that an entity could settle by converting them into equity instruments.

AMENDMENTS TO IAS 1 – PRESENTATION OF FINANCIAL STATEMENTS AND IFRS PRACTICE STATEMENT 2: DISCLOSURE OF ACCOUNTING POLICIES

On February 12, 2021, the IASB issued the document "Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)" with the aim of indicating the accounting policies to be illustrated in the financial statements. The amendments are effective for the financial years starting on or after January 1, 2023 and operate as follows: (i) the notes to the financial statements illustrate the material accounting policies instead of the significant accounting policies; (ii) accounting policies information is relevant if the users of the financial statements need it to understand other material information in the financial statements; (iii) immaterial accounting policy information must not obscure material accounting policy information.

AMENDMENTS TO IAS 8 – ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS: DEFINITION OF ACCOUNTING ESTIMATES

On February 12, 2021, the IASB issued the document "Definition of Accounting Estimates (Amendments to IAS 8)". The amendments to IAS 8, effective for the financial years starting on or after January 1, 2023, clarify that:

1. the accounting estimates are "monetary amounts in the financial statements subject to measurement uncertainty";
2. entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty;
3. a change in the accounting estimate resulting from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors;
4. a change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current year is recognized as income or expense in the current year. Any effect on future periods is recognized as income or expense in such future periods.

AMENDMENTS TO IAS 12 – INCOME TAXES: DEFERRED TAX RELATED TO ASSETS AND LIABILITIES ARISING FROM A SINGLE TRANSACTION

On May 7, 2021 the IASB issued the document "Deferred Tax related to Assets and Liabilities arising from a Single Transaction (amendments to IAS 12)" to clarify that, in the recognition of deferred taxes on lease agreements and decommissioning obligations, the exemption provided for by IAS 12.15(b) and by IAS 12.24 does not apply. The amendments are effective from the years starting on or after January 1, 2023. Early application is allowed.

The ADR Group is assessing the possible impact, which cannot currently be estimated reasonably, resulting from future application of all the newly issued standards, as well as for all the reviews and amendments to the existing standards.

5. Concession Agreement

CONCESSIONARY RELATIONSHIP

ADR's business purpose is the construction and management of airports or a part thereof, and the exercise of any activity related or complementary to air traffic of any type or specialty. This goal is achieved on the basis of a concession for the single management of the Roman airport system entrusted to the Company with Italian Law no. 755 of November 10, 1973.

The concessionaire ADR ensures the management and development of the Roman airport system ("Leonardo da Vinci" at Fiumicino and "G.B. Pastine" at Ciampino) in accordance with international, European and national regulations as well as the ENAC Regulations that govern the operation of airports open to domestic traffic.

The original Concession Management Agreement no. 2820/74 was in force until December 21, 2012. After that date, a new Single Deed – Planning Agreement was approved with a specific Council of Ministers Presidential Decree. The single document regulates both the relations regarding the airport management concession and the criteria to determine and periodically update the fees applicable to the so-called "regulated services".

The principle remains in place according to which the management must be guided by financial and organizational criteria pursuant to Italian Law no. 755 of November 10, 1973 and subsequent amendments.

DURATION OF THE CONCESSION

The term of the concession expiring on June 30, 2044 in compliance with art. 14 of Italian Law no. 359 of August 8, 1992, and art. 1-quater of Italian Law no. 351 of August 3, 1995, as set forth in the reports by the Ministry of Transport and Navigation on September 12, 1994 and January 23, 1998 was extended ope legis to June 30, 2046 by virtue of article 202, paragraph 1-bis of Italian Law Decree no. 34 of May 19, 2020 (converted with amendments by Italian Law no. 77 of July 17, 2020), which provided for the two-year extension of the "duration of the concessions for the management and development of the airport activities in progress" in consideration of the negative economic effects deriving from the significant decrease in traffic linked to the emergency situation caused by the COVID-19 pandemic and related measures to contain the contagion adopted by the State and the Regions.

The causes for revocation, default or termination of the concessionary relationship are specified in the Single Deed - Planning Agreement under arts. 18, 19 and 20 as well as art. 20-bis for the effects set for the natural expiry as of June 30, 2046.

SUBJECT MATTER OF THE CONCESSION

Italian Law no. 755/1973 (art. 1) sets forth the subject of the concession, consisting in the single management of the Roman airport system, to be carried out under the supervision of the Ministry of Transport (now ENAC - Italian Civil Aviation Authority - pursuant to Italian Legislative Decree no. 250/1997) according to the provisions of the Navigation Code and regulations currently in force.

ADR also provides security screening services for passengers and carry-on and checked baggage, also under concession.

INCOME

Pursuant to art. 6, paragraph 1, of Italian Law no. 755/1973, "all revenue of the State, which derives from the management of the two airports, belongs to the company holding the concession".

Art. 10 of the Single Deed - Planning Agreement lists in detail the concessio’naire's income, providing also the "fair fee" to be paid to it by anyone carrying out non-aviation activities for a profit, including occasionally, within the airports under concession, which is not remunerated otherwise.

This article also specifies the income deriving from or connected to commercial activities that are not included in the tariff regulation of the Planning Agreement.

It covers the so-called "regulated consideration", i.e. the airport services originally identified in the "Reordering framework regarding the tariff system for airport services rendered on an exclusive ”basis" proposed by the Minister of Transport and Navigation in conjunction with the Minister of Finance and approved with CIPE ("Comitato Interministeriale per la Programmazione Economica") resolution no. 86 of August 4, 2000 and lastly replaced by Resolution no. 51/08. These fees include the airport fees and all the fees for the services rendered on an exclusive basis.

CONCESSION FEES

Italian Law Decree no. 251/1995, converted into Italian Law no. 351/1995, introduced the obligation to pay a concession fee.

The reference parameter for calculating the fee ("WLU" - Work Load Unit) was adopted following the Decree of the State Property Office of June 30, 2003, then extended in subsequent years. The WLU corresponds to one passenger or 100 kg of cargo or post and is calculated using the data reported in the statistical yearbook of the Ministry of Infrastructure and Transport - ENAC (Italian Civil Aviation Authority). This fee quantification method was confirmed, with subsequent Decrees of the State Property Office and lastly with Decree of November 18, 2021 for the three-year period 2022 - 2024.

According to art. 2, paragraph 4 of the Single Deed - Planning Agreement, if, as a result of regulatory provisions and/or administrative measures, the amount of the concession fee was to be changed compared to the one in force at the time of stipulation, or if taxation were introduced with an equivalent effect to be borne by the Concessionaire, the latter shall be entitled to a specific increase to cover the greater disbursement.

ADR also pays ENAC a fee for the concession of the baggage and passenger security checking services pursuant to Italian Ministerial Decree no. 85/1999. The amount is set to 0.07 euros per outgoing passenger (Italian Ministerial Decree of July 13, 2005). The obligation to make this payment is reported also under art. 2, paragraph 5 of the Planning Agreement.

THE ASSET REGIME

Art. 12 of the Single Deed - Planning Agreement governs the Concessionaire's right to use the assets. This is to be interpreted together with the provisions in arts. 703 and 41 of the Navigation Code.

Additional rules contained in the Planning Agreement contribute to defining the legal treatment of the assets (e.g., art. 20-bis) which, though conditioned by the relevance of the principle of correlation to the use for performing regulated activities or alternatively commercially (unregulated) activities, does not significantly differ from the pre-existing regime. In particular:

- the assets received under concession at the time of establishing the concessionaire or subsequently created by it by virtue of laws of the State with public funds, are possessed by the concessionaire under the right of use regime as these are government property; these assets are summarized in the table below:

(Thousands of euros)	12.31.2021	12.31.2020
Assets received under the concession at Fium-icino	119,812	119,812
Assets received under the concession at Ciampino	29,293	29,293
Assets completed on behalf of the State (*)	742,197	742,197
TOTAL	**891,302**	**891,302**

- the assets acquired/produced by the Concessionaire with its own funding and used to perform activities subject to fee regulation are held under the ownership regime until the end of the concession. This leads to the obligation to hand them over to the Grantor upon the natural expiry of the concession; this action will be in any case conditioned by the repayment of their value to be established according to the convention rules;
- the same treatment applies to the goods acquired/produced by the Concessionaire with its own funding, but used to perform (unregulated) commercial activities, provided these are related to immovable assets whose need has been expressly declared by ENAC, due to their characteristics to perform airport functions, thus authorizing their production;
- for commercial movable assets, conversely, the Concessionaire has full ownership; the Grantor is granted a right to purchase (art. 20-bis 4.d) upon the natural expiry of the concession, which can be exercised by paying the former concessionaire their residual carrying amount.

Based on the Single Deed - Planning Agreement, at the natural expiration of the concession, ADR will receive a consideration equal to the residual amount of the investments made. The residual amount will be derived from the regulatory accounts.

To date, the ADR Group has a limited number of assets in service whose residual amount in the regulatory accounts exceeds zero; this residual value as of June 30, 2046 is negligible.

(*) amount of construction services for works financed, produced and reported to ENAC.

6.
Notes to the statement of financial position

6.1 PROPERTY, PLANT AND EQUIPMENT

(Thousands of euros)	12.31.2020			Change					12.31.2021		
	Cost	Acc. Depr.	Carrying amount	Investments	Depreciation	Other changes	Change in the consol. Scope	Disposals	Cost	Acc. Depr.	Carrying amount
Land and buildings	16,056	(227)	15,829	0	(188)	1	115		16,837	(1,080)	15,757
Plant and machinery	89,759	(76,582)	13,177	523	(8,932)	373	1,605	0	98,476	(91,730)	6,746
Industrial and commercial equipment	14,912	(13,134)	1,778	410	(720)	357	13	0	15,698	(13,860)	1,838
Other assets	39,943	(31,417)	8,526	1,866	(3,590)	5,714	42	0	47,294	(34,736)	12,558
Assets under construction and payments on account	9,797	0	9,797	6,891	0	(7,028)	390	0	10,050	0	10,050
Right-of-use assets - Property, plant and equipment and other assets	5,118	(2,261)	2,857	2,728	(1,442)	(194)	0	0	5,997	(2,048)	3,949
TOTAL PROPERTY, PLANT AND EQUIPMENT	**175,585**	**(123,621)**	**51,964**	**12,418**	**(14,872)**	**(777)**	**2,165**	**0**	**194,352**	**(143,454)**	**50,898**

(Thousands of euros)	12.31.2019			Change				12.31.2020		
	Cost	Acc. Depr.	Carrying amount	Investments	Depreciation	Other changes	Disposals	Cost	Acc. Depr.	Carrying amount
Land and buildings	15,722	(74)	15,648	184	(153)	150	0	16,056	(227)	15,829
Plant and machinery	94,595	(72,047)	22,548	393	(9,852)	102	(14)	89,759	(76,582)	13,177
Industrial and commercial equipment	14,359	(12,251)	2,108	553	(883)	0	0	14,912	(13,134)	1,778
Other assets	37,878	(28,811)	9,067	1,794	(3,007)	675	(3)	39,943	(31,417)	8,526
Assets under construction and payments on account	1,603	0	1,603	9,128	0	(934)	0	9,797	0	9,797
Right-of-use assets - Property, plant and equipment and other assets	4,238	(1,257)	2,981	1,459	(1,454)	(129)	0	5,118	(2,261)	2,857
TOTAL PROPERTY, PLANT AND EQUIPMENT	**168,395**	**(114,440)**	**53,955**	**13,511**	**(15,349)**	**(136)**	**(17)**	**175,585**	**(123,621)**	**51,964**

Property, plant and equipment of 50,898 thousand euros (51,964 thousand euros as of December 31, 2020), dropped in the year by 1,066 thousand euros, primarily due to the depreciation for the year (14,872 thousand euros), partly offset by the inclusion of ADR Infrastrutture in the consolidation scope (+2,165 thousand euros) and investments in the year (12,418 thousand euros).

Investments of 12,418 thousand euros mainly refer:

- under Assets under construction and payments on account (6,891 thousand euros), to the installation of monitors, ledwalls and network equipment of the new terminal system for 5,281 thousand euros, to the Joint Control Room (APOC) for 510 thousand euros, to the supply of security equipment at T3 for 258 thousand euros;
- as regards the Right-of-use assets - Property, plant and equipment and other assets (2,728 thousand euros), Right-of-use assets - other assets (2,293 thousand euros) and on plant and machinery (435 thousand euros).

During the year no significant changes took place in the estimated useful life of the assets.

6.2 INTANGIBLE ASSETS

(Thousands of euros)	12.31.2020 Cost	12.31.2020 Imp. Losses	12.31.2020 Acc. Amort.	12.31.2020 Carrying amount	Change Investments	Change Amortization	Change Change in the consol. Scope	Change Other changes	12.31.2021 Cost	12.31.2021 Imp. Losses	12.31.2021 Acc. Amort.	12.31.2021 Carrying amount
Concession rights												
Airport management concession - rights acquired	2,167,966	0	(1,007,897)	1,160,069	0	(45,477)	0	0	2,167,966	0	(1,053,374)	1,114,592
Airport management concession - invest-ments in infrastructure	1,561,259	0	(285,546)	1,275,713	105,074	(38,584)	16,726	18	1,691,608	0	(332,661)	1,358,947
TOTAL CONCESSION RIGHTS	**3,729,225**	**0**	**(1,293,443)**	**2,435,782**	**105,074**	**(84,061)**	**16,726**	**18**	**3,859,574**	**0**	**(1,386,035)**	**2,473,539**
Other intangible assets	94,346	(41)	(71,823)	22,482	11,958	(6,422)	7	18	106,338	(41)	(78,254)	28,043
Advances to suppliers	22,708	0	0	22,708	135	0	(21,757)	(361)	725	0	0	725
Right-of-use assets - Other intangible assets	0	0	0	0	521	(108)	0	0	521		(108)	413
TOTAL OTHER INTANGIBLE ASSETS	**117,054**	**(41)**	**(71,823)**	**45,190**	**12,614**	**(6,530)**	**(21,750)**	**(343)**	**107,584**	**(41)**	**(78,362)**	**29,181**
TOTAL INTANGIBLE ASSETS	**3,846,279**	**(41)**	**(1,365,266)**	**2,480,972**	**117,688**	**(90,591)**	**(5,024)**	**(325)**	**3,967,158**	**(41)**	**(1,464,397)**	**2,502,720**

(Thousands of euros)	12.31.2019 Cost	Imp. Losses	Acc. Amort.	Carrying amount	Change Investments	Amortization	Other chages	12.31.2020 Cost	Imp. Losses	Acc. Amort.	Carrying amount
Concession rights											
Airport management concession - rights acquired	2,167,966	0	(960,517)	1,207,449	0	(47,380)	0	2,167,966	0	(1,007,897)	1,160,069
Airport management concession - investments in infrastructure	1,462,377	0	(247,200)	1,215,177	98,882	(38,353)	7	1,561,259	0	(285,546)	1,275,713
TOTAL CONCESSION RIGHTS	**3,630,343**	**0**	**(1,207,717)**	**2,422,626**	**98,882**	**(85,733)**	**7**	**3,729,225**	**0**	**(1,293,443)**	**2,435,782**
Other intangible assets	85,139	(41)	(65,069)	20,029	9,138	(6,754)	69	94,346	(41)	(71,823)	22,482
Advances to suppliers	35,272	0	0	35,272	124	0	(12,688)	22,708	0	0	22,708
TOTAL OTHER INTANGIBLE ASSETS	**120,411**	**(41)**	**(65,069)**	**55,301**	**9,262**	**(6,754)**	**(12,619)**	**117,054**	**(41)**	**(71,823)**	**45,190**
TOTAL INTANGIBLE ASSETS	**3,750,754**	**(41)**	**(1,272,786)**	**2,477,927**	**108,144**	**(92,487)**	**(12,612)**	**3,846,279**	**(41)**	**(1,365,266)**	**2,480,972**

Intangible assets of 2,502,720 thousand euros (2,480,972 thousand euros as of December 31, 2020) increased by 21,747 thousand euros mainly due to the investments in the year of 117,688 thousand euros, partly offset by amortization for the year totaling 90,591 thousand euros and the inclusion of ADR Infrastrutture in the consolidation scope, which led to the elimination of receivables for advances claimed by ADR for 21,757 thousand euros.

Concession rights include the concession relating to managing the Rome's airport system; for further information on the concessionary relationship reference should be made to Note 5. In detail:

- Airport management concession - rights acquired: represents the amount of the airport management concession acquired against consideration, and reflects the difference between the price paid for ADR's shares by Leonardo S.p.A. (merged into Leonardo S.p.A. with effect from January 1, 2001) compared to the pro-rata amount of equity of ADR Group;
- Airport management concession - investments in infrastructure: includes the activities to produce new infrastructure and/or improve and enhance the existing airport infrastructure carried out by the ADR Group.

The investments in the Airport management concession - investments in infrastructure are equal to 105,074 thousand euros and relate to construction services provided in the period on infrastructure under concession. Pursuant to IFRIC 12, in the income statement the costs connected to these investments are recorded by nature, as well as the fair value of the related construction services carried out.

Worth noting are:

- work relating to the East Airport System for 61.8 million euros, aimed at the construction of a new Boarding Area A and of the Front building of Terminal 1;
- restructuring works of Terminal 3 for 14.1 million euros;
- interventions for the construction of a joint control room for 4.9 million euros;

- works on runways and aprons for 7.5 million euros;
- BHS optimization works for 1.7 million euros.

At December 31, 2021 no impairment indicators were identified. In this regard, note that when preparing the consolidated financial statements at December 31, 2020, the Parent had carried out an impairment test to consider the expected impact of the COVID-19 pandemic. For the purposes of preparing the consolidated financial statements for the year ended December 31, 2021, the analyses of internal and external factors did not include any significant changes with respect to what was considered in the aforementioned impairment test, confirming the relative recoverability of the'Group's net invested capital.

Other intangible assets, equal to 28,043 thousand euros (22,482 thousand euros as of December 31, 2020), include the right-of-use assets on intellectual property rights, concessions, licenses, trademarks and similar rights. The investments for the year, equal to 11,958 thousand euros, mainly refer to the acquisition of licenses and the evolutionary maintenance of the accounting system.

6.3 EQUITY INVESTMENTS

(Thousands of euros)	12.31.2021	12.31.2020	Change
ASSOCIATES			
Pavimental S.p.A.	0	2,933	(2,933)
Spea Engineering S.p.A.	6,712	8,089	(1,377)
Consorzio E.T.L. in liquidation	0	0	0
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	0	0	0
	6,712	11,022	(4,310)
OTHER COMPANIES			
Azzurra Aeroporti S.p.A.	12,543	25,087	(12,544)
Aeroporto di Genova S.p.A.	697	697	0
S.A.CAL. S.p.A.	0	476	(476)
Consorzio CAIE	1	1	0
Leonardo Energia - Società Consortile a r.l.	0	1	(1)
Convention Bureau Roma e Lazio S.c.r.l.	1	1	0
	13,242	26,263	(13,021)
TOTAL	**19,954**	**37,285**	**(17,331)**

Equity investments decreased by 17,331 thousand euros compared to December 31, 2020 due to:

- the sale of the 20% equity investment held in Pavimental to Autostrade per l'Italia S.p.A. "ASPI"), which took place on April 23, 2021, at a price of 3.7 million euros; based on the agreements between the parties, this price is subject to an increase or decrease if the disposal amount of a major item of machinery (consisting of a milling machine owned by Pavimental held for sale) differs from the amount incorporated in the aforementioned sale price of the equity investment The parties have set a time limit of 32 months to finalize the sale of the machinery, after which ASPI will directly acquire it at a price established in advance;
- decrease in the amount of the equity investment in Spea Engineering (20%) of 1,377 thousand euros, following its measurement at equity, of which -1,385 thousand euros taken to profit or loss (for ADR's share of the asso'ciate's loss for the year), 9 thousand euros to other comprehensive income, and -1 thousand euros to equity;
- reduction in the amount of the equity investment in Azzurra Aeroporti S.p.A. ("Azzurra Aeroporti") (7.77%) of -12,544 thousand euros due to the fair value measurement;

- zeroing of the amount of the equity investment in S.A.Cal. S.p.A. (-476 thousand euros) due to the fair value measurement of the company based on more accurate information available at the date of preparing the financial statements;
- zeroing of the equity investment in Leonardo Energia following the inclusion of the company in the consolidation scope.
- Furthermore, the liquidation process of Consorzio E.T.L. was completed, with the cancellation of the Consortium from the register of companies on August 17, 2021.

ADR has established a pledge on its entire equity investment in Azzurra Aeroporti, amounting to 7.77% of the share capital, in favor of the company's financial creditors (bondholders and banks that have entered into hedging derivatives). In addition to this collateral, in the context of the same loan transaction of Azzurra Aeroporti, ADR has provided Atlantia with a counter-guarantee, limited to a maximum value of 1.3 million euros, for the obligations taken on by Atlantia itself with regard to a bank that has granted, in the interest of Azzurra Aeroporti, a guarantee in favor of the latter's financial creditors to service the debt of the transaction in question.

The measurement of the fair value of the main unlisted non-controlling interests, which fall under level 3 of the fair value hierarchy, was determined using an approach that takes account of expected future cash flows (so-called discounted cash flows) as the measurement technique.

6.4 OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

	12.31.2021			12.31.2020		
(Thousands of euros)	Carrying amount	Current share	Non-current share	Carrying amount	Current share	Non-current share
OTHER FINANCIAL ASSETS						
Derivatives with positive fair value	1,900	1,900	0	0	0	0
Other financial assets	2,494	1,776	718	2,538	1,350	1,188
TOTAL OTHER FINANCIAL ASSETS	**4,394**	**3,676**	**718**	**2,538**	**1,350**	**1,188**

Derivatives with positive fair value

ADR uses hedging derivatives for currency and interest rate risks to tackle any negative impact on the cash flows that may derive from any unfavorable changes in currency and interest rates.

In December 2021, ADR signed two forward-starting interest rate swap contracts, with activation in April 2022, for a total notional of 100 million euros, with the purpose of hedging the interest rate risk for new highly probable debt, with activation expected in 2022. These contracts, whose main characteristics are reported below, as of December 31, 2021 present a positive fair value of 1,900 thousand euros.

Counter party	Company	Instr.	Type	Risk covered	Subscr. Date	Exp.	Notional vlue hedged	Rate applied	Fair value of the derivative		Fair value gains (losses)	
									As of 12.31.2021	As of 12.31.2020	To profit or loss (**)	Through OCI (***)
Crédit Agricole Group, Barclays	ADR	IRS FWD (**)	CF	I	12.2021	04.2032	100,000	They pay an average fixed rate of 0.149% and receive the 6-month Euribor	1,900	0	0	1,900
								TOTAL	**1,900**	**0**	**0**	**1,900**
								of which:				
								Currency hedges	0	0		
								Interest rate hedges	1,900	0		

(*) IRS forward starting: activation date April 2022. The changes in fair value compared to the inception date used to measure the lack of effectiveness of the year equal the fair value listed in the table.

(**) under item "Net financial income (expense)"

(***) the change in fair value is posted to OCI net of the tax effect

CF: cash flow - I: interest

For the valuation techniques and the inputs used to determine the fair value of the derivatives please refer to Note 9.4 Information on fair value measurement.

Other financial assets

Other non-current financial assets, equal to 718 thousand euros (1,188 thousand euros as of December 31, 2020), refer to the ancillary charges incurred to subscribe the revolving facility, which again remained unused in 2021. For details, refer to Note 6.15.

Other current financial assets amount to 1,776 thousand euros (1,350 thousand euros as of December 31, 2020) and are related, for 1,350 thousand euros, to the amount due from the associate Spea Engineering S.p.A. for the dividends resolved in 2018 and not yet paid.

6.5 DEFERRED TAX ASSETS

Deferred tax assets are shown net of deferred tax liabilities that can be offset. The nature of the temporary differences is illustrated in the table below:

(Thousands of euros)	12.31.2020	Change: Provisions	Change: Releases	Change: Deferred tax assets/liabilities on income and expense recognized in equity	Change: Change consolidation scope	12.31.2021
DEFERRED TAX ASSETS						
Allocation to (use of) the provisions for ren-ovation of airport infrastructure	33,383	2,825	(4,584)	0	1,248	32,872
Allocations to the allowance for inventory write-downs	57	2	(18)	0	0	41
Allocations to loss allowances	8,417	32,587	(1,769)	0	0	39,235
Amortized cost and derivatives	35,347	0	(35)	(11,130)	0	24,182
Provisions for risks and charges	5,637	882	(1,452)	0	300	5,367
Tax losses and ACE	47,486	0	(15,621)	0	10	31,875
Other	1,376	339	(537)	103	34	1,315
TOTAL DEFERRED TAX ASSETS	**131,703**	**36,635**	**(24,016)**	**(11,027)**	**1,592**	**134,887**
DEFERRED TAX LIABILITIES THAT CAN BE OFFSET						
Application of IFRIC 12	40,460	1,389	(1,311)	0	3,401	43,939
Other	16	0	(10)	0	491	497
TOTAL DEFERRED TAX LIABILITIES	**40,476**	**1,389**	**(1,321)**	**0**	**3,892**	**44,436**
TOTAL NET DEFERRED TAX ASSETS	**91,227**	**35,246**	**(22,695)**	**(11,027)**	**(2,300)**	**90,451**

The decrease of 776 thousand euros recorded in 2021 is mainly attributable to the decrease in deferred tax assets allocated last year, against the 2020 IRES tax loss, for the portion transferred to the tax consolidation and remunerated in 2021, to the fair value gain on derivatives and to the dynamics of the provisions for renovation of airport infrastructure, as well as to the effect of including Fiumicino Energia and Leonardo Energia (-2,300 thousand euros) in the consolidation scope, partly offset by deferred tax assets recognized on the allocations to loss allowances.

With regard to deferred tax assets, which are recognized in the consolidated financial statements, it should be noted that the related recoverability is reliably attributable to the underlying forecasts and derives from the most up-to-date economic projections of the Group.

6.6 OTHER NON-CURRENT ASSETS

Other non-current assets, equal to 470 thousand euros (458 thousand euros as of December 31, 2020), refer to guarantee deposits.

6.7 TRADE ASSETS

Trade assets, equal to 192,202 thousand euros (262,559 thousand euros as of December 31, 2020), include:

- inventories of 6,500 thousand euros (5,635 thousand euros as of December 31, 2020), essentially consisting of consumable materials, clothing, spare parts, cleaning materials, fuel, telephone equipment, telecommunications systems and building materials; the increase on the previous year-end is essentially due to the inclusion of ADR Infrastrutture in the consolidation scope;

- contract assets of 1,105 thousand euros (0 euros as of December 31, 2020), consisting of work in progress for third parties by ADR Infrastrutture, a company that entered the consolidation scope during the year;
- trade receivables of 184,597 thousand euros (256,924 thousand euros as of December 31, 2020).

In detail, trade receivables are broken down as follows:

(Thousands of euros)	12.31.2021	12.31.2020	Change
Customers	346,980	290,911	56,069
Parent	131	301	(170)
Construction services	0	8,051	(8,051)
Other	4,004	2,235	1,769
TOTAL TRADE RECEIVABLES, INC. LOSS ALLOWANCES	**351,115**	**301,498**	**49,617**
Loss allowances	(164,775)	(36,994)	(127,781)
Default interest	(1,743)	(7,580)	5,837
TOTAL LOSS ALLOWANCES	**(166,518)**	**(44,574)**	**(121,944)**
TOTAL TRADE RECEIVABLES	**184,597**	**256,924**	**(72,327)**

Due from customers (including loss allowances) increase by 56,069 thousand euros due to the increase in business volumes recorded in the last part of the year compared to those of the same period of the previous year.

It should be noted that, at the end of 2021 the Parent ADR signed - together with the subsidiaries ADR Mobility and ADR Tel - an agreement with the extraordinary administration of Alitalia SAI under extraordinary administration, with the aim of regulating a complex series of previous relationships in order to give definitive clarity to the respective credit rights and eliminate, with the same deed, the risks associated with the outcome of the legal action taken against the revocation action initiated by the extraordinary administration against the three companies mentioned. The agreement concerned in particular the pre-deductible receivables arising from 1.1.2020. further information, reference should be made to Note 9.5 Litigation.

The receivables for regulated services from Alitalia SAI under extraordinary administration, subject to the economic-financial rebalancing mechanisms of the Agreement, filed and to be filed among the liabilities of the proceedings, have been allocated to the loss allowance in consideration of the results of the sale procedure of the aviation branch to ITA carried out in October 2021 (sale price equal to € 1 euro) which, also in relation to the recent decisions of the European Commission and the Government concerning the recovery of the government loans granted to the Administration, have significantly increased the risk of non-recoverability also due to recent developments in the regulatory and market context.

With reference, however, to the ADR Group's receivables from the companies belonging to the Alitalia LAI group under extraordinary administration since 2008, the same was equal to 10,919 thousand euros. For the amounts due from Alitalia LAI S.p.A. under extraordinary administration, note that in 2011 the surety of 6.3 million euros was enforced, issued by Alitalia/CAI to secure the amounts due to ADR from Alitalia LAI S.p.A. under extraordinary administration (as well as due to the lessor owners of the aircrafts, jointly and severally liable) in order to allow the aircraft owned by lessors to reach Alitalia/CAI free from claims of seizure for protection purposes made by ADR. The amount enforced and collected was posted under Other current liabilities.

Other trade receivables, amounting to 4,004 thousand euros (2,235 thousand euros as of December 31, 2020), include prepaid expenses of a commercial nature and advances to suppliers; the increase compared with the end of the previous year partly reflects the inclusion of ADR Infrastrutture in the consolidation scope.

The table below shows the seniority of the trade receivables past due.

(Thousands of euros)	Receivables net of the loss allowances	Receivables not yet due	Receivables past due: From 0 to 90 days	Receivables past due: Between 90 and 365 days	Receivables past due: > 1 Year
12.31.2021	**184,597**	48,753	38,106	9,577	88,161
12.31.2020	**256,924**	14,447	32,354	12,674	197,449

Receivables overdue for more than one year are largely made up of receivables from Alitalia SAI under extraordinary administration and are mainly attributable to i) the fees relating to additional passengers and IRESA, whose recoverability is guaranteed by the payable of the same amount recognized among other current liabilities that are subject to transfer to the competent Bodies only upon the outcome of collection from the carrier, and ii) the VAT deemed recoverable on the basis of applicable legislation.

The table below shows the movements in the loss allowances:

(Thousands of euros)	12.31.2020	Increases	Decreases	12.31.2021
Loss allowances	36,994	137,035	(9,254)	164,775
Default interest	7,580	0	(5,837)	1,743
TOTAL LOSS ALLOWANCES	**44,574**	**137,035**	**(15,091)**	**166,518**

The increase in the loss allowances compared to December 31, 2020 essentially reflects the impairment loss recognised during the year of the receivables from Alitalia SAI under extraordinary administration mentioned above, only partially offset by the use of the provision for receivables no longer recoverable.

The carrying amount of trade receivables is close to the relevant fair value.

6.8 CURRENT TAX ASSETS AND LIABILITIES

(Thousands of euros)	ASSETS			LIABILITIES		
	12.31.2021	12.31.2020	Change	12.31.2021	12.31.2020	Change
Due from/to parents for tax consolidation	73,580	3,618	69,962	0	0	0
IRES	155	118	37	7,320	0	7,320
IRAP	0	245	(245)	201	26	175
TOTAL	**73,735**	**3,981**	**69,754**	**7,521**	**26**	**7,495**

Current tax assets essentially include the amount due from the parent Atlantia (in its capacity as consolidating company for tax purposes), amounting to 73,580 thousand euros. The increase in this receivable is essentially attributable to the 24% IRES benefit on both the tax loss recorded in the year, which can be transferred to the tax consolidation, and the share of prior tax losses remunerated in 2021.

Current tax liabilities are equal to 7,521 thousand euros, up by 7,495 thousand euros compared to December 31, 2020, mainly attributable to the recognition of the substitute tax in relation to the realignment, pursuant to Italian Law Decree 104/2020, of the tax amount to the higher carrying amount of the financial statements item Airport management concession - rights acquired. For further information, reference should be made to Note 7.8 Income taxes.

6.9 OTHER CURRENT ASSETS

(Thousands of euros)	12.31.2021	12.31.2020	Change
Due from associates	482	482	0
Due from tax authorities	37,292	26,777	10,515
Due from others	227,567	7,567	220,000
TOTAL OTHER CURRENT ASSETS	**265,341**	**34,826**	**230,515**

Due from tax authorities, equal to 37,292 thousand euros, mainly includes:

- VAT credit for 28,654 thousand euros (21,058 thousand euros as of December 31, 2020): the increase in the credit is linked to the reduction in operations and therefore in turnover;
- other amounts due from tax authorities equal to 4,611 thousand euros, for taxes (and the relevant collection charges and interest) regarding the period 1/1/1993-3/23/1995, recognized as limited by the Supreme Court, within the dispute with the Customs Office, and with repayment required.

The change in amounts due from others of 220,000 thousand euros is essentially attributable to the posting of the receivable for public grants for 219,237 thousand euros regarding the subsidy that the Italian government, through Italian Law 178/2020, assigned to airports to offset the losses attributable to the Covid-19 health emergency in the period March 1 - June 30, 2020. For further information, reference should be made to Note 11.5 Information on the effects of the COVID-19 epidemic.

Furthermore, the recognition should be noted of the receivable for grants on SESAR projects financed by the European Union within the Connecting European Facility (CEF) call 2016 and 2017 with reference only to the initiatives installed and in operation, the costs of which have been reported on (+2,956 thousand euros), partially offset by the reduction in the receivable due from INPS for the amounts advanced to the staff of the ADR Group in relation to the Special Income Support Fund (-1,819 thousand euros).

The table below shows the seniority of the Other current assets.

			Receivables past due		
(Thousands of euros)	Receivables net of the loss allowances	Receivables not yet due	From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2021	**265,341**	264,726	0	0	615
12.31.2020	**34,826**	34,211	0	0	615

6.10 CASH AND CASH EQUIVALENTS

(Thousands of euros)	12.31.2021	12.31.2020	Change
Bank and post office deposits	411,303	1,096,974	(685,671)
Cash equivalents	250,000	0	250,000
Cash and notes in hand	337	255	82
TOTAL CASH AND CASH EQUIVALENTS	**661,640**	**1,097,229**	**(435,589)**

Cash and cash equivalents decreased by 435,589 thousand euros compared to December 31, 2020 due to the cash flows used in operating, investing and financing activities during the year.

