



2021

SUSTAINABILITY REPORT

CONSOLIDATED NON-FINANCIAL
DISCLOSURE PURSUANT TO
LEGISLATIVE DECREE NO. 254/2016





#movingtothefuture

THE SUSTAINABILITY REPORT HAS BEEN TRANSLATED INTO ENGLISH
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THE ITALIAN VERSION SHALL PREVAIL, AS THE ITALIAN VERSION CONSTITUTES THE OFFICIAL RECORD

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LETTER TO STAKEHOLDERS



Dear Stakeholders,

In these recent years characterised by the Covid-19 pandemic, I think we all have asked ourselves what to expect from the future as people, citizens and companies. In fact, the pandemic has changed our habits, our way of living, working and interacting, impacting on our lives and the global economy.

Companies have had to rethink their business strategies and operations: in this context, the ASTM Group promptly implemented a series of actions and conduct to ensure lasting and timely relations with all its Stakeholders.

Business continuity risks took on serious significance and all companies in our Group increased the efficiency of their processes and implemented new technologies and working methods.

2021 saw an even greater collective consciousness emerging, placing issues linked to the climate and the environment at the heart of national and international debate. As the 2021 Report by the World Economic Forum demonstrated, the environmental crisis and climate change continue to represent the main risks in coming years, in terms of both impact and probability.

All of this takes on particular relevance for us at the ASTM Group as builders and operators of infrastructure, with the awareness that we are called upon to protect our roads over time. During this difficult year, we have continued to invest in our infrastructure, to improve both safety and efficiency levels.

The emerging priorities of the post-pandemic “new normal”, include significant topics related to technological innovation and diversity, inclusion and respect for human rights, since the pandemic has made pre-existing systemic inequalities even more obvious.

This increases the private sector’s collective responsibility. Actions that are implemented to promote a sustainable and inclusive growth contribute to a company’s social recognition.

We are already working on the future that we want, a future we can already feel with our bare hands.

A future that is more and more sustainable because our activities contribute to the social and economic growth of the territories where we work, by placing people at the centre and integrating sustainability policies into our business strategy.

We have made a specific commitment: we were the first European motorway operator - and the largest in terms of kilometres managed in the world - to set science-based emission reduction objectives approved by the Science-Based Targets initiative (SBTi) to achieve a 25% reduction in the greenhouse gas (GHG) emissions produced by our operations by 2030. We also want to be a model for our partners, undertaking to reduce Scope 3 emissions by 13% by 2030, in the goods and services we purchase from third parties.

These objectives are so important that they have been included in our financial strategy in the scope of emissions, with the issue last November of €3 billion of Sustainability-linked bonds. Demand for four times the offering prove the financial market’s acknowledgement of the Group’s value, our strategies integrated with ESG policies, and our vision for the future.

Our vision goes one step further because we want to be the protagonists of mobility's digital transformation to build the motorways of the future, which are even more smart and connected, because we want to be the drivers of the ecological transition in the countries where we operate.

In this context, together with an exceptional partner, Volkswagen Group Italia, we presented the "smart road" project on the A4 Torino-Milano motorway, which envisages Italy's first connectivity between standard cars and motorway in open traffic conditions. Through direct communication between vehicles and infrastructure, we can provide higher quality services in terms of safety, comfort and reduced traffic.

But we did not stop there. The initiative forms an integral part of the more general modernisation, technological innovation and ecological transition process for the A4 Torino-Milano Motorway, with the aim of making it one of the most technologically advanced in Europe. The first part of these projects will be completed by 2024 on the Milano-Novara pilot stretch. Once authorisation is received from the Ministry of Infrastructure and Sustainable Mo-

bility (MIMS), this will then be extended to the entire motorway and the ASTM Group's entire motorway network in Italy.

A company stands out due to its ability to meet the expectations and needs of all its Stakeholders, and knowing how to embrace the same values.

In conclusion, the ASTM Group is aware of its social and economic role, of how infrastructure creates development, competition and employment, reduces inequalities and brings people and cultures together.

We want to continue being the driver of development with the goal of creating resilient, digital and sustainable infrastructure that combines modernity, innovation and safety to provide a better service to our customers.

This is our commitment and our vision for the future.

I hope you enjoy reading this report.

Umberto Tosoni
Chief Executive Officer

METHODOLOGICAL NOTE

This consolidated non-financial disclosure (“NFD” or “Sustainability Report”) of ASTM S.p.A. (“ASTM” or the “Company”) and its wholly consolidated subsidiaries (“ASTM Group” or “Group”) at 31 December 2021 describes initiatives and main results in terms of sustainability performance relative to the period from 1 January to 31 December 2021 and complies with provisions in articles 3 and 4 of Italian Legislative Decree 254/2016 (the “Decree”).

From 4 June 2021, the ordinary shares of ASTM are no longer traded on the market managed by Borsa Italiana. Nevertheless, ASTM, as an issuer of bonds traded on the Euronext Dublin, qualifies as an “entity of public interest” pursuant to art. 16 of Italian Legislative Decree 39/2010 and is subject to the obligation to prepare and publish the NFD pursuant to Italian Legislative Decree 254/2016.

As required by Article 5 of the Decree, this document is a separate report, as indicated, with specific wording referring to Consolidated Non-Financial Disclosure (NFD) as required by law.

The NFD, to the extent necessary to ensure an understanding of a business’s activities, its performance, results and the impact it produces, covers environmental, social and personnel issues, respect for human rights, and the fight against active and passive corruption, which are significant for the company’s activities and characteristics, and for the expectations of its Stakeholders, as shown in the materiality matrix in this report in the section “Stakeholder Map and Materiality Analysis”.

In addition, this document includes information relating to the impact of Covid-19, climate change and the European Taxonomy (Regulation (EU) 2020/852, June 2020), thematic areas considered of particular importance for the 2021 non-financial reporting by the European Securities and Markets Authority (ESMA) in the document “European common enforcement priorities for 2021 annual financial reports” published on 29 October 2021. With reference to the reporting obligations outlined by EU Regulation 2020/852 (the Taxonomy Regulation), please refer to the section “The European Regulation on the Taxonomy of Sustainable Economy Activities” in this document.

This Sustainability Report has been prepared in compliance with GRI Sustainability Reporting Standards, published by the Global Reporting Initiative (GRI) in 2016 and subsequently updated, based on the “in accordance-core” option.

To assess the financial impacts of sustainability issues, also for the benefit of investors, SASB (Sustainability Accounting Standards Board) standards and the framework of the International Integrated Reporting Council (IIRC) were also considered.

The “GRI Content Index” and the “Table of SASB indicators” are annexed to this document, with details on their content.

For the preparation of the Sustainability Report, reference was made to the “Ten Principles” of the United Nations Global Compact (UNGC), ISO 26000 (International Organization for Standardization) and Guidelines on Non-Financial Reporting of the European Commission.

The data and information reported in the NFD refers to all companies included in the ASTM Group scope of consolidation at 31 December 2021, with consolidation on a line-by-line basis. Any exceptions are expressly indicated in the text.

Regarding the main changes to the scope of consolidation for the NFD as at 31 December 2021, the following is reported:

- with effect from 1st April 2021, the parent company ASTM S.p.A. acquired control of the company S.I.T.A.F. S.p.A., and its subsidiaries Musinet Engineering S.p.A., RO.S.S. S.r.l., Sitalfa S.p.A., Tecnositaf S.p.A., Tenositaf LLC, Sicurstrada S.c.a r.l. and Seranti S.c.a r.l.;
- as of 16 November 2021 the subsidiary IGLI S.p.A. acquired control of EcoRodovias Infraestrutura e Logistica S.A., as well as its subsidiaries Anish Empreendimentos e Participacoes Ltda; Argovias Administracao e Participacoes S.A., Concessionaria das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas, Concessionaria do Rodoanel Norte S.A. – Eco-rodoanel, Concessionaria Ecovia Caminho do

Mar S.A., Concessionária Ecovias do Araguaia S.A., Concessionaria Ecovias do Cerrado S.A., Concessionaria Ecovias dos Imigrantes S.A., Concessionaria Ponte Rio-Niteroi SA - Eco-ponte, Eco050 - Concessionária de Rodovias S.A., ECO101 Concessionária de Rodovias S.A., Eco135 Concessionária de Rodovias S.A., Ecopatio Logistica Cubatao Ltda, Ecorodovias Concessoes e Serviços S.A., Ecoporto Santos S.A., EIL 04 S.A., EIL01 Participações Ltda, ELG 01 Participações Ltda, Empresa Concessionaria de Rodovias do Sul S.A. - Ecosul, Holding do Araguaia S.A., Paquetà Participacoes Ltda, Rodovia das Cataratas S.A. - Ecocataratas and Termares - Terminais Maritimos Especializados Ltda;

- following the sale on 30 November 2021, the subsidiaries Tubosider UK Ltd and Tubosider CSP Limited were excluded from the scope of consolidation.

The non-financial data and information reported in this document, unless specified otherwise, refer to the period after the date control over the company was effectively acquired.

As regards the scope of consolidation of the ASTM Group, data on joint operations are reported in full without taking into consideration the percentage held, and also presented separately in order to allow for a wider understanding of the Group's activities, its performance, results and the impact it produces. Additionally, data relative to manual workers includes those associated with unions and on the payroll of the Halmar Group (Union Workers) at 31 December 2021, regardless of the number of hours worked during the reference period.

To compare data and information over time and assess the trend of Group operations, a comparison with the previous year has been made, where possible. Information on actions taken in previous years that still apply to Group operations is also included. Finally, any restatements of the data published in the previous NFD have been appropriately indicated in this report.

As established in the GRI Standards and in continuation of that carried out in previous years, ASTM has prepared a materiality analysis to report on the sustainability aspects deemed more relevant for its Stakeholders and the organisation, taking into consideration the areas established under article 3 of the Decree. The materiality analysis, examined beforehand by the Sustainability Committee and the Audit and Risk Committee, was presented to the Board of Directors on 17 December 2021.

It was also considered appropriate to compare the significant issues identified by the Group's materiality matrix with those identified by the main peers in the reference sectors in order to ensure a broader comparison.

Starting with the issues considered significant and considering the areas covered by the Decree, an analysis was carried out of the risks deriving from the Group's activity, services/products, including information about supply chain and subcontractors where relevant and available. As described in more depth in the section "Corporate Governance, Internal Audit and Risk Management System", to which reference is made for details, ASTM and its main operating subsidiaries¹ have adopted a Risk Management System in line with best practices defined by the Enterprise Risk Management Integrated Framework (COSO ERM) and the ISO 31000 standard.

The ASTM Group formalised its ESG commitments for the first time in the Sustainability Plan approved by the Board of Directors of ASTM S.p.A. in November 2017. In 2021, ASTM strengthened its commitment to the fight against climate change by defining objectives and initiatives to reduce greenhouse gas emissions by 2030, approved by the Science-Based Targets initiative (SBTi) and integrated into its financial strategy, by publishing the first Sustainability-Linked Financing Framework. In this context, in November 2021, Sustainability-Linked Bonds were issued for € 3 billion.