6.11 EQUITY

(Thousands of euros)	12.31.2021	12.31.2020	Change
Share capital	62,225	62,225	0
Legal reserve	12,462	12,462	0
Share premium reserve	667,389	667,389	0
Hedging reserve	(76,487)	(111,732)	35,245
Equity-accounting reserve	230	197	33
Fair value reserve	(40,611)	(27,591)	(13,020)
Other reserves and retained earnings	379,798	532,607	(152,809)
Loss for the year	(38,035)	(143,684)	105,649
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**966,971**	**991,873**	**(24,902)**
Share capital and reserves	2,718	0	2,718
Profit (loss) for the year	77	0	77
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**2,795**	**0**	**2,795**
TOTAL EQUITY	**969,766**	**991,873**	**(22,107)**

The changes taking place in the year are shown in the statement of changes in equity and mainly refer to:

- the loss for the year attributable to the owners of the parent for 38,035 thousand euros;
- the positive result of other comprehensive income of 34,454 thousand euros deriving mainly from the fair value gain on hedging derivatives (+35,245 thousand euros net of the tax effect), partially offset by the fair value losses on the investments in Azzurra Aeroporti (-12,544 thousand euros) and S.A.CAL. S.p.A. (-476 thousand euros);
- the recognition under "Other reserves and retained earnings" of the effects of the following transactions classified as transactions between companies under common control:
  - -17.3 million euros as the difference between the price paid to purchase the equity investment in ADR Infrastrutture and the amount of the assets and liabilities acquired, which was recognized in the consolidated financial statements at the same amounts at which they were recognized in the financial statements of Pavimental;
  - +7.7 million euros as the difference between the price paid by ADR to purchase the 87.14% stake of Fiumicino Energia, equal to 10.5 million euros, and the pro-rata of the carrying amount of the net assets acquired (18.2 million euros);
  - +0.8 million euros for the recognition of the consolidated gain from the sale of the 20% equity investment held in Pavimental to ASPI.

As of December 31, 2021 ADR's share capital, wholly subscribed and paid up, amounts to 62,224,743 euros, represented by 62,224,743 ordinary shares with a par value of 1 euro each.

ADR's legal reserve represents the part of profits which, according to the contents of art. 2430 of the Italian Civil Code, may not be distributed as dividends. The reserve reached the maximum amount required by law.

The hedging reserve includes the measurement at fair value of the hedging derivatives; for more details, reference is made to Note 6.15.

Reconciliation of the profit (loss) for the year and ADR's equity with the consolidated figures

	Equity		Profit (loss) for the year	
(Thousands of euros)	12.31.2021	12.31.2020	2021	2020
ADR S.P.A. FINANCIAL STATEMENTS AMOUNTS	957,897	980,655	(44,868)	(143,353)
Recognition in the Consolidated financial statements of the equity and the profit (loss) for the year of the consolidated equity investments, net of the share attributable to non-controlling interests	63,476	38,681	6,275	(1,206)
Cancellation of the carrying amount of the consolidated equity investments	(33,267)	(8,334)	0	0
Other adjustments[1]	(18,340)	(19,129)	635	875
AMOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS	969,766	991,873	(37,958)	(143,684)
AMOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS (GROUP PORTION)	966,971	991,873	(38,035)	(143,684)
AMOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS (ATTRIBUTABLE TO NON-CONTROLLING INTERESTS)	2,795	0	77	0

6.12 EMPLOYEE BENEFITS (CURRENT AND NON-CURRENT SHARE)

(Thousands of euros)	2021	
OPENING BALANCE OF POST-EMPLOYMENT BENEFITS		16.860
Current cost	62	
Interest expense	62	
Total expense taken to profit or loss		124
Payments/Uses		(2.971)
Actuarial gains/losses from changes in the demographic assumptions	44	
Actuarial gains/losses from changes in the financial assumptions	64	
Effect of past experience	319	
Total actuarial gains/losses recognized in the statement of comprehensive in-come		427
Change in the consolidation scope/Lease of business unit		745
CLOSING BALANCE OF POST-EMPLOYMENT BENEFITS		15.185
of which:		
non-current share		14.210
current share		975

Employee benefits consist of the post-employment benefits, governed by art. 2120 of the Italian Civil Code, which includes the estimate of the obligation, determined based on actuarial techniques, to be paid to ADR employees when terminating the employment relationship.

The decrease in the provision of 1,675 thousand euros reflects the effect of payment of post-employment benefits to employees involved in the redundancy payment plan, partially offset by the inclusion of ADR Infrastrutture in the consolidation scope and the lease of the business unit of Spea Engineering by ADR Ingegneria.

Summarized below are the main assumptions made for the actuarial estimate process regarding the post-employment benefits as of December 31, 2021:

[1] *These refer mainly to the adjustments deriving from the different merger date compared to the first consolidation.*

Financial assumptions	2021	2020
Discount rate	0.44%	(0.02)%
Inflation rate	1.8%	0.8%
Annual rate of increase in post-employment benefits	2.3%	1.7%
Annual rate of pay increase	3.1%	2.6%
Annual turnover rate	1.5%	1.2%
Annual rate of disbursement of advances	0.6%	1.2%

The discount rate used to determine the present value of the obligation was determined in accordance with paragraph 78 of IAS 19, with reference to the average return curve deriving from the index IBOXX Eurozone Corporates AA 7-10 with duration based on the average permanence of the collective measurement subject.

Demographic assumptions	2021/2020
Mortality	2020 ISTAT mortality tables broken down by gender, reduced to 85%
Disability	INPS tables broken down by age and gender, reduced to 70%
Retirement	Reaching the minimum foreseen by the regulations in force

The effects of the obligation for the severance indemnities deriving from a reasonably possible change in the main actuarial assumptions at year end are indicated below:

(Thousands of euros)	1.0% Increase	1.0% Decrease	0.25% Increase	0.25% Decrease
Annual turnover rate	15,092	15,628		
Inflation rate			15,334	15,034
Discount rate			14,936	15,438

The weighted average duration of the obligations for the defined benefit plans for the employees at year end is 8 years and the service costs predicted for 2021 equal 60 thousand euros.

The disbursements predicted for the next five years are as follows:

	(Thousands of euros)
1st year	1,021
2nd year	819
3rd year	1,066
4th year	1,069
5th year	1,208

The amount of the contributions expected to be allocated to the defined benefit plans in the subsequent year is equal to zero.

6.13 PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE (NON-CURRENT AND CURRENT SHARE)

(Thousands of euros)	12.31.2020	Allocations	Discounting effect	Operational uses (*)	Change in the consol. Scope	12.31.2021
Provisions for renovation of airport infrastructure	**197,033**	64,661	(19)	(47,576)	2,772	**216,871**
of which:						
current share	47,740					55,138
non-current share	149,293					161,733

(*) of which uses for external costs amounting to 43,650 thousand euros and uses for personnel expense amounting to 3,926 thousand euros.

Provisions for renovation of airport infrastructure include the present value of the updated estimate of charges to be incurred for extraordinary maintenance, repairs and replacements of goods and plants for the contractual obligation of the concession manager to ensure the due functionality and safety of the airport infrastructure.

6.14 OTHER PROVISIONS FOR RISKS AND CHARGES (CURRENT AND NON-CURRENT SHARE)

(Thousands of euros)	12.31.2020	Allocations	Decreases for the reversal of provisions in excess	Operational uses	Change in consol. Scope	12.31.2021
Tax	6,686	568	0	(121)	0	7,133
Current and potential disputes	12,867	3,946	(116)	(1,241)	1,105	16,561
Internal insurance	730	188	0	0	0	918
Investees' losses	13	0	(13)	0	0	0
Restructuring	5,735	0	0	(5,735)	0	0
TOTAL OTHER PROVISIONS FOR RISKS AND CHARGES	**26,031**	**4,702**	**(129)**	**(7,097)**	**1,105**	**24,612**
of which:						
current share	8,793					4,923
non-current share	17,238					19,689

Tax provisions, equal to 7,133 thousand euros, reflect the risk of negative outcomes of the pending disputes with UTF (now the Customs Office) concerning import taxes and additional provincial taxes on electricity disbursed in the period 2002-2012 - as well as the issues regarding ICI/IMU (property taxes).

The provisions for current and potential disputes of 16,561 thousand euros (12,867 thousand euros as of December 31, 2020) include the estimated charges that are deemed likely to be incurred in connection with the disputes in progress at the end of the year. This provision increased due to the allocation for the year (+3,946 thousand euros) relating to current disputes with customers and non-recurring items relating to employees, as well as due to the change in the consolidation scope (+1,105 thousand euros), only partially offset by the uses during the year (-1,241 thousand euros).

This provision includes an assessment, made on the basis of the best current information, of the claims for compensation of third parties referring to the fire in T3 on May 7, 2015. So far around 170 claims have been lodged (carriers, handlers, sub-concessionaires and passengers), only partly supported by a clear quantification, for damages that to date total approximately 19 million euros.

For further information on the current disputes, reference should be made to Note 9.5 Litigation.

Moreover, the Provisions for Restructuring were reduced to zero in the year due to uses relating to the redundancy payment plan pursuant to the trade union agreement of December 1, 2020.

6.15 FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT SHARE)

(Thousands of euros)	12.31.2021					12.31.2020		
	Carrying amount	Current share	Non-current share	Between 1 and 5 years	Over 5 years	Carrying amount	Current share	Non-current share
MEDIUM/LONG-TERM FINANCIAL LIABILITIES								
Bonds	1,521,416	0	1,521,416	253,260	1,268,156	1,406,336	399,863	1,006,473
Medium/long-term loans	674,244	17,884	656,360	357,371	298,989	886,171	12,500	873,671
Accrued expenses medium/long-term financial liabilities	18,541	18,541	0	0	0	18,022	18,022	0
Other financial liabilities	4,382	1,478	2,904	2,656	248	2,866	1,046	1,820
TOTAL MEDIUM/LONG-TERM FINANCIAL LIABILITIES	**2,218,583**	**37,903**	**2,180,680**	**613,287**	**1,567,393**	**2,313,395**	**431,431**	**1,881,964**
FINANCIAL INSTRUMENTS - DERIVATIVES	**119,702**	**38,472**	**81,230**	**81,230**	**0**	**220,944**	**59,706**	**161,238**
TOTAL FINANCIAL LIABILITIES	**2,338,285**	**76,375**	**2,261,910**	**694,517**	**1,567,393**	**2,534,339**	**491,137**	**2,043,202**

Bonds

(Thousands of euros)	12.31.2020	Changes				12.31.2021
	Carrying amount	New loans raised	Repayments	Exchange rate differences	Amortized cost effect	Carrying amount
Bonds	**1,406,336**	500,000	(400,001)	16,720	(1,639)	**1,521,416**
current share	399,863					0
non-current share	1,006,473					1,521,416

As of December 31, 2021 Bonds increased by 115,080 thousand euros, due to the issue of the Sustainability-Linked bonds in April 2021 (par value of 500,000 thousand euros) and the adjustment of the A4 bonds to the exchange rate at the end of the year (+16,720 thousand euros). These changes were partly offset by the repayment at maturity of 400,000 thousand euros of the EMTN bonds in February 2021, and the effects on the debt measurement of the application of the amortized cost method (-1,639 thousand euros).

Reported below is the main information regarding the bond issues in place as of December 31, 2021 issued by ADR S.p.A..

Name	Par value (in currency)	Currency	Carrying amount	Fixed interest rate	Interest payment frequency	Repayment	Total duration	Expiry
Class A4 (*)	215,000	GBP	253,260	5.441%	every six months	bullet	20 years	02.2023
€500,000,000 1.625% EMTN 06.2027	500,000	EUR	478,026	1.625%	yearly	bullet	10 years	06.2027
€300,000,000 1.625% EMTN 02.2029 – "GREEN BONDS"	300,000	EUR	298,012	1.625%	yearly	bullet	8 years and 2 months	02.2029
€500,000,000 1.750% EMTN 07.2031 - "SUSTAINABILITY-LINKED BONDS"	500,000	EUR	492,118	1.750%	yearly	bullet	10 years and 3 months	07.2031
TOTAL BONDS			**1,521,416**					

(*) the carrying amount recognized in the consolidated financial statements (253.3 million euros) is affected by the adoption of the amortized cost method and the adjustment to the exchange rate at the end of the year.

For further information on A4 bonds, see Note 8.

In addition to the A4 bonds, the last of the bonds issued in 2003 by the Romulus Finance "vehicle" to fund the securitization of the previous bank loan taken on after the privatization of the company, the issues related to the bond issue program known as EMTN (Euro Medium Term Notes) launched by ADR in 2013 are still outstanding. The following bonds, all senior unsecured, were issued and are still outstanding under this Program:

- the notes issued on June 8, 2017 for a par value of 500 million euros;
- the issue finalized on December 2, 2020, for a par value of 300 million euros and characterized by the "green" label;
- the issue finalized on April 30, 2021, for a par value of 500 million euros and characterized by the "sustainability-linked" label, with a duration of 10 years and three months and a coupon of 1.75%. The issue envisages the application of a step-up on the margin up to a maximum of 25 bps, starting from the coupon payable in 2028 and up to maturity, if one or more Sustainability Performance Targets as described in the Sustainability-Linked Financing Framework of the Company are not met.

All the bond issues under the EMTN Program were placed with qualified investors, as defined by Consob by regulation on the basis of the criteria laid down by EU provisions, and listed in the regulated market managed by the Irish stock exchange. The "class A4" bonds are listed both on the regulated market managed by the Luxembourg Stock Exchange and on the ExtraMOT Pro market managed by Borsa Italiana, the Italian Stock Exchange.

As of December 31, 2021, the credit rating assigned by Fitch, Moody's and S&P to the issuer of ADR and to the bonds was BBB-, Baa3 and BBB-, respectively. The outlooks or watches assigned by the agencies are all positive.

On June 4, 2021, Fitch revised the previous rating watch assigned in 2020 (i.e. rating watch with developing implications), to positive after the approval by Atlantia's shareholders' meeting of the sale of the entire stake held in ASPI and its positive impact on the creditworthiness of the entire Atlantia Group.

The approval of the sale of ASPI also generated positive action on ADR's creditworthiness by the other two rating agencies: on June 7, Moody's changed its outlook from negative to positive; on June 22, S&P raised its rating by 1 notch, from BB+ to BBB-, and changed the outlook to positive.

The positive rating status of all the rating agencies shows the possibility of a further improvement in the rating level following the completion of the conditions precedent set out in the agreement for the sale of the stake in ASPI held by Atlantia, and the subsequent completion of the transaction.

The fair value of the bond issues is reported in the table below.

	12.31.2021		12.31.2020	
(Thousands of euros)	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Fixed rate	1,521,416	1,605,633	1,406,336	1,476,815
TOTAL BONDS	**1,521,416**	**1,605,633**	**1,406,336**	**1,476,815**

The fair value of the bond issues was determined on the basis of the market values available as of December 31, 2021; in particular, the future cash flows were discounted by using the discount curves used in market practice (6-month Euribor and 6-month Libor), increased by a credit spread based on ADR's counterparty risk at the valuation date. Compared to December 31, 2020, the fair value of the bonds increased by 129 million euros, a change attributable to the issue of the new sustainability-linked bonds, to the repayment of the ones issued in 2013, as well as to the reduction of almost one percentage point in the credit spread, as can be deduced from the quotations of the Company's bonds.

Medium/long-term loans

(Thousands of euros)	12.31.2020 Carrying amount	Change New loans raised	Repayments	Amortized cost effect	12.31.2021 Carrying amount
Medium/long-term loans	**886,171**	**0**	**(212,500)**	**573**	**674,244**
current share	12,500				17,884
non-current share	873,671				656,360

Medium/long-term loans decreased by 211,927 thousand euros due to the early voluntary repayment of the loan, guaranteed by SACE, granted by a banking syndicate with a par value of 200.0 million euros and the repayment of short-term portions of EIB and CDP loans totaling 12.5 million euros.

Reported below is the main information regarding the medium/long-term loans in place as of December 31, 2021.

(Thousands of euros)

Lender	Name	Amount granted	Outstanding par value	Carrying amount	Currency	Rate	Interest payment frequency	Repayment	Total duration	Expiry
Banking syndicate	Revolving Credit Facility ("RCF")	250,000	0	0	EUR	floating rate indexed to the Euribor + margin	Quarterly (in case of use)	revolving	5 years (*)	07.2023
Banca Nazionale del Lavoro ("BNL")	BNL loan 2020	200,000	200,000	199,678	EUR	floating rate indexed to the Euribor 3M + 1.55%	quarterly	bullet	4 years	05.2024
European Investment Bank ("EIB")	EIB loan 2016	150,000	131,667	131,552	EUR	I tranche (110,000) 1.341%	yearly	amortizing from 2020	14 years	09.2031
						II tranche (40,000) 0.761%		amortizing from 2022	15 years	11.2034
Cassa Depositi e Prestiti ("CDP")	CDP loan 2016	150,000	143,333	143,237	EUR	I tranche (40.000) 1.629%	yearly	amortizing from 2020	14 years	09.2031
						II tranche (30,000) 1.070%		amortizing from 2022	15 years	11.2034
						III tranche (80,000) 1.263%		amortizing from 2023	15 years	03.2035
European Investment Bank ("EIB")	EIB loan 2018	200,000	200,000	199,777	EUR	0.819%	yearly	amortizing from 2023	15 years	09.2035
Total medium/ long-term loans		**950,000**	**675,000**	**674,244**						

(*) the contract originally provided the option of extending the initial deadline of July 2021 by an additional 2 years; this option was exercised by ADR, postponing the original deadline to July 2023.

ADR's bank loans, such as ADR's debt deriving from bond issues under the EMTN Program, are of the senior unsecured type.

The Revolving Credit Facility ("RCF"), fully available as of December 31, 2021, is aimed at ensuring adequate liquidity support for the parent's development plans. This line, which will expire in July 2023, was granted by a banking syndicate as follows as of December, 31 2021: Barclays, BNP Paribas Group, Crédit Agricole Group, Intesa Sanpaolo, Mediobanca, Natixis, Société Générale, and UniCredit. The cost of this credit line varies depending on the rating assigned to ADR.

The bank loan of 200 million euros granted in the second quarter of 2020 by BNL (BNP Paribas Group) pays a floating rate and has a bullet maturity in 2024.

The 2016 EIB and CDP loans were signed on the 300 million euros line approved by the EIB in favor of ADR in 2014 as financial support for the project called "Aeroporti di Roma - Fiumicino Sud", and are divided into a 150 million euros contract granted directly by the EIB and a 150 million euros contract brokered by Cassa Depositi e Prestiti ("CDP"). As of December 31, 2021, these lines of credit were fully used through the drawing of several tranches with final maturities between 2031 and 2034. All the tranches used have an amortizing repayment profile and are at a fixed rate.

An additional loan granted by the EIB in 2018, amounting to 200 million euros, was fully disbursed in 2020. This loan was granted following the update of the Fiumicino Sud infrastructure project, which envisaged an increase in the value of the projects originally financed. The characteristics of the relevant loan agreement are essentially in line with the previous agreement.

For an examination of the main terms and conditions of bank loans, please refer to Note 8 below.

The fair value of the medium/long-term loans is reported in the table below.

	12.31.2021		12.31.2020	
(Thousands of euros)	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate	474,566	468,605	486,998	468,174
Floating rate	199,678	202,811	399,173	401,402
TOTAL MEDIUM/LONG-TERM LOANS	**674,244**	**671,416**	**886,171**	**869,576**

The fair value of the medium/long-term loans was determined based on market values available as of December 31, 2021; in particular, the future cash flows were discounted according to the standard discount curves used in market practice (6-month Euribor), increased by a credit spread based on ADR's counterparty risk at the valuation date.

Compared to December 31, 2020, the fair value of medium/long-term loans fell by 198 million euros, essentially due to the repayments of the year, a change partially offset by the reduction in the credit spread incorporated in the discount rates.

Other financial liabilities

	12.31.2020	Change			12.31.2021
(Thousands of euros)	Carrying amount	New loans raised	Increases for fin. Discounting	Repayments	Carrying amount
Leases	**2,866**	**3,055**	**33**	**(1,572)**	**4.382**
current share	1,046				1,478
non-current share	1,820				2,904

Leases, which includes the present value of liabilities deriving from lease contracts, rose by 1,516 thousand euros due to new leases raised during the year, totaling 3,055 thousand euros, which were partially offset by lease repayments (-1,572 thousand euros).

Derivatives with negative fair value

(Thousands of euros)	12.31.2021	12.31.2020	Change
Currency hedges	69,152	85,872	(16,720)
Interest rate hedges	50,316	134,808	(84,492)
Interest accrual	234	264	(30)
TOTAL DERIVATIVES WITH NEGATIVE FAIR VALUE	**119,702**	**220,944**	**(101,242)**
non-current share	81,230	161,238	(80,008)
current share	38,472	59,706	(21,234)

The ADR Group uses hedging derivatives for currency and interest rate risks to mitigate any future increases in outgoing cash flows attributable to unfavorable changes in currency and interest rates.

As of December 31, 2021 the ADR Group had two cross currency swaps for a total notional capital of 215 million pound sterling / 325 million euros, allowing the cash flows in euro regarding the payment of interest and the redemption of the A4 bond in pound sterling to be stabilized.

As of December 31, 2021, ADR also has other three forward-starting interest rate swap contracts with negative fair value in place from August 2018, for a total notional amount of 300 million euros. These contracts, with activation in February 2022, have the purpose of hedging the interest rate risk on very probable loans aimed at refinancing the bonds to be paid back in February 2023.

During 2021, at the same time as the 500 million euros sustainability-linked bond issue, IRS forward-starting derivatives for a total par value of 400 million euros were settled, adjusting the related negative fair value of approximately 44 million euros at the date of redemption (59 million euros as of December 31, 2020).

Compared to December 31, 2020, derivatives with negative fair value decreased by 101 million euros, due to the aforementioned redemption (59 million euros), the increase in interest rates (25 million euros) and the appreciation of the pound sterling during the year (17 million euros).

Below is a table summarizing the outstanding derivative contracts with negative fair value of the ADR Group as of December 31, 2021.

Counterparty	Company	Instr.	Type	Risk covered	Subscr. Date	Exp.	Notional val-ue hedged	Rate applied	Underlying	Fair value Of the derivative		Fair value Gains (losses)		
										As of 12.31.2021	As of 12.31.2020	Through profit or loss (****)	Through OCI (*)	Amounts paid (**)
Mediobanca, UniCredit	ADR	CCS	CF	I	02.2013	02.2023	325,019	It receives fixed rate in GBP of 5.441% pays fixed rate of 6.4%	Class A4	(12,078)	(20,847)	238	8,531	
				C						(69,152)	(85,872)	16,720	0	
										(81,230)	(106,719)	16,958	8,531	
Société Générale	ADR	IRS FWD (**)	CF	I	09.2017	06.2031	100,000	It pays a fixed rate of 1.606% and receives 6-month Euri-bor	n.a. (Redeemed derivative)	0	(18,690)	0	3,885	14,805
UniCredit, NatWest, Société Générale	ADR	IRS FWD (***)	CF	I	08.2018	02.2032	300,000	They pay an average fixed rate of 1.618% and receive the 6-month Euribor	Debt to be taken on	(38,238)	(54,519)	0	16,281	
Unicredit, BNPP	ADR	IRS FWD (**)	CF	I	10.2016	06.2031	300,000	They pay an average fixed rate of 1.105% and receive the 6-month Euribor	n.a. (Redeemed derivative)	0	(40,752)	0	11,536	29,216
								TOTAL		**(119,468)**	**(220,680)**	**16,958**	**40,233**	**44,021**
								of which:						
								Currency hedges		(69,152)	(85,872)			
								Interest rate hedges		(50,316)	(134,808)			

(*) the change in fair value is posted in the OCI net of the tax effect

(**) forward-starting IRS: the contracts were closed in line with the issue of the new Sustainability-Linked bonds on April 30, 2021.

(***) forward-starting IRS: activation date February 2022.

(****) under item "Net financial income (expense)"

CF: Cash flow - C: Currency - I: interest

In relation to the valuation techniques and the inputs used to determine the fair value of the derivatives, reference is made to Note 9.4 Information on fair value measurement.

Net financial debt

The following table details the net financial debt with an analysis of amounts due to/from related parties, according to Consob communication no. DEM/6064293 of July 28, 2006 and the Warning notice no. 5/21 issued by Consob on April 29, 2021 with reference to ESMA Guideline 32-382-1138 of March 4, 2021.

(Thousands of euros)	12.31.2021	*of which related parties*	12.31.2020	*of which related parties*
Cash (A)	(411,640)		(1,097,229)	
Cash equivalents (B)	(250,000)			
Other current financial assets (C)	(3,676)	(1,350)	(1,350)	(1,350)
LIQUIDITY (D=A+B+C)	**(665,316)**		**(1,098,579)**	
Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt) (E)	38,472		59,706	
Current portion of non-current financial debt (F)	37,903	129	431,431	
CURRENT FINANCIAL DEBT (G=E+F)	**76,375**		**491,137**	
CURRENT NET FINANCIAL DEBT (H=G+D)	**(588,941)**		**(607,442)**	
Non-current financial debt (excluding current portion and debt instruments) (I)	659,264	286	875,491	
Debt instruments (J)	1,602,646		1,167,711	
Trade payables and other current payables (K)	0		0	
NON-CURRENT FINANCIAL DEBT (L=I+J+K)	**2,261,910**		**2,043,202**	
NET FINANCIAL DEBT as per ESMA recommendation of March 4, 2021 (M=H+L)	**1,672,969**		**1,435,760**	
Other non-current financial assets (N)	(718)		(1,188)	
NET FINANCIAL DEBT (O=M+L)	**1,672,251**		**1,434,572**	

6.16 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities are equal to 986 thousand euros and the increase compared to the previous year is attributable to the estimate of the liabilities relating to the long-term incentive plans.

6.17 TRADE PAYABLES

(Thousands of euros)	12.31.2021	12.31.2020	Change
Suppliers	126,340	157,016	(30,676)
Parents	192	2,061	(1,869)
Deferred income	6,753	1,381	5,372
Advances received	7,228	9,816	(2,588)
TOTAL TRADE PAYABLES	**140,513**	**170,274**	**(29,761)**

Trade payables, equal to 126,340 thousand euros, decreased by 30,676 thousand mainly due to the lower volume of investments compared to the last part of the previous year.

Deferred income, equal to 6,753 thousand euros, recorded an increase of 5,372 thousand euros essentially due to the recognition of the credit for contributions relating to the SESAR investment projects financed by the European Union in the Connecting European Facility (CEF) call 2016 and 2017, which led to the recognition of the related deferral to be released to the income statement in line with the relative amortization plans.

Advances received, equal to 7,228 thousand euros, decreased by 2,588 thousand euros, reflecting the lower advances received from customers.

6.18 OTHER CURRENT LIABILITIES

(Thousands of euros)	12.31.2021	12.31.2020	Change
Taxes other than income taxes	105,097	89,679	15,418
Personnel	8,486	4,546	3,940
Social security agencies	7,276	5,590	1,686
Guarantee deposits	13,682	13,478	204
Other	13,525	13,310	215
TOTAL OTHER CURRENT LIABILITIES	**148,066**	**126,603**	**21,463**

Liabilities for taxes other than income taxes mainly include:

- passenger surcharges for 77,833 thousand euros (62,028 thousand euros as of December 31, 2020). This amount was paid the following month after collection of municipal surcharge from carriers, while the outstanding amounts due are recorded in a contra-entry under amounts due from customers. The surcharge on the passenger boarding fee charged to carriers equals 7.5 euros per passenger, of which 5.0 euros allocated to INPS and one euro (commission surcharge) for the commission management of the Municipality of Rome. The increase in the payable for the surcharge of 15,804 thousand euros compared to the end of 2020 reflects the related trend, during the year, of the corresponding collections from carriers;
- 23,305 thousand euros due to the Lazio Regional Authority for IRESA (24,074 thousand euros as of December 31, 2020). This tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Region.

Amounts due to personnel and social security agencies rose by 3,940 thousand euros and 1,686 thousand euros, respectively, mainly due to the assessment of payments due in connection with the reintroduction of variable incentive plans.

Other, equal to 13,525 thousand euros, includes the amount due to ENAC for the variable concession fee of 6,025 thousand euros, down by 2,184 thousand euros compared to December 31, 2020, in relation to the advance payment of 2020 and the payment of the first installment of 2021, made in April 2021 and July 2021 respectively, net of the portion accrued in the year.

7. Notes to the income statement

7.1 REVENUE

Revenue for 2021 is broken down as follows, pursuant to IFRS 15:

	2021			2020		
(Thousands of euros)	Revenue from contracts ifrs 15	Other revenue	Total	Revenue from contracts ifrs 15	Other revenue	Total
AVIATION						
Airport fees	149,656	0	149,656	131,900	0	131,900
Centralized infrastructures	6,193	0	6,193	6,402	0	6,402
Security services	32,241	0	32,241	24,527	0	24,527
Other	10,027	0	10,027	8,007	0	8,007
	198,117	0	198,117	170,836	0	170,836
NON AVIATION						
Sub-concessions and utilities:						
Properties and utilities	6,271	31,041	37,312	6,968	33,458	40,426
Shops	0	32,360	32,360	0	29,561	29,561
Car parks	10,970	0	10,970	9,093	0	9,093
Advertising	2,381	0	2,381	4,039	0	4,039
Other	6,370	9,356	15,726	6,234	527	6,761
	25,992	72,757	98,749	26,334	63,546	89,880
REVENUE FROM AIRPORT MANAGEMENT	224,109	72,757	296,866	197,170	63,546	260,716
REVENUE FROM CONSTRUCTION SERVICES	104,783	0	104,783	98,882	0	98,882
OTHER OPERATING INCOME	433	231,413	231,846	352	12,084	12,436
TOTAL REVENUE	**329,325**	**304,170**	**633,495**	**296,404**	**75,630**	**372,034**
Timing of goods/services transfer:						
Goods and services transferred over time	132,281			126,493		
Goods and services transferred at a point in time	197,044			169,911		

Revenue from airport management of 296,866 thousand euros were still heavily impacted by the effects of the pandemic crisis on traffic. The increase compared to 2020, which had been affected by the border closure measures only starting in March, is 13.9%. In particular, aviation activities recorded an increase of 16.0% due to the recovery of traffic, mainly in the summer months, while the non-aviation sector, with revenue up by 9.9%, benefited from the increase in both passengers and revenue for the works that the new company ADR Infrastrutture carried out for third parties (+8,184 thousand euros), which offset the effects of the operating partialization of the Terminals, inevitably partly closed at Fiumicino airport. In detail, revenue from commercial sub-concessions rose by 9.5%, whilst those from car parks fell by 20.6%; revenue from real estate sub-concessions fell by 7.7% and those from advertising by 41.0%.

Revenue from construction services equal to 104,783 thousand euros (98,882 thousand euros in 2020) refers to revenue from construction services for self-funded works. Consistent with the accounting model adopted, based on the application of IFRIC 12, this revenue, which represents the consideration due for the activity performed, is measured at fair value, determined on the basis of the total costs incurred (external costs and personnel expense). This revenue rose by 5,901 thousand euros compared with 2020, due to the partial recovery of the investment program that, in the second part of the first half of 2020, had been affected by the almost complete suspension of worksites in the entire airport system.

Other operating income equal to 231,846 thousand euros is broken down as follows:

(Thousands of euros)	2021	2020
Grants and subsidies	220,035	83
Gains on sales	107	10
Re-absorption of provisions:		
Default interest	4	0
Expense recoveries	4,955	3,784
Damages and compensation from third parties	207	892
Other income	6,538	7,667
TOTAL OTHER OPERATING INCOME	**231,846**	**12,436**

The increase of 219,410 thousand is essentially attributable to the posting, for 219,237 thousand euros, of the subsidy that the Italian government assigned through Italian Law 178/2020 to airports to offset the losses attributable to the Covid-19 health emergency in the period March 1 - June 30, 2020. For further information, reference should be made to Note 11.5 Information on the effects of the COVID-19 epidemic.

7.2 CONSUMPTION OF RAW MATERIALS AND CONSUMABLES

(Thousands of euros)	2021	2020
Fuel and lubricants	1,025	690
Electricity, gas and water	10,832	4,033
Consumables, spare parts and various materials	6,398	6,668
TOTAL CONSUMPTION OF RAW MATERIALS AND CONSUMABLES	**18,255**	**11,391**

The increase of 6,864 thousand euros compared to the previous year is essentially attributable to the inclusion, starting from the second half of 2021, of Leonardo Energia in the consolidation scope, with a consequent increase in gas purchase costs, and, to a lesser extent, to the increase in the cost of electricity purchased on the market.

7.3 SERVICE COSTS

(Thousands of euros)	2021	2020
Maintenance	41,604	38,537
Renovation of airport infrastructure	43,650	32,096
External service costs	16,600	21,958
Construction services	88,632	92,201
Cleaning and disinfestations	5,614	5,353
Professional services	8,403	8,834
Firefighting services	4,932	6,127
Other costs	25,944	24,699
Remuneration of Directors and Statutory Auditors	945	78
TOTAL SERVICE COSTS	**236,324**	**229,883**

The increase in service costs of 6,441 thousand euros is mainly due to the rise in the costs for renovation of airport infrastructure (+11,554 thousand euros) in relation to the gradual resumption of the investment program and maintenance services (+3,067 thousand euros) linked to the increased operations of airport infrastructure. This trend was partially offset by the decrease in costs for construction services (-3,569 thousand euros), due to the internalization of construction and engineering activities, carried out by the companies ADR Infrastrutture and ADR Ingegneria, and costs for external services (-5,358 thousand euros) essentially attributable to the reduction in external costs for the electricity and thermal energy service due to the consolidation of Leonardo Energia starting from July 1, 2021.

7.4 PERSONNEL EXPENSE

(Thousands of euros)	2021	2020
Salaries and wages	100,316	81,962
Social security charges	29,189	24,323
Post-employment benefits	7,409	6,967
Other costs	1,644	6,755
TOTAL PERSONNEL EXPENSE	**138,558**	**120,007**
of which:		
Cost of personnel dedicated to construction services	13,198	6,586
Cost of personnel dedicated to renovation works of airport infrastructure	3,926	0

The increase in personnel expense of 18,551 thousand euros compared to 2020 is mainly attributable to the impact deriving from the consolidation of ADR Infrastrutture and Fiumicino Energia and the operational start-up of ADR Ingegneria, as well as the allocations for the year relating to the reintroduction of variable short and medium-term incentives and a lower use of social security benefits (CIGS and CIGD), partially offset by the reduction in the net headcount and a decrease in redundancy payments compared to 2020 when an allocation to the provisions for risks and charges of 5,735 thousand euros, classified under personnel expense, had been recognised. Moreover, compared to the previous year, there was a positive effect from the fair value loss on share incentive plans.