The actions taken by the Group with reference to various sustainability topics are summarised below.

¹ The main operating subsidiaries of ASTM S.p.A. include: A.T.I.V.A. S.p.A., Autostrada Asti-Cuneo S.p.A., Autostrada dei Fiori S.p.A., Società Autostrada Ligure Toscana p.A., S.A.T.A.P. S.p.A., S.A.V. S.p.A., S.I.T.A.F. S.p.A., Società di Progetto Autovia Padana S.p.A., Itinera S.p.A., EcoRodovias Infrastruttura e Logistica S.A., Euroimpianti S.p.A., Sinelec S.p.A., S.I.N.A. S.p.A.

GOVERNANCE AND THE FIGHT AGAINST ACTIVE AND PASSIVE CORRUPTION

With a zero-tolerance approach towards any form of active and passive corruption, ASTM and its main operating subsidiaries have adopted an anti-corruption policy in line with the applicable best practices and national and international standards, also activating a dedicated internal channel to report offences or irregularities identified during work activities (whistleblowing).

ASTM S.p.A., Itinera S.p.A., Sinelec S.p.A., Tubosider S.p.A., Ecorodovias Infraestrutura e Logística S.A. and Ecorodovias Concessões e Serviços S.A. have voluntarily implemented an anti-corruption management system certified in compliance with international standard ISO 37001.

In December 2021, Standard Ethics, an independent rating agency operating in the sustainability sector, confirmed ASTM's sustainability rating (Standard Ethics Rating) of EE ("Strong") with a "Positive" outlook, foreseeing a Long Term Expected SER over 3/5 years of EE+ ("Very Strong").

ENVIRONMENT

The ASTM Group is committed to pursuing solutions that can guarantee protection of local areas, a responsible use of natural resources, efficient energy consumption, the management of atmospheric emissions and protection of biodiversity.

Since 2018, ASTM has been a member of the CDP Climate Change Programme and in 2021 it was confirmed to be a global leader in the fight against climate change, achieving a rating of A-.

To strengthen the Group's climate strategy, ASTM has aligned with Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, providing clear and comparable information to stakeholders on risks and opportunities associated with climate change.

In the context of defining the emission reduction objectives approved by the Science-Based Targets initiative (SBTi), initiatives to reduce Scope 1, 2 and 3 emissions were identified. In particular, Group companies contribute to the protection and safe-

guarding of the environment by promoting the electrification of the motorway network, energy efficiency initiatives (use of work sites with a reduced environmental impact, efficient lighting systems on motorways through increased use of LED lighting), protecting biodiversity and noise abatement plans for motorways, promoting the adoption of these policies also by subcontractors.

SOCIAL ASPECTS

Social issues have always been a key value and strategic objective of the ASTM Group, which is committed daily to ensuring, through its licensee companies, road safety and service quality, promoting solutions to improve motorway infrastructure and user satisfaction.

The quality, safety and environmental management systems are periodically updated, based on newly issued ISOs, maintaining all existing certifications, including ISO 39001 (Road Traffic Safety (RTS) Management).

The Group's concessionaires are continuing their investment plans for the resilience of the infrastructure and the safety of motorway users, including through the use of new technologies. The main licensee companies of the Group implemented a customer experience programme intended to improve services to users.

PERSONNEL

The ASTM Group has adopted policies and initiatives to empower its human capital, with a particular focus on employees' health and safety, company welfare, diversity and inclusion.

In 2021, guaranteeing the health of personnel in the context of the Covid-19 epidemiological emergency was a priority for the Group. Through the adoption of appropriate health protocols, the extension of the remote work programme, it ensured its business and projects continued, all within the limits imposed in terms of social distancing and mobility restrictions.

ASTM and its main operating subsidiaries have implemented a Diversity and Inclusion Policy. They have also launched a talent policy based on an integrated human capital management system and

employee training and development programmes, in order to create a shared company culture based on expertise and innovation.

ASTM was included in Bloomberg's 2021 Gender Equality Index (GEI), an international index which measures the performance and reporting quality for companies relative to gender parity.

RESPECT FOR HUMAN RIGHTS

The Group recognises the intrinsic value of each person and endeavours to ensure that human rights are respected along the entire value chain, promoting equal opportunities without any type of discrimination and encouraging the accessibility of services for use by persons with reduced mobility.

To strengthen its commitment in this area, since 2019 ASTM and its main operating Italian subsidiaries have adopted a Human Rights Policy, which supplements the Group's Code of Ethics, Suppliers Code of Conduct and other sustainability policies.

In 2020, ASTM S.p.A. implemented a Social Responsibility management system with SA 8000 certification.

Where possible, the use of estimates in this document has been limited and if present, estimates are indicated. Estimates are based on the best available information.

The reporting on the impact of Group operations on the local area and relative external factors in terms of value created and distributed, contained in the section "Impact Measurement" in this document, is not based on GRI reporting standards, but on the use of an econometric input-output model. This model statistically analyses the interaction between a country's industries, making it possible to further understand the economic context in which a business operates.

The Board of Directors of ASTM S.p.A. approved this Sustainability Report on 25 March 2022.

This document was subject to a limited assurance engagement, as defined by ISAE 3000 Revised, by PricewaterhouseCoopers S.p.A., the firm also appointed to audit the ASTM Group's Annual Financial Report. This engagement was carried out according to procedures in the "Independent Auditors' Report" included at the end of the document.