To cope with the massive drop in traffic due to the spread of COVID-19, the ADR Group launched a plan to use social security benefits (CIGS/Salary Integration Fund) for the period March 23, 2020 - January 22, 2021 which involved all employees entitled to benefits. This program was extended following an agreement with the trade unions on December 1, 2020 until March 22, 2021. Due to the persistence of the crisis, on March 16, 2021 an additional agreement was signed for the use of the Income Support Treatment (CIGD, Cassa Integrazioni Guadagni in Deroga) for twelve weeks from March 23, 2021, subsequently extended by an agreement signed with the trade unions on June 11, 2021 for a further 28 weeks from June 14, 2021.

The table below shows the average headcount of the ADR Group (broken down by position):

Average headcount	2021	2020	Change
Managers	56.8	51.2	5.6
Administrative staff	285.5	279.4	6.1
White-collars	1,620.7	1,623.5	(2.6)
Blue-collars	1,041.1	1,013.4	27.7
TOTAL AVERAGE HEADCOUNT	**3,004.1**	**2,967.5**	**36.6**

7.5 OTHER OPERATING COSTS

(Thousands of euros)	2021	2020
Concession fees	10,034	8,299
Lease payments	1,004	895
Allocation to (use of) the provisions for renovation of airport infrastructure	17,085	6,753
Allocation to (re-absorption of) provisions for risks and charges	4,573	(956)
Other costs:		
Allocations to loss allowances	137,035	2,505
Indirect taxes and levies	6,531	6,523
Other expense	4,495	2,532
TOTAL OTHER OPERATING COSTS	**180,757**	**26,551**

Concession fees, equal to 10,034 thousand euros, rose by 1,735 thousand euros compared to the previous year and are directly related to the traffic trends.

The item Allocation to (use of) the provisions for renovation of airport infrastructure includes the allocation to the provisions for renovation of airport infrastructure, recognized net of the uses against the costs incurred in the period, classified in the corresponding item of the income statement by nature.

Allocations to provisions for risks and charges amounted to 4,573 thousand euros (-956 thousand euros in 2020). For more details, see Note 6.14.

Allocations to loss allowances are equal to 137,035 thousand euros. The increase compared to the previous year is essentially due to the increased risk assessments which, in relation to the most recent events, affect the expected conditions of recoverability for the receivable from Alitalia SAI under extraordinary administration subject to filing in insolvency proceedings.

7.6 NET FINANCIAL EXPENSE

Net financial expense equals -62,161 thousand euros (-58,317 thousand euros in 2020). The tables below provide details on financial income and expense.

Financial income

(Thousands of euros)	2021	2020
Interest income		
Interest on bank deposits and loans	523	211
Gains on derivatives		
Fair value gains on derivatives	16.958	236
Other income		
Default interest on current receivables	0	29
Interest from tax credits	0	1,044
Interest from customers and others	5	31
TOTAL FINANCIAL INCOME	**17,486**	**1,551**

Financial income mainly increased as a consequence of the fair value gain on the cross currency swap contracts for the Euro/Sterling exchange rate component hedging the A4 bonds issued in pound sterling (+16,720 thousand euros).

This change is offset by a component of the same amount recorded under exchange losses, which refers to the increase in the par value of the bonds in pound sterling.

Financial expense

(Thousands of euros)	2021	2020
FINANCIAL EXPENSE FROM DISCOUNTING PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE	(19)	1,278
Interest on outstanding bonds	34,407	34,595
Interest on medium/long-term loans	8,761	6,623
Effects of applying the amortized cost method	7,761	7,208
Other financial expense - interest	316	1
TOTAL FINANCIAL EXPENSE - INTEREST	**51,245**	**48,427**
Fair value gains (losses) on derivatives	0	13,557
Differentials	11,601	10,144
TOTAL EXPENSE ON DERIVATIVES	**11,601**	**23,701**
Financial expense from discounting employee benefits	62	(3)
Other expense	34	18
TOTAL OTHER EXPENSE	**95**	**15**
TOTAL FINANCIAL EXPENSE	**62,923**	**73,421**

The Financial expense from discounting provisions for renovation of airport infrastructure, equal to -19 thousand euros, includes the financial component for the discounting of the provision and dropped by 1,297 thousand euros consequently to the update of the rate used.

Interest on medium / long-term loans, equal to 8,761 thousand euros, increased by 2,138 thousand euros compared to 2020 due to the higher average debt for the year following requests for 580 million euros in the second and third quarters of 2020, partially offset by the voluntary early repayment of the Loan backed by the SACE guarantee in June 2021.

The fair value losses on derivatives amounted to 0 thousand euros compared to 13,557 thousand euros in the previous year that included the fair value loss on the cross currency swap contracts for the Euro/

Sterling exchange rate component hedging the A4 bonds issued in pound sterling.

The item Differentials includes the portion of the hedging reserve recorded in the income statement in 2021, relating to the negative fair value of both the forward-starting interest rate swap derivatives signed in 2015 and subject to unwinding (closing) in June 2017 and of the IRS forward-starting derivatives signed in 2016-2017 and subject to unwinding (closing) in April 2021, and is equal to 4,242 thousand euros.

Exchange gains (losses)

(Thousands of euros)	2021	2020
Exchange gains	22	13,587
Exchange losses	(16,746)	(34)
TOTAL EXCHANGE GAINS (LOSSES)	**(16,724)**	**13,553**

For the notes refer to the paragraph relating to Financial income and expense. .

7.7 SHARE OF PROFIT (LOSS) OF EQUITY-ACCOUNTED ASSOCIATES

This item, equal to -1,385 thousand euros, includes the effect of the impairment loss on the equity investment in the associate Spea Engineering S.p.A. (342 thousand euros in the previous year relating to the combined effect of the revaluation of the investment in the associate Spea Engineering S.p.A. equal to 1,270 thousand euros and the impairment loss of the investment in the then associate Pavimental S.p.A. for 928 thousand euros).

7.8 INCOME TAXES

(Thousands of euros)	2021	2020
CURRENT TAXES		
IRES	(69,659)	(3,095)
IRAP	743	279
Substitute tax	10,980	0
	(57,936)	**(2,816)**
DIFFERENCES ON CURRENT TAXES OF PREVIOUS YEARS		
Income taxes of previous years	(963)	(791)
	(963)	**(791)**
DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets	(12,619)	(34,737)
Deferred tax liabilities	68	419
	(12,551)	**(34,318)**
TOTAL INCOME TAXES	**(71,450)**	**(37,925)**

With reference to IRES, please note the automatic renewal, for the three-year period 2020-2022, of the option for the group taxation with the Parent Atlantia, pursuant to art. 117 of TUIR (Italian Tax Code) for ADR S.p.A., and the Group companies ADR Tel S.p.A., ADR Assistance S.r.l., ADR Mobility S.r.l. and ADR Security S.r.l., as well as the addition, from 2021, of Airport Cleaning S.r.l., ADR Ingegneria S.p.A. and ADR Infrastrutture S.p.A..

The estimate of the 2021 IRES tax burden is consolidated taxation income, corresponding to the IRES tax benefit of 24% on the tax loss recognized in the year, which can be transferred to the group tax consolidation as it can be used to offset the profits generated in the Atlantia group, and the recognition of income related to a portion of past tax losses remunerated in 2021 (amounting to 14,989 thousand euros).

Current taxes include the substitute tax (at the rate of 3%), amounting to 10,980 euros, assessed in relation to the alignment, pursuant to Italian Law Decree no. 104/2020 converted with amendments into Italian Law no. 126 of 2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired.

Deferred tax assets and liabilities were determined on the basis of the tax rates that are expected to be applied when these differences will be reversed. For more details on the calculation of deferred tax assets, reference should be made to Note 6.5.

The incidence of the taxes for the year on the loss before taxes equals 63.67% (1.7% in 2020).

The analysis of the difference between the theoretical and the actual tax rate for IRES is reported below:

	2021		2020	
(Thousands of euros)	Taxable amount	Tax	Taxable amount	Tax
LOSS FROM CONTINUING OPERATIONS BEFORE TAX-ES	(109.408)		(181.609)	
THEORETICAL RATE		24%		24%
THEORETICAL IRES		(26,258)		(43,586)
Permanent differences (*)	(223,048)	(53,532)	15.166	3,640
Temporary differences	107,299	25,752	(36.660)	(8,798)
Temporary differences on tax loss	(65,086)	(15,621)	190.206	45,649
ACTUAL IRES		(69,659)		(3,095)
ACTUAL RATE		63.67%		1.7%

(*) of which in 2021 taxable amount of 219,237 thousand euros relating to the COVID-19 relief

8. Guarantees and covenants on medium/long-term financial liabilities

The "Issuer Substitution" transaction performed in 2016 canceled the comprehensive security package established in 2003 to support the Romulus debt structure, for which only Class A4 remains to date. The only residual, though more limited, guarantee that remains in favor of this issue, is a "deed of assignment" under British law on any receivables of ADR related to cross currency swaps contracts in place with the counterparties Unicredit and Mediobanca. In any case, this guarantee is limited to a maximum value of 96.5 million euros.

ADR has also pledged the entire equity investment in Azzurra, equal to 7.77% of the share capital, in favor of financial creditors of Azzurra Aeroporti (bondholders and banks that have signed hedging derivative transactions). In addition to this collateral, in the context of the same loan transaction for Azzurra Aeroporti, ADR has provided Atlantia with a counter-guarantee, limited to a maximum value of 1.3 million euros, for the obligations taken on by Atlantia itself with regard to a bank that has granted, in the interest of Azzurra Aeroporti, a guarantee in favor of the latter's financial creditors to service the debt of the transaction in question

ADR's loan agreements include financial covenants among the contractual clauses, which are calculated on a final basis with the contracts applied to the companies with investment grade rating. Worth mentioning is that the EIB and CDP contracts require compliance with a leverage ratio threshold not exceeding 4.75x, which drops to 4.25x in case of the company's rating level to BBB-/Baa3 or lower. The Revolving Credit Facility contract and the new financial contract signed in 2020 with BNL also include a maximum leverage ratio threshold.

The financial ratios must be checked twice a year, in accordance with the agreements, by applying the calculation formulas to the Group's reference data (which must exclude any equity investments in companies funded through non-recourse financial debt) in the Annual Financial Report as of December 31 and the Interim Financial Report as of June 30. Given the persistence of the pandemic crisis, the derogation from the consequences deriving from exceeding the mentioned financial covenants (so-called covenant holiday) was lastly extended, for all counterparties, up to the calculation date of June 30, 2022 included. The Company continues to carefully monitor compliance with the terms set out in the financial documentation, in order to be able to request any extensions of the covenant holidays in force well in advance.

Moreover, the loan agreements call for acceleration, termination and withdrawal conditions typical for loans of this type.

The documentation of the EMTN Program does not provide for compliance with financial covenants nor obligations to perform/not perform in line with market practice for investment grade issuers.

9. Other guarantees, commitments and risks

9.1 GUARANTEES

As of December 31, 2021, the ADR Group has outstanding guarantees, issued as part of the loan agreements mentioned in Note 8. Sureties were not issued to customers and third parties (0 million euros as of December 31, 2020).

9.2 COMMITMENTS

The ADR Group does not have specific commitments on purchases other than those regarding investment activities.

9.3 MANAGEMENT OF FINANCIAL RISKS

Credit risk

As of December 31, 2021, ADR Group's maximum exposure to credit risk is equal to the carrying amount of the trade and financial assets shown in the financial statements, as well as the nominal amount of the guarantees provided for third parties' debt or commitments.

The greatest exposure to credit risk is related to amounts due from customers. The risk of customers' default is managed by making allocations to specific loss allowances, whose balance is reviewed from time to time. The ADR Group's policy in this respect involves making provisions for each position, depending on the age of the receivable, the creditworthiness of the individual customer, as well as the status in the receivable management and collection process.

The Group's commercial and credit protection policies set out the procedure illustrated below for checking the awarding level in receivables:

- cash payment is required in transactions with consumers (multilevel and long-term parking lots, first aid, etc.), with occasional counterparties (e.g. club memberships, luggage porters, taxi access management, etc.);
- cash payment or prepayment is required from occasional carriers without a satisfactory credit profile or collateral;
- credit terms are extended to loyal customers considered reliable (carriers with medium-term operational plans and sub-concessionaires). However, these customers' creditworthiness is monitored and, where necessary, adequate collateral is required.

The COVID-19 crisis led to a situation of deep, albeit temporary, financial crisis involving the entire airport industry. The ADR Group is taking extraordinary measures (lengthening payment times, eliminating early billing, recovery plans) aiming to help overcome the current situation, trying to minimize the triggering of irreversible crisis situations for its customers.

As regards investments in liquidity and transactions in derivative contracts, the Group manages credit risk in compliance with the principles of prudence and in line with market "best practices", as outlined in internal policies, preferably by resorting to counterparties with high credit standing and monitoring on an ongoing basis that no significant concentrations of credit risk occur.

Liquidity risk

Liquidity risk is the risk that the available financial resources may be insufficient to cover the maturing obligations. In consideration of ADR Group's ability to generate cash flows, the diversification of the sources of financing and the availability of lines of credit, the Group believes it has access to sufficient sources of finance to meet the planned financial requirements.

As of December 31, 2021 the ADR Group had a liquidity reserve of 911.6 million euros, comprising:

- 661.6 million euros related to cash and cash equivalents;
- 250.0 million euros of unused credit facilities (for more details, see Note 6.15).

For information on the effects of the COVID-19 epidemic, reference should be made to Note 11.5.

The tables below represent the payments that are contractually due in relation to the financial assets and liabilities, including interest payments.

	12.31.2021				
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,755,005)	(38,677)	(284,578)	(65,250)	(1,366,500)
Medium/long-term loans	(716,760)	(24,930)	(47,049)	(331,800)	(312,981)
Derivatives with positive fair value	1,945	(239)	(347)	169	2,362
Derivatives with negative fair value	(116,405)	(7,941)	(76,011)	(12,851)	(19,602)
TOTAL	**(2,586,225)**	**(71,787)**	**(407,985)**	**(409,732)**	**(1,696,721)**

	12.31.2020				
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,576,082)	(433,179)	(26,838)	(280,315)	(835,750)
Medium/long-term loans	(937,425)	(20,747)	(145,903)	(414,838)	(355,937)
Derivatives with negative fair value	(214,621)	(8,353)	(15,566)	(125,269)	(65,433)
TOTAL	**(2,728,128)**	**(462,279)**	**(188,307)**	**(820,422)**	**(1,257,120)**

Interest rate and currency risk

The ADR Group uses interest rate derivatives, with the objective to mitigate, at acceptable terms and conditions, the potential effects of changes in interest rates and exchange rates on its financial performance and on the expected cash flows.

As of December 31, 2021 the ADR Group has:

- cross-currency swaps, originally signed in 2003 and transferred to new counterparties in 2010, to cover the A4 bonds in pound sterling; A4 bonds, equal to a par value of 215 million pound sterling and included in the series of bond issues originally issued by Romulus Finance, were actually hedged, for the entire duration and amount (until expiration in 2023) by two euro/sterling cross-currency swaps. The characteristics of this derivative are described in Note 6.15;

- five forward-starting interest rate swaps, of which i) three signed on August 7, 2018, for a total par value of 300 million euros, effective from February 2022, for a duration of 10 years, ii) two signed on December 20, 2021, for a total par value of 100 million euros, effective from April 2022, for a duration of 10 years. The characteristics of these derivatives are described in Note 6.4 and Note 6.15.

The Group does not have any other financial transactions in foreign currency in place.

Sensitivity analysis

RATE RISK EXPOSURE AND SENSITIVITY ANALYSIS	FAIR VALUE MEASUREMENT		INTEREST RATE RISK				CURRENCY RISK			
			SHOCK UP +10 BPS IR		SHOCK DOWN -10 BPS IR		Shock up +10% FX		Shock down -10% FX	
	12.31.2021	12.31.2020	12.31.2021	12.31.2020	12.31.2021	12.31.2020	12.31.2021	12.31.2020	12.31.2021	12.31.2020
Non derivative financial liabilities (cash flow sensitivity)	(2,277,049)	(2,346,390)	(300)	(236)	300	236	0	0	0	0
Non derivative financial liabilities (balance sheet sensitivity)	(2,277,049)	(2,346,390)	0	0	0	0	(25,587)	(23,915)	25,587	23,915
Derivatives with positive fair value treated in hedge accounting (balance sheet sensitivity)	1,900	0	918	0	(1,030)	0	0	0	0	0
Derivatives with negative fair value treated in hedge accounting (balance sheet sensitivity)	(119,468)	(220,681)	3,093	8,009	(3,442)	(8,106)	25,587	23,915	(25,587)	(23,915)

The main sources of exposure of the ADR Group to the interest rate and currency risk are related to the bonds, floating rate bank loans and the existing derivatives. In particular, the potential impacts on the income statement and the statement of financial position for the year 2021 (2020 for the comparison) related to the interest rate risk are:

- The potential change of the financial expense and differentials regarding the derivatives in place;
- the potential change of the fair value of the derivatives in place.

The ADR Group has estimated the potential consolidated impacts produced by a shock to the interest rates and exchange rates, by using internal assessment models based on generally accepted logics. Hypothesized in particular were:

- for the derivatives and floating rate bank loans, a parallel change of +10 basis points (+0.1%) and -10 basis points (-0.1%) of the term rate curve;
- for the bonds issued in foreign currency and the relative derivatives, a change in the GBP/EUR exchange rate of +/-10%.

The effects highlighted in the table in particular report the change, compared to the base scenario, in the hypotheses of Shock up and Shock down in the different market data.

9.4 INFORMATION ON FAIR VALUE MEASUREMENTS

Below is the fair value measurement at year end and the classification according to the fair value hierarchy of the assets and liabilities measured at fair value on a recurring basis (there are no assets or liabilities measured at fair value on a non-recurring basis):

				12.31.2021
(Thousands of euros)	Level 1	Level 2	Level 3	Total
Derivatives with positive fair value	0	1,900	0	1,900
Derivatives with negative fair value	0	(119,468)	0	(119,468)
TOTAL HEDGING DERIVATIVES	**0**	**(117,568)**	**0**	**(117,568)**

The only financial instruments of the Group measured at fair value are the derivatives described in Note 6.15. These derivatives are included in "level 2" of the "fair value hierarchy" defined by IFRS 7, with the fair value measured based on techniques that use parameters that can be observed in the market, other than the price of the financial instrument.

During 2021 no transfer took place between the various fair value hierarchy levels.

With reference to the financial liabilities, for which Note 6.15 indicates the fair value, this fair value is also included in level 2 of the "fair value hierarchy" defined by IFRS 7.

9.5 LITIGATION

As regards litigation, the ADR Group carried out an assessment of the risk of negative outcomes leading to the creation, prudentially, of a specific provision under "Provisions for risks and charges" to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. No specific allocations were made for disputes for which a negative outcome was merely possible, given the different legal interpretations. Furthermore, there is a limited number of civil proceedings underway for which no provisions were made, as the impact of any negative outcome for the ADR Group, while negligible, could not be measured.

In the Group's judgment, current litigation and other potential disputes should not give rise to liabilities greater than the amount that has already been provided for.

Tax litigation

The most significant disputes involving the Parent ADR are shown below, given that there are no significant disputes involving other Group companies, which might lead to potential liabilities not recorded in the Consolidated financial statements.

LITIGATION WITH THE CUSTOMS OFFICE - ELECTRICITY

- In 2006, the Tax Office of Rome (UTF - now the Customs Office) issued demands for payment of a total of 13 million euros (including interest, expenses and sanctions), regarding failure to pay the tax on electricity consumption and the related surcharge for the period 2002-2006 in addition to notifications of administrative irregularities. The disputes relate to the alleged sale to third parties of electricity acquired by ADR, as well as the refusal to recognize the subsidy applied to entities qualifying for inclusion in the "industrial operators" category. After the judgment on the merits in favor of the parent, the Supreme Court filed nineteen rulings with which the grounds for appeal proposed by the State Attorney's Office were admitted, rejecting those proposed by the parent on cross-appeal. On October 8, 2019, the Supreme Court filed four rulings in favor of the parent concerning four Documents imposing administrative sanctions issued by the Customs Office. On February 28, 2020, the Supreme Court filed the ruling concerning additional three impositions of administrative sanctions which dismissed the case on the merits, which is the subject of the proceedings and ordered that the case be referred to the Regional Tax Commission to examine the tax effects of the case for the purposes of resolving the related sanctions. On November 18, 2021 the Regional Tax Commission filed the ruling with which the appeal for referral proposed by ADR was partially accepted. The parent, deeming his reasons for the applicability of the exemptions from sanctioning liability invoked in court to be unaffected, will present an appeal to the Supreme Court.

- Similar to the audits undertaken for the years 2002-2006 by the Rome Tax Office, the Customs Office began two subsequent audits of ADR on its taxation of consumption, excise tax and surcharge on electricity in the periods 2007-2010 and 2011-2012. The Revenue Agency also provided the tax assessment notices of the VAT due on the excise duties at issue for the same years.
- In relation to the payment orders issued by the Customs Office for the tax periods 2007-2010 and the Revenue Agency for 2007 VAT, the parent lodged a complaint with the Supreme Court against the unfavorable rulings of the Regional Tax Commission, while settling the dispute of the 2011 and 2012 tax periods.

For the new tax assessment notices notified by the Revenue Agency for the VAT due on the consumption taxation for the years 2008-2012, the Company filed the relevant appeals, which were not accepted by the Provincial Tax Commission. Considering its arguments still open, ADR lodged an appeal against the rulings of first instance with the Regional Tax Commission, which confirmed the first instance ruling for two years, whilst it upheld the Company's appeals for two others. Appeals have been lodged with the Supreme Court for all second instance proceedings.

ICI/IMU

- In 2011, the Municipality of Fiumicino notified ADR tax assessments for the failure to pay the local property tax only for 2007-2009 regarding buildings of Alitalia Technical Area. The Company contested the mentioned deeds and appealed before the Provincial Tax Commission. For the year 2007, the Commission accepted the appeal filed by the company and the final ruling was issued, while the appeals for the other two years were rejected. ADR therefore appealed with regard to the years 2008 and 2009, both rejected by the Regional Tax Commission. The Company has appealed to the Supreme Court.

Administrative, civil and labor litigation

The most significant disputes involving the Parent ADR are shown below, given that there are no significant disputes involving other Group companies, which might lead to potential liabilities not recorded in the Consolidated financial statements.

AIRPORT FEES AND TARIFF ADJUSTMENT

- In 2014, Easyjet Airline Company Ltd notified ADR of an appeal to the Lazio Regional Administrative Court for the cancellation, with prior suspension, of the restructuring of the passenger boarding fees from March 1, 2014, in connection with the determination of the new transit fees, introduced with ENAC directive of December 27, 2013. In the plaintiffs' opinion, the aforementioned restructuring would constitute a violation of Italian and EU legislation. In 2014, the Lazio Regional Administrative Court rejected Easyjet's application for interim relief since the appeal was not secured by the "fumus boni iuris". An announcement of the date of the relevant hearing is pending.
- On April 11, 2019 ADR filed an extraordinary appeal to the President of the Republic challenging and requesting the annulment of measure of December 24, 2018, with which ENAC General Manager

updated the charges for the regulated services provided by the airport manager for the year 2019, in execution of the annual activity of monitoring of the charges parameters k, v and ε pursuant to art. 37-bis paragraph 4 of the Planning Agreement between ENAC and ADR. On June 10, 2019, ENAC opposed the extraordinary appeal and ADR moved the appeal to the President of the Republic before the Lazio Regional Administrative Court. The date of the relevant hearing is pending.

AIRPORT FUEL SUPPLY FEES

- ENI S.p.A. has brought a claim before the Rome Civil Court against its own client airlines in order to ascertain their obligation to pay the oil company the amounts it owes to airport operators, and to order them to pay the amount accrued since October 2005. In the same claim, ENI S.p.A. has also brought a secondary claim against airport operators, including ADR, in order to ascertain that the concession fees paid by ENI to airport operators should not be calculated on the basis of the amount of fuel supplied to airlines. Moreover, as specifically regards ADR, ENI requests that the parent be ordered to return the amount paid since October 2005, totaling 0.2 million euros and that it be determined that ENI does not owe the amount of 1.1 million euros requested by ADR until May 2006 and as yet unpaid. The judgment is currently pending before the Court of Rome, as per referral from the Court of Appeal and contextual reinstatement following the recognition of the jurisdiction of the ordinary Judge. The technical accounting expert investigation ordered by the Judge is in progress; the hearing to examine such expert investigation has been set for October 19, 2022.
- Alitalia LAI under extraordinary administration has begun separate legal proceedings at the Civil Court of Milan and Rome against some oil companies to force them to return the amounts paid from time to time as royalties on fuel in the period 2000-2009, due to the alleged mismatch between these amounts and the management costs for the specific service. In these proceedings, the oil companies invoked ADR and other airport operators as third parties, in consideration of the fact that the royalties on fuel were requested by these companies. Within the proceedings, economic and accounting appraisals were ordered. Some of the rulings are still pending, including at the appeal stage. In particular:
  - In February 2020, three rulings were published with which the Court of Milan, in the proceedings brought by Alitalia LAI against Total Aviazione Italia and Air Total International SA, KAI (formerly Shell Italia Aviazione) and KRI (formerly Shell Italia) and Tamoil, respectively, accepted, albeit partially, the request made by Alitalia against the oil companies and, accepting the related indemnity claims made against the airport operators, ordered the latter to repay the oil companies specific amounts (in particular, with regard to ADR: 1.7 million euros to Total Aviazione Italia and Air Total International, 0.8 million euros to KAI and KRI and 0.4 million euros to Tamoil). ADR and the other operators challenged the rulings before the Milan Court of Appeal. For the appeals against KAI-KRI and against Total Aviazione and Air Total, the rulings are pending; for the appeal against Tamoil, the hearing to pronounce the final judgment is set for February 16, 2022;
  - In March 2020 the ruling was published with which the Court of Rome, in the case brought by Alitalia LAI against Air BP Italia, rejected the carrier's claim against the oil company and, consequently, the airport operators, including ADR, which are being sued as third parties. Alitalia LAI has appealed. The first hearing for the Parties was postponed to March 25, 2023;
  - In August 2020 the ruling was published with which the Court of Rome, in a case brought by Alitalia LAI against Kuwait Petroleum Italia, rejected the carrier's claim against the oil company and, consequently, the airport operators, including ADR, which are being sued. Alitalia LAI has appealed. The first hearing for the Parties is set for May 9, 2022;
  - In December 2021, the ruling was published by which the Court of Rome, in the judgment initiated by Alitalia LAI against Esso Italiana S.r.l. and Exxommobil Aviation International limited, partially

accepted Alitalia's request, condemning Exxonmobil to return airport fees to Alitalia, to the extent of 5.2 million euros, and accepted the request for a guarantee and indemnity, ordering ADR, SEA and SABCO to reimburse Exxonmobil the aforementioned amount. ADR has appealed; the court appearance is scheduled for June 7, 2022.

DECREE FOR THE APPROVAL OF THE AIRPORT NOISE REDUCTION AND ABATEMENT PLAN OF THE AIRPORT OF CIAMPINO

- With appeal of March 7, 2019 at the Lazio Regional Administrative Court ADR challenged, without requests for precautionary measures, Italian Ministerial Decree no. 345/2018 with which the Ministry of the Environment and Land and Sea Conservation approved, with conditions, the ADR Intervention Plan for Noise Reduction and Abatement ("PICAR"). The appeal was discussed on November 18, 2020 and March 17, 2021; the Lazio Regional Administrative Court rejected it.
- Ryanair also challenged Italian Ministerial Decree no. 345/2018, asking for its suspension, with an appeal to the Lazio Regional Administrative Court of February 18, 2019, subsequently submitting additional reasons. ADR has taken formal legal action. The Lazio Regional Administrative Court, with Order of May 8, 2019, accepted the precautionary measures requested by Ryanair and therefore suspended PICAR with respect to the reduction of daily movements at the airport at gate no. 65. With a ruling dated March 17, 2021, the Lazio Regional Administrative Court rejected the appeal. Ryanair appealed against this ruling to the Council of State, requesting an adjournment, which the Council granted, also setting a hearing to discuss the merits for September 16, 2021. With a ruling published on October 18, 2021, the Council of State rejected the carrier's appeal, ruling definitively on the legitimacy of the challenged ruling.
- ADR was notified of two further appeals against Italian Ministerial Decree no. 345/2018, filed by the carrier Wizzair operating in Ciampino: one for damages (still pending) and an extraordinary one to the President of the Republic, then moved to the Lazio Regional Administrative Court in 2019 on ADR's request. At the Regional Administrative Court, Wizzair's lawyer waived the suspension and asked for the discussion of the appeal to be combined with those of Ryanair on the same subject. With a ruling dated March 17, 2021, the Lazio Regional Administrative Court rejected the appeal and Wizzair contested this ruling to the Council of State. With a ruling published on January 31, 2022, the Council of State rejected the carrier's appeal.

INTERMINISTERIAL DECREE 179/2020 OF THE MINISTRY OF THE ENVIRONMENT AND LAND AND SEA CONSERVATION AND OF THE MINISTRY FOR CULTURAL HERITAGE AND ACTIVITIES: NEGATIVE OPINION ON THE ENVIRONMENTAL COMPATIBILITY MASTER PLAN FOR 2030 OF FIUMICINO AIRPORT

On September 3, 2020, the Interministerial Decree no. 179/20 was published on the website of the Ministry of the Environment, in which the procedure for the Environmental Impact Assessment (EIA) of the Master Plan for 2030 relating to the development north of Fiumicino airport was negatively concluded. ADR challenged the afore mentioned Decree (and all the deeds conditioned, connected and consequential to it) before the Lazio Regional Administrative Court with an appeal notified on October 7, 2020.

ENAC also challenged the aforementioned decree before the Regional Administrative Court by means of "additional reasons" to its previous appeal with which it had challenged the opinion on the Master Plan for 2030 expressed by the EIA Technical Commission.

With a ruling of March 2021, the Lazio Regional Administrative Court rejected the appeals of ADR and ENAC as inadmissible because, in the opinion of the Regional Administrative Court, the 2030 Master Plan is to be considered incompatible ab origine with the provisions of the 1996 decree that established the Reserve. In any case, the Regional Administrative Court does not rule out the power of the competent bodies to re-regulate the reserve by activating the procedures provided for by law. No appeal was lodged to the Council of State.

RESOLUTION OF THE TRANSPORT REGULATORY AUTHORITY (ART) CONCERNING THE PUBLIC CONSULTATION FOR THE REVIEW OF THE "AIRPORT FEE REGULATION" MODELS

In November 2019 ADR challenged the Authority's resolution no. 118/2019 of August 1, 2019 before the Lazio Regional Administrative Court without suspensive relief, objecting to the Authority's radical lack of power to introduce changes to the tariff adjustment models set forth in the Planning Agreement signed between ENAC and ADR pursuant to art. 17, paragraph 34-bis, of Italian Law Decree no. 78/2009. Indeed, by express regulatory provision, the tariff system provided for in the planning agreements "under derogation" is a "multiannual" tariff system, with updating procedures that are "valid for the entire duration of the concessionary relationship". With additional reasons, on October 15, 2020, ADR challenged resolution no. 136/2020 of July 16, 2020 with which the ART concluded the procedure and approved the airport fee regulation models attached to the same resolution, confirming, among other things, that it holds an alleged power to define the aforementioned fees also with reference to operators - such as ADR - acting on the basis of a Planning Agreement under derogation. ADR then requested access to the documents, in order to have knowledge and a copy of the ministerial opinions stated in the last resolution challenged; the application was accepted by ART on November 10, 2020.

On November 13, 2020, IBAR also challenged Resolution ART no. 136/2020 with an extraordinary appeal to the Head of State; the appeal was then transferred to the Piedmont Regional Administrative Court and ADR appeared before the court in this case as well.

At the hearing of June 9, 2021 of both judgments, the Board, having considered the requests of the parties, adjourned both cases to a date to be determined.

2019 EXTRAORDINARY MAINTENANCE PLAN - FIUMICINO AIRPORT

With appeal of December 2019, ADR challenged, without requesting suspension, the deed by which ENAC approved, with exceptions, requirements and clarifications, the Extraordinary Maintenance Plan for Fiumicino airport. In particular, ENAC was challenged for the omission of some of the interventions included by ADR in the Plan. The date of the relevant hearing is pending. Similar appeals were subsequently filed on February 5, 2021, with which ADR appealed to the Regional Administrative Court against the two ENAC measures with which the Authority approved the 2019 Extraordinary Maintenance Plans for Fiumicino and Ciampino airport. The date of the relevant hearing is pending.

BANKRUPTCY PROCEEDINGS INVOLVING CUSTOMERS

- A series of rulings passed by the Bankruptcy Court in Rome have declared the following companies bankrupt: Alitalia S.p.A. under extraordinary administration, Volare S.p.A. under extraordinary administration, Alitalia Express S.p.A. under extraordinary administration, Alitalia Servizi S.p.A. under extraordinary administration, and Alitalia Airport S.p.A. under extraordinary administration. Between the end of 2011 and 2013, insolvency claims were initially filed, followed by distribution plans. Subsequently, in 2014, 10.3 million euros were collected as "insolvency claim" secured by a lien. On March 19, 2014, 0.1 million euros were collected in accordance with the distribution plan for Alitalia Express under extraordinary administration.
- In May 2020, Alitalia SAI under extraordinary administration summoned ADR before the Civil Court of Civitavecchia, requesting the revocation of the payments made to the parent in the six months prior to the date of entering the extraordinary administration procedure of May 2, 2017. The statement of claim for the payments - made to ADR between November 2016 and January 2017 - for which the revocation was requested, with consequent declaration of ineffectiveness and relative return to Alitalia SAI under extraordinary administration, was quantified at a total of 34 million euros, plus legal interest and monetary revaluation. Similar injunctions were served by Alitalia SAI under extraordinary administration to ADR Mobility and ADR Tel (statement of claim equal to 1.3

million euros and 0.1 million euros, respectively). Pending the judgments, on December 23, 2021, an agreement was formalized between the parties, with which, among other things, with regard to the specific revocation action, ADR acknowledged the return of 25.5 million euros to settle any greater claim for capital, interest and expenses, without prejudice to the right of ADR itself to introduce in the insolvency proceedings the restitution receivable pursuant to art. 70 of the Bankruptcy Law for the entire amount recognized. On the basis of the various arrangements covered by the agreement, Alitalia SAI under extraordinary administration agreed to pay ADR 35.9 million euros, which took place within the established terms, relating to receivables accrued after 12.31.2019.