The Sustainability Report of the ASTM Group as at 31 December 2021 is available on the Company's website www.astm.it/en in the section "Sustainability".

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01

THE ASTM GROUP AND SUSTAINABILITY

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THE ASTM GROUP

CORPORATE OWNERSHIP AT 31 DECEMBER 2021

ASTM S.p.A. is a company with headquarters at Corso Regina Margherita 165, Turin.

As at 31 December 2021, Nuova Argo Finanziaria S.p.A. (Subsidiary of Aurelia (50.5%), holding company of the Gavio Group), and an investee company of Ardian (49.5 %) through Mercure Investment and Mercure Holding 2) holds an equity investment equal to 85.40% in ASTM, while the remaining 14.60% is represented by treasury shares.



HIGHLIGHTS 2021 ASTM GROUP

OUR RESPONSIBILITY TOWARD LOCAL AREAS



€ 813 MILLION
 € 548 MILLION IN 2020
 EBITDA*

* Data from the ASTM Group 2021 Management Report

OUR RESPONSIBILITY TOWARDS THE ENVIRONMENT



OUR RESPONSIBILITY TOWARDS PEOPLE

16,975
 EMPLOYEES AND COLLABORATORS
 11,493 IN 2020



10.15% IN 2020
 RECORDABLE WORK-RELATED INJURIES RATE



3.77% IN 2020
 ABSENTEE RATE



94% IN 2020
 EMPLOYEES WITH PERMANENT CONTRACTS



16% IN 2020
 FEMALE EMPLOYEES



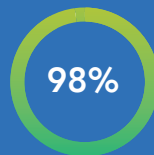
OVER 51k IN 2020
 HOURS OF TRAINING FOR EMPLOYEES

12,975
 EMPLOYEES
 7,288 IN 2020

EUROPEAN TAXONOMY



PORTION OF "ELIGIBLE" TURNOVER



PORTION OF "ELIGIBLE" CAPEX



PORTION OF "ELIGIBLE" OPEX

SUSTAINABILITY INDICES AND RATINGS



GROUP STRUCTURE AND BUSINESS SEGMENTS AT 31 DECEMBER 2021

The companies consolidated on a line-by-line basis in the Consolidated Financial Statements of the ASTM Group at 31 December 2021 and included in the scope of NFD reporting are listed below.



² Concessionária das Rodovias Ayrton Senna e Carvalho Pinto S.A. - Ecopistas, Concessionária do Rodoanel Norte S.A. - Ecorodoanel, Concessionária Ecovia Caminho do Mar S.A., Concessionária Ecovias do Araguaia S.A., Concessionária, Ecovias do Cerrado S.A., Concessionária Ecovias dos Imigrantes S.A., Concessionária Ponte Rio-Niteroi S.A. - Ecoponte, Eco050 - Concessionária de Rodovias S.A., ECO101 Concessionária de Rodovias S.A., Eco135 Concessionária de Rodovias S.A., Empresa Concessionária de Rodovias do Sul S.A. - Ecosul, Rodovia das Cataratas S.A. - Ecocataratas

³ Anish Empreendimentos e Participacoes Ltda, Argovias Administracao e Participacoes S.A, Ecopatio Logistica Cubatao Ltda, Ecoporto Santos S.A., Ecorodovias Concessionarios e Serviços S.A., EcoRodovias Infraestrutura e Logística S.A., EIL04 S.A., EIL01 Participações S.A., ELG 01 Participações Ltda, Holding do Araguaia S.A., Paquetá Participacoes Ltda, Termares - Terminais Marítimos Especializados Ltda

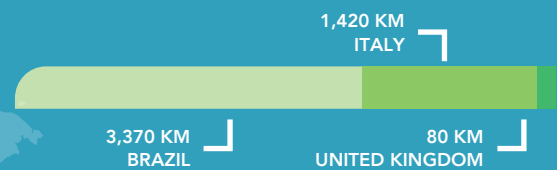
⁴ Subsidiaries of Itinera S.p.A.: ITINERA S.p.A., Agognate S.c.ar.l. in liquidation, BIANDRATE S.c.a r.l. in liquidation, Cornigliano 2009 S.c.a r.l., Crispi S.c.ar.l. with sole shareholder in liquidation, CRZ01 S.c.ar.l. in liquidation, Diga Alto Cedrino S.c.a r.l. in liquidation, Lambro S.c.a r.l., Marcallo S.c.a r.l., MAZZE' S.c.a r.l., Ramonti S.c.a r.l. in liquidation, Società Attività Marittime S.p.A. (SAM S.p.A.), Sinergie S.c.ar.l. in liquidation, Taranto Logistica S.p.a., Torre di Isola S.c.a r.l., Urbantech S.r.l. with sole shareholder, Itinera Costrucoes LTDA, SEA Segnaletica Stradale S.p.A., Lanzo S.c.a r.l., ITINERA USA CORP, Halmar International LLC, HIC Insurance Company Inc., Halmar International Trucking Inc., Halmar Transportation System Llc, Halmar/A Servidone - B Anthony Llc, Atlantic Coast Foundations LLC, Halmar International LLC/LB Electric Co JV, Potomac Yard Constructors JV, HINNS JV, Storstrom Bridge JV I/S, Tubosider S.p.A., Roma Sud S.c.a r.l., Società di Progetto Concessioni del Tirreno S.p.A., Ashlar Structural LLC