SUB-CONCESSION OF RETAIL OUTLETS

- ADR has entered into civil proceedings against Moccia Conglomerati S.r.l. in order to ascertain the resolution of the sub-concession agreement regarding an area to be allocated to a system for the production and marketing of asphalt concrete, as a result of serious breach by the counterparty, requesting the immediate release of the area and to obtain compensation for damages. Within the framework of the ruling, Moccia filed a counterclaim towards ADR for 38.4 million euros, 33.6 million euros of which for loss of earnings. With a ruling published in May 2021, the Court of Rome, accepting ADR's alternative claim, declared the termination of the sub-concession agreement due to unexpected impossibility of performance, and ordered Moccia to immediately return the area and pay unlawful occupation benefit for 2.5 million euros. Moccia appealed; the case was adjourned to pronounce the final judgment, at the hearing on October 27, 2022.

TENDERS

- ATI Alpine Bau, which was awarded the contract for works relating to the upgrading of Runway 3 at Fiumicino airport, appealed the 2006 ruling handed down by Rome's Civil Court. This sentence ordered ADR to pay 1.2 million euros, plus revaluation, interest and expenses. The appeal reiterates the claims for damages made in first instance (66 million euros, including interest and revaluation). With a ruling filed in 2014, the Court of Appeal of Rome substantially rejected the appeal on the proposals of the ATI Alpine Bau and declared the contract stipulated in 1997 terminated, due to the fault of the ATI contractor. In 2015, Fallimento Alpine filed an appeal to the Supreme Court, rejected by order communicated on June 16, 2020. In October 2020, ADR proposed a judgment to vary the ruling of the Civil Court of Rome in 2006 in order to attempt recovery, albeit against a party bankrupted by then, of the amount paid to the counterparty at the time. The issue of the ruling is pending. In January 2021, both Fallimento Alpine and Itinera S.p.A. (incorporating company of Abc Costruzioni, one of the original principal companies of the ATI) filed an appeal to the Supreme Court for revocation of the aforementioned order. The date of a hearing to discuss the matter is yet to be announced.

- In November 2018 Cimolai S.p.A. (in ATI with Sertech S.p.A., RPA S.r.l. and Tecnica Y Projectos S.A.) brought proceedings against ADR in relation to certain claims registered as part of the contract to build Pier C. The total statement of claim amounts to 64.4 million euros plus interest and monetary revaluation. In June 2020, the Investigating Judge decided to carry out an expert appraisal "in order to verify the timeliness, correctness and grounds for the reservations entered and the claims for damages proposed". The expert operations began in October 2020. Also following the postponement of the terms as requested by the Technical Consultants and accepted by the Judge, the expert's final report dated July 31, 2021 was filed with which, partly amending the conclusions reached by the same in the draft of June 5, 2021, an amount of 3.7 million euros was recognized in favor of the contractor, releasing an additional amount of 24.6 million euros to the Court's assessment (the provisional draft recognized in favor of Cimolai an amount of 5.6 million euros, releasing an additional amount of 4 million euros to the Court's assessment). The judgment to pronounce the final conclusions is scheduled for December 15, 2022.

ANAC RESOLUTION ON THE PIER C TENDER

With reference to the surveillance procedure pursuant to Italian Legislative Decree no. 50/2016, initiated by ANAC in October 2016, with regard to the tender for Pier C (currently Pier E and front of the building), on September 4, 2019, the Authority issued resolution no. 759, which confirmed almost all of the objections raised since the start of the proceedings and ordered the forwarding to the Court of Auditors as well as to ENAC and the MIT, requesting also ADR to "assess the possible initiatives to be taken while informing the Authority of any consequent measures intended to be adopted".

Consequently, on October 18, 2019 ADR notified an appeal to the Lazio Regional Administrative Court, without suspensive relief, requesting the cancellation of the above-mentioned ANAC Resolution. An announcement of the date of the relevant hearing is pending. In addition, ADR informed the Certifying Bodies (SOA) of Cimolai and the subcontractors about the assessments carried out by the ANAC on the qualification of certain categories of works, related to the contract in question, for the purposes of their subsequent assessments and determinations.

TERMINAL 3 FIRE

Regarding the fire that, on the night between May 6 and 7, 2015, affected a large area of Terminal 3 (hereafter also "T3"), a proceeding is pending before the Public Prosecutor at the Court of Civitavecchia; the proceeding regards the offences under articles 113 and 449 of the Italian Criminal Code (participation in arson) and personal injury, in relation to which, on November 25, 2015, the measure under art. 415-bis of the Criminal Procedure Code was issued, notifying the conclusion of the preliminary investigation against: (i) five employees from the contractor for the ordinary maintenance of the air-conditioning systems and two ADR employees, all investigated also with regard to the offence under art. 590 of the Criminal Code (personal injury through negligence), (ii) the then Managing Director of ADR in the capacity as "employer" of the Company, (iii) the Head of the Fire Corps Contingent and (iv) the Director of the Lazio Airport System (ENAC).

In 2017, the preliminary hearing was held, which continued for several days, at the end of which, on February 15, 2018, the judge sent the defendants to trial for the crimes of participation in arson and personal injury.

The hearing before the Court of Civitavecchia started on October 15, 2018. During the various hearings held up to the end of February 10, 2022, in addition to the procedural checks and the substantial recognition of the Parties to the proceedings, the witnesses were examined beginning with the names indicated by the Public Prosecutor. The next hearing is set for March 10, 2022.

Claims for damages

- In 2011 ADR received a claim for damages for 24 million dollars for direct damages from AXA Assicurazioni, who insures Ryanair, for the damage suffered by aircraft B737-800 E-IDYG as a consequence of the emergency landing due to a bird strike taking place on November 10, 2008 at Ciampino airport. After periodic communications of mere prescriptive discontinuance, in November 2020 ADR received a letter sent from AXA to Generali requesting 22.8 million dollars in compensation from its insurer for damage to the aircraft. Among the elements supporting the claim there is the outcome of the report produced in 2018 by the ANSV (National Agency for Flight Safety) regarding the dynamics of the accident. Even after an in-depth analysis of the above mentioned documentation, it appears that the airport operator was not responsible for the incident, which was totally attributable to the incorrect "go around" maneuver performed by the pilot of the aircraft involved. ADR therefore rejects, also through its own insurer entrusted with management, any type of liability for the incident.
- About 170 claims have been received from third parties (mainly sub-concessionaires, handlers and passengers) with reference to the fire, only a portion of which, however, include a clear quantification

of the damages (about 19 million euros). Given these claims for compensation, a prudent assessment - based on the best current information - of the liabilities the parent is likely to assume was included in the provisions.

Claims on works posted by the contractors

As of December 31, 2021 reserves posted by the contractors amount to about 67 million euros (65 million euros as of December 31, 2020) towards ADR. Based on past evidence, only a small percentage of the reserves posted is actually due to the contractors. If recognized, the reserves will be recorded as an increase in the cost of concession rights.

If these refer to claims or maintenance, they are posted under the provisions for risks and charges for the portion deemed probable.

10. Transactions with related parties

The transactions performed by the ADR Group with related parties were carried out in the interest of the Group and are part of ordinary operations. Such transactions are regulated on a basis that is equivalent to those prevailing in transactions between independent parties.

During the year no significant transactions or transactions that significantly affected the Group's financial position or results took place.

TRADE AND OTHER TRANSACTIONS

	12.31.2021		2021		12.31.2020		2020	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
PARENT								
Atlantia S.p.A.	73,755	192	241	(730)	3,988	2,049	400	(1,494)
TOTAL TRANSACTIONS WITH PARENT	**73,755**	**192**	**241**	**(730)**	**3,988**	**2,049**	**400**	**(1,494)**
ASSOCIATES								
Pavimental S.p.A.	0	0	0	0	361	28,383	216	(49,690)
Spea Engineering S.p.A.	74	1,490	51	(1,527)	225	11,379	556	(6,273)
Ligabue Gate Gourmet S.p.A. (insol-vent)	482	968	0	0	482	968	0	0
TOTAL TRANSACTIONS WITH AS-SOCIATES	**556**	**2,458**	**51**	**(1,527)**	**1,068**	**40,730**	**772**	**(55,963)**
RELATED PARTIES								
Leonardo Energia S.c.ar.l.(*)	0	0	79	(6,781)	10	2,403	158	(13,284)
Fiumicino Energia S.r.l. (*)	0	0	93	0	20	0	178	0
Infoblu S.p.A.	0	0	0	0	0	0	0	(9)
Telepass S.p.A.	83	18	5	(70)	84	33	20	(79)
Autogrill Italia S.p.A.	1,540	85	3,741	(154)	1,549	1,098	3,221	(361)
Autostrade per l'Italia S.p.A.	7	107	49	(170)	476	1,320	215	(903)
Autostrade Tech S.p.A.	0	81	0	(162)	0	144	0	(248)
Consorzio Autostrade Italiane Energia	0	0	0	(30)	0	0	0	(17)
Edizione S.r.l.	0	0	0	0	0	0	0	(24)
Retail Italia Network S.r.l.	37	0	129	0	17	38	143	0
Telepass Pay S.p.A.	2	0	0	0	2	0	60	0
Essediesse S.p.A.	10	0	8	0	36	0	73	0
Società Autostrada Tirrenica per azioni	1	0	0	0	1	0	0	0
K-Master S.r.l.	0	0	0	0	0	198	0	0
Maccarese S.p.A. Società Agricola	0	0	0	(8)	0	0	0	0
Aeroporto Guglielmo Marconi di Bo-logna S.p.A.	8	0	28	0	8	0	8	0
Pavimental S.p.A.	267	2,315	519	(825)	0	0	0	0
PTSCLAS S.p.A.	0	0	0	(2)	0	0	0	0
Tecne Gruppo Autostrade per l'Italia S.p.A.	0	20	0	(23)	0	0	0	0
AD Moving S.p.A.	0	0	0	(10)	0	0	0	0
Key Management Personnel	0	483	0	(1,530)	0	845	0	(769)
TOTAL TRANSACTIONS WITH RE-LATED PARTIES	**1,955**	**3,109**	**4,651**	**(9,765)**	**2,203**	**6,079**	**4,076**	**(15,694)**
TOTAL	**76,266**	**5,759**	**4,943**	**(12,022)**	**7,259**	**48,858**	**5,248**	**(73,151)**

(*) transactions regarding Fiumicino Energia and Leonardo Energia for 2021 include exclusively the revenue and costs of the first half of 2021 due to the inclusion of the two companies in the consolidation scope of the ADR Group, starting from July 1, 2021.

Transactions with Atlantia refer mainly to the tax consolidation of the companies of the ADR Group and to charging back the cost for the seconded personnel.

The main transactions with other related parties break down as follows:

- Spea Engineering: a subsidiary of Atlantia, which provided the ADR Group with airport engineering services (work design and management) until March 1, 2021, the date on which the subsidiary, ADR Ingegneria S.p.A., rented the business unit of Spea Engineering S.p.A. specialized in airport engineering and works supervision;
- Telepass S.p.A. (a subsidiary of Atlantia): costs related to the Telepass system used in the car parks managed by ADR Mobility;
- Autogrill Italia S.p.A. (indirect subsidiary of Edizione S.r.l. which, indirectly, holds a majority interest in Atlantia): revenue from retail sub-concessions, royalties, utilities, car parks and sundry services;
- Autostrade per l'Italia S.p.A. (a subsidiary of Atlantia): the relations with the company mainly refer to seconded personnel;
- Pavimental (a company indirectly controlled by Atlantia): revenue from this company mainly refers to seconded personnel, whereas expense refers to the service contract in place with the subsidiary, ADR Infrastrutture, and to seconded personnel.

The remuneration due to the parties in charge of planning, managing and controlling the parent and thus the directors, auditors and managers with strategic responsibilities (known as key management personnel) in office as of December 31, 2021 amount to 1,530 thousand euros and include the amount pertaining to remuneration, employment compensation, non-monetary benefits, bonuses and other incentives for assignments at ADR (the remuneration is indicated regarding the directors that in the year covered the position, even for part of the year).

FINANCIAL TRANSACTIONS

	12.31.2021		2021		12.31.2020		2020	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
PARENT								
Atlantia S.p.A.	0	0	0	0	0	0	0	(1,082)
TOTAL TRANSACTIONS WITH PARENT	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(1,082)**
Spea Engineering S.p.A.	1,350	415	0	0	1,350	0	0	0
Pavimental S.p.A.	0	0	0	(2)	0	0	0	0
TOTAL TRANSACTIONS WITH RELATED PARTIES	**1,350**	**415**	**0**	**(2)**	**1,350**	**0**	**0**	**0**
TOTAL	**1,350**	**415**	**0**	**(2)**	**1,350**	**0**	**0**	**(1,082)**

The financial expense due to Atlantia decreased as a result of the sale, on January 28, 2020, of the A4 bonds of which the Parent held 99.87%.

The financial assets due from Spea Engineering S.p.A. comprise the dividends resolved by the company in 2018 and not paid; financial liabilities relate to the lease of the business unit by the subsidiary, ADR Ingegneria.

11. Other information

11.1 INFORMATION ON SHARE-BASED REMUNERATION PLANS

With the aim of creating an incentive and loyalty system dedicated to directors and employees of the Atlantia Group covering positions entailing a higher level of responsibility in Atlantia or Group companies and to promote and spread the culture of creating value in all the strategic and operating decisions, as well as encourage the enhancement of the Group's value, in addition to the efficiency of management, Atlantia Group has incentive plans in place that involve assigning rights to Atlantia shares, subject to achieving pre-set corporate goals.

The table below shows the chief elements of the incentive plans as of December 31, 2021, highlighting the rights attributed to directors and employees of the ADR Group. In addition, the unitary fair values of the assigned rights are shown, determined by a specifically appointed expert, using the Monte Carlo model.

	No. Of rights assigned	No. Of rights revoked	No. Of rights for transfers	No. Of rights optioned	No. Of rights as of 12.31.2021	Vesting date	Deadline, year/allocation	Exercise price (euro)	Unit fair value on the assign. Date	Rev. Unit fair value as of 12.31.2021	Expected expiry on the assign. Date (years)	Riskfree interest rate at the assignment date	Exp. Volatility (=historical) on the assign. Date	Dividends ex-pected on the assign. Date
2014 phantom stock option plans of Atlantia extended to ADR II Cycle	758,751	(434,598)	(62,742)	(261,411)	0	05.08.2018	05.08.2021	n.a.	2.59	0	3-6	1.01%	25.8%	5.32%
2014 phantom stock option plans of Atlantia extended to ADR III Cycle	611,682	(45,137)	(21,202)	(132,392)	412,951	06.10.2019	06.10.2022	n.a.	1.89	0.06	3-6	0.61%	25.3%	4.94%
2017 phantom stock option plans II cycle	364,701	(377,436)	12,735	0	0	06.15.2021	07.01.2024	n.a.	2.91	0	5.9	2.35%	21.9%	4.12%
2017 phantom stock option plans III cycle	470,806	(142,043)	44,549	0	373,312	06.15.2022	07.01.2025	n.a.	2.98	0	6.06	1.72%	24.3%	4.10%
2017 phantom stock grant plans II cycle	40,330	(41,738)	1,408	0	0	06.15.2021	07.01.2024	n.a.	24.5	0	5.9	2.35%	21.9%	4.12%
2017 phantom stock grant plans III cycle	48,221	(14,549)	4,563	0	38,235	06.15.2022	07.01.2025	n.a.	22.57	0	6.06	1.72%	24.3%	4.10%

In accordance with IFRS 2, as a result of the incentive plans in place, an income of 591 thousand euros was recognized in the income statement in 2021, in relation to the fair value loss on the attributed rights; the liabilities relating to the fair value of the "phantom" options in place as of December 31, 2021 are recognized under other current liabilities.

11.2 FEES OF INDEPENDENT AUDITORS

In accordance with art. 149-duodecies of the Issuers' Regulations, which apply to ADR as it is a company controlled by a listed company (Atlantia), a breakdown of the fees paid to the ADR Group's principal independent auditors is shown in the table below (in thousands of euros):

Type of service	Service provider	2021 Fees
ADR S.p.A.		
Auditing	KPMG S.p.A.	155
Attestation services	KPMG S.p.A.	22
Other Services (*)	KPMG S.p.A.	1
TOTAL ADR S.P.A.		**178**
Subsidiaries of ADR S.p.A.		
Auditing	KPMG S.p.A.	180
Other Services (*)	KPMG S.p.A.	9
TOTAL SUBSIDIARIES OF ADR S.P.A.		**189**
TOTAL		**367**

(*) signing of Income Tax Return and 770 forms.

11.3 DISCLOSURE OF PUBLIC GRANTS PURSUANT TO ITALIAN LAW 124/2017

With reference to the transparency obligations required under article 1, paragraphs from 125 to 129 of Italian Law 124/2017, no public grants were collected by the ADR Group in 2021.

11.4 NON-RECURRING, ATYPICAL OR UNUSUAL EVENTS AND TRANSACTIONS

During 2021, no non-recurring, atypical or unusual transactions were performed with third parties or related parties.

For information on the impacts of the COVID-19 outbreak please refer to Note 11.5 below, while for information on the impairment of receivables from Alitalia SAI under extraordinary administration, please refer to Note 6.7; no significant additional non-recurring events occurred in the year under review.

11.5 INFORMATION ON THE EFFECTS OF THE COVID-19 EPIDEMIC

The performance of the ADR Group, also in 2021, was affected by the effects deriving from the health emergency related to COVID-19, which spread worldwide from March 2020, and the consequent restrictions on movement implemented to counter its expansion.

The start of 2021 was marked by the worsening of the Covid-19 infection curve, with a negative impact on traffic volumes. However, the entry into full swing of the vaccination campaign mitigated, at least in part, the negative impact linked to the pandemic, allowing a timid resumption of air traffic, especially in the summer season.

In 2021 Fiumicino and Ciampino airports recorded a reduction compared to 2019 of 71.7% in the number of passengers transported and a decrease of 58.2% in the number of movements. On the other hand, the trend compared to 2020 was positive, a year characterized for 10 twelfths by the spread of the pandemic: +22.2% of passengers and +15.2% of movements.

The trend in traffic was reflected in both aviation and non-aviation revenue, which recorded an overall rise of 13.9% compared to 2020. For more details, see Note 7.1 Revenue.

The economic result for 2021 was impacted by the recognition in the item Other operating income of the subsidy that the Italian Government, through Italian Law no. 178 of December 30, 2020 ("2021 Budget Law"), has assigned to airports to offset the losses from the COVID-19 health emergency (see Note 7.1 Revenue), since at December 31, 2021, the conditions required by IAS 20 for such recognition were met.

The 2021 Budget Law established a COVID-19 damage fund of 500 million euros, of which 450 million euros intended to compensate for the damage suffered by airport operators directly attributable to the COVID-19 emergency recorded in the period February 23, 2020 - January 31, 2021, compared to the same period of the previous year. The decree envisaged a contribution of up to 100% of the damage suffered, calculated as a loss of revenue and an increase in costs attributable to the epidemic, net of cost reductions for access to social security benefits and other forms of support, for the period indicated above. In the event that the total amount of contributions attributable to all the beneficiary companies is greater than the resources allocated, the amount of the share assigned to each company will be determined in proportion to the contribution attributable to the same company with respect to the total attributable contributions and, in any case, within the maximum limit of twenty percent of the resources indicated for airports.

Article 73, paragraphs 2 and 3 of Italian Law Decree no. 73/2021 increased the amount of the COVID-19 damage fund by a further 300 million euros (including 285 million euros for airports), bringing the resources allocated to compensate for damages suffered by airport operators to 735 million euros.

On May 10, 2021 the Government notified the European Commission of the framework aid measure in favor of the airport business, at the same time sending the draft implementing interministerial decree. In July 2021, the European Commission authorized the support measure in favor of airports, limited to the period March 1, 2020 - June 30, 2020/July 14, 2020.

The inter-ministerial decree implementing the aid was published in the Official Journal on December 28, 2021, becoming effective on the same date.

In compliance with the aforementioned regulatory provisions, ADR quantified the damage directly attributable to the epidemiological emergency, suffered in the period March 1, 2020 - June 30, 2020, at 219,237 thousand euros; this quantification was obtained by comparing the monthly cost and revenue items that contribute to the formation of EBITDA, excluding extraordinary and non-recurring items.

On January 26, 2022, ADR submitted an application for access to the fund for the amount mentioned above; as required by the implementing decree, the application was accompanied by the report of an independent expert who certified the truthfulness, correctness and reconciliation of the data reported in annexes B.1 and B.2 of the same application to the accounting records, the existence of the direct causal link between the individual items indicated for the purpose of determining the damage suffered and the COVID-19 epidemiological emergency, the correct application of the methodology and criteria referred to in art. 2 of the implementing decree, as well as the absence of duplications in the compensation for the damage. For more information, see the following Note 12 Subsequent events.

Although the cost containment actions implemented as early as 2020 continued, the cost trend was affected by the greater volume of activity and the reopening of Terminal 1 in August. For more details, reference is made to the following notes: Note 7.3 Service costs, Note 7.4 Personnel expense, Note 7.5 Other operating costs.

With reference to the recoverability of the carrying amount of intangible assets, and in particular Concession Rights, that when preparing the consolidated financial statements at December 31, 2020, the Parent had carried out an impairment test to consider the expected impact of the COVID-19 pandemic. For the purposes of preparing the consolidated financial statements at December 31, 2021, the analyses of internal and external factors did not identify any significant change with respect to what was considered in the aforementioned impairment test, confirming the relative recoverability results of the Group's net invested capital.

Activities and initiatives to secure the Group continued on the financial front as well. In April, ADR placed a new "Sustainability Linked" bond issue on the market - the first airport in the world to carry out a public issue with these characteristics - for an amount of 500 million euros and a duration of 10 years. With the success of this transaction, which followed ADR's previous "Green" issue in November 2020, an additional amount of liquidity was secured, thanks to which the company will be able to meet its future financial commitments up to and including 2023, based on current traffic projections.

Also in terms of strengthening financial security of the Company, the extension of the period of exemption from the consequences deriving from exceeding the limits imposed by the financial covenants included in the loan agreements was obtained from all the lending banks, up to and including the calculation date of June 30, 2022. For further details, please refer to Note 6.15 Financial liabilities and Note 8 Guarantees and covenants on medium/long-term financial liabilities.

12. Subsequent events

Resolution of the Transport Regulatory Authority (ART) concerning the public consultation for the review of the "airport fee regulation" models

ART has published resolution no. 68/2021 of May 20, 2021 with which it has (i) deferred the entry into force of the Models for the regulation of airport fees pursuant to Resolution no. 136 /2020, from July 1, 2021 to January 1, 2023; (ii) gave the alternative to the airport operators that activate the consultation procedure for the revision of the fees during the two-year period from 2021 to 2022 to: a) start the related procedure pursuant to the provisions of the Models referred to in Resolution 92/2017, or b) subject to a reasoned application to the Authority, propose the extension of the fees in force at the time of the application also to apply to the following year. With reference to the airports regulated by the planning agreements provided for by art. 17, paragraph 34-bis, of Law Decree no. 78/2009 - such as Fiumicino and Ciampino - the Authority specified that the economic regulation provisions set out in the Models pursuant to Resolution no. 92/2017 are intended to be encompassed in an additional deed to the Concession between the grantor and the concessionaire.

Without prejudice to the objections raised in the appeal against Resolution no. 136/2020, on August 11, 2021, ADR and the grantor ENAC negotiated and stipulated an ad-hoc additional deed, with which, in line with the provisions of Resolution no. 68/2021, the methods for implementing the regulatory model set forth in Resolution no. 92/2017 were positively defined, while taking into account the regulatory and substantial peculiarities of the Planning Agreement itself.

Subsequently, ART sent critical observations regarding the additional deed stipulated between ENAC and ADR, and, on December 16, 2021, in response to the ADR request to start the consultation of the User for the revision of rights, expressed its refusal to the consultation as it deemed that the additional deed was not yet finalized.

ADR therefore filed, on February 14, 2022, an appeal with the Lazio Regional Administrative Court against this refusal, asking the Administrative Judge to cancel the refusal to start the consultation, indicating the validity and effectiveness of the already signed additional deed.

Between mid-December and January several meetings and hearings were held between ADR and ART and ADR and the ENAC, of which on February 11, 2022, ADR received a new text of the Act which, on February 15, 2022, was deemed unacceptable by ADR since, by limiting the validity of the tariff rules only for a five-year period, it does not confirm the principle of long-term regulatory stability, the cornerstone of the Planning Agreement signed in 2012. The stability of the rules, which in the Planning Agreement are valid for the entire duration of the concession, is the essential requirement to ensure the financeability of the important development plan that provides for investments of 1.5 billion euros in the next 5 years, 4 billion in the next 10 and no less than 8 billion euros until the end of the concession (2046). This is a plan of unique scope, under the responsibility of an operator that already accounts for more than 50% of investments in the Italian airport sector, the implementation of which cannot disregard the raising of debt capital, characterized by durations that often exceed ten years and which requires, as a guarantee of repayment, rules that are certain and stable over the long term, even more so at a time when it is precisely the airport sector that is still bearing the very heavy effects of the pandemic crisis and is preparing to face new geopolitical risks.

ADR therefore filed, on February 14, 2022, an appeal with the Lazio Regional Administrative Court asking the Administrative Judge to cancel the refusal to start the consultation, indicating the validity and effectiveness of the additional signed deed. On February 15, ADR submitted, as necessary, an application to ART to extend the airport fees defined for 2021 also in relation to the 2022 tariff year, limited to the period strictly necessary to review them for the new regulatory period, as it was precluded from initiating the consultation requested on December 13, 2021. On February 18, ART responded by inviting ADR to initiate consultations with the users within the terms described, reserving the right to carry out the assessments under its competence, following their outcome. The latter took place on February 28, 2022 with a tariff forecast for 2022 in continuity with the one in force, as, moreover, already provided for in the tariff dynamics presented to ART in mid-December 2021 and in line with the intention, already presented to the market, to promote a tariff proposal oriented towards stability and supported by certain rules.

Compensation for damage suffered by airport operators due to the COVID-19 emergency

On March 4, 2022 ENAC notified that, following information provided to the Ministry of Infrastructure and Sustainable Mobility, an advance payment had been made to all the beneficiaries of the refunds provided for in the Inter-ministerial Decree of November 25, 2021, adopted pursuant to art. 1, paragraph 718, of Law no. 178 of 2020. This initiative is made possible by the fact that ENAC has verified that the total of requests do not exceed the total availability of the fund and therefore the conditions for the application of reductions and limits that the law would have imposed in this circumstance are not met. The amount paid by ENAC, equal to 50% of the claim for reimbursement of the damage, was collected by the company on March 8, 2022 in the amount of 109.6 million euros.

The Board of Directors

Annexes

Annex 1
List of equity investments

Name	Registered office	Assets	Currency	Share/quota capital (Euro) (1)	Share/ quotaholders	% Held	% Adr group interest	Consolidation method or measurement criterion
PARENT								
Aeroporti di Roma S.p.A.	Fiumicino (Rome)	Airport management	Euros	62,224,743				
SUBSIDIARIES								
ADR Tel S.p.A.	Fiumicino (Rome)	Telephony	Euros	600,000	Aeroporti di Roma S.p.A.	99	100	Line-by-line
					ADR Ingegneria S.p.A.	1		
ADR Assistance S.r.l.	Fiumicino (Rome)	Assistance to passengers with reduced mobility (PRM)	Euros	4,000,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Ingegneria S.p.A.	Fiumicino (Rome)	Coordination of activities for major airport works	Euros	500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Mobility S.r.l.	Fiumicino (Rome)	Management of parking and car parks	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Infrastrutture S.p.A.	Fiumicino (Rome)	Construction	Euros	5,050,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Security S.r.l.	Fiumicino (Rome)	Security and control services	Euros	400,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
Airport Cleaning S.r.l.	Fiumicino (Rome)	Cleaning services	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
Fiumicino Energia S.r.l.	Fiumicino (Rome)	Electricity production	Euros	741,795	Aeroporti di Roma S.p.A.	87.14	87.14	Line-by-line
Leonardo Energia - Società Consortile A R.l.	Fiumicino (Rome)	Electricity production	Euros	10,000	Aeroporti di Roma S.p.A.	10	88.43	Line-by-line
					Fiumicino Energia S.r.l.	90		
ASSOCIATES								
Spea Engineering S.p.A	Rome	Engineering and design services	Euros	6,966,000	Aeroporti di Roma S.p.A.	20		Measured using the equity method
Ligabue Gate Gourmet Roma S.p.A. in fall.	Tessera (Venice)	Airport catering	Euros	103,200	Aeroporti di Roma S.p.A.	20		Valued at cost
OTHER EQUITY IN-VESTMENTS								
Aeroporto di Genova S.p.A.	Genova Sestri	Airport management	Euros	7,746,900	Aeroporti di Roma S.p.A.	15		Measured at fair value
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	Real estate, financial investments, etc.	Euros	23,920,556	Aeroporti di Roma S.p.A.	5.37		Measured at fair value
Azzurra Aeroporti S.p.A.	Rome	Airport management	Euros	3,221,234	Aeroporti di Roma S.p.A.	7.77		Measured at fair value
Consorzio Autostrade Italiane Energia	Rome	Supply on the electricity market	Euros	114,864	Aeroporti di Roma S.p.A.	0.99		Measured at fair value
Convention Bureau Roma & Lazio s.c.r.l.	Rome	MICE[1] tourism – related activities and business tourism	Euros	133,000	Aeroporti di Roma S.p.A.	1 share (1,000 euros)		Measured at fair value

[1] *MICE (Meetings, Incentives, Conferances, Exhibitions)*

Report of the Independent Auditors

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Aeroporti di Roma S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Aeroporti di Roma Group (the "group"), which comprise the statement of financial position as at 31 December 2021, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Aeroporti di Roma Group as at 31 December 2021 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Aeroporti di Roma S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of the provisions for renovation of airport infrastructure

Notes to the consolidated financial statements: note 4 "Accounting policies" – sections "provisions for renovation of airport infrastructure" and "Estimates and judgements" and note 6.13 "Provisions for renovation of airport infrastructure"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2021 include provisions for renovation of airport infrastructure of €216.8 million (whose non-current and current shares amount to €161.7 million and €55.1 million, respectively). These provisions include the present value of the updated estimate of charges to be incurred by the group for its contractual obligation as concession manager to ensure the due functionality and safety of the airport infrastructure. The assessment of these provisions is, by its very nature, complex and highly uncertain, since it may be affected by various factors and assumptions, including technical assumptions about extraordinary maintenance, repairs and replacements of components. Specifically, assumptions are made about the nature, timing and costs of the work to be performed and the discounting of such costs on the basis of when the work will be performed. For the above reasons, we believe that the measurement of the provisions for renovation of airport infrastructure is a key audit matter.	Our audit procedures included: — understanding the estimation process adopted to measure these provisions; — analysing the reasonableness of the main assumptions underlying the reports prepared by the group companies' technical personnel about the scheduling, nature and costs of extraordinary maintenance, repairs and replacements; — checking the accuracy and completeness of the data used for the estimates; — analysing the reasonableness of the discount rate applied to these provisions; — checking the accuracy of the calculations made to determine these provisions; — checking the previous years estimates retrospectively, including by analysing any discrepancies between the costs incurred and the previous estimates; — assessing the appropriateness of the disclosures provided in the notes and their compliance with the International Financial Reporting Standards endorsed by the European Union.

Aeroporti di Roma Group
Independent auditors' report
31 December 2021

Other matters

The group's 2020 consolidated financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 23 March 2021.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 27 December 2021, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

KPMG

Aeroporti di Roma Group
Independent auditors' report
31 December 2021

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.2.b) of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's reports on operations and on corporate governance and ownership structure at 31 December 2021 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the report on operations and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.2.b) of Legislative decree no. 58/98 with the group's consolidated financial statements at 31 December 2021 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the group's consolidated financial statements at 31 December 2021 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Aeroporti di Roma S.p.A. are responsible for the preparation of a non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the non-financial statement separately.

Rome, 31 March 2022

KPMG S.p.A.

(signed on the original)

Marco Mele
Director of Audit

Separate financial statements at december 31, 2021

Financial Statements of Aeroporti di Roma S.p.A.