⁵ Joint operations in which Itinera S.p.A. is an investee: JV Itinera Cimolai, Consorzio Baixada Santista, Consorzio Alças da Ponte, MG-135 Consortium, Odense HPT JV I/S, KOGE HPT I/S, Itinera Ghantoot JV, 3RD Track Constructors - Joint Operation, Cons. Binario Porto de Santos, Itinera-Agility JV, Consorzio BR-050, Consultoria - Eco 135, Consorzio SP-070, Consorzio PSG, Consorzio nn Engenharia e Consultoria, Consultoria - Novos Negócios, TELT SEP JV

MOTORWAY CONCESSIONS

ASTM has long-standing experience in the development, funding, management and maintenance of road and motorway infrastructure. The Group is now the second operator in the world for toll-motorway management with around 4,900 km of network in Italy, Brazil and the United Kingdom. In particular, the Group manages a network of approximately 1,420 km in Italy and is the largest operator in the north-west of the country, one of Europe’s wealthiest areas per capita. Through EcoRodovias, one of Brazil’s main infrastructure players, the Group manages around 3,370 km of network in the country. Lastly, the Group operates in the United Kingdom through its equity investment in Road Link, which manages approximately 80 km of network between Newcastle and Carlisle.

ONE OF THE LEADING PRIVATE INVESTORS IN TRANSPORT INFRASTRUCTURE IN ITALY



4,900 KM⁶
MOTORWAY NETWORK IN ITALY, BRAZIL AND THE UNITED KINGDOM

795 KM
795 IN 2020
OF DRAINING/SOUND-ABSORBING ROAD SURFACES EQUAL TO AROUND 61% OF THE MOTORWAY NETWORK MANAGED IN ITALY



157 KM
137 IN 2020
OF NOISE BARRIERS

⁶ Motorway network entirely managed by ASTM through the subsidiaries, jointly held subsidiaries and associated companies

THE ITALIAN MOTORWAY NETWORK



THE ITALIAN MOTORWAY NETWORK

OUR MOTORWAY CONCESSION COMPANIES⁷

S.A.T.A.P. S.p.A.

The motorway company S.A.T.A.P has the concession to manage the following motorway stretches:

- A4 Torino-Milano (130 km)
- A21 Torino-Piacenza (168 km).⁸

Autostrada dei Fiori S.p.A.

The company Autostrada dei Fiori has the concession to manage:

- the stretch of motorway from Savona to Ventimiglia (A10), with an overall length of 113 km⁸;
- the 131 km stretch of the Torino-Savona motorway (A6)

Società Autostrada Ligure Toscana - SALT p.A.

The motorway company SALT has the concession to manage the following motorway stretches:

- A12 Sestri Levante-Livorno; Viareggio-Lucca; Fornola-La Spezia for a total of 155 km⁸;
- A15 La Spezia-Parma for a total of 182 km, of which 81 km under construction.

Società Autostrade Valdostane - S.A.V. S.p.A.

The motorway company S.A.V. has the concession to manage the A5 motorway stretch from Quincinetto to Aosta Ovest and the A5 SS27 junction of the Gran San Bernardo road tunnel (A5) for a total 60 km.

Autostrada Asti-Cuneo S.p.A.

The company Autostrada Asti-Cuneo has the concession to manage the stretch of the Asti-Cuneo motorway (A33), comprising two stretches totalling 78 km (of which 23 km under construction).

Autovia Padana S.p.A.

The company Autovia Padana has the concession to manage the Piacenza-Cremona-Brescia stretch of the A21 motorway, for approximately 100 km and a further 11.5 km under construction, as well as the Fiorenzuola d'Arda branch, which connects the A21 with the Milano-Bologna motorway (A1).

A.T.I.V.A. S.p.A.⁸

A.T.I.V.A. has the concession to manage the Torino-Quincetto and Ivrea-Santhe (A5) motorways, the Tangenziale di Torino (Torino bypass) and the Torino-Pinerolo motorway for a total 156 km. The company is also in charge of the planning, construction, management and operation of all potential related completions, forks and ring roads.

S.I.T.A.F. S.p.A.

The company S.I.T.A.F. has the concession to manage the Torino-Bardonecchia motorways (A32) and Frejus Tunnel (T4) for a total 94 km.

ASTM also holds an interest in the following concessionaire companies: Tangenziale Esterna S.p.A., the company managing the Tangenziale Esterna di Milano (Milan bypass) (32 km), Società Italiana Traforo del Gran San Bernardo S.p.A. (13 km) and the Newcastle-Carlisle motorway section in the United Kingdom (84 km).

⁷ Directly controlled

⁸ A management "extension" has been granted, pending the appointment of a new concessionaire. The A12 and A10 concession has been reassigned to an ASTM Group companies and will last 11 years and 6 months from the takeover date.