Statement of Financial Position

Assets (Euros)	Notes	12.31.2021	*of which related parties*	12.31.2020	*of which related parties*
NON-CURRENT ASSETS					
Property, plant and equipment	5.1	47,417,819		49,912,202	
Concession rights		2,452,595,958		2,437,526,013	
Other intangible assets		44,712,100		43,254,988	
Intangible assets	5.2	2,497,308,058		2,480,781,001	
Equity investments	5.3	52,949,250		45,613,304	
Other non-current financial assets	5.4	717,757		1,188,101	
Deferred tax assets	5.5	91,685,524		89,643,989	
Other non-current assets	5.6	445,070		456,371	
TOTAL NON-CURRENT ASSETS		**2,690,523,478**		**2,667,594,968**	
CURRENT ASSETS					
Inventories		4,424,273		4,996,295	
Trade receivables		184,281,748	9,513,996	258,556,777	8,914,582
Trade assets	5.7	188,706,021	9,513,996	263,553,072	8,914,582
Other current financial assets	5.4	3,676,091	1,350,000	1,350,000	1,350,000
Current tax assets	5.8	75,633,783	75,554,516	4,474,580	4,377,616
Other current assets	5.9	256,918,676	471,549	29,804,978	483,266
Cash and cash equivalents	5.10	638,617,202	6,993,394	1,086,181,038	
TOTAL CURRENT ASSETS		**1,163,551,773**	**93,883,455**	**1,385,363,668**	**15,125,464**
TOTAL ASSETS		**3,854,075,251**	**93,883,455**	**4,052,958,636**	**15,125,464**

Equity and liabilities (Euros)	Notes	12.31.2021	*of which related parties*	12.31.2020	*of which related parties*
EQUITY					
Share capital		62,224,743		62,224,743	
Reserves and retained earnings		940,540,015		1,061,783,877	
Loss for the year		(44,867,618)		(143,353,203)	
TOTAL EQUITY	**5.11**	**957,897,140**		**980,655,417**	
LIABILITIES					
NON-CURRENT LIABILITIES					
Employee benefits	5.12	8,792,342		10,787,190	
Provisions for renovation of airport infra-structure	5.13	155,554,845		144,377,348	
Other provisions for risks and charges	5.14	19,689,010		17,238,138	
Non-current provisions		184,036,197		172,402,676	
Bonds		1,521,415,789		1,006,472,788	
Medium/long-term loans		656,359,626		873,670,885	
Financial instruments - derivatives		81,230,275		161,238,458	
Other financial liabilities		2,591,603	1,397,042	1,818,861	
Non-current financial liabilities	5.15	2,261,597,293	1,397,042	2,043,200,992	
Other non-current liabilities	5.16	985,957		0	
TOTAL NON-CURRENT LIABILITIES		**2,446,619,447**	**1,397,042**	**2,215,603,668**	
CURRENT LIABILITIES					
Employee benefits	5.12	614,790		889,192	
Provisions for renovation of airport infra-structure	5.13	53,287,409		47,339,549	
Other provisions for risks and charges	5.14	3,530,948		7,424,359	
Current provisions		57,433,147		55,653,100	
Trade payables	5.17	159,859,657	65,490,363	181,187,750	72,455,850
Trade liabilities		159,859,657	65,490,363	181,187,750	72,455,850
Current share of medium/long-term financial liabilities		37,758,077	567,370	431,391,443	211,877
Financial instruments - derivatives		38,472,489		59,706,476	
Other current financial liabilities		13,635,893	13,635,911	9,125,305	9,125,323
Current financial liabilities	5.15	89,866,459	14,203,281	500,223,224	9,337,200
Current tax liabilities	5.8	7,320,326		0	
Other current liabilities	5.18	135,079,075	482,988	119,635,477	845,065
TOTAL CURRENT LIABILITIES		**449,558,664**	**80,176,632**	**856,699,551**	**82,638,115**
TOTAL EQUITY AND LIABILITIES		**3,854,075,251**	**81,573,674**	**4,052,958,636**	**82,638,115**

Income Statement

(Euros)	Notes	2021	*of which related parties*	2020	*of which related parties*
REVENUE	6.1				
Revenue from airport management		289,065,891	24,631,561	260,908,134	21,020,057
Revenue from construction services		98,581,107		98,060,165	
Other operating income		228,595,357	3.994.473	9,426,947	4.521.755
TOTAL REVENUE		**616,242,355**	**28,626,034**	**368,395,246**	**25,541,812**
COSTS					
Consumption of raw materials and consum-ables	6.2	(8,587,752)		(8,105,741)	(3,270)
Service costs	6.3	(311,601,555)	(202,139,220)	(279,449,410)	(158,769,239)
Personnel expense	6.4	(74,196,369)	(786,992)	(70,495,294)	(442,635)
Concession fees		(10,033,832)		(8,298,954)	
Lease payments		(639,656)		(684,646)	
Allocation to the provisions for renovation of airport infrastructure		(17,140,694)		(6,834,209)	
(Allocation to) re-absorption of provisions for risks and charges		(3,582,218)		1,173,154	
Other costs		(144,956,279)		(11,056,023)	
Other operating costs	6.5	(176,352,679)	(120,007)	(25,700,678)	(180,003)
Depreciation of property, plant and equipment	5.1	(13,602,161)		(14,577,637)	
Amortization of concession rights	5.2	(83,820,450)		(85,847,371)	
Amortization of other intangible assets	5.2	(5,611,869)		(5,890,424)	
Amortization and depreciation		(103,034,480)		(106,315,432)	
TOTAL COSTS		**(673,772,835)**	**(203,046,219)**	**(490,066,555)**	**(159,395,147)**
OPERATING LOSS		**(57,530,480)**		**(121,671,309)**	
Financial income	6.6	17,551,455	65,724	1,496,360	
Financial expense	6.6	(62,897,004)	(14,429)	(74,495,651)	(1,090,934)
Exchange gains (losses)	6.6	(16,723,597)		13,553,106	
NET FINANCIAL EXPENSE		**(62,069,146)**	**51,295**	**(59,446,185)**	**(1,090,934)**
LOSS BEFORE TAXES		**(119,599,626)**		**(181,117,494)**	
Income taxes	6.7	74,732,008		37,764,291	
LOSS FROM CONTINUING OPERATIONS		**(44,867,618)**		**(143.353.203)**	
Profit (loss) from discontinued operations					
LOSS FOR THE YEAR		**(44,867,618)**		**(143,353,203)**	

Statement of Comprehensive Income

(Thousands of euros)	Notes	2021	2020
LOSS FOR THE YEAR		**(44,868)**	**(143,353)**
Fair value gains (losses) on cash flow hedges	5.15	42,134	(31,989)
Tax effect		(10,112)	6,825
Other comprehensive income (expense) that may be reclassified to profit or loss, net of the tax effect		**32,022**	**(25,164)**
Actuarial losses on employee benefits	5.12	(153)	(126)
Tax effect		37	(68)
Fair value losses on equity investments	5.3	(13,020)	(27,591)
Other comprehensive expense that will not be subsequently reclassified to profit or loss, net of the tax effect		**(13,136)**	**(27,785)**
Reclassifications of other comprehensive income (loss) for the period	**5.15**	**3,224**	**1,539**
OTHER COMPREHENSIVE INCOME (LOSS), NET OF THE TAX EFFECT		**22,110**	**(51,410)**
COMPREHENSIVE LOSS FOR THE YEAR		**(22,758)**	**(194,763)**

Statement of Changes in Equity

(Thousands of euros)	Share capital	Legal reserve	Share premium reserve	Hedging reserve	Equity accounting reserve	Other reserves and retained earnings	Profit (loss) for the year	Total equity
BALANCE AT DECEMBER 31, 2019	**62,225**	**12,462**	**667,389**	**(88,107)**	**0**	**277,182**	**243,193**	**1,174,344**
Loss for the year							(143,353)	(143,353)
Other comprehensive expense:				(23,625)	(27,591)	(194)		(51,410)
Fair value losses on cash flow hedges, net of the tax ef-fect				(23,625)				(23,625)
Actuarial losses on employee benefits, net of the tax ef-fect						(194)		(194)
Fair value losses on equity investments					(27,591)			(27,591)
Comprehensive expense				(23,625)	(27,591)	(194)	(143,353)	(194,763)
Allocation of profit (loss) for the previous year						243,193	(243,193)	0
Other changes						1,074	0	1,074
BALANCE AT DECEMBER 31, 2020	**62,225**	**12,462**	**667,389**	**(111,732)**	**(27,591)**	**521,255**	**(143,353)**	**980,655**
Loss for the year							(44,868)	(44,868)
Other comprehensive income (expense):				35,246	(13,020)	(116)		22,110
Fair value gains (losses) on cash flow hedges, net of the tax effect				35,246				35,246
Actuarial losses on employee benefits, net of the tax ef-fect						(116)		(116)
Fair value losses on equity investments					(13,020)			(13,020)
Comprehensive (income) expense				35,246	(13,020)	(116)	(44,868)	(22,758)
Allocation of profit (loss) for the previous year						(143,353)	143,353	0
Other changes						0	0	0
BALANCE AT DECEMBER 31, 2021	**62,225**	**12,462**	**667,389**	**(76,486)**	**(40,611)**	**377,786**	**(44,868)**	**957,897**

Statement of Cash Flows

(Thousands of euros)	Notes	2021	2020
Loss for the year		**(44,868)**	**(143,353)**
Adjusted by:			
Amortization and depreciation	5.1/5.2	103,034	106,315
Allocation to provisions for renovation of airport infrastructure	5.13	65,915	38,809
Financial expense from discounting provisions	6.6	24	1,239
Changes in other provisions		(3,903)	1,661
Share of profit (loss) of equity-accounted associates		0	1,107
Net change in deferred tax (assets) liabilities		(13,135)	(33,159)
Other non-monetary costs, net		11,794	10,088
Changes in working capital and other changes		(221,004)	(98,644)
CASH FLOWS USED IN OPERATING ACTIVITIES (A)		**(102,143)**	**(115,937)**
Investments in property, plant and equipment (*)	5.1	(11,884)	(13,256)
Investments in intangible assets (**)	5.2	(114,817)	(106,170)
Works for renovation of airport infrastructure	5.13	(48,774)	(31,975)
Equity investments		(24,056)	(1)
Proceeds from disinvestments and other changes in property, plant and equipment, intangible assets and equity investments		13,334	12,765
Net change in other non-current assets		11	(57)
CASH FLOWS USED IN INVESTING ACTIVITIES (B)		**(186,186)**	**(138,694)**
Issue of bonds		491,643	297,732
New medium/long-term loans	5.15	0	678,818
Repayments of bonds		(400,001)	0
Repayment of medium/long-term loans		(212,500)	(112,500)
Net change in other current and non-current financial liabilities		(42,462)	1,921
Net change in current and non-current financial assets		(426)	165
CASH FLOWS FROM (USED) IN FINANCING ACTIVITIES (C)		**(163,746)**	**866,136**
CASH FLOWS FOR THE YEAR (A+B+C)		**(452,075)**	**611,505**
Opening cash and cash equivalents	5.10	1,077,056	465,551
Closing cash and cash equivalents	5.10	624,981	1,077,056

(*) including advances to suppliers for 280 thousand euros in 2021 and 1,698 thousand euros in 2020

(**) including advances to suppliers for 5,097 thousand euros in 2021 and 124 thousand euros in 2020

RECONCILIATION OF CASH AND CASH EQUIVALENTS

(Thousands of euros)	2021	2020
Opening cash and cash equivalents	1,077,056	465,551
Cash and cash equivalents	1,086,181	489,063
Current accounts with subsidiaries	(9,125)	(23,512)
Closing cash and cash equivalents	624,981	1,077,056
Cash and cash equivalents	638,617	1,086,181
Current accounts with subsidiaries	(13,636)	(9,125)

ADDITIONAL INFORMATION TO THE STATEMENT OF CASH FLOWS

(Thousands of euros)	2021	2020
Net income taxes paid	2,242	24,344
Interest income collected	84	1,284
Interest expense and commissions paid	50,042	47,771

Notes to the Separate Financial Statements of Aeroporti di Roma S.p.A.

1.
General information

Aeroporti di Roma S.p.A. (hereafter the "Company" or "ADR") manages the Roman airport system on an exclusive basis under the concessionary relationship signed between the Italian Civil Aviation Authority ("ENAC") and ADR. On December 21, 2012, the Prime Minister approved the new Planning Agreement ("Planning Agreement") signed between ADR and ENAC on October 25, 2012, based on which ADR is entrusted with managing the airport system directly and indirectly through the subsidiaries, to which specific activities are assigned. The airport concession expires on June 30, 2046.

The registered office of the Company is in Fiumicino, Via Pier Paolo Racchetti 1, while the secondary office is in Ciampino, Via Appia Nuova 1651. The duration of the Company is currently set until December 31, 2050, unless extended.

At the reporting date, Atlantia S.p.A. ("Atlantia") directly holds the majority of the shares of ADR (61,842,535, equal to 99.386% of the share capital).

On October 15, 2021, Atlantia, following a resolution of its Board of Directors of October 14, 2021, communicated the discontinuation of management and coordination activities for ADR.

These Financial Statements were approved by the Board of Directors of the Company during the meeting of March 8, 2022 and audited by KPMG S.p.A.

The Separate financial statements were prepared on a going-concern basis.

2. Basis of presentation

The financial statements for the year ended December 31, 2021 have been prepared in accordance with articles 2 and 4 of Italian Legislative Decree no. 38/2005, in compliance with the international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Committee (IFRIC) and by the Standing Interpretations Committee (SIC), recognized in the European Union pursuant to EC Regulation no. 1606/2002 and in force at year end.

Consideration was also given to the measures issued by Consob (Commissione Nazionale per le Società e la Borsa) in implementing paragraph 3 of Article 9 of Italian Legislative Decree no. 38/2005 on the preparation of the financial schedules.

The separate financial statements comprise a statement of financial position, an income statement, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and these notes, applying the provisions of IAS 1 "Presentation of Financial Statements" and the general criterion of the historical cost, with the exception of the financial statement items that according to IFRS are recognized at their fair value, as stated in the valuation criteria of the individual items.

The statement of financial position is presented on the basis of the statement that provides for a distinction between current and non-current assets and liabilities, while these are classified on the basis of their nature in the income statement. The statement of cash flows was prepared by applying the indirect method. IFRS were applied consistently with the indications of the "Framework for the Preparation and Presentation of Financial Statements" and no issues emerged that required derogations pursuant to IAS 1. The statement of changes in equity was defined in compliance with IAS 1, obviously taking into account the overall economic result.

All the values are expressed in thousands of euros, unless otherwise stated. The euro is both ADR's functional currency and the currency of presentation of the financial statements.

For each item in the separate financial statements, the corresponding balance of the previous year is reported for comparison purposes.

3.
Accounting policies

The accounting policies applied in preparing the Separate financial statements for the year ended December 31, 2021 are the same as those adopted for the preparation of the Consolidated financial statements, to which reference is made, except for the recognition and measurement of Equity investments.

Equity investments in subsidiaries, associates and joint ventures are measured at purchase cost, inclusive of directly attributable accessory charges, rectified in the presence of any impairment losses identified as described in the section regarding "Impairment of assets (impairment test)" of the Consolidated financial statements, which are recognised in the income statement. The same are reversed if the reasons for the impairment losses made cease to apply.

The term subsidiaries means all companies over which ADR has the power to determine, either directly or indirectly, the financial and operating policies in order to obtain benefits from their activities.

Investments in associates are those in which ADR is capable of exercising a significant influence, but not control or joint control, by contributing to the financial and operating decision-making policies of the investee.

Equity investments in other companies, which can be classified in the category of equity instruments as defined in IFRS 9, are initially recognised at cost, as determined on the settlement date as it represents the fair value, inclusive of the directly attributable transaction costs.

Following initial recognition, these equity investments are measured at fair value, recognizing the effects in the income statement, with the exception of those that are not held for trading purposes and where, as permitted by IFRS 9, the option was exercised, upon acquisition, to designate them at fair value wit through other comprehensive income, and therefore in a specific equity reserve. Non-controlling interests can be measured at cost in limited cases where the cost represents an adequate estimate of the fair value.

The transactions for the acquisition or sale of companies and/or business units under common control are treated, in accordance with IAS 1 and IAS 8, on the basis of their economic substance, making reference to both the (i) methods to determine the amount of the sale and the (ii) check of the added value generated for all the parties concerned, resulting in significant changes that can be measured in the cash flows before and after the transaction of the transferred assets. In this context:

- if both requirements being checked are met, these transactions for the purchase of companies and/or business units are recorded according to IFRS 3, following the same criteria illustrated previously for similar transactions with third parties. In these cases, the transferor company posts in the income statement the possible difference between these carrying amounts of the assets and liabilities and the related amount;
- in the other cases, the transferred assets and liabilities are posted by the transferee with the same values these were recorded in the financial statements of the transferor company before the transactions, with the recognition in equity of any difference compared to the acquisition cost. Consistently with this, the transferor company records in equity the difference between the carrying amount of the assets and liabilities sold and the amount agreed.

4. Concession Agreement

CONCESSIONARY RELATIONSHIP

ADR's business purpose is the construction and management of airports or a part thereof, and the exercise of any activity related or complementary to air traffic of any type or specialty. This goal is achieved on the basis of a concession for the single management of the Roman airport system entrusted to the Company with Italian Law no. 755 of November 10, 1973.

The concessionaire ADR ensures the management and development of the Roman airport system ("Leonardo da Vinci" at Fiumicino and "G.B. Pastine" at Ciampino) in accordance with international, European and national regulations as well as the ENAC Regulations that govern the operation of airports open to domestic traffic.

The original Concession Management Agreement no. 2820/74 was in force until December 21, 2012. After that date, a new Single Deed - Planning Agreement was approved with a specific Council of Ministers Presidential Decree. The single document regulates both the relations regarding the airport management concession and the criteria to determine and periodically update the fees applicable to the so-called "regulated services".

The principle remains in place according to which the management must be guided by financial and organizational criteria pursuant to Italian Law no. 755 of November 10, 1973 and subsequent amendments.

For more details on the Concession Agreement reference is made to the Consolidated financial statements.

5.

Notes to the statement of financial position

5.1 PROPERTY, PLANT AND EQUIPMENT

	12.31.2020			Change				12.31.2021		
(Thousands of euros)	Cost	Acc. Depr.	Carrying amount	Investments	Depreciation	Other changes	Disposals	Cost	Acc. Depr.	Carrying amount
Land and buildings	16,056	(228)	15,828	0	(161)	1	0	16,057	(389)	15,668
Plant and machinery	82,066	(69,998)	12,068	163	(8,014)	41	0	81,663	(77,405)	4,258
Industrial and commercial equipment	14,483	(12,884)	1,599	380	(666)	355	0	15,169	(13,501)	1,668
Other assets	37,909	(30,107)	7,802	1,849	(3,359)	5,660	0	45,016	(33,064)	11,952
Assets under construction and payments on account	9,798	0	9,798	6,807	0	(6,640)	0	9,965	0	9,965
Right-of-use assets - Property, plant and equipment and other assets	4,791	(1,974)	2,817	2,685	(1,402)	(193)	0	5,801	(1,894)	3,907
TOTAL PROPERTY, PLANT AND EQUIPMENT	**165,103**	**(115,191)**	**49,912**	**11,884**	**(13,602)**	**(776)**	**0**	**173,671**	**(126,253)**	**47,418**

	12.31.2019			Change				12.31.2020		
(Thousands of euros)	Cost	Acc. Depr.	Carrying amount	Investments	Depreciation	Other changes	Disposals	Cost	Acc. Depr.	Carrying amount
Land and buildings	15,722	(74)	15,648	184	(154)	150	0	16,056	(228)	15,828
Plant and machinery	86,647	(65,601)	21,046	393	(9,459)	102	(14)	82,066	(69,998)	12,068
Industrial and commercial equipment	13,977	(12,041)	1,936	506	(843)	0	0	14,483	(12,884)	1,599
Other assets	36,098	(27,716)	8,382	1,586	(2,792)	629	(3)	37,909	(30,107)	7,802
Assets under construction and payments on account	1,557	0	1,557	9,128	0	(887)	0	9,798	0	9,798
Right-of-use assets - Property, plant and equipment and other assets	3,911	(1,094)	2,817	1,459	(1,330)	(129)	0	4,791	(1,974)	2,817
TOTAL PROPERTY, PLANT AND EQUIPMENT	**157,912**	**(106,526)**	**51,386**	**13,256**	**(14,578)**	**(135)**	**(17)**	**165,103**	**(115,191)**	**49,912**

Property, plant and equipment, equaling 47,418 thousand euros (49,912 thousand euros as of December 31, 2020), are down in the year by 2,494 thousand euros, mainly due to depreciation (13,602 thousand euros), partly offset by the investments in the year (11,884 thousand euros).

Investments of 11,884 thousand euros mainly refer:

- under "Industrial and commercial equipment" (380 thousand euros) mainly to purchases of thermal cameras and similar equipment;

- under "Other assets" (1,849 thousand euros), mainly to CED equipment to service the Joint Control Room (APOC) (875 thousand euros), electronic machinery (541 thousand euros) and furniture/ furnishings (433 thousand euros);
- under Assets under construction and payments on account (6,807 thousand euros) mainly to the installation of monitors, ledwalls and network equipment of the new terminal system for 5,281 thousand euros, to the Joint Control Room (APOC) for 510 thousand euros, to the supply of security equipment at T3 for 258 thousand euros, as well as advances paid to suppliers for 280 thousand euros;
- as regards the Right-of-use assets - Property, plant and equipment and other assets (2,685 thousand euros), Right of use on plant and equipment (392 thousand euros) and on buildings (2,293 thousand euros).

During the year no significant changes took place in the estimated useful life of the assets.

5.2 INTANGIBLE ASSETS

	12.31.2020			Change			12.31.2021		
(Thousands of euros)	Cost	Acc. Amort.	Carrying amount	Investments	Amortization	Other changes	Cost	Acc. Amort.	Carrying amount
Concession rights									
Airport management concession - rights acquired	2,179,164	(999,988)	1,179,176	0	(46,242)	0	2,179,164	(1,046,230)	1,132,934
Airport management concession - investments in infrastructure	1,537,067	(278,717)	1,258,350	98,872	(37,578)	18	1,635,939	(316,277)	1,319,662
TOTAL CONCESSION RIGHTS	**3,716,231**	**(1,278,705)**	**2,437,526**	**98,872**	**(83,820)**	**18**	**3,815,103**	**(1,362,507)**	**2,452,596**
Other intangible assets	85,846	(65,299)	20,547	10,848	(5,612)	24	96,718	(70,911)	25,807
Advances to suppliers	22,708	0	22,708	5,097	0	(8,900)	18,905	0	18,905
TOTAL OTHER INTANGIBLE AS-SETS	**108,554**	**(65,299)**	**43,255**	**15,945**	**(5,612)**	**(8,876)**	**115,623**	**(70,911)**	**44,712**
TOTAL INTANGIBLE ASSETS	**3,824,785**	**(1,344,004)**	**2,480,781**	**114,817**	**(89,432)**	**(8,858)**	**3,930,726**	**(1,433,418)**	**2,497,308**

	12.31.2019			Change			12.31.2020		
(Thousands of euros)	Cost	Acc. Amort.	Carrying amount	Investments	Amortization	Other changes	Cost	Acc. Amort.	Carrying amount
Concession rights									
Airport management concession - rights acquired	2,179,164	(951,819)	1,227,345	0	(48,169)	0	2,179,164	(999,988)	1,179,176
Airport management concession - investments in infrastructure	1,439,007	(241,046)	1,197,961	98,060	(37,678)	7	1,537,067	(278,717)	1,258,350
TOTAL CONCESSION RIGHTS	**3,618,171**	**(1,192,865)**	**2,425,306**	**98,060**	**(85,847)**	**7**	**3,716,231**	**(1,278,705)**	**2,437,526**
Other intangible assets	77,791	(59,409)	18,382	7,986	(5,890)	69	85,846	(65,299)	20,547
Advances to suppliers	35,272	0	35,272	124	0	(12,688)	22,708	0	22,708
TOTAL OTHER INTANGIBLE ASSETS	**113,063**	**(59,409)**	**53,654**	**8,110**	**(5,890)**	**(12,619)**	**108,554**	**(65,299)**	**43,255**
TOTAL INTANGIBLE ASSETS	**3,731,234**	**(1,252,274)**	**2,478,960**	**106,170**	**(91,737)**	**(12,612)**	**3,824,785**	**(1,344,004)**	**2,480,781**

Intangible assets, equal to 2,497,308 thousand euros (2,480,781 thousand euros as of December 31, 2020) rose by 16,527 thousand euros mainly due to the investments in the year, equal to 114,817 thousand euros, partially offset by the amortization equal to 89,432 thousand euros and the recovery of advances paid to suppliers for 8,900 thousand euros.

Concession rights include the concession relating to managing the Rome's airport system; for further information on the concessionary relationship reference should be made to Note 4. In detail:

- Airport management concession - rights acquired: represents the amount of the airport management concession acquired against consideration; this value was accounted for at the time of the merger of ADR into Leonardo S.p.A. (now ADR) and expresses the higher price paid by Leonardo S.p.A. for ADR shares compared to the pro-rata value of the Company's equity;
- Airport management concession - investments in infrastructure: includes the activities to produce new infrastructure and/or improve and enhance the existing airport infrastructure carried out by ADR.

The investments in the Airport management concession - investments in infrastructure equal 98,872 thousand euros and relate to construction services provided in the period on infrastructure under concession. Pursuant to IFRIC 12, in the income statement the costs connected to these investments are recorded by nature, as well as the fair value of the related construction services carried out.

Worth noting are:

- work relating to the East Airport System for 61.8 million euros, aimed at the construction of a new Boarding Area A and of the Front building of Terminal 1;
- restructuring works of Terminal 3 for 14.1 million euros;
- interventions for the construction of a joint control room for 4.9 million euros;
- works on runways and aprons for 7.5 million euros;
- BHS optimization works for 1.7 million euros.

At December 31, 2021 no impairment indicators were identified. In this regard, note that when preparing the consolidated financial statements at December 31, 2020, the Company had carried out an impairment test to consider the expected impact of the COVID-19 pandemic. For the purposes of preparing the separate financial statements for the year ended December 31, 2021, the analyses of internal and external factors did not include any significant changes with respect to what was considered in the aforementioned impairment test, confirming the relative recoverability of the Group's net invested capital and, therefore, of the assets recognized in the separate financial statements at December 31, 2021.

Other intangible assets, equal to 25,807 thousand euros (20,547 thousand euros as of December 31, 2020), include the right-of-use assets on intellectual property rights, concessions, licenses, trademarks and similar rights. The investments for the year, equal to 10,848 thousand euros, mainly refer to the acquisition of licenses and the evolutionary maintenance of the accounting system.

5.3 EQUITY INVESTMENTS

(Thousands of euros)	12.31.2020			Change			12.31.2021		
	Gross value	Cumulative imp. Loss	Carrying amount	Incr.	Decr.	Imp. loss /Rev.	Gross value	Cumulative imp- loss	Carrying amount
SUBSIDIARIES									
ADR Assistance S.r.l.	4,000	0	4,000	0	0	0	4,000	0	4,000
ADR Tel S.p.A.	594	0	594	0	0	0	594	0	594
ADR Mobility S.r.l.	1,756	0	1,756	0	0	0	1,756	0	1,756
ADR Security S.r.l.	500	0	500	0	0	0	500	0	500
Airport Cleaning S.r.l.	2,000	0	2,000	0	0	0	2,000	0	2,000
ADR Ingegneria S.p.A.	100	0	100	1,400	0	0	1,500	0	1,500
ADR Infrastrutture S.p.A.	0	0	0	12,200	0	0	12,200	0	12,200
Fiumicino Energia S.r.l.	0	0	0	10,456	0	0	10,456	0	10,456
Leonardo Energia - Società Consortile a r.l.	0	0	0	1	0	0	1	0	1
	8,950	**0**	**8,950**	**24,057**	**0**	**0**	**33,007**	**0**	**33,007**
ASSOCIATES									
Pavimental S.p.A.	9,768	(6,068)	3,700	0	(3,700)	0	6,068	(6,068)	0
Spea Engineering S.p.A.	14,324	(7,624)	6,700	0	0	0	14,324	(7,624)	6,700
Consorzio E.T.L. in liquidation	10	(10)	0	0	0	0	0	0	0
Ligabue Gate Gourmet Roma S.p.A. (insol-vent)	3,883	(3,883)	0	0	0	0	3,883	(3,883)	0
	27,985	**(17,585)**	**10,400**	**0**	**(3,700)**	**0**	**24,275**	**(17,575)**	**6,700**
OTHER COMPANIES									
Azzurra Aeroporti S.p.A.	52,000	(26,913)	25,087	0	0	(12,544)	52,000	(39,457)	12,543
Aeroporto di Genova S.p.A.	1,394	(697)	697	0	0	0	1,394	(697)	697
S.A.CAL. S.p.A.	1,307	(831)	476	0	0	(476)	1,307	(1,307)	0
Consorzio Autostrade Italiane Energia	1	0	1	0	0	0	1	0	1
Leonardo Energia – Società Consortile A R.L.	1	0	1	0	(1)	0	0	0	0
Convention Bureau Roma e Lazio s.c.r.l	1	0	1	0	0	0	1	0	1
	54,704	**(28,441)**	**26,263**	**0**	**(1)**	**(13,020)**	**54,703**	**(41,461)**	**13,242**
TOTAL EQUITY INVESTMENTS	**91,639**	**(46,026)**	**45,613**	**24,057**	**(3,701)**	**(13,020)**	**111,985**	**(59,036)**	**52,949**

The amount of Equity investments rose by 7,336 thousand euros compared to December 31, 2020 due to the combined effect of:

- capital increase against payment for 1,400 thousand euros in ADR Ingegneria, which rented the business unit of Spea Engineering, specialized in airport engineering and works supervision, with effect from March 1, 2021;
- acquisition, on January 21, 2021, of 100% of the capital in ADR Infrastrutture, a company previously held by Pavimental, to which the same Pavimental had contributed the business unit specialized in the construction and maintenance of airport infrastructure and runways at the beginning of the year. The purchase price was 12,200 thousand euros;
- acquisition, on July 1, 2021, of 87.14% of the capital of the company Fiumicino Energia from Atlantia S.p.A., at a price of 10,456 thousand euros. Fiumicino Energia manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia, which is owned by Fiumicino Energia S.r.l. and ADR, with respective shareholdings of 90% and 10%;

- reclassification of the equity investment held in Leonardo Energia among the subsidiaries following the acquisition of the controlling interest in the capital of Fiumicino Energia;
- the sale of the 20% equity investment held in Pavimental S.p.A. to Autostrade per l'Italia S.p.A. ("ASPI"), which took place on April 23, 2021, at a price of 3,700 thousand euros; based on the agreements between the parties, this price is subject to an increase or decrease if the disposal amount of a major item of machinery (consisting of a milling machine owned by Pavimental held for sale) differs from the amount incorporated in the aforementioned sale price of the equity investment. The parties have set a time limit of 32 months to finalize the sale of the machinery, after which ASPI will directly acquire it at a price established in advance;
- reduction in the amount of the equity investment in Azzurra Aeroporti S.p.A. (held for an amount equal to 7.77% of the capital) of 12,544 thousand euros due to the fair value measurement;
- reduction in the amount of the equity investments in S.A.CAL. S.p.A. (-476 thousand euros) due to the fair value measurement of the company based on more accurate information available at the date of preparing the financial statements.

Furthermore, the liquidation process of Consorzio E.T.L. was completed, with the cancellation of the Consortium from the register of companies on August 17, 2021.

Below are the details of the Equity investments held as of December 31, 2021 with indication of the share held and the relevant carrying amount:

Name	Registered office	Currency	Number of shares/	Capital (Euros)	Number of shares/quotas held	% Held	Equity as of 12.31.2021 (Thousands of euros) (*)	Profit (loss) for the year 2021 (thousands of euros) (*)	Carrying amount (thousands of euros)
SUBSIDIARIES									
ADR Assistance S.r.l.	Fiumicino (Rome)	euros	1	4,000,000	1	100%	8,570	3,355	4,000
ADR Tel S.p.A	Fiumicino (Rome)	euros	600,000	600,000	600,000	99%	13,288	2,563	594
ADR Mobility S.r.l.	Fiumicino (Rome)	euros	1	1,500,000	1	100%	14,037	(1,676)	1,756
ADR Security S.r.l.	Fiumicino (Rome)	euros	1	400,000	1	100%	1,712	47	500
Airport Cleaning S.r.l.	Fiumicino (Rome)	euros	1	1,500,000	1	100%	5,129	1,009	2,000
ADR Ingegneria S.p.A.	Fiumicino (Rome)	euros	1	500,000	1	100%	2,821	1,228	1,500
ADR Infrastrutture S.p.A.	Fiumicino (Rome)	euros	1	5,050,000	1	100%	14,349	(801)	12,200
Fiumicino Energia S.r.l.	Fiumicino (Rome)	euros	1	741,795		87.14%	12,275	294	10,456
Leonardo Energia – Società Consortile A R.L.	Fiumicino (Rome)	euros	1	10,000	1	10%[1]	268	0	1
TOTAL SUBSIDIARIES									**33,007**
ASSOCIATES									
Ligabue Gate Gourmet Roma S.p.A. in fallimento	Tessera (Venice)	euros	20,000	103,200	4,000	20%	0	0	0
Spea Engineering S.p.A.	Milan	euros	1,350,000	6,966,000	270,000	20%	33,809	(6,820)	6,700
TOTAL ASSOCIATES									**6,700**
OTHER COMPANIES									
Azzurra Aeroporti S.p.A.	Rome	euros	3,783,734	3,221,234	250,000	7.77%	178,740	(191,044)	12,543
Aeroporto di Genova S.p.A.	Genova Sestri	euros	15,000	7,746,900	2,250	15%	5,585	(2,460)	697
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	euros	46,268	23,920,556	2,485	5.37%	3,982	(8,520)	0
Consorzio Autostrade Italiane Energia	Rome	euros	1	114,864	1	0.99%			1
Convention Bureau Roma e Lazio s.c.r.l.	Rome	euros	133	133,000		1 share (1,000 euros)			1
TOTAL OTHER COMPANIES									**13,242**
TOTAL EQUITY INVESTMENTS									**52,949**

(*) The data relating to the equity and the loss for the year of Aeroporto di Genova S.p.A. and S.A.CAL. S.p.A. refers to the year 2020 (last year approved).

ADR has established a pledge on its entire equity investment in Azzurra, amounting to 7.77% of the share capital, in favor of some of the company's financial creditors (bondholders and banks that have taken out hedging derivative transactions). In addition to this collateral, in the context of the same loan transaction to Azzurra, ADR has provided Atlantia with a counter-guarantee, limited to a maximum value of 1.3 million euros, for the obligations assumed by Atlantia itself with regard to a bank that has granted, in the interest of Azzurra, in favor of the latter's financial creditors, a guarantee to service the debt of the transaction in question.

[1] *Indirect control through Fiumicino Energia S.r.l.*

The measurement of the fair value of the main unlisted non-controlling interests, which fall under level 3 of the fair value hierarchy, was determined using an approach that takes account of expected future cash flows (so-called discounted cash flows) as the measurement technique.

5.4 OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

(Thousands of euros)	12.31.2021 Carrying amount	12.31.2021 Current share	12.31.2021 Non-current share	12.31.2020 Carrying amount	12.31.2020 Current share	12.31.2020 Non-current share
OTHER FINANCIAL ASSETS						
Derivatives with positive fair value	1,900	1,900	0	0	0	0
Other financial assets	2,494	1,776	718	2,538	1,350	1,188
TOTAL OTHER FINANCIAL ASSETS	**4,394**	**3,676**	**718**	**2,538**	**1,350**	**1,188**

Derivatives with positive fair value

ADR uses hedging derivatives for currency and interest rate risks to tackle any negative impact on the cash flows that may derive from any unfavorable changes in currency and interest rates.

In December 2021, ADR signed two forward-starting interest rate swap contracts, with activation in April 2022, for a total notional of 100 million euros, with the purpose of hedging the interest rate risk for new highly probable debt, with activation expected in 2022. These contracts, whose main characteristics are reported below, as of December 31, 2021 present a positive fair value of 1,900 thousand euros.

COUNTERPARTY	COMPANY	INSTR.	TYPE	RISK COVERED	SUBSCR. DATE	EXP.	NOTIONAL VALUE HEDGED	RATE APPLIED	Fair value of the derivative AS OF 12.31.2021	Fair value of the derivative AS OF 12.31.2020	Fair value Gains (losses) THROUGH PROFIT OR LOSS (**)	Fair value Gains (losses) THROUGH OCI (***)
Gruppo Crédit Agricole, Barclays	ADR	IRS FWD (*)	CF	I	12.2021	04.2032	100,000	They pay an average fixed rate of 0.149% and receive the 6-month Euribor	1,900	0	0	1,900
								TOTAL	**1,900**	**0**	**0**	**1,900**
								of which:				
								Currency hedges	0	0		
								Interest rate hedges	1,900	0		

(*) IRS forward starting: activation date April 2022. The changes in fair value compared to the inception date used to measure the lack of effectiveness of the year equal the fair value listed in the table.

(**) under item "Net financial income (expense)"

(***) the change in fair value is posted to OCI net of the tax effect

CF: cash flow - I: interest

For the valuation techniques and the inputs used to determine the fair value of the derivatives please refer to Note 8.4 Information on fair value measurement.