THE BRAZILIAN MOTORWAY NETWORK



EcoRodovias controls the following licensee companies:

- Ecovias dos Imigrantes, which connects São Paulo to Porto de Santos (177 km)
- Ecopistas, which connects São Paulo to Vale do Rio Paraíba (144 km)
- Ecosul, which connects Pelotas, Porto Alegre and Porto Rio Grande (457 km)
- Ecoponte, which connects Rio de Janeiro and Niteroi (29 km)
- Eco050 (MGO), which connects Cristalina (Goiás) to Delta (Minas Gerais) (437 km)
- Eco135 Montes Claros (Minas Gerais) (364 km)
- Eco101, which crosses 25 municipalities in the State of Espírito Santo (479 km)
- Ecovias do Cerrado, which connects Jataí to Uberlândia (437 km)
- Ecovias do Araguaia, which connects Aliança do Tocantins to Anápolis (851 km)

ECORODOVIAS



OF MANAGERS TRAINED ON
ANTI-CORRUPTION PRACTICES

*FY 2021 Data from the ASTM Group 2021 Management Report

ECORODOVIAS INDICES AND RATINGS



Since 2014 EcoRodovias has been committed to the "UN Global Compact" corporate responsibility initiative and its principles on human rights, labour, the environment and the fight against corruption

EcoRodovias, a company listed on San Paulo's B3 Novo Mercado, and leader in Brazil in the construction and management of motorway infrastructure.

For the past several year the EcoRodovias Group has been publishing its own Sustainability Report that is certified by an independent auditor.

For further information please refer to the Company's website at www.ecorodovias.com.br

CERTIFICATION

All the EcoRodovias Group's operating motorway concessions have obtained ISO 9001 quality certification, ISO 14001 environmental management certification, ISO 39001 road safety certification and ISO 45001 occupational health and safety certification. Only Ecovias do Araguaia, a concession acquired in 2021, is still in the process of finalising the certification process.



EPC

In the Engineering, Procurement and Construction (EPC) sector, ASTM works through its subsidiaries Itinera, S.I.N.A. and Euroimpianti.

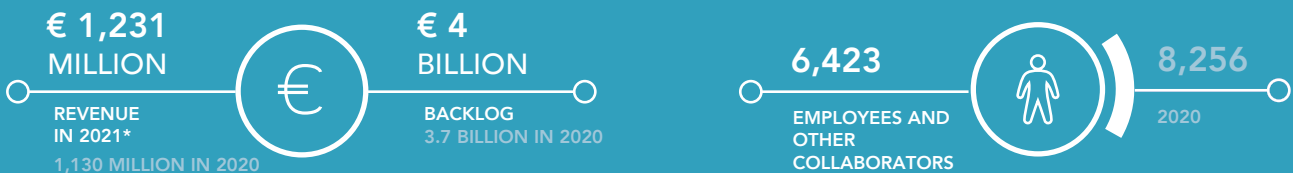


*Source: Consolidated financial statements of the ASTM Group at 31 December 2021

CONSTRUCTION

The ASTM Group operates in the construction sector through Itinera, an international developer of major infrastructure and civil and industrial engineering projects. Itinera is one of the largest Italian companies in the sector for its expertise, know-how, revenues and backlog and offers its global customers quality and innovative solutions. The Company operates all over the world (Europe, Africa, the Middle East, South America and the United States), in road and railway infrastructure, underground works, ports, airports, hospitals and motorway maintenance.

The Itinera Group



* IAS IFRS data at 31 December 2021 including intercompany relations

WHERE WE ARE IN THE WORLD:

ABU DHABI
SAUDI ARABIA
BOTSWANA
BRAZIL
DENMARK
DUBAI
FRANCE

ITALY
KUWAIT
NORWAY
OMAN
ROMANIA
SWEDEN
USA



ENGINEERING

ASTM operates in the engineering sector through its subsidiary S.I.N.A., which boasts an international track record specialised in the auditing of tunnel safety and surveillance systems, the control and inspection of infrastructure of works, as well as environmental monitoring activities.



ENGINEERING:
A KEY FACTOR
FOR TRANSPORT
AND MOBILITY
OPERATORS

GUARANTEEING
A MORE
EFFICIENT
INFRASTRUCTURE
LIFE CYCLE



GUARANTEEING
THE BEST
SERVICE
TO CUSTOMERS



*IAS IFRS data at 31 December 2021 including intercompany relations

PLANT ENGINEERING



*IAS data at 31 December 2021 including intercompany relations

Euroimpianti is the Group company that manages plant engineering projects in captive and extra-captive markets. Its main activities involve the planning, development and maintenance of high technology systems.

TECHNOLOGY



*IAS IFRS data at 31 December 2021 including intercompany relations

ASTM operates in technology applied to mobility and road infrastructure through Sinelec, a company specialised in electronic tolls and Intelligent Transportation Systems (ITS). The company is a leader in the study, design, implementation and maintenance of advanced technology solutions for optimised and safe management of traffic and operations in the road ecosystem.

PURPOSE, MISSION AND VALUES

TO CONTRIBUTED TO THE **GROWTH, SUSTAINABILITY AND DEVELOPMENT** OF THE **REGIONS IN WHICH WE OPERATE OUR INFRASTRUCTURE**

OUR PURPOSE

MISSION

Provide the best possible service to our clients through safe and secure infrastructure and innovative, robust and sustainable solutions.

OUR VALUES

Our work is based on the respect of certain ethics that must inspire our every action and conduct. The Values that underpin our actions are rooted in the concepts of lawfulness, integrity, responsibility and transparency.



SUSTAINABILITY FOR THE GROUP

ASTM undertakes to operate responsibly and to integrate sustainability into its business model.

THE CORNERSTONES OF SUSTAINABILITY FOR THE GROUP ARE:



SPREADING A SUSTAINABILITY CULTURE

To support cultural change, involvement and the organisational well-being of employees, the internal communication process continued in 2021 with the aim of disseminating and fully making use of sustainability initiatives that led in 2020 to the creation of a dedicated interdepartmental team, as part of the People Identity project. This team, consisting of representatives from various Group companies, has the goal of improving connections between the “core” and “periphery”, facilitating communication about Group initiatives for employees in a bilateral manner, identifying the needs of individual local/organisational contexts and supporting the spread of the Group’s value and identity. Additionally, to support a company culture based on shared values, the ASTM Sustainability function publishes a weekly newsletter on new developments in ESG issues.