Other financial assets

Other non-current financial assets, equal to 718 thousand euros (1,188 thousand euros as of December 31, 2020), refer essentially to the ancillary charges incurred to subscribe the revolving facility, which again remained unused in 2021. For details, refer to Note 5.15.

Other current financial assets amount to 1,776 thousand euros (1,350 thousand euros as of December 31, 2020) and are related, for 1,350 thousand euros, to the amount due from the associate Spea Engineering for the dividends resolved in 2018 and not yet paid.

5.5 DEFERRED TAX ASSETS

Deferred tax assets are shown net of deferred tax liabilities that can be offset. The nature of the temporary differences is illustrated in the table below:

	12.31.2020	Change			12.31.2021
(Thousands of euros)		Provisions	Releases	Deferred tax assets/liabilities on income and expense recognized in equity	
DEFERRED TAX ASSETS					
Allocation to (use of) the provisions for renovation of airport infrastructure	31,842	2,354	(4,225)	0	29,971
Allocations to the allowance for inventory write-downs	57	2	(16)	0	43
Allocations to loss allowances	8,352	32,572	(1,769)	0	39,155
Amortized cost and derivatives	35,345	0	(36)	(11,130)	24,179
Provisions for risks and charges	4,866	805	(1,185)	0	4,486
Tax losses and ACE	46,093	0	(15,615)	0	30,478
Other	1,385	379	(385)	37	1,416
TOTAL DEFERRED TAX ASSETS	**127,940**	**36,112**	**(23,231)**	**(11,093)**	**129,728**
DEFERRED TAX LIABILITIES THAT CAN BE OFFSET					
Amortized cost and derivatives	16	0	0	0	16
Application of IFRIC 12	38,280	1,549	(1,803)	0	38,026
TOTAL DEFERRED TAX LIABILITIES	**38,296**	**1,549**	**(1,803)**	**0**	**38,042**
TOTAL NET DEFERRED TAX ASSETS	**89,644**	**34,563**	**(21,428)**	**(11,093)**	**91,686**

The increase of 2,042 thousand euros recorded in 2021 is attributable to the deferred tax assets recognized on the loss allowances, partially offset by the decrease in deferred tax assets allocated last year, against the 2020 IRES tax loss, for the portion transferred to the tax consolidation and remunerated in 2021, to the fair value gain on derivatives and to the dynamics of the provisions for renovation of airport infrastructure.

With regard to deferred tax assets, which are recognized in the separate financial statements, it should be noted that the related recoverability is reliably attributable to the underlying forecasts and derives from the most up-to-date economic projections of the Company.

5.6 OTHER NON-CURRENT ASSETS

Other non-current assets, equal to 445 thousand euros (456 thousand euros as of December 31, 2020), refer to guarantee deposits.

5.7 TRADE ASSETS

Trade assets, equal to 188,706 thousand euros (263,553 thousand euros as of December 31, 2020), include:

- inventories, equal to 4,424 thousand euros (4,996 thousand euros as of December 31, 2020) comprising consumable materials, clothing, spare parts, cleaning material, fuel, etc.;
- trade receivables (equal to 184,282 thousand euros, 258,557 thousand euros as of December 31, 2020) are broken down in the table below:

(Thousands of euros)	12.31.2021	12.31.2020	Change
Customers	341,898	286,923	54,975
Subsidiaries	7,423	5,873	1,550
Parent	123	301	(178)
Construction services	0	8,051	(8,051)
Other	957	1,590	(633)
TOTAL TRADE RECEIVABLES, INC. LOSS ALLOWANCES	**350,401**	**302,738**	**47,663**
Loss allowances	(164,377)	(36,602)	(121,942)
Default interest	(1,742)	(7,579)	(5,837)
TOTAL LOSS ALLOWANCES	**(166,119)**	**(44,181)**	**(121,938)**
TOTAL TRADE RECEIVABLES	**184,282**	**258,557**	**(74,275)**

Due from customers (including loss allowances) totaled 341,898 thousand euros and recorded an increase of 54,975 thousand euros in relation to the increase in business volumes recorded in the last part of the year compared to those of the same period of the previous year.

It should be noted that, at the end of 2021 ADR signed - together with the subsidiaries ADR Mobility and ADR Tel - an agreement with the extraordinary administration of Alitalia SAI, with the aim of regulating a complex series of previous relationships in order to give definitive clarity to the respective credit rights and eliminate, with the same deed, the risks associated with the outcome of the legal action taken against the revocation action initiated by the extraordinary administration against the three companies mentioned. The agreement concerned in particular the pre-deductible receivables arising from 1.1.2020. For further information, reference should be made to Note 9.5 Litigation of the Consolidated financial statements.

The receivables for regulated services from Alitalia SAI under extraordinary administration, subject to the economic-financial rebalancing mechanisms of the Agreement, filed and to be filed among the liabilities of the proceedings, have been allocated to the loss allowance in consideration of the results of the sale procedure of the aviation branch to ITA carried out in October 2021 (sale price equal to € 1 euro) which, also in relation to the recent decisions of the European Commission and the Government concerning the recovery of the government loans granted to the Administration, have significantly increased the risk of non-recoverability also due to recent developments in the regulatory and market context.

On the other hand, with reference to ADR's receivables from the companies belonging to the Alitalia LAI group under extraordinary administration since 2008, they equal 10,878 thousand euros. For the amounts due from Alitalia LAI S.p.A. under extraordinary administration, note that in 2011 the surety of 6.3 million euros was enforced, issued by Alitalia/CAI to secure the amounts due to ADR from Alitalia LAI S.p.A. under extraordinary administration (as well as due to the lessor owners of the aircrafts, jointly and severally liable) in order to allow the aircraft owned by lessors to reach Alitalia/CAI free from claims of seizure for protection purposes made by ADR. The amount enforced and collected was posted under Other current liabilities.

Due from subsidiaries, equal to 7,423 thousand euros, increased by 1,550 thousand euros compared to 2020.

For more details about these receivables, reference is made to Note 9 Transactions with related parties.

Other trade receivables, equal to 957 thousand euros (1,590 thousand euros as of December 31, 2020) mainly refer to prepaid expenses of a commercial nature and advances to suppliers.

The table below shows the seniority of the trade receivables past due.

			Receivables past due		
(Thousands of euros)	Receivables net of the loss allowances	Receivables Not yet due	From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2021	**184,282**	48,472	38,703	9,817	87,290
12.31.2020	**258,557**	17,938	31,423	11,965	197,231

Receivables overdue for more than one year are largely made up of receivables from Alitalia SAI under extraordinary management and are mainly attributable to i) the fees relating to additional passengers and IRESA, whose recoverability is guaranteed by the payable of the same amount recognized among other current liabilities that are subject to transfer to the competent Bodies only upon the outcome of collection from the carrier, and ii) the VAT deemed recoverable on the basis of applicable legislation.

The table below shows the movements of the loss allowances:

(Thousands of euros)	12.31.2020	Increases	Decreases	12.31.2021
Loss allowances	36,602	136,950	(9,175)	164,377
Default interest	7,579	0	(5,837)	1,742
TOTAL LOSS ALLOWANCES	**44,181**	**136,950**	**(15,012)**	**166,119**

The increase in the loss allowances compared to December 31, 2020 essentially reflects the impairment loss recognised during the year of the receivables from Alitalia SAI under extraordinary administration mentioned above, only partially offset by the use of the provision for receivables no longer recoverable.

The carrying amount of trade receivables is close to the relevant fair value.

5.8 CURRENT TAX ASSETS AND LIABILITIES

	Assets			Liabilities		
(Thousands of euros)	12.31.2021	12.31.2020	Change	12.31.2021	12.31.2020	Change
Due from/to parents for tax consolida-tion	75,555	4,433	71,122	0	0	0
IRES	79	42	37	7,320	0	7,320
IRAP	0	0	0	0	0	0
TOTAL	**75,634**	**4,475**	**71,179**	**7,320**	**0**	**7,320**

Current tax assets include the amount due from the parent Atlantia (in its capacity as consolidating company for tax purposes), amounting to 75,555 thousand euros. The increase in this receivable is essentially attributable to the 24% IRES benefit on both the tax loss recorded in the year, which can be transferred to the tax consolidation, and the share of prior tax losses remunerated in 2021.

Current tax liabilities are equal to 7,320 thousand euros, with an increase mainly attributable to the recognition of the substitute tax in relation to the realignment, pursuant to Italian Law Decree 104/2020, of the tax amount to the higher carrying amount of the financial statements item Airport management concession - rights acquired. For further information, reference should be made to Note 6.7 Income taxes.

5.9 OTHER CURRENT ASSETS

(Thousands of euros)	12.31.2021	12.31.2020	Change
Due from associates	482	482	0
Due from tax authorities	30,270	23,804	6,466
Due from others	226,167	5,519	220,648
TOTAL OTHER CURRENT ASSETS	**256,919**	**29,805**	**227,114**

Due from tax authorities, equal to 30,270 thousand euros (23,804 thousand euros as of December 31, 2020), mainly includes:

- VAT credit of 24,471 thousand euros, up by 6,380 thousand euros compared to December 31, 2020 due to the reduction in operations and therefore in turnover;
- other amounts due from tax authorities equal to 4,611 thousand euros, for taxes (and the relevant collection charges and interest) regarding the period 1/1/1993-3/23/1995, recognized as limited by the Supreme Court, within the dispute with the Customs Office, and with repayment required.

The increase in amounts due from others of 220,648 thousand euros is mainly attributable to the posting of the receivable for public grants for 219,237 thousand euros for recording the subsidy that the Italian government, through Italian Law 178/2020, assigned to airports to offset the losses attributable to the Covid-19 health emergency in the period March 1 - June 30, 2020.

Furthermore, the recognition should be noted of the receivable for grants on SESAR projects financed by the European Union within the Connecting European Facility (CEF) call 2016 and 2017 with reference only to the initiatives installed and in operation, the costs of which have been reported on (+2,956 thousand euros), partially offset by the reduction in the receivable due from INPS for the amounts advanced to the staff of ADR in relation to the Special Income Support Fund (-251 thousand euros).

The table below shows the seniority of the Other current assets.

			Receivables past due		
(Thousands of euros)	Receivables net of the loss allowances	Receivables not yet due	From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2021		256,919	256,304	0	615
12.31.2020		29,805	29,190	0	615

5.10 CASH AND CASH EQUIVALENTS

(Thousands of euros)	12.31.2021	12.31.2020	Change
Bank and post office deposits	381,600	1,086,159	(704,559)
Cash equivalents	250,000	0	250,000
Cash and notes in hand	24	22	2
Correspondence current accounts with subsidiaries	6,993	0	6,993
TOTAL CASH AND CASH EQUIVALENTS	**638,617**	**1,086,181**	**(447,564)**

Cash and cash equivalents decreased by 447,564 thousand euros compared to December 31, 2020 due to the cash flows used in operating, investing and financing activities during the year.

5.11 EQUITY

(Thousands of euros)	12.31.2021	12.31.2020	Change
Share capital	62,225	62,225	0
Legal reserve	12,462	12,462	0
Share premium reserve	667,389	667,389	0
Hedging reserve	(76,486)	(111,733)	35,247
Fair value reserve	(40,611)	(27,591)	(13,020)
Other reserves and retained earnings	377,786	521,256	(143,470)
Profit (loss) for the year	(44,868)	(143,353)	98,485
TOTAL EQUITY	**957,897**	**980,655**	**(22,758)**

The changes taking place in the year are shown in the statement of changes in equity and mainly refer to:

- the loss for the year equal to 44,868 thousand euros;
- the positive result of other comprehensive income of 22,110 thousand euros deriving mainly from the fair value gain on hedging derivatives (+35,246 thousand euros net of the tax effect) and the fair value gain on the equity investment in Azzurra (-12,544 thousand euros), in S.A.CAL. S.p.A. (-476 thousand euros), as well as the actuarial loss on employee benefits (-116 thousand euros, net of the tax effect).

As of December 31, 2021 ADR's share capital, wholly subscribed and paid up, amounts to 62,224,743 euros, represented by 62,224,743 ordinary shares with a par value of 1 euro each.

ADR's legal reserve represents the part of profits which, according to the contents of art. 2430 of the Italian Civil Code, may not be distributed as dividends. The reserve reached the maximum amount required by law.

The hedging reserve includes the measurement at fair value of the hedging derivatives; for more details, reference is made to Note 5.15.

Other reserves and retained earnings, equal to 377,786 thousand euros include: i) the losses deriving from the actuarial measurement of employee benefits, net of the tax effect, for -3,597 thousand euros, ii) the transition reserve net of the relevant tax effect, for -155,163 thousand euros, iii) retained earnings for 511,724 thousand euros; vi) the reserve relating to the effects of the transactions for the sale of equity investments and business units under common control, equal to 17,981 thousand euros.

Below is the statement analyzing the capital and equity reserves with indication of the related possibility of use, in compliance with the provisions of art. 2427 of the Italian Civil Code and IAS 1 paragraph 76.

	Amount	Possibility of use	Available portion	Summary of the uses made in the three previous years	
(Thousands of euros)				To cover losses	For other reasons
SHARE CAPITAL	**62,225**	**B**	**0**		
RESERVES					
Legal reserve (1)	12,462	A, B	17		
Share premium reserve (2)	667,389	A, B, C	667,389		
Hedging reserve, net of the tax effects	(76,487)	B	0		
Fair value reserve	(40,611)	B	0		
Other reserves and retained earnings	377,787	A, B, C	377,787		
TOTAL RESERVES	**940,540**		**1,045,193**		
TOTAL CAPITAL AND RESERVES	**1,002,765**		**1,045,193**		
Non-distributable amount			0		
Distributable amount (3)			1,045,193		

(1) of which available the share exceeding one fifth of the capital.

(2) distributable for the entire amount, given that the legal reserve has reached the limit as defined by art. 2430 of the Italian Civil Code. The tax-suspension restriction is placed on the amount of 355,036 thousand euros.

(3) it should be noted that the Hedging reserve, net of tax effects, has a negative balance of 76,487 thousand euros, the Fair value reserve has a negative balance of 40,611 thousand euros and the Loss for the year equals 44,868 thousand euros

Key: A: for capital increase; B: to cover losses C: for distribution to shareholders.

The distributable portion of the reserves is made up of 355,036 thousand euros of reserves under tax suspension, which in the event of distribution, in the related tax period, contribute to the formation of the taxable income for IRES purposes of ADR.

In detail, in connection with the alignment pursuant to Italian Law Decree no. 104/2020 converted with amendments into Italian Law no. 126 of 2020, of the tax base to the higher carrying amount of the financial statement item Airport management concession - rights acquired, the tax-suspension restriction was placed on a portion of the Share premium reserve, amounting to 355,036 thousand euros.

5.12 EMPLOYEE BENEFITS (CURRENT AND NON-CURRENT SHARE)

(Thousands of euros)		2021
OPENING BALANCE OF POST-EMPLOYMENT BENEFITS		**11,676**
Current cost	0	
Interest expense	39	
Total expense taken to profit or loss		**39**
Payments/Uses		(2,461)
Actuarial gains/losses from changes in the demographic assumptions	30	
Actuarial gains/losses from changes in the financial assumptions	27	
Effect of past experience	96	
Total actuarial gains/losses recognized in the statement of comprehensive income		**153**
Other changes		0
CLOSING BALANCE OF POST-EMPLOYMENT BENEFITS		**9,407**
of which:		
non-current share		8,792
current share		615

Employee benefits consist of the post-employment benefits, governed by art. 2120 of the Italian Civil Code, which includes the estimate of the obligation, determined based on actuarial techniques, to be paid to ADR employees when terminating the employment relationship.

The decrease in the provision of 2,269 thousand euros reflects the effect of payment of post-employment benefits to employees involved in the redundancy payment plan.

Summarized below are the main assumptions made for the actuarial estimate process regarding the post-employment benefits as of December 31, 2021:

FINANCIAL ASSUMPTIONS	12.31.2021	12.31.2020
Discount rate	0.44%	(0.02%)
Inflation rate	1.8%	0.8%
Annual rate of increase in post-employment benefits	2.3%	1.7%
Annual rate of pay increase	3.1%	2.6%
Annual turnover rate	1.7%	1.5%
Annual rate of disbursement of advances	0.5%	1.3%

The discount rate used to determine the present value of the obligation was determined in accordance with paragraph 78 of IAS 19, with reference to the average return curve deriving from the index IBOXX Eurozone Corporates AA 7-10 with duration based on the average permanence of the collective measurement subject.

Demographic assumptions	2021/2020
Mortality	2020 ISTAT mortality tables broken down by gender, reduced to 85%
Disability	INPS tables broken down by age and gender, reduced to 70%
Retirement	Reaching the minimum foreseen by the regulations in force

The effects of the obligation for the severance indemnities deriving from a reasonably possible change in the main actuarial assumptions at year end are indicated below:

(Thousands of euros)	1.0% Increase	1.0% Decrease	0.25% Increase	0.25% Decrease
Annual turnover rate	9,359	9,458		
Inflation rate			9,492	9,322
Discount rate			9,268	9,548

The weighted average duration of the obligations for the defined benefit plans for the employees at year end is 7 years and the service costs predicted for 2021 equal to zero.

The disbursements predicted for the next five years are as follows:

	(Thousands of euros)
1st year	564
2nd year	671
3rd year	737
4th year	786
5th year	805

The amount of the contributions expected to be allocated to the defined benefit plans in the subsequent year is equal to zero.

5.13 PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE (NON-CURRENT AND CURRENT SHARE)

(Thousands of euros)	12.31.2020	Allocations	Discounting effect	Operational uses	12.31.2021
Provisions for renovation of airport infrastructure	**191,717**	**65,915**	**(16)**	**(48,774)**	**208,842**
of which:					
current share	47,340				53,287
non-current share	144,377				155,555

Provisions for renovation of airport infrastructure include the present value of the updated estimate of charges to be incurred for extraordinary maintenance, repairs and replacements of goods and plants for the contractual obligation of the concession manager to ensure the due functionality and safety of the airport infrastructure.

5.14 OTHER PROVISIONS FOR RISKS AND CHARGES (CURRENT AND NON-CURRENT SHARE)

(Thousands of euros)	12.31.2020	Allocations	Decreases for the reversal of provisions in excess	Operational uses	12.31.2021
Tax	6,686	568	0	(121)	7,133
Current and potential disputes	12,441	2,839	0	(104)	15,176
Internal insurance	723	188	0	0	911
Restructuring	4,799	(0)	0	(4,799)	(0)
Investees' losses	13	0	(13)	0	0
TOTAL OTHER PROVISIONS FOR RISKS AND CHARGES	**24,662**	**3,595**	**(13)**	**(5,024)**	**23,220**
of which:					
current share	7,424				3,531
non-current share	17,238				19,689

Tax provisions, equal to 7,133 thousand euros, reflect the risk of negative outcomes of the pending disputes with UTF (now the Customs Office) concerning import taxes and additional provincial taxes on electricity disbursed in the period 2002-2012 - as well as the issues regarding ICI/IMU (property taxes).

The provisions for current and potential disputes of 15,176 thousand euros (12,441 thousand euros as of December 31, 2020) include the estimated charges that are deemed likely to be incurred in connection with the disputes in progress at the end of the year. This provision increased as a result of the allocation for the year (+2,839 thousand euros) relating to ongoing disputes with customers and non-recurring items relating to employees.

This provision includes an assessment, made on the basis of the best current information, of the claims for compensation of third parties referring to the fire in T3 on May 7, 2015. So far around 170 claims have been lodged (carriers, handlers, sub-concessionaires and passengers), only partly supported by a clear quantification, for damages that to date total approximately 19 million euros.

For further information on the current disputes, reference should be made to Note 8.5 Litigation.

Moreover, the Provisions for Restructuring were reduced to zero in the year due to uses relating to the redundancy payment plan pursuant to the trade union agreement of December 1, 2020.

5.15 FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT SHARE)

	12.31.2021					12.31.2020		
(Thousands of euros)	Carrying amount	Current share	Non-current share	Between 1 and 5 years	Over 5 years	Carrying amount	Current share	Non-current share
MEDIUM/LONG-TERM FINANCIAL LIABILITIES								
Bonds	1,521,416	0	1,521,416	253,260	1,268,156	1,406,336	399,863	1,006,473
Medium/long-term loans	674,244	17,884	656,360	357,371	298,989	886,171	12,500	873,671
Accrued expenses medium/long-term financial liabilities	18,541	18,541	0	0	0	18,022	18,022	0
Other financial liabilities	3,925	1,333	2,592	2,344	248	2,825	1,006	1,819
TOTAL MEDIUM/LONG-TERM FINANCIAL LIABILITIES	**2,218,126**	**37,758**	**2,180,368**	**612,975**	**1,567,393**	**2,313,354**	**431,391**	**1,881,963**
FINANCIAL INSTRUMENTS - DERIVATIVES	**119,702**	**38,472**	**81,230**	**81,230**	**0**	**220,944**	**59,706**	**161,238**
OTHER CURRENT FINANCIAL LIABILITIES	**13,636**	**13,636**	**0**	**0**	**0**	**9,126**	**9,126**	**0**
TOTAL FINANCIAL LIABILITIES	**2,351,464**	**89,866**	**2,261,598**	**694,205**	**1,567,393**	**2,543,424**	**500,223**	**2,043,201**

Bonds

(Thousands of euros)	12.31.2020 Carrying amount	Changes New loans raised	Repayments	Exchange rate differences	Amortized cost effect	12.31.2021 Carrying amount
Bonds	**1,406,336**	500,000	(400,001)	16,720	(1,639)	**1,521,416**
current share	399,863					0
non-current share	1,006,473					1,521,416

As of December 31, 2021 Bonds increased by 115,080 thousand euros, due to the issue of the Sustainability-Linked bonds in April 2021 (par value of 500,000 thousand euros) and the adjustment of the A4 bonds to the exchange rate at the end of the year (+16,720 thousand euros). These changes were partly offset by the repayment at maturity of 400,000 thousand euros of the EMTN bonds in February 2021, and the effects on the debt measurement of the application of the amortized cost method (-1,639 thousand euros).

Reported below is the main information regarding the bond issues in place as of December 31, 2021 issued by ADR.

Name	Par value (in currency)	Currency	Carrying amount	Fixed interest rate	Interest payment frequency	Repayment	Total duration	Expiry
Class A4 (*)	215,000	GBP	253,260	5.441%	every six months	bullet	20 years	02.2023
€500,000,000 1.625% EMTN 06.2027	500,000	EUR	478,026	1.625%	yearly	bullet	10 years	06.2027
€300,000,000 1.625% EMTN 02.2029 – "GREEN BONDS"	300,000	EUR	298,012	1.625%	yearly	bullet	8 years and 2 months	02.2029
€500,000,000 1.750% EMTN 07.2031 - "SUSTAINABILITY-LINKED BONDS"	500,000	EUR	492,118	1.750%	yearly	bullet	10 years and 3 months	07.2031
TOTAL BONDS			**1,521,416**					

(*) the carrying amount recognized in the separate financial statements (253.3 million euros) is affected by the adoption of the amortized cost method and the adjustment to the exchange rate at the end of the year.

For further information, see Note 7.

In addition to the A4 bonds, the last of the bonds issued in 2003 by the Romulus Finance "vehicle" to fund the securitization of the previous bank loan taken on after the privatization of the company, the issues related to the bond issue program known as EMTN (Euro Medium Term Notes) launched by ADR in 2013 are still outstanding. Under this Program, the following bonds were issued and are still outstanding, all senior unsecured: changes that occurred during the year are highlighted in the specific table included in the financial statements and are mainly related to:

- the notes issued on June 8, 2017 for a par value of 500 million euros;
- the issue finalized on December 2, 2020, for a par value of 300 million euros and characterized by the "green" label;
- the issue finalized on April 30, 2021, for a par value of 500 million euros and characterized by the "sustainability-linked" label, with a duration of 10 years and three months and a coupon of 1.75%. The issue envisages the application of a step-up on the margin up to a maximum of 25 bps, starting from the coupon payable in 2028 and up to maturity, if one or more Sustainability Performance Targets as described in the Sustainability-Linked Financing Framework of the Company are not met.

All the bond issues under the EMTN Program were placed with qualified investors, as defined by Consob by regulation on the basis of the criteria laid down by EU provisions, and listed in the regulated market managed by the Irish stock exchange. The "class A4" bonds are listed both on the regulated market managed by the Luxembourg Stock Exchange and on the ExtraMOT Pro market managed by Borsa Italiana, the Italian Stock Exchange.

As of December 31, 2021, the credit rating assigned by Fitch, Moody's and S&P to the issuer of ADR and to the bonds was of BBB-, Baa3 and BBB-, respectively. The outlooks or watches assigned by the agencies are all positive.

On June 4, 2021, Fitch revised the previous rating watch assigned in 2020 (i.e. rating watch with developing implications), to positive after the approval by Atlantia's shareholders' meeting of the sale of the entire stake held in ASPI and its positive impact on the creditworthiness of the entire Atlantia Group.

The approval of the sale of ASPI also generated positive action on ADR's creditworthiness by the other two rating agencies: on June 7, Moody's changed its outlook from negative to positive; on June 22, S&P raised its rating by 1 notch, from BB+ to BBB-, and changed the outlook to positive.

The positive rating status of all the rating agencies shows the possibility of a further improvement in the rating level following the completion of the conditions precedent set out in the agreement for the sale of the stake in ASPI held by Atlantia, and the subsequent completion of the transaction.

The fair value of the bond issues is reported in the table below:

	12.31.2021		12.31.2020	
(Thousands of euros)	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate	1,521,416	1,605,633	1,406,336	1,476,815
TOTAL BONDS	1,521,416	1,605,633	1,406,336	1,476,815

The fair value of the bond issues was determined on the basis of the market values available as of December 31, 2021; in particular, the future cash flows were discounted by using the discount curves used in market practice (6-month Euribor and 6-month Libor), increased by a credit spread based on ADR's counterparty risk at the valuation date. Compared to December 31, 2020, the fair value of the bonds increased by 129 million euros, a change attributable to the issue of the new sustainability-linked bonds, to the repayment of the ones issued in 2013, as well as to the reduction of almost one percentage point in the credit spread, as can be deduced from the quotations of the Company's bonds.

Medium/long-term loans

	12.31.2020	Change			12.31.2021
(Thousands of euros)	Carrying amount	New loans raised	Repayments	Amortized cost effect	Carrying amount
Medium/long-term loans	886,171	0	(212,500)	573	674,244
current share	12,500				17,884
non-current share	873,671				656,360

Medium/long-term loans decreased by 211,927 thousand euros due to the early voluntary repayment of the loan, guaranteed by SACE, granted by a banking syndicate with a par value of 200.0 million euros and the repayment of short-term portions of EIB and CDP loans totaling 12.5 million euros.

Reported below is the main information regarding the medium/long-term loans in place as of December 31, 2021.

(Thousands of euros)

Lender	Name	Amount granted	Outstanding par value	Carrying amount	Currency	Rate	Interest payment frequency	Repayment	Total duration	Expiry
Banking syn-dicate	Revolving Credit Facility ("RCF")	250,000	0	0	EUR	floating rate indexed to the Euribor + margin	Quarterly (in case of use)	revolving	5 year (*)	07.2023
Banca Nazio-nale del Lavoro ("BNL")	BNL loan 2020	200,000	200,000	199,678	EUR	floating rate indexed to the Euribor3M + 1.55%	quarterly	bullet	4 years	05.2024
European In-vestment Bank ("EIB")	EIB loan 2016	150,000	131,667	131,552	EUR	I tranche (110,000) 1.341%	yearly	amortizing from 2020	14 years	09.2031
						II tranche (40,000) 0.761%		amortizing from 2022	15 years	11.2034
Cassa Depositi e Prestiti ("CDP")	EIB loan 2018	150,000	143,333	143,237	EUR	I tranche (40,000) 1.629%	yearly	amortizing from 2020	14 years	09.2031
						II tranche (30,000) 1.070%		amortizing from 2022	15 years	11.2034
						III tranche (80,000) 1.263%		amortizing from 2023	15 years	03.2035
Banca Europea per gli Investimenti ("BEI")	Prestito BEI 2018	200,000	200,000	199.777	EUR	0.819%	yearly	amortizing from 2023	15 years	09.2035
Total medium/ long-term loans		**950,000**	**675,000**	**674.244**						

(*) the contract originally provided the option of extending the initial deadline of July 2021 by an additional 2 years; this option was exercised by ADR, postponing the original deadline to July 2023.

ADR's bank loans, such as ADR's debt deriving from bond issues under the EMTN Program, are of the senior unsecured type.

The Revolving Credit Facility ("RCF"), fully available as at December 31, 2021, is aimed at ensuring adequate liquidity support for the Company's development plans. This line, which will expire in July 2023, was granted by a banking syndicate as follows as of December, 31 2021: Barclays, BNP Paribas Group, Crédit Agricole Group, Intesa Sanpaolo, Mediobanca, Natixis, Société Générale, and UniCredit. The cost of this credit line varies depending on the rating assigned to ADR.

The bank loan of 200 million euros granted in the second quarter of 2020 by BNL (BNP Paribas Group) pays a floating rate and has a bullet maturity in 2024.

The 2016 EIB and CDP loans were signed on the 300 million euros line approved by the EIB in favor of ADR in 2014 as financial support for the project called "Aeroporti di Roma - Fiumicino Sud", and are divided into a 150 million euros contract granted directly by the EIB and a 150 million euros contract brokered by Cassa Depositi e Prestiti ("CDP"). As of December 31, 2021, these lines of credit were fully used through the drawing of several tranches with final maturities between 2031 and 2034. All the tranches used have an amortizing repayment profile and are at a fixed rate.

An additional loan granted by the EIB in 2018, amounting to 200 million euros, was fully disbursed in 2020. This loan was granted following the update of the Fiumicino Sud infrastructure project, which envisaged an increase in the value of the projects originally financed. The characteristics of the relevant loan agreement are essentially in line with the previous agreement.

For an examination of the main terms and conditions of bank loans, please refer to Note 7 below.

The fair value of the medium/long-term loans is reported in the table below.

	12.31.2021		12.31.2020	
(Thousands of euros)	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate	474,566	468,605	486,998	468,174
Floating rate	199,678	202,811	399,173	401,402
TOTAL MEDIUM/LONG-TERM LOANS	674,244	671,416	886,171	869,576

The fair value of the medium/long-term loans was determined based on market values available as of December 31, 2021; in particular, the future cash flows were discounted according to the standard discount curves used in market practice (6-month Euribor), increased by a credit spread based on ADR's counterparty risk at the valuation date.

Compared to December 31, 2020, the fair value of medium/long-term loans fell by 198 million euros, essentially due to the repayments of the year, a change partially offset by the reduction in the credit spread incorporated in the discount rates.

Other financial liabilities

	12.31.2020	Change			12.31.2021
(Thousands of euros)	Carrying amount	New loans raised	Increases for fin. Discounting	Repayments	Carrying amount
Leases	2,825	2,492	29	(1,421)	3,925
current share	1,006				1,333
non-current share	1,819				2,592

Leases, which includes the present value of liabilities deriving from lease contracts, rose by 1,100 thousand euros due to new leases raised during the year, totaling 2,492 thousand euros, which were partially offset by lease repayments (-1,421 thousand euros).

Derivatives with negative fair value

(Thousands of euros)	12.31.2021	12.31.2020	Change
Currency hedges	69,152	85,872	(16,720)
Interest rate hedges	50,316	134,808	(84,492)
Interest accrual	234	264	(30)
TOTAL DERIVATIVES WITH NEGATIVE FAIR VALUE	119,702	220,944	(101,242)
non-current share	81,230	161,238	(80,008)
current share	38,472	59,706	(21,234)

ADR uses hedging derivatives for currency and interest rate risks to mitigate any future increases in outgoing cash flows attributable to unfavorable changes in currency and interest rates.

As of December 31, 2021 ADR had two cross currency swaps for a total notional capital of 215 million pound sterling / 325 million euros, allowing the cash flows in euro regarding the payment of interest and the redemption of the A4 bonds in pound sterling to be stabilized.

As of December 31, 2021, ADR also has other three forward-starting interest rate swap contracts with negative fair value in place from August 2018, for a total notional amount of 300 million euros. These contracts, with activation in February 2022, have the purpose of hedging the interest rate risk on very probable loans aimed at refinancing the bonds to be paid back in February 2023.

During 2021, at the same time as the 500 million euros sustainability-linked bond issue, IRS forward-starting derivatives for a total par value of 400 million euros were settled, adjusting the related negative fair value of approximately 44 million euros at the date of redemption (59 million euros as of December 31, 2020).

Compared to December 31, 2020, derivatives with negative fair value decreased by 101 million euros, due to the aforementioned redemption (59 million euros), the increase in interest rates (25 million euros) and the appreciation of the pound sterling during the year (17 million euros).

Below is a table summarizing the outstanding derivative contracts with negative fair value of ADR as of December 31, 2021.

										Air value Of the derivative		Fair value Gains (losses)		
Coun-terparty	Com-pany	Instr.	Type	Risk covered	Subscr. Date	Exp.	Notional value hedged	Rate applied	Underlying	As of 12.31.2021	As of 12.31.2020	Through profit or loss (****)	To OCI (*)	Amounts paid (**)
Mediobanca, UniCredit	ADR	CCS	CF	I	02.2013	02.2023	325,019	It receives fixed rate in GBP of 5.441% pays fixed rate of 6.4%	Class A4	(12,078)	(20,847)	238	8,531	
				C						(69,152)	(85,872)	16,720	0	
										(81,230)	(106,719)	16,958	8,531	
Société Générale	ADR	IRS FWD (**)	CF	I	09.2017	06.2031	100,000	It pays a fixed rate of 1.606% and receives 6-month Euri-bor	n.a. (Redeemed derivative)	0	(18,690)	0	3,885	14,805
UniCredit, NatWest, Société Générale	ADR	IRS (***)	CF	I	08.2018	02.2032	300,000	They pay an average fixed rate of 1.618% and receive the 6-month Euribor	Debt to be taken on	(38,238)	(54,519)	0	16,281	
Unicredit, BNPP	ADR	IRS FWD (**)	CF	I	10.2016	06.2031	300,000	They pay an average fixed rate of 1.105% and receive the 6-month Euribor	n.a. (Redeemed derivative)	0	(40,752)	0	11,536	29,216
								TOTAL		**(119,468)**	**(220,680)**	**16,958**	**40,233**	**44,021**
								of which:						
								Currency hedges		(69,152)	(85,872)			
								Interest rate hedges		(50,316)	(134,808)			

(*) the change in fair value is posted in the OCI net of the tax effect

(**) forward-starting IRS: the contracts were closed in line with the issue of the new Sustainability-Linked bonds on April 30, 2021

(***) forward-starting IRS: activation date February 2022

(****) under item "Net financial income (expense)"

CF: Cash flow - C: Currency - I: interest

In relation to the valuation techniques and the inputs used to determine the fair value of the derivatives, reference is made to Note 8.4 Information on fair value measurement.