STAKEHOLDER MAP AND MATERIALITY ANALYSIS

The Group undertakes to identify and establish open and transparent dialogue with its Stakeholders, i.e. all parties of any kind that contribute to the Group’s activities or are influenced by them. In 2021, a section dedicated to Stakeholder Engagement was created on the ASTM website, which describes, among other things, the expectations and methods of engagement for each stakeholder and a number of completed projects. The figure shown below illustrates the Group’s main stakeholders, identified by way of an analysis of the reference sector and discussion with the participants of the Group’s materiality workshop.

In accordance with international guidelines (Sus-

tainable Development Goals, Global Compact, OECD Guidelines for Multinational Enterprises), the applicable standards and frameworks (AA1000 Stakeholder Engagement Standard, Reporting Principles of GRI Standards, recommendations of the Task Force on Climate-Related Financial Disclosures) and the applicable legislation (Italian Legislative Decree 254/2016), ASTM has defined its own materiality analysis in order to identify the most relevant sustainability issues. Through this process, the Group has identified material topics that represent the organisation’s most significant impacts on economy, environment and people, including the impact on human rights.



To assess the financial impacts of sustainability issues, also for the benefit of investors, SASB (Sustainability Accounting Standards Board) standards were also considered. In particular, the SASB standards identify the ESG factors that may reasonably influence the financial conditions or operational performance of companies within a specific sector.

On the basis of the analysis of the operational activities carried out by the Group's companies, the SASB standards of three different sectors were considered: Infrastructure - Engineering & Construction Services, Transportation - Road Transportation e Technology and Communications - Software & IT Services.

In order to promote the active participation of stakeholders, in line with previous financial years, the Group's internal Stakeholder Engagement workshop was held on 22 October 2021, involving around 100 employees representing different company functions in each business segment.

Subsequently, with the aim of engaging a sample of all categories of external stakeholders, an online survey was created for representatives from the world of institutions, investors and lenders, the media, consumer associations, suppliers, business

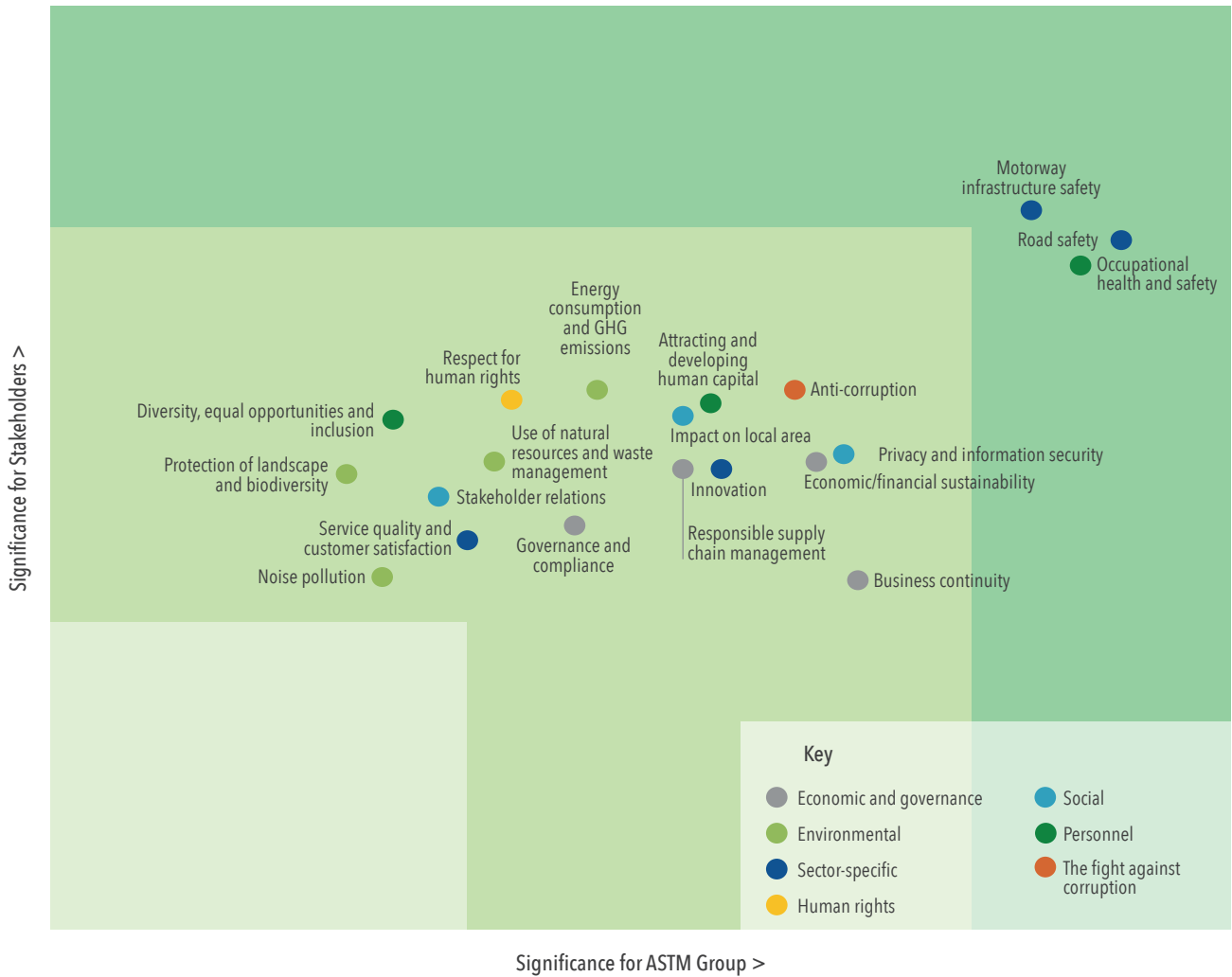
partners, contractors, customers, members of local communities and universities and research centres.