Other current financial liabilities

Other current liabilities are equal to 13,636 thousand euros (9,125 thousand euros as of December 31, 2020) and refer to the payables to subsidiaries for the use of the centralized cash management system.

Net financial debt

The following table details the net financial debt with an analysis of amounts due to/from related parties, pursuant to Consob communication no. DEM/6064293 of July 28, 2006 and the Warning notice no. 5/21 issued by Consob on April 29, 2021 with reference to ESMA Guideline 32-382-1138 of March 4, 2021.

(Thousands of euros)	12.31.2021	*Of which related parties*	12.31.2020	*Of which related parties*
Cash (A)	(388,617)	(6,993)	(1,086,181)	
Cash equivalents (B)	(250,000)			
Other current financial assets (C)	(3,676)	(1,350)	(1,350)	(1,350)
LIQUIDITY (D=A+B+C)	**(642,293)**		**(1,087,531)**	
Current financial debt (including debt instruments, but ex-cluding the current portion of non-current financial debt) (E)	52,108	13,636	68,832	9,125
Current portion of non-current financial debt (F)	37,758	567	431,391	213
CURRENT FINANCIAL DEBT (G=E+F)	**89,866**		**500,223**	
CURRENT NET FINANCIAL DEBT (H=G+D)	**(552,427)**		**(587,308)**	
Non-current financial debt (excluding current portion and debt instruments) (I)	658,952	1,397	875,490	
Debt instruments (J)	1,602,646		1,167,711	
Trade payables and other current payables (K)	0		0	
NON-CURRENT FINANCIAL DEBT (L=I+J+K)	**2,261,598**		**2,043,201**	
NET FINANCIAL DEBT as per ESMA recommendation of March 4, 2021 (M=H+L)	**1,709,171**		**1,455,893**	
Other non-current financial assets (N)	(718)		(1,188)	
NET FINANCIAL DEBT (O=M+L)	**1,708,453**		**1,454,705**	

5.16 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities are equal to 986 thousand euros and the increase compared to the previous year is attributable to the estimate of the liabilities relating to the long-term incentive plans.

5.17 TRADE PAYABLES

(Thousands of euros)	12.31.2021	12.31.2020	Change
Suppliers	83,415	143,337	(59,922)
Subsidiaries	62,546	24,715	37,831
Parents	185	2,061	(1,876)
Deferred income	6,521	1,336	5,185
Advances received	7,193	9,739	(2,546)
TOTAL TRADE PAYABLES	**159,860**	**181,188**	**(21,328)**

Trade payables (excluding subsidiaries and parents) recorded a decrease of 59,922 thousand euros, mainly due to the lower volume of investments compared to the last part of the previous year.

The increase of 37,831 thousand euros in Amounts due to subsidiaries is mainly attributable to amounts due to the new subsidiary ADR Infrastrutture and to the company ADR Ingegneria, respectively, for airport work and work design and management activities.

Deferred income, equal to 6,521 thousand euros, recorded an increase of 5,185 thousand euros essentially due to the recognition of the credit for contributions relating to the SESAR investment projects financed by the European Union in the Connecting European Facility (CEF) call 2016 and 2017, which led to the recognition of the related deferral to be released to the income statement in line with the relative amortization plans.

Advances received fell by 2,546 thousand euros compared to December 31, 2020, due to lower advances from customers.

5.18 OTHER CURRENT LIABILITIES

(Thousands of euros)	12.31.2021	12.31.2020	Change
Taxes other than income taxes	103,680	88,880	14,800
Personnel	4,951	2,863	2,088
Social security agencies	3,865	3,243	622
Guarantee deposits	13,314	13,244	70
Other	9,269	11,405	(2,136)
TOTAL OTHER CURRENT LIABILITIES	**135,079**	**119,635**	**15,444**

Liabilities for taxes other than income taxes are equal to 103,680 thousand euros (88,880 thousand euros as of December 31, 2020) and mainly include:

- passenger surcharges for 77,833 thousand euros (62,028 thousand euros as of December 31, 2020). This amount was paid the following month after collection of municipal surcharge from carriers, while the outstanding amounts due are recorded in a contra-entry under amounts due from customers. The surcharge on the passenger boarding fee charged to carriers equals 7.5 euros per passenger, of which 5.0 euros allocated to INPS and one euro (commission surcharge) for the commission management of the Municipality of Rome. The increase in the payable for the surcharge of 15,805 thousand euros compared to the end of 2020 reflects the related trend, during the year, of the corresponding collections from carriers;
- 23,305 thousand euros due to the Lazio Regional Authority for IRESA (24,074 thousand euros as of December 31, 2020). This tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Region.

Amounts due to personnel and social security agencies rose by 2,088 thousand euros and 622 thousand euros, respectively, mainly due to the assessment of payments due in connection with the reintroduction of variable incentive plans.

Other, equal to 9,269 thousand euros, includes the amount due to ENAC for the concession fee of 6,025 thousand euros, down by 2,184 thousand euros compared to 2020, in relation to the advance payments of 2020 and the payment of the first installment of 2021, made in April 2021 and July 2021 respectively, net of the portion accrued in the year.

6. Information on the items of the income statement

6.1 REVENUE

Revenue for 2021 is broken down as follows, pursuant to IFRS 15:

	2021			2020		
	Revenue from contracts IFRS 15	Other revenue	Total	Revenue from contracts IFRS 15	Other revenue	Total
AVIATION						
Airport fees	149,656	0	149,656	131,900	0	131,900
Centralized infrastructures	6,193	0	6,193	6,402	0	6,402
Security services	32,241	0	32,241	24,527	0	24,527
Other	10,000	0	10,000	7,957	0	7,957
	198,090	0	198,090	170,786	0	170,786
NON AVIATION						
Sub-concessions and utilities:						
Properties and utilities	4,635	26,029	30,664	5,031	30,195	35,226
Shops	0	32,358	32,358	0	29,555	29,555
Car parks	0	10,552	10,552	0	8,407	8,407
Advertising	2,365	0	2,365	3,959	0	3,959
Car parks	487	0	487	339	0	339
Other	12,546	2,004	14,550	12,122	514	12,636
	20,033	**70,943**	**90,976**	**21,451**	**68,671**	**90,122**
REVENUE FROM AIRPORT MANAGE-MENT	**218,123**	**70,943**	**289,066**	**192,237**	**68,671**	**260,908**
REVENUE FROM CONSTRUCTION SER-VICES	**98,581**	**0**	**98,581**	**98,060**	**0**	**98,060**
OTHER OPERATING INCOME	**433**	**228,162**	**228,595**	**352**	**9,075**	**9,427**
TOTAL REVENUE	**317,137**	**299,105**	**616,242**	**290,649**	**77,746**	**368,395**
Timing of goods/services transfer:						
Goods and services transferred over time	**118,191**			**118,898**		
Goods and services transferred at a point in time	**198,946**			**171,751**		

Revenue from airport management of 289,066 thousand euros was still impacted by the effects of the pandemic crisis on traffic. The increase compared to 2020, which had been affected by the border closure measures only starting in March, is 10.8%. In particular, aviation activities recorded an increase of 16.0%, due to the recovery in traffic mainly in the summer months, while the non-aviation sector, with revenue rising by 0.9%, benefited from the increase in passengers; in detail, revenue from commercial sub-concessions rose by 9.5%, while revenue from car parks by 25.5%; revenue from real estate sub-concessions dropped by 13.0% while advertising revenue by 40.3%. The other revenue from airport management mainly include expense recoveries from subsidiaries.

Revenue from construction services equal to 98,581 thousand euros (98,060 thousand euros in 2020) refer mainly to revenue from construction services for self-funded works. Consistent with the accounting model adopted, based on the application of IFRIC 12, this revenue, which represents the consideration due for the activity performed, is measured at fair value, determined on the basis of the total costs incurred (external costs and personnel expense).

Other operating income is broken down as follows:

(Thousands of euros)	2021	2020
Grants and subsidies	219,949	83
Gains on sales	62	8
Re-absorption, Default interest	4	0
Expense recoveries	5,715	5,468
Damages and compensation from third parties	174	866
Other income	2,691	3,002
TOTAL OTHER OPERATING INCOME	**228,595**	**9,427**

The increase in other operating income is mainly attributable to the posting, for 219,237 thousand euros, of the subsidy that the Italian government, through law 178/2020, assigned to airports to offset the losses attributable to the Covid-19 health emergency in the period March 1 - June 30, 2020. For further information, reference should be made to Note 10.5 Information on the effects of the COVID-19 epidemic.

6.2 CONSUMPTION OF RAW MATERIALS AND CONSUMABLES

(Thousands of euros)	2021	2020
Fuel and lubricants	849	595
Electricity, gas and water	4,644	4,033
Consumables, spare parts and various materials	3,095	3,478
TOTAL CONSUMPTION OF RAW MATERIALS AND CONSUMABLES	**8,588**	**8,106**

The increase of 482 thousand euros compared to the previous year is mainly attributable to the costs for electricity, gas and water.

6.3 SERVICE COSTS

(Thousands of euros)	2021	2020
Maintenance	37,015	36,148
Renovation of airport infrastructure	48,774	31,975
External service costs	84,867	67,555
Construction services	92,316	91,474
Cleaning and disinfestations	16,725	16,951
Professional services	7,140	8,488
Firefighting services	4,932	6,127
Other costs	19,086	20,808
Remuneration of Directors and Statutory Auditors	747	(77)
TOTAL SERVICE COSTS	**311,602**	**279,449**

The increase in service costs, equal to 32,153 thousand euros, is essentially due to the rise in the costs for renovation of airport infrastructure (+16,799 thousand euros), in relation to the gradual resumption of the investment program, and costs for external services (+17,312 thousand euros), due to the higher costs recognized to the subsidiaries ADR Security and ADR Assistance for security and assistance services for passengers with reduced mobility, in relation to the greater volume of activity managed and the reopening of Terminal 1 from August 2021, as well as the higher costs for the electricity service paid to

Leonardo Energia, mainly in relation to the increase in production costs (gas and CO_2). This trend was partially offset by the decrease in costs for firefighting services, costs for professional services and other costs, mainly referring to advertising and seconded personnel.

6.4 PERSONNEL EXPENSE

(Thousands of euros)	2021	2020
Salaries and wages	54,427	48,596
Social security charges	15,008	13,977
Post-employment benefits	3,361	1,703
Other costs	1,400	6,219
TOTAL PERSONNEL EXPENSE	74,196	70,495

The increase in personnel expense of 3,701 thousand euros compared to 2020 is mainly attributable to the allocations for the year relating to the reintroduction of variable short and medium-term incentives and a lower use of social security benefits (CIGS and CIGD), partially offset by the reduction in the net headcount and a decrease in redundancy payments compared to 2020 when an allocation to the provisions for risks and charges of 4,799 thousand euros, classified under personnel expense, had been recognised. Moreover, compared to the previous year, there was a positive effect from the fair value loss on share incentive plans.

To cope with the massive drop in traffic due to the spread of COVID-19, the company launched a plan to use social security benefits (CIGS) for the period March 23, 2020 - January 22, 2021 which involved all employees entitled to benefits. This program was extended following an agreement with the trade unions on December 1, 2020 until March 22, 2021. Due to the persistence of the crisis, on March 16, 2021 an additional agreement was signed for the use of the Income Support Treatment (CIGD, Cassa Integrazioni Guadagni in Deroga) for twelve weeks from March 23, 2021, subsequently extended by an agreement signed with the trade unions on June 11, 2021 for a further 28 weeks from June 14, 2021.

The table below shows the average headcount of ADR (broken down by position):

Average headcount	2021	2020	Change
Managers	49.3	47.2	2.1
Administrative staff	241.4	248.8	(7.4)
White-collars	676.4	759.4	(83.0)
Blue-collars	307.7	324.7	(17.0)
TOTAL AVERAGE HEADCOUNT	1,274.8	1,380.1	(105.3)

6.5 OTHER OPERATING COSTS

(Thousands of euros)	2021	2020
Concession fees	10,034	8,299
Lease payments	640	685
Allocation to (use of) the provisions for renovation of airport infrastructure	17,141	6,834
Allocation to (re-absorption of) provisions for risks and charges	3,582	(1,173)
Other costs:		
Allocations to loss allowances	136,950	2,336
Indirect taxes and levies	6,458	6,492
Other expenses	1,548	2,228
TOTAL OTHER OPERATING COSTS	176,353	25,701

Concession fees, equal to 10,034 thousand euros, rose by 1,735 thousand euros compared to the previous year and are directly related to the traffic trends.

The item Allocation to (use of) the provisions for renovation of airport infrastructure includes the allocation to the provisions for renovation of airport infrastructure, recognized net of the uses against the costs incurred in the period, classified in the corresponding item of the income statement by nature.

Allocations to (re-absorption of) provisions for risks and charges amounted to 3,582 thousand euros (1,173 thousand euros in 2020). For more details, see Note 5.14.

Allocations to loss allowances are equal to 136,950 thousand euros. The increase compared to the previous year is essentially due to the increased risk assessments which, in relation to the most recent events, affect the expected conditions of recoverability for the receivable from Alitalia SAI under extraordinary administration subject to filing in insolvency proceedings.

6.6 NET FINANCIAL EXPENSE

The item Net financial expense equals -62,069 thousand euros (-59,446 thousand euros in 2020). The tables below provide details on the financial income and expense.

Financial income

(Thousands of euros)	2021	2020
Interest income		
Interest on bank deposits and loans	523	211
Interest from subsidiaries	66	0
Gains on derivatives		
Fair value gains on derivatives	16,958	236
Other income		
Default interest on current receivables	0	29
Interest from tax credits	0	1,000
Interest from customers and others	4	20
TOTAL FINANCIAL INCOME	**17,551**	**1,496**

Financial income mainly increased as a consequence of the fair value gain on the cross currency swap contracts for the Euro/Sterling exchange rate component hedging the A4 bonds issued in pound sterling (+16,720 thousand euros).

This change is offset by a component of the same amount recorded under exchange losses, which refers to the increase in the par value of the bonds in pound sterling.

Financial expense

(Thousands of euros)	2021	2020
FINANCIAL EXPENSE FROM DISCOUNTING PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE	**(16)**	**1,241**
Interest on outstanding bonds	34,407	34,595
Interest on medium/long-term loans	8,761	6,622
Interest paid to subsidiaries	1	4
Effects of applying the amortized cost method	7,761	7,208
Other financial expense - interest	314	0
TOTAL FINANCIAL EXPENSE - INTEREST	**51,244**	**48,429**
Fair value gains (losses) on derivatives	0	13,557
Differentials	11,601	10,144
TOTAL EXPENSE ON DERIVATIVES	**11,601**	**23,701**
Financial expense from discounting employee benefits	39	(2)
Impairment of equity investments measured at cost	0	1,107
Other expense	29	20
TOTAL OTHER EXPENSE	**68**	**1,125**
TOTAL FINANCIAL EXPENSE	**62,897**	**74,496**

The Financial expense from discounting provisions for renovation of airport infrastructure, equal to -16 thousand euros, includes the financial component for the discounting of the provision and dropped by 1,257 thousand euros consequently to the update of the rate used.

Interest on medium / long-term loans, equal to 8,761 thousand euros, increased by 2,139 thousand euros compared to 2020 due to the higher average debt for the year following requests for 580 million euros in the second and third quarters of 2020, partially offset by the voluntary early repayment of the Loan backed by the SACE guarantee in June 2021.

The fair value losses on derivatives amounted to 0 thousand euros compared to 13,557 thousand euros in the previous year that included the fair value loss on the cross currency swap contracts for the Euro/Sterling exchange rate component hedging the A4 bonds issued in pound sterling.

The item Differentials includes the portion of the hedging reserve recorded in the income statement in 2021, relating to the negative fair value of both the forward-starting interest rate swap derivatives signed in 2015 and subject to unwinding (closing) in June 2017 and of the IRS forward-starting derivatives signed in 2016-2017 and subject to unwinding (closing) in April 2021, and is equal to 4,242 thousand euros.

The item Impairment of equity investments measured at cost is equal to 0. In the previous year it included the impairment loss recognized on the equity investment in Pavimental S.p.A.

Exchange gains (losses)

(Thousands of euros)	2021	2020
Exchange gains	22	13,587
Exchange losses	(16,746)	(34)
TOTAL EXCHANGE GAINS (LOSSES)	**(16,724)**	**13,553**

For the notes refer to the paragraph relating to Financial income and expense.

6.7 INCOME TAXES

(Thousands of euros)	2021	2020
CURRENT TAXES		
IRES	(71,686)	(4,020)
IRAP	0	0
Substitute tax	10,980	0
	(60,706)	**(4,020)**
DIFFERENCES ON CURRENT TAXES OF PREVIOUS YEARS		
Income taxes of previous years	(891)	(583)
	(891)	**(583)**
DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets	(12,881)	(33,181)
Deferred tax liabilities	(254)	20
	(13,135)	**(33,161)**
TOTAL INCOME TAXES	**(74,732)**	**(37,764)**

With reference to IRES, please note the automatic renewal, for the three-year period 2020-2022, of the option for the group taxation with the parent Atlantia, pursuant to art. 117 of TUIR for ADR S.p.A., together with the ADR Group companies.

The estimate of the 2021 IRES tax burden is consolidated taxation income, corresponding to the IRES tax benefit of 24% on the tax loss recognized in the year, which can be transferred to the group tax consolidation as it can be used to offset the profits generated in the Atlantia group, and the recognition of income related to a portion of past tax losses remunerated in 2021 (amounting to 14,994 thousand euros).

Current taxes include the substitute tax (at the rate of 3%), amounting to 10,980 euros, assessed in relation to the alignment, pursuant to Italian Law Decree no. 104/2020 converted with amendments into Italian Law no. 126 of 2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired.

Deferred tax assets and liabilities were determined on the basis of the tax rates that are expected to be applied when these differences will be reversed.

For more details on the calculation of deferred tax assets, reference should be made to Note 5.5.

The incidence of the taxes for the year on the loss before taxes equals 59.9% (2.2% in 2020). The analysis of the difference between the theoretical and the actual tax rate for IRES is reported below:

	2021		2020	
(Thousands of euros)	Taxable amount	Tax	Taxable amount	Tax
LOSS FROM CONTINUING OPERATIONS BEFORE TAXES	(119,600)		(181,117)	
THEORETICAL RATE		24%		24%
THEORETICAL IRES		**(28,704)**		**(43,468)**
Permanent differences (*)	(226,109)	(54,266)	15,735	3,776
Temporary differences	109,490	26,278	(35,976)	(8,634)
Temporary differences on tax loss	(62,474)	(14,994)	184,607	44,306
ACTUAL IRES		**(71,686)**		**(4,020)**
ACTUAL RATE		**59.9%**		**2.2%**

(*) of which in 2021 taxable amount of 219,237 thousand euros relating to the COVID-19 relief

7. Guarantees and covenants on medium/long-term financial liabilities

The "Issuer Substitution" transaction performed in 2016 canceled the comprehensive security package established in 2003 to support the Romulus debt structure, for which only Class A4 remains to date. The only residual, though more limited, guarantee that remains in favor of this issue, is a "deed of assignment" under British law on any receivables of ADR related to cross currency swaps contracts in place with the counterparties Unicredit and Mediobanca. In any case, this guarantee is limited to a maximum value of 96.5 million euros.

ADR has also pledged the entire equity investment in Azzurra, equal to 7.77% of the share capital, in favor of financial creditors of Azzurra (bondholders and banks that have signed hedging derivative transactions). In addition to this collateral, in the context of the same loan transaction for Azzurra, ADR has provided Atlantia with a counter-guarantee, limited to a maximum value of 1.3 million euros, for the obligations taken on by Atlantia itself with regard to a bank that has granted, in the interest of Azzurra, a guarantee in favor of the latter's financial creditors to service the debt of the transaction in question.

ADR's loan agreements include financial covenants among the contractual clauses, which are calculated on a final basis with the contracts applied to the companies with investment grade rating. Worth mentioning is that the EIB and CDP contracts require compliance with a leverage ratio threshold not exceeding 4.75x, which drops to 4.25x in case of the company's rating level to BBB-/Baa3 or lower. The Revolving Credit Facility contract and the new financial contract signed in 2020 with BNL also include a maximum leverage ratio threshold.

The financial ratios must be checked twice a year, in accordance with the agreements, by applying the calculation formulas to the Group's reference data (which must exclude any equity investments in companies funded through non-recourse financial debt) in the Annual Financial Report as of December 31 and the Interim Financial Report as of June 30. Given the persistence of the pandemic crisis, the derogation from the consequences deriving from exceeding the mentioned financial covenants (so-called covenant holiday) was lastly extended, for all counterparties, up to the calculation date of June 30, 2022 included. The Company continues to carefully monitor compliance with the terms set out in the financial documentation, in order to be able to request any extensions of the covenant holidays in force well in advance.

Moreover, the loan agreements call for acceleration, termination and withdrawal conditions typical for loans of this type.

The documentation of the EMTN Program does not provide for compliance with financial covenants nor obligations to perform/not perform in line with market practice for investment grade issuers.

8. Other guarantees, commitments and risks

8.1 GUARANTEES

As of December 31, 2021, ADR has outstanding guarantees, issued as part of the loan agreements mentioned in Note 7. Sureties were not issued to customers and third parties (0 million euros as of December 31, 2020).

8.2 COMMITMENTS

The commitments on purchases of ADR amount to 113.0 million euros regarding investment activities.

8.3 MANAGEMENT OF FINANCIAL RISKS

Credit risk

As of December 31, 2021, ADR's maximum exposure to credit risk is equal to the carrying amount of the financial assets shown in the financial statements, as well as the nominal amount of the guarantees provided for third parties' debt or commitments.

The greatest exposure to credit risk is related to amounts due from customers. The risk of customers' default is managed by making allocations to specific loss allowances, whose balance is reviewed from time to time. ADR's policy in this respect involves making provisions for each position, depending on the age of the receivable, the creditworthiness of the individual customer, as well as the status in the receivable management and collection process.

ADR's commercial and credit protection policies set out the procedure illustrated below for checking the awarding level in receivables:

- cash payment is required in transactions with consumers (multilevel and long-term parking lots, first aid, etc.), with occasional counterparties (e.g. club memberships, luggage porters, taxi access management, etc.);
- cash payment or prepayment is required from occasional carriers without a satisfactory credit profile or collateral;
- credit terms are extended to loyal customers considered reliable (carriers with medium-term operational plans and sub-concessionaires). However, these customers' creditworthiness is monitored and, where necessary, adequate collateral is required.

The COVID-19 crisis led to a situation of deep, albeit temporary, financial crisis involving the entire airport industry. ADR is taking extraordinary measures (lengthening payment times, eliminating early billing, recovery plans) aiming to help overcome the current situation, trying to minimize the triggering of irreversible crisis situations for its customers.

Liquidity risk

Liquidity risk is the risk that the available financial resources may be insufficient to cover the maturing obligations. In consideration of ADR's ability to generate cash flows, the diversification of the sources of financing and the availability of lines of credit, the Company believes it has access to sufficient sources of finance to meet the planned financial requirements.

As of December 31, 2021, ADR had a liquidity reserve estimated at 888.6 million euros, comprising:

- 638.6 million euros related to cash and cash equivalents;
- 250.0 million euros of unused credit facilities (for more details, see Note 5.15).

For information on the effects of the COVID-19 epidemic, reference should be made to Note 10.5.

The tables below represent the payments that are contractually due in relation to the financial assets and liabilities, including interest payments.

					12.31.2021
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,755,005)	(38,677)	(284,578)	(65,250)	(1,366,500)
Medium/long-term loans	(716,760)	(24,930)	(47,049)	(331,800)	(312,981)
Derivatives with positive fair value	1,945	(239)	(347)	169	2,362
Derivatives with negative fair value	(116,405)	(7,941)	(76,011)	(12,851)	(19,602)
TOTAL	**(2,586,225)**	**(71,787)**	**(407,985)**	**(409,732)**	**(1,696,721)**

					12.31.2020
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,576,082)	(433,179)	(26,838)	(280,315)	(835,750)
Medium/long-term loans	(937,425)	(20,747)	(145,903)	(414,838)	(355,937)
Derivatives with negative fair value	(214,621)	(8,353)	(15,566)	(125,269)	(65,433)
TOTAL	**(2,728,128)**	**(462,279)**	**(188,307)**	**(820,422)**	**(1,257,120)**

Interest rate and currency risk

ADR uses interest rate derivatives, with the objective to mitigate, at acceptable terms and conditions, the potential effects of changes in interest rates and exchange rates on its operating performance.

With resolutions of May 14, 2015 and July 11, 2018, ADR's Board of Directors authorized, consistently with the policies adopted by its shareholder, the possibility of signing, by assessing the best market opportunities, forward-starting interest rate swap transactions. With this type of instrument, which allows forward interest rates to be fixed for the dates envisaged for undertaking new debt, ADR can significantly reduce and almost eliminate the risk of rising interest rates before new financial arrangements are signed.

As of December 31, 2021 ADR has:

- cross-currency swaps, originally signed in 2003 and transferred to new counterparties in 2010, to cover the A4 bonds in pound sterling; A4 bonds, equal to a par value of 215 million pound sterling and included in the series of bond issues originally issued by Romulus Finance, were actually hedged, for the entire duration and amount (until expiration in 2023) by two euro/sterling cross-currency swaps. The characteristics of this derivative are described in Note 5.15;
- five forward-starting interest rate swaps, of which i) three signed on August 7, 2018, for a total par value of 300 million euros, effective from February 2022, for a duration of 10 years, ii) two signed on December 20, 2021, for a total par value of 100 million euros, effective from April 2022, for a duration of 10 years. The characteristics of these derivatives are described in Note 5.4 and Note 5.15.

ADR does not have any other transaction in foreign currency in place.

Sensitivity analysis

	Fair value Measurement		Interest rate risk				Currency risk			
			Shock up +10 BPS IR		Shock down -10 BPS IR		Shock up +10% FX		Shock down -10% FX	
Rate risk **Exposure and sensitivity analysis**	12.31.2021	12.31.2020	12.31.2021	12.31.2020	12.31.2021	12.31.2020	12.31.2021	12.31.2020	12.31.2021	12.31.2020
Non derivative financial liabilities (cash flow sensitivity)	(2,277,049)	(2,346,390)	(300)	(236)	300	236	0	0	0	0
Non derivative financial liabilities (balance sheet sensitivity)	(2,277,049)	(2,346,390)	0	0	0	0	(25,587)	(23,915)	25,587	23,915
Derivatives with positive fair val-ue treated in hedge accounting (balance sheet sensitivity)	1,900	0	918	0	(1,030)	0	0	0	0	0
Derivatives with negative fair val-ue treated in hedge accounting (balance sheet sensitivity)	(119,468)	(220,681)	3,093	8,009	(3,442)	(8,106)	25,587	23,915	(25,587)	(23,915)

The main sources of exposure of ADR to the interest rate and currency risk are related to the bonds, floating rate bank loans and the existing derivatives. In particular, the potential impacts on the income statement and the statement of financial position for the year 2021 (2020 for the comparison) related to the interest rate risk are:

- the potential change of the financial expense and differentials regarding the derivatives in place;
- the potential change of the fair value of the derivatives in place.

ADR has estimated the potential consolidated impacts produced by a shock to the interest rates and exchange rates, by using internal assessment models based on generally accepted logics. Hypothesized in particular were:

- for the derivatives and floating rate bank loans, a parallel change of +10 basis points (+0.1%) and -10 basis points (-0.1%) of the term rate curve;
- for the bonds issued in foreign currency and the relative derivatives, a change in the GBP/EUR exchange rate of +/-10%.

The effects highlighted in the table in particular report the change, compared to the base scenario, in the hypotheses of Shock up and Shock down in the different market data.

8.4 INFORMATION ON FAIR VALUE MEASUREMENTS

Below is the fair value measurement at year end and the classification according to the fair value hierarchy of the assets and liabilities measured at fair value on a recurring basis (there are no assets or liabilities measured at fair value on a non-recurring basis):

				12.31.2021
(Thousands of euros)	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivatives with positive fair value	0	1,900	0	1,900
Derivatives with negative fair value	0	(119,468)	0	(119,468)
TOTAL HEDGING DERIVATIVES	**0**	**(117,568)**	**0**	**(117,568)**

The only financial instruments of ADR measured at fair value are the derivatives described in Note 5.15. These derivatives are included in "level 2" of the "fair value hierarchy" defined by IFRS 7, with the fair value measured based on techniques that use parameters that can be observed in the market, other than the price of the financial instrument.

During 2021 no transfer took place between the various fair value hierarchy levels.

With reference to the financial liabilities, where the indication of the fair value is given for those in Note 5.15, this fair value is also included in level 2 of the "fair value hierarchy" defined by IFRS 7.

8.5 LITIGATION

As regards litigation as a whole, ADR carried out an assessment of the risk of negative outcomes leading to the creation, prudentially, of a specific provision under "Provisions for risks and charges" to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. No specific allocations were made for disputes for which a negative outcome was merely possible, given the different legal interpretations. Furthermore, there are a limited number of civil proceedings underway, for which no provisions were made, as the impact of any negative outcome, while negligible, could not be measured.

For a description of the significant disputes involving ADR, reference is made to the consolidated financial statements.

In ADR's judgment, current litigation and other potential disputes should not give rise to liabilities greater than the amount that has already been provided for.

9. Transactions with related parties

The transactions of ADR with related parties are performed in the interest of the Company and are part of the ordinary management. Such transactions are regulated on a basis that is equivalent to those prevailing in transactions between independent parties. During the year no significant transactions or transactions that significantly affected the Company's financial position or results took place.

Trade and other transactions

	12.31.2021		2021		12.31.2020		2020	
(Thousands of euros)	Assets	Liabilities	Revenue/ income	Costs/ expense	Assets	Liabilities	Revenue/ income	Costs/ expense
PARENT								
Atlantia S.p.A.	75,722	185	241	(730)	4,746	2,049	400	(1,494)
TOTAL TRANSACTIONS WITH PARENT	**75,722**	**185**	**241**	**(730)**	**4,746**	**2,049**	**400**	**(1,494)**
SUBSIDIARIES								
ADR Assistance S.r.l.	648	3,486	1,553	(16,454)	452	1,137	1,358	(8,977)
ADR Tel S.p.A.	470	7,360	1,114	(29,358)	312	13,146	1,139	(28,259)
ADR Mobility S.r.l.	3,077	696	15,094	(2,312)	3,390	472	12,968	(2,140)
ADR Security S.r.l.	1,116	9,502	3,197	(37,594)	724	7,352	2,641	(31,687)
Airport Cleaning S.r.l.	1,001	3,385	2,350	(16,172)	973	2,761	2,427	(15,924)
ADR Ingegneria S.p.A.	887	8,494	723	(11,039)	0	0	0	0
ADR Infrastrutture S.p.A.	182	25,632	156	(69,204)	0	0	0	0
Leonardo Energia S.c.ar.l. (*)	10	4,136	75	(10,030)	0	0	0	0
Fiumicino Energia S.r.l. (*)	32	30	84	(30)	0	0	0	0
TOTAL TRANSACTIONS WITH SUBSIDIARIES	**7,423**	**62,721**	**24,346**	**(192,193)**	**5,851**	**24,868**	**20,533**	**(86,987)**
ASSOCIATES								
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	482	968	0	0	482	968	0	0
Pavimental S.p.A.	0	0	0	0	361	28,166	190	(49,504)
Spea Engineering S.p.A.	74	1,443	43	(1,499)	214	11,352	504	(6,274)
TOTAL TRANSACTIONS WITH ASSOCIATES	**556**	**2,411**	**43**	**(1,499)**	**1,057**	**40,486**	**694**	**(55,778)**
RELATED PARTIES								
Edizione S.r.l.	0	0	0	0	0	0	0	(24)
Leonardo Energia S.c.ar.l.(*)	0	0	79	(6,781)	9	2,403	153	(13,283)
Fiumicino Energia S.r.l. (*)	0	0	93	0	20	0	177	0
Infoblu S.p.A.	0	0	0	0	0	0	0	(9)
Autostrade per l'Italia S.p.A.	7	2	41	(88)	474	1,225	188	(658)
Autogrill Italia S.p.A.	1,509	85	3,614	(154)	1,506	1,086	3,122	(300)
Autostrade Tech S.p.A.	0	23	0	0	0	103	0	(76)
Consorzio Autostrade Italiane Energia	0	0	0	(25)	0	0	0	(17)
Retail Italia Network S.r.l.	37	0	129	0	17	38	143	0
Telepass S.p.A.	51	0	0	0	51	0	2	0
Essediesse S.p.A.	10	0	8	0	36	0	73	0

(Thousands of euros)	12.31.2021		2021		12.31.2020		2020	
	Assets	Liabilities	Revenue/ income	Costs/ expense	Assets	Liabilities	Revenue/ income	Costs/ expense
K-Master S.r.l.	0	0	0	0	0	198	0	0
Telepass Pay S.p.A.	0	0	0	0	0	0	49	0
Maccarese S.p.A. Società Agricola	0	0	0	(8)	0	0	0	0
Aeroporto Guglielmo Marconi di Bologna S.p.A.	8	0	28	0	8	0	8	0
Ad Moving S.p.A.	0	0	0	(10)	0	0	0	0
Pavimental S.p.A.	217	63	4	(26)	0	0	0	0
Pts Class S.p.A.	0	0	0	(2)	0	0	0	0
Key management personnel	0	483	0	(1,530)	0	845	0	(769)
TOTAL TRANSACTIONS WITH RELATED PAR-TIES	**1,839**	**656**	**3,996**	**(8,624)**	**2,121**	**5,898**	**3,915**	**(15,136)**
TOTAL	**85,540**	**65,973**	**28,626**	**(203,046)**	**13,775**	**73,301**	**25,542**	**(159,395)**

(*) The revenue and costs of the first half of 2021 are classified in transactions with related companies, while those of the second half of 2021 are classified in transactions with subsidiaries following the acquisition of control of Fiumicino Energia and Leonardo Energia starting from July 1, 2021.

Transactions with Atlantia refer mainly to the Group tax consolidation of ADR and to charging back the cost for the seconded personnel.

Transactions carried out by ADR with subsidiaries during 2021 refer primarily to the supply of goods and the provision of trade services.

The revenue of ADR Assistance, generated essentially from transactions with ADR, refers to the provision of assistance services to passengers with reduced mobility; ADR charged the company royalties, utilities, administrative services, etc.

ADR Tel posted revenue from telephony and IT services provided to ADR and carried out upgrading works on the telephone network; ADR's charges to the company refer to royalties and rentals on the lease of telecommunications assets and premises, and for utilities and staff services.

ADR's revenue from ADR Mobility mainly relate to the royalties on the areas and buildings used as car parks as well as utilities, administrative and general services, etc.

ADR Security's revenue from ADR concern airport security services and on demand services at Fiumicino and Ciampino airports; ADR charged the company royalties, utilities, administrative and general services, etc.

Airport Cleaning posted revenue from cleaning services provided to ADR; ADR charged the company royalties, utilities, administrative and general services, etc.

The costs incurred by ADR towards ADR Ingegneria relate to the work design and management activities at airports.

The costs incurred by ADR towards ADR Infrastrutture relate to construction and maintenance services for airport infrastructure and runways.

Fiumicino Energia manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia, which is owned by Fiumicino Energia S.r.l. and ADR, with respective shareholdings of 90% and 10%. The limited liability consortium, which also operates the thermal energy plant at Fiumicino, under a sub-concession from ADR, provides electric and thermal energy to ADR.

The main transactions with associates and other related parties break down as follows:

- Pavimental S.p.A.: a company owned by Atlantia, carried out maintenance and modernization work of the airport paving for ADR until 2020;

- Spea Engineering S.p.A.: a company owned by Atlantia, carried out airport engineering services (work design and management) for ADR until 02.28.2021;
- Autostrade per l'Italia (a subsidiary of Atlantia): the relations with the company mainly refer to seconded personnel;
- Autogrill Italia S.p.A. (company to which, effective January 1, 2018, Autogrill S.p.A. transferred all of its assets relative to Italian points of sale; the company is an indirect subsidiary of Edizione S.r.l. which, indirectly, holds a majority interest in Atlantia): ADR obtained revenue from retail sub-concessions, royalties, utilities, car parks and sundry services.

The remuneration due to the parties in charge of planning, managing and controlling the company and thus the executive and non-executive directors and the managers with strategic responsibilities (known as key management personnel) in office as of December 31, amount to 1,530 thousand euros and include the amount pertaining to remuneration, employment compensation, non-monetary benefits, bonuses and other incentives for assignments at ADR (the remuneration is indicated regarding the directors that in the year covered the position, even for part of the year).

FINANCIAL TRANSACTIONS

	12.31.2021		2021		12.31.2020		2020	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
PARENT								
Atlantia	0	0	0	0	0	0	0	(1,082)
TOTAL TRANSACTIONS WITH PARENT	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(1,082)**
SUBSIDIARIES								
ADR Assistance S.r.l.	0	173	0	0	0	2,423	0	0
ADR Tel S.p.A.	0	10,931	0	(14)	0	2,356	0	(6)
ADR Security S.r.l.	0	2,243	0	0	0	1,220	0	(1)
ADR Mobility S.r.l.	0	1	0	0	0	1,375	0	(1)
Airport Cleaning S.r.l.	0	2,252	0	0	0	1,963	0	(1)
ADR Ingegneria S.p.A.	1,938	0	10	0	0	0	0	0
ADR Infrastrutture S.p.A.	5,055	0	56	0	0	0	0	0
TOTAL TRANSACTIONS WITH SUBSIDIARIES	**6,993**	**15,600**	**66**	**(14)**	**0**	**9,337**	**0**	**(9)**
RELATED COMPANIES								
Spea Engineering S.p.A.	1,350	0	0	0	1,350	0	0	0
Azzurra Aeroporti S.p.A.	0	0	0	0	0	0	0	0
TOTAL TRANSACTIONS WITH RELATED PARTIES	**1,350**	**0**	**0**	**0**	**1,350**	**0**	**0**	**0**
TOTAL	**8,343**	**15,600**	**66**	**(14)**	**1,350**	**9,337**	**0**	**(1,091)**

Financial transactions with the subsidiaries ADR Tel, ADR Assistance, ADR Security and ADR Mobility, Airport Cleaning, ADR Ingegneria and ADR Infrastrutture regard mainly the use of the centralized treasury system, which is conducted on an arm's length basis. The system has been put into place in order to optimize the management of financial resources and facilitate the settlement of intragroup trading relations.

The financial expense due to Atlantia, in 2020, related to the A4 bonds of which the parent owned 99.87%, sold to third parties on January 28, 2020.

The financial assets from Spea Engineering S.p.A. comprise the receivable for the dividends resolved by the company in the year 2018 and not paid.

10. Other information

10.1 INFORMATION ON SHARE-BASED REMUNERATION PLANS

With the aim of creating an incentive and loyalty system dedicated to directors and employees of the Atlantia Group covering positions entailing a higher level of responsibility in Atlantia or Group companies and to promote and spread the culture of creating value in all the strategic and operating decisions, as well as encourage the enhancement of the Group's value, in addition to the efficiency of management, Atlantia Group has incentive plans in place that involve assigning rights to Atlantia shares, subject to achieving pre-set corporate goals.

The table below shows the chief elements of the incentive plans as of December 31, 2021, highlighting the rights attributed to directors and employees of ADR. In addition, the unitary fair values of the assigned rights are shown, determined by a specifically appointed expert, using the Monte Carlo model.

	No. Of rights assigned	No. Of rights revoked	No. Of rights for transfers	No. Of rights optioned	No. Of rights as of 12.31.2021	Vesting date	Deadline, year/allocation	Exercise price (euros)	Unit fair value on the assign. Date	Rev. Unit fair value as of 12.31.2021	Expected expiry on the assign. Date (years)	Risk-free interest rate at the assignment date	Exp. Volatility (=historical) on the assign. Date	Dividends expected on the assign. Date
2014 phantom stock option plans of Atlantia extended to ADR - II Cycle	758,751	(434,598)	(62,742)	(261,411)	0	05.08.2018	05.08.2021	n.a.	2.59	0	3-6	1.01%	25.8%	5.32%
2014 phantom stock option plans of Atlantia extended to ADR - III Cycle	611,682	(45,137)	(21,202)	(132,392)	412,951	06.10.2019	06.10.2022	n.a.	1.89	0.06	3-6	0.61%	25.3%	4.94%
2017 phantom stock option plans - II cycle	364,701	(377,436)	12,735	0	0	06.15.2021	07.01.2024	n.a.	2.91	0	5.9	2.35%	21.9%	4.12%
2017 phantom stock option plans - III cycle	470,806	(142,043)	44,549	0	373,312	06.15.2022	07.01.2025	n.a.	2.98	0	6.06	1.72%	24.3%	4.10%
2017 phantom stock grant plans - II cycle	40,330	(41,738)	1,408	0	0	06.15.2021	07.01.2024	n.a.	24.5	0	5.9	2.35%	21.9%	4.12%
2017 phantom stock grant plans - III cycle	48,221	(14,549)	4,563	0	38,235	06.15.2022	07.01.2025	n.a.	22.57	0	6.06	1.72%	24.3%	4.10%

In accordance with IFRS 2, as a result of the incentive plans in place, an income of 573 thousand euros was recognized in the income statement in 2021, in relation to the fair value loss on the attributed rights; the liabilities relating to the fair value of the "phantom" options in place as of December 31, 2021 are recognized under other current liabilities.

10.2 FEES OF INDEPENDENT AUDITORS

In accordance with art. 149-duodecies of the Issuers' Regulations, which apply to ADR as it is a company controlled by a listed company (Atlantia S.p.A.), a breakdown of the fees paid to the ADR Group's principal independent auditors is shown in the table below (in thousands of euros):

Type of service	Service provider	Remuneration 2021
Auditing	KPMG S.p.A.	155
Attestation services	KPMG S.p.A.	22
Other Services (*)	KPMG S.p.A.	1
TOTAL		**178**

(*) signing of Income Tax Return and 770 forms.

10.3 DISCLOSURE OF PUBLIC GRANTS PURSUANT TO ITALIAN LAW NO. 124/2017

With reference to the transparency obligations required under article 1, paragraphs from 125 to 129 of Italian Law 124/2017, no public grants were collected by the Company in 2021.

10.4 NON-RECURRING, ATYPICAL OR UNUSUAL EVENTS AND TRANSACTIONS

During 2021, no non-recurring, atypical or unusual transactions were performed with third parties or related parties.

For information on the impacts of the COVID-19 outbreak please refer to Note 10.5 below, while for information on the impairment of receivables from Alitalia SAI under extraordinary administration, please refer to Note 5.7; no significant additional non-recurring events occurred in the year under review.

10.5 INFORMATION ON THE EFFECTS OF THE COVID-19 EPIDEMIC

The performance of ADR, also in 2021, was affected by the effects deriving from the health emergency related to COVID-19, which spread worldwide from March 2020, and the consequent restrictions on movement implemented to counter its expansion.

The start of 2021 was marked by the worsening of the Covid-19 infection curve, with a negative impact on traffic volumes. However, the entry into full swing of the vaccination campaign mitigated, at least in part, the negative impact linked to the pandemic, allowing a timid resumption of air traffic, especially in the summer season.

In 2021 Fiumicino and Ciampino airports recorded a reduction compared to 2019 of 71.7% in the number of passengers transported and a decrease of 58.2% in the number of movements. On the other hand, the trend compared to 2020 was positive, a year characterized for 10 twelfths by the spread of the pandemic: +22.2% of passengers and +15.2% of movements.

The trend in traffic was reflected in both aviation and non-aviation revenue, which recorded an overall rise of 10.8% compared to 2020. For more details, see Note 6.1 Revenue.

The economic result for 2021 was impacted by the recognition in the item Other operating income of the subsidy that the Italian Government, through Italian Law no. 178 of December 30, 2020 ("2021 Budget Law"), has assigned to airports to offset the losses from the COVID-19 health emergency (see Note 6.1 Revenue), since at December 31, 2021, the conditions required by IAS 20 for such recognition were met.

The 2021 Budget Law established a COVID-19 damage fund of 500 million euros, of which 450 million euros intended to compensate for the damage suffered by airport operators directly attributable to the COVID-19 emergency recorded in the period February 23, 2020 - January 31, 2021, compared to the same period of the previous year. The decree envisaged a contribution of up to 100% of the damage suffered, calculated as a loss of revenue and an increase in costs attributable to the epidemic, net of cost reductions for access to social security benefits and other forms of support, for the period indicated above. In the event that the total amount of contributions attributable to all the beneficiary companies is greater than the resources allocated, the amount of the share assigned to each company will be determined in proportion to the contribution attributable to the same company with respect to the total attributable contributions and, in any case, within the maximum limit of twenty percent of the resources indicated for airports.

Article 73, paragraphs 2 and 3 of Italian Law Decree no. 73/2021 increased the amount of the COVID-19 damage fund by a further 300 million euros (including 285 million euros for airports), bringing the resources allocated to compensate for damages suffered by airport operators to 735 million euros.

On May 10, 2021 the Government notified the European Commission of the framework aid measure in favor of the airport business, at the same time sending the draft implementing interministerial decree. In July 2021, the European Commission authorized the support measure in favor of airports, limited to the period March 1, 2020 - June 30, 2020/July 14, 2020.

The inter-ministerial decree implementing the aid was published in the Official Journal on December 28, 2021, becoming effective on the same date.

In compliance with the aforementioned regulatory provisions, ADR quantified the damage directly attributable to the epidemiological emergency, suffered in the period March 1, 2020 - June 30, 2020, at 219,237 thousand euros; this quantification was obtained by comparing the monthly cost and revenue items that contribute to the formation of EBITDA, excluding extraordinary and non-recurring items.

On January 26, 2022, ADR submitted an application for access to the fund for the amount mentioned above; as required by the implementing decree, the application was accompanied by the report of an independent expert who certified the truthfulness, correctness and reconciliation of the data reported in annexes B.1 and B.2 of the same application to the accounting records, the existence of the direct causal link between the individual items indicated for the purpose of determining the damage suffered and the COVID-19 epidemiological emergency, the correct application of the methodology and criteria referred to in art. 2 of the implementing decree, as well as the absence of duplications in the compensation for the damage. For more information, see Note 12 Subsequent events of the Consolidated financial statements.

Although the cost containment actions implemented as early as 2020 continued, the cost trend was affected by the greater volume of activity and the reopening of Terminal 1 in August. For more details, reference is made to the following notes: Note 6.3 Service costs, Note 6.4 Personnel expense, Note 6.5 Other operating costs.

With reference to the recoverability of the carrying amount of intangible assets, and in particular Concession Rights, when preparing the consolidated financial statements at December 31, 2020, the Company had carried out an impairment test to consider the expected impact of the COVID-19 pandemic. For the purposes of preparing the separate financial statements for the year ended December 31, 2021, the analyses of internal and external factors did not include any significant changes with respect to what was considered in the aforementioned impairment test, confirming the relative recoverability results of the Group's net invested capital and, therefore, of the assets recognized in the separate financial statements at December 31, 2021.

Activities and initiatives to secure the company continued on the financial front as well. In April, ADR placed a new "Sustainability Linked" bond issue on the market - the first airport in the world to carry out a public issue with these characteristics - for an amount of 500 million euros and a duration of 10 years. With the success of this transaction, which followed ADR's previous "Green" issue in November 2020, an additional amount of liquidity was secured, thanks to which the company will be able to meet its future financial commitments up to and including 2023, based on current traffic projections.

Also in terms of strengthening financial security of the Company, the extension of the period of exemption from the consequences deriving from exceeding the limits imposed by the financial covenants included in the loan agreements was obtained from all the lending banks, up to and including the calculation date of June 30, 2022. For further details, please refer to Note 5.15 Financial liabilities and Note 7 Guarantees and covenants on medium/long-term financial liabilities.

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11. Subsequent events

For a description of the Subsequent events after the end of the year, reference is made to the Consolidated financial statements.

The Board of Directors

Report of the Independent Auditors

KPMG S.p.A.
Revisione e organizzazione contabile
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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Aeroporti di Roma S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Aeroporti di Roma S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2021, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include a summary of the significant accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Aeroporti di Roma S.p.A. as at 31 December 2021 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of the provisions for renovation of airport infrastructure

Notes to the separate financial statements: note 3 "Accounting policies" – and note 5.13 "Provisions for renovation of airport infrastructure"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2021 include provisions for renovation of airport infrastructure of €208.9 million (whose non-current and current shares amount to €155.6 million and €53.3 million, respectively). These provisions include the present value of the updated estimate of charges to be incurred by the company for its contractual obligation as concession manager to ensure the due functionality and safety of the airport infrastructure. The assessment of these provisions is, by its very nature, complex and highly uncertain, since it may be affected by various factors and assumptions, including technical assumptions about extraordinary maintenance, repairs and replacements of components. Specifically, assumptions are made about the nature, timing and costs of the work to be performed and the discounting of such costs on the basis of when the work will be performed. For the above reasons, we believe that the measurement of the provisions for renovation of airport infrastructure is a key audit matter.	Our audit procedures included: — understanding the estimation process adopted to measure these provisions; — analysing the reasonableness of the main assumptions underlying the reports prepared by the company's technical personnel about the scheduling, nature and costs of extraordinary maintenance, repairs and replacements; — checking the accuracy and completeness of the data used for the estimates; — analysing the reasonableness of the discount rate applied to these provisions; — checking the accuracy of the calculations made to determine these provisions; — checking the previous years estimates retrospectively, including by analysing any discrepancies between the costs incurred and the previous estimates; — assessing the appropriateness of the disclosures provided in the notes and their compliance with the International Financial Reporting Standards endorsed by the European Union.

Other matters

The company's 2020 separate financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 23 March 2021.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on

the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;

— evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 27 December 2021, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.2.b) of Legislative decree no. 58/98

The company's directors are responsible for the preparation of the reports on operations and on corporate governance and ownership structure at 31 December 2021 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the report on operations and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.2.b) of Legislative decree no. 58/98 with the company's separate financial statements at 31 December 2021 and their compliance with the applicable law and to state whether we have identified material misstatements.

KPMG

Aeroporti di Roma S.p.A.
Independent auditors' report
31 December 2021

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the company's separate financial statements at 31 December 2021 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Rome, 31 March 2022

KPMG S.p.A.

(signed on the original)

Marco Mele
Director of Audit

Report of the Board of Statutory Auditors

Report of the Board of Statutory Auditors to the Ordinary Shareholders' Meeting of Aeroporti di Roma S.p.A., pursuant to art. 2429 of the Italian Civil Code

To the Shareholders of Aeroporti di Roma S.p.A.

During the year ended December 31, 2021 our activity was inspired by the legal provisions and the Rules of Conduct of the Board of Statutory Auditors issued by the Italian National Board of Chartered Accountants and Accounting Experts.

Consolidated Financial Statements and Separate Financial Statements

We examined the draft consolidated financial statements and the draft separate financial statements for the year ended December 31, 2021, which were approved by the Board of Directors on March 8, 2022 and made available to us according to art. 2429 of the Italian Civil Code, with regard to which we report the following points.

Aeroporti di Roma S.p.A is controlled by Atlantia S.p.A., which owns 99.386% of the share capital.

On October 15, 2021, Atlantia, following a resolution of its Board of Directors on October 14, 2021, announced the discontinuation of management and coordination activities for ADR.

ADR "manages and coordinates" its subsidiary undertakings, ADR Tel S.p.A., ADR Ingegneria S.p.A., ADR Assistance S.r.l., ADR Security S.r.l., ADR Mobility S.r.l., Airport Cleaning S.r.l., ADR Infrastrutture S.p.A., Fiumicino Energia S.r.l. and Leonardo Energia - Società consortile a r.l.

The Financial Statements for the year ended December 31, 2021 consisting of the Balance Sheet, Income Statement, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Statement of Cash Flows, Explanatory Notes and the Management Report on Operations, show a loss for the year of 44,867,618.30 euros and summarize the following figures:

Statement of financial position	(Euros)
ASSETS	**12/31/2021**
Non-current assets	2,690,523,478
Current assets	1,163,551,773
TOTAL ASSETS	**3,854,075,251**
SHAREHOLDERS' EQUITY AND LIABILITIES	
EQUITY	957,897,140
of which share capital	62,224,743
Non-current liabilities	2,446,619,447
Current liabilities	449,558,664
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**3,854,075,251**

Income statement	(Euros)
	2021
REVENUES	616,242,355
COSTS	(673,772,835)
OPERATING INCOME	**(57,530,480)**
FINANCIAL INCOME (EXPENSE)	(62,069,146)
INCOME (LOSS) BEFORE TAXES	**(119,599,626)**
Income taxes	74,732,008
NET INCOME (LOSS) FOR THE YEAR	**(44,867,618)**

At Group level the loss amounts to 38,035,000 euros.

Among revenues, as stated in the explanatory report, the item Other operating income shows an increase that mainly reflects the recognition of the revenue of 219.2 million euros relating to the subsidy that the Italian Government, through Law 178/2020, assigned to airports to offset losses attributable to the COVID-19 health emergency in the period March 1 - June 30, 2020.

Among the provisions, the one to the loss allowance, amounting to 137.0 million euros (2.5 million euros in 2020), is particularly important, essentially due to the increased risk assessments that, in relation to the most recent events, affect the expected conditions of recoverability of the receivable from Alitalia SAI under extraordinary administration subject to liability claims.

Equity attributable to the owners of the parent, equal to 967.0 million euros, decreased by 24.9 million euros compared to December 31, 2020 due to the comprehensive loss of the year, which was affected not only by the loss for the year, but also by the negative change in fair value of the equity investments in Azzurra Aeroporti S.p.A. and S.A.CAL. S.p.A. These effects were partly offset by the positive change in the fair value of interest rate risk hedging derivatives occurred during the year. The cash flows for the year, which were negative for 435.6 million euros, decreased the closing cash and cash equivalents to 661.6 million euros compared to the opening balance of 1,097.2 million euros. Investments made during the year amounted to 177.3 million euros and relate to works for the extension of Terminal 1, of which the security area and the duty free area at departures level were opened in November, of boarding hub D, belonging to the “East Hub”, upon completion of the Joint Control Room (APOC). Renovation works were started at Terminal 3 as well as the related operational recovery works. Work and planning of investments essential for safety, operational continuity and compliance with regulatory obligations also continued.

In 2021, the first Sustainability-Linked bond of ADR was placed, for a value of 500 million euros and with a duration of 10 years.

The issue calls for the repayment in a single payment due on July 30, 2031 and the payment of a fixed rate coupon equal to 1.750%, payable each year in arrears in July, starting from July 2022. The issue price was set at 98.839 and the effective yield at maturity is 1.875%.

Income taxes for the year were determined on the basis of the estimated tax charges to be paid, in compliance with current regulations.

It should be noted that, also for 2021, the tax consolidation agreement in place with the parent company Atlantia is in force, to which ADR and all companies belonging to the ADR Group participate.

This year, on a voluntary basis, the Annual Integrated Report of the Aeroporti di Roma Group was prepared, which includes the Report on Operations, integrated with the Non-Financial Statement ("NFS"), the Consolidated Financial Statements and the Separate Financial Statements drawn up in accordance with the IFRS/IAS standards, representing the main reporting document of the Group focused on the "sustainability = value" equation and based on an "integrated" representation of its business. The Report also includes the information that was reported until 2020 in the Group's Sustainability Report and is structured into four sections, each identifying a progressive level of detail.

The Board of Statutory Auditors has checked compliance with the legal provisions relating to the preparation of the financial statements and has no observations to report in this regard, having - through information provided by the Directors, the Heads of Corporate Departments and the Independent Auditors - found that:

- the accounting statements and the valuation criteria adopted comply with the legal provisions and are adequate in relation to the activity performed by the Company;
- in drawing up the Draft Financial Statements, the Directors have complied with the principles set out in articles 2423 and 2423-bis of the Italian Civil Code, without applying the derogation set forth in the fourth paragraph of the aforementioned art. 2423;
- pursuant to art. 2426, first paragraph, no. 5 and no. 6 of the Italian Civil Code, the Board of Statutory Auditors specifies that no multi-year costs (start-up, expansion, research and development, advertising) for which the Board of Statutory Auditors must express its consent are recorded under assets in the balance sheet;
- the Draft Financial Statements, as prepared, correspond and are consistent with the facts and information the Board of Statutory Auditors is aware of as a result of participation in the meetings of corporate bodies and the supervisory activities carried out during the year;
- the accounting standards and valuation criteria are set out in the Explanatory Notes.

As explained in greater detail in the management report on operations, the Directors have prepared the Financial Statements on a going concern basis.

In this regard, we report that the notes to the financial statements and the management report on operations illustrate in detail the risk linked to the evolution of the economic situation.

Also the 2021 financial year was characterized by the covid emergency. However, as noted in the explanatory report, the full implementation of the vaccination campaign mitigated, at least in part, the negative impact linked to the pandemic, allowing a timid recovery for air traffic, in particular in the summer season.

As of December 31, 2021, the rating assigned by the Fitch, Moody's and S&P agencies to ADR's issuer and the bond issues was of BBB-, Baa3 and BBB-, respectively. The outlooks or watches assigned by the agencies are all positive.

On June 4, 2021, Fitch revised the previous watch rating assigned in 2020 (i.e. watch developing rating) to positive following the approval, by the Shareholders' Meeting of Atlantia, of the sale of the entire stake held in ASPI and its positive impact on the creditworthiness of the entire Atlantia Group.

The approval of the sale of ASPI generated positive actions on ADR's creditworthiness also by the other two rating agencies: on June 7, Moody's changed the outlook from negative to positive; on June 22, S&P increased the rating by 1 notch, from BB + to BBB-, and set the outlook to positive.

The Explanatory Notes analytically state the accounting standards applied and there are no differences with respect to the previous year.

The loan contracts of ADR include, among the contractual clauses, financial covenants calculated on the final data, in line with the contracts applied to companies with investment grade ratings.

The Board also examined the Draft Consolidated Financial Statements for the year ended December 31, 2021, prepared pursuant to art. 2 of Italian Legislative Decree no. 38/2005, in compliance with the IFRS issued by the IASB and endorsed by the European Commission, in force on the balance sheet date.

The Explanatory Notes analytically state the accounting standards and the consolidation area. There were no differences from the previous year with reference to the accounting standards applied, while compared to December 31, 2020, the scope of consolidation changed due to the inclusion of the following companies ADR Infrastrutture S.p.A., Fiumicino Energia S.r.l. and Leonardo Energia - Società consortile a r.l.

The consolidation area as at December 31, 2021 thus includes the following companies: ADR Tel S.p.A., ADR Assistance S.r.l., ADR Mobility S.r.l., ADR Security S.r.l., Airport Cleaning S.r.l., ADR Ingegneria S.p.A., ADR Infrastrutture S.p.A., Fiumicino Energia S.r.l. and Leonardo Energia - Società consortile a r.l. The consolidation procedure adopted follows the integral method. Equity investments in the associated undertaking Spea Engineering S.p.A. are measured using the equity method.

The company organization was changed in 2021. On May 11, 2021 the Board of Directors of the Company identified 3 Business Units: the Aviation BU - the Commercial BU - the Infrastructures BU. The evolution of the organizational model, in line with the new challenges faced by the group, was approved on the basis of certain guidelines such as, for example: concentration of the role previously held by the General Manager in the hands of the Chief Executive Officer; unification of commercial functions; elevation of the Innovation & Quality function, now reporting directly to the Chief Executive Officer.

In this respect, we report that on March 31, 2022 KPMG S.p.A., the auditor in charge of statutory auditing, issued the reports pursuant to art. 14 of Italian Legislative Decree 39/2010 and art. 10 of Regulation (EU) no. 537/2014, and the additional report pursuant to art. 11 of Regulation (EU) no. 537/2014. These state that the consolidated financial statements and the separate financial statements give a true and fair view of the financial position of the Company as of December 31, 2021, of the results of operation and of the cash flows of Aeroporti di Roma S.p.A. for the year ended on this date, in compliance with the International Financial Reporting Standards adopted by the European Union and with the measures issued to implement art. 9 of Italian Legislative Decree no. 38 of February 28, 2005. With reference to these reports, the Board of Statutory Auditors stated that KPMG highlighted the elements underlying the audit opinion, the key aspects of the audit and the procedures implemented as audit response; in the Additional Report, KPMG declared, pursuant to art. 6 of Regulation (EU) no. 537/2014, its independence and also declared that no services were provided other than the audit, which are forbidden pursuant to art. 5, par. 1 of Regulation (EU) no. 537/2014. On the basis of the documentation and information received, the Board does not believe that there are any aspects to be highlighted with regard to the independence of the independent auditors.

With regard to risk management, the company defined a new methodology and a new Enterprise Risk Management process; the Risk Governance and Compliance function was established and a Risk Control and Sustainability Committee was set up.

As we are not responsible for the statutory audit of the financial statements, we verified their general layout, their overall compliance with the laws relating to form and content and have no particular observations to make in this regard.

We verified the compliance with the legal provisions regarding the preparation of the management report on operations and acknowledged that the Independent Auditors carried out the procedures specified in the audit standard (ISA Italia) no. 720 B and expressed an opinion on the consistency of the management report on operations and the specific section on corporate governance, under par. 2, letter b) of art. 123-bis of Italian Legislative Decree no. 58 of February 24, 1998, with the consolidated financial statements and the separate financial statements of Aeroporti di Roma for the year ended December 31, 2021, and their conformity with the legal provisions. The Independent Auditors also declared they have nothing to report with reference to the statement under art. 14, par. 2, letter e) of Italian Legislative Decree no. 39 of January 27, 2010, issued on the basis of the knowledge and understanding of the company and the relevant context, as acquired during the auditing activity. The independent auditors also issued the reporton the non-financial statement prepared by the directors pursuant to art. 6, paragraph 1, of Italian Legislative Decree no. 254 of December 30, 2016.

It is then highlighted that:

Concessionary Relationship

ADR's corporate purpose is the construction and management of airports or a part thereof, and the exercise of any activity related or complementary to air traffic of any type or specialty. This goal is achieved on the basis of a concession for the single management of the Roman airport system entrusted to the Company with Italian Law no. 755 of November 10, 1973.

The concessionaire ADR ensures the management and development of the Roman airport system ("Leonardo da Vinci" at Fiumicino and "G.B. Pastine" at Ciampino) in accordance with international, European and national regulations as well as the ENAC Regulations that govern the operation of airports open to civil traffic.

The original Concession Management Agreement no. 2820/74 was in force until December 21, 2012. After that date, a new Single Deed - Planning Agreement was approved with a specific Italian Council of Ministers Presidential Decree. The single document regulates both the relations regarding the airport management concession and the criteria to determine and periodically update the fees applicable to the so-called "regulated services".

The expiry of the concession set for June 30, 2044 - pursuant to art. 14 of Italian Law no. 359 of August 8, 1992, and art. 1-quater of Italian Law no. 351 of August 3, 1995, and reaffirmed with notes from the Italian Ministry of Transport and Navigation on September 12, 1994 and January 23, 1998 - was extended ope legis to June 30, 2046 by virtue of article 202, paragraph 1-bis of Italian Legislative Decree no. 34 of May 19, 2020 (converted with amendments by Italian Law no. 77 of July 17, 2020), which provided for the two-year extension of the "duration of the concessions for the management and development of the airport activities in progress" in consideration of the negative economic effects deriving from the significant decrease in traffic linked to the emergency situation caused by the COVID-19 pandemic and related measures to contain the contagion adopted by the State and the Regions.

Italian Law no. 755/1973 (art. 1) sets forth the subject of the concession, consisting in the single management of the Roman airport system, to be carried out under the supervision of the Italian Ministry of Transport (now ENAC - Italian Civil Aviation Authority - pursuant to Italian Legislative Decree no. 250/1997) according to the provisions of the Navigation Code and regulations currently in force.

ADR also provides security screening services for passengers and carry-on and checked baggage, always based on the concession regime.

Italian Law Decree no. 251/1995, converted into Italian Law no. 351/1995, introduced the obligation to pay a concession fee

Transactions with related parties

The transactions performed by the ADR Group with related parties were carried out in the interest of the Group and are part of ordinary operations. Such transactions are regulated on a basis that is equivalent to those prevailing in transactions between independent parties.

With reference to the transparency obligations required under article 1, paragraphs from 125 to 129 of Italian Law no. 124/2017, no public grants were collected by the ADR Group in 2021.

Subsequent events include:

- ART submitted critical observations with respect to the additional deed agreed between ENAC and ADR, and, on December 16, 2021, in response to the ADR request to start the consultation of the Users for the revision of the rights, expressed its refusal to the consultation as it deemed that the completion of the additional act had not yet taken place. Between mid-December and January, several meetings and hearings were held between ADR and ART and ADR and ENAC, as a result of which, on February 11, 2022, ADR received a new text of the Deed which, on February 15, 2022, was deemed unacceptable by ADR since, by limiting the validity of the tariff rules only for a five-year period, does not confirm the principle of long-term regulatory stability that is the cornerstone of the Economic Regulation Agreement signed in 2012. Therefore, on February 14, 2022, ADR notified an appeal to the Lazio Regional Administrative Court requesting the Administrative Judge to annul the refusal to open the consultation, mentioning the validity and effectiveness of the additional deed signed. On February 15, ADR submitted a request to ART for the extension of the airport charges defined for 2021 also for the 2022 tariff year, limited to the period strictly necessary for their review for the new regulatory period, as it was prevented from starting the consultation requested on December 13, 2021. On February 18, ART replied by inviting ADR to start consultations with users within the terms described, reserving the right to carry out the assessments within its competence following their outcome. These were held on February 28, 2022 with a tariff forecast for 2022 in continuity with the one in force.
- The conflict in Ukraine could negatively affect traffic volumes, however, neither duration nor intensity can be predicted yet.

Supervisory Activity

We verified compliance with the law, the Articles of Association and the principles of good governance.

During 2021 the Board met 11 times, we took part in 1 Shareholders' Meeting and 13 meetings of the Board of Directors, in relation to which, based on the information available, we did not find any violation of the law and the Articles of Association, nor transactions that were manifestly imprudent, risky or such to compromise the value of the Company's assets. The Board of Statutory Auditors is aware that any conflict of interest was declared pursuant to the law.

We acquired information from the Directors and the Governing Bodies as regards the general operating performance and the business outlook as well as on the most significant transactions in terms of size or characteristics, carried out by the Company and, based on the information acquired, we have no special remark to make.

We met with the auditor in charge of independent auditing, and no relevant information or data emerged that must be highlighted in this report.

We met with the Internal Audit structure, and no relevant information or data emerged that must be highlighted in this report.

We met with the Supervisory Body, and no issues emerged as regards the correct implementation of the Organizational and Management Model that must be highlighted in this report.

We met the Board of Statutory Auditors of the Parent Company and exchanged information with the control bodies of the subsidiary undertakings of ADR: these exchanges did not reveal any facts or circumstances that deserve your attention.

We gathered information on and supervised, within our competence, the adequacy and operation of the organizational structure of the Company, also through the acquisition of information from the heads of the departments, and have no remark to report on this point.

We gathered information on and supervised, within our competence, the adequacy and operation of the administration-accounting system as well as its reliability to fairly represent the operations; this was done by obtaining information from the heads of the departments and the auditor in charge of the statutory auditing, and examining the corporate documentation, and have no special remark to make on this point.

No reports were made pursuant to art. 2408 of the Italian Civil Code.

During 2021, the Board of Statutory Auditors expressed its opinion on the determination of the remuneration due to the Chairman of the Board of Directors appointed by the Shareholders' Meeting of ADR S.p.A. held on April 27, 2021 and the Chief Executive Officer.

The remuneration for the position of Chairman and CEO, pursuant to art. 2389, third paragraph, of the Italian Civil Code, is established by the Board of Directors, having heard the Board of Statutory Auditors.

During the supervisory activity, as described above, no significant events emerged that are such to require mention in this report

Conclusion

Dear Shareholders,

also considering the outcome of the activity performed by the auditor in charge of statutory auditing contained in the audit report of the Financial Statements, the Board proposes to the Meeting to approve the 2021 Financial Statements as drawn up by the Directors. The Board acknowledges the proposal to cover the loss for the year, amounting to 44,867,618 euros, by using the same amount of retained earnings.

For the Board of Statutory Auditors

Mr Giuseppe Cosimo Tolone – Chairman

Mr Alessandro Bonura

Mr Pasquale De Falco

Mr Maurizio De Filippo

Mr Pier Vittorio Vietti

Rome, March 31, 2022

Resolution of the Shareholders' Meeting

Resolutions of the ordinary Shareholders' Meeting of april 28, 2022

The Ordinary Shareholders’ Meeting resolved to:

- approve the 2021 separate Financial statements, which disclose a loss of 44,867,618.30 euros, having acknowledged the documents that accompany them;
- cover the loss by using the retained earnings for the same amount;
- approve the tax-suspension restriction placed on a portion of the Share premium reserve, amounting to 355,036 thousand euros, in connection with the alignment pursuant to Italian Law Decree no. 104/2020 converted with amendments into Italian Law no. 126 of 2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired.

THE CAREPORT

ADR Aeroporti di Roma