The survey was also sent to a wide sample of motorway users, who gave their consent to be contacted, and representatives from the supply chain. In total around 60 responses were received.

The results of the analysis were processed and summarised in the materiality matrix presented below, taking into consideration the areas defined under article 3 of Legislative Decree 254/2016, specifically respect for human rights, environmental protection, personnel related issues, social aspects and the fight against active and passive corruption. The materiality analysis, examined beforehand by the Sustainability Committee and the Audit and Risk Committee, was presented to the Board of Directors on 17 December 2021.

This year road safety, motorway infrastructure safety, occupational health and safety and anti-corruption are once again some of the most important sustainability issues for the Group. Issues of responsible supply chain management, protection of landscape and biodiversity, and energy consumption, GHG emissions and innovation are increasing in importance.

THE ASTM GROUP'S MATERIALITY MATRIX



For the most important material topics, some correlation schedules have been prepared and are included in this document with regards to the areas defined under Italian Legislative Decree 254/2016, the Sustainable Development Goals (SDGs), the main associated sustainability risks and the main management and mitigation procedures implemented.

SUSTAINABILITY INDICES AND RATINGS

Sustainability indices and ratings assess companies based on their environmental, social and governance (ESG) performance.

CDP CLIMATE CHANGE

In 2021, ASTM was confirmed to be a global leader in the fight against climate change by the Carbon Disclosure Project (CDP), a global non-profit environmental organisation, achieving an A- rating. The Group was assessed on the basis of the actions it introduced to reduce emissions, mitigate climate risks and develop a low-carbon emission economy.



Of the over 13,000 companies that signed up to the initiative in 2021, 200 are Italian, 10% of which achieved a Leadership (A/A-) level.

STANDARD ETHICS RATING

Standard Ethics, an independent sustainability rating agency, confirmed ASTM's sustainability rating (Standard Ethics Rating) in 2021, with an EE rating ("Strong"), acknowledging that the Company had adopted ESG reporting models and sustainability strategies aligned with the international indications promoted by the UN, the OECD and the European Union, addressing environmental, social and safety issues. The outlook attributed to ASTM is "Positive", forecasting a Long Term Expected SER over 3-5 years of EE+ ("Very strong").



SUSTAINALYTICS

The ESG rating of Sustainalytics measures how companies manage environmental, social and governance matters. The rating provides an assessment of the ability of companies to mitigate risks and exploit opportunities.



In 2021, Sustainalytics assigned a Top-Rated award to ASTM in its sector (transport infrastructure) and geographical area (Europe). ESG Risk Rating attributed ASTM a score of 10 (Negligible); i.e. the economic value potentially at risk due to ESG factors not managed is negligible.

MSCI

In 2021, ASTM achieved an MSCI ESG rating of A. The MSCI ESG rating is designed to measure the resilience of a company to long-term environmental, social and governance (ESG) risks in the sector. The ESG ratings vary from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).



BLOOMBERG GENDER-EQUALITY INDEX

As part of its ongoing commitment to the implementation of gender equality policies, the Group was included in the Bloomberg Gender-Equality Index (GEI) 2021, an international index that measures the performance and the quality of a company's reporting in this area.





CORPORATE GOVERNANCE, INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM

CORPORATE GOVERNANCE

ASTM's governance structure is based on the traditional organisational model, according to which the company is managed by a Board of Directors and monitored by a Board of Statutory Auditors. The corporate governance system is inspired by the highest standards of transparency and correctness and the Corporate Governance Code for listed companies in order to ensure compliance with the principles and ethical values to which ASTM aspires in relations with all stakeholders.

The Articles of Association of ASTM contain specific provisions on the composition of the company bodies so as to guarantee, in compliance with best practices, the respect for gender balance and, with particular reference to the Board of Directors, a sufficient number of independent directors, whose requirements of independence are assessed periodically.

The Board of Directors consists of 9 Directors, of whom 7 (78%) are men and 2 (22%) women. 3 (33%) are in the 30-50 age group, while 6 (67%) are in the over-50 age group. 4 Directors are considered independent pursuant to the Consolidated Law on Finance and meet the independent requirements established in the Corporate Governance Code.

For further information on the Corporate Governance system of ASTM S.p.A. and the composition of its internal committees and the Board of Directors, see the "Report on Corporate Governance and Ownership Structure" available on the Company's website www.astm.it/en in the section "Governance".

GOVERNANCE OF SUSTAINABILITY

ASTM has defined the organisational structure for sustainability, formalising roles and responsibilities. ASTM's Board of Directors establishes strategic sustainability guidelines with a view to creating medium- to long-term value for all Stakeholders and approves the Sustainability Plan and Sustainability Report.

The ASTM Board of Directors has established a Sustainability Committee, consisting of three directors, which provides proposals and consulting to the Board with regards to sustainability matters. In particular, in assisting the Board of Directors, the Committee: a) offers supervision of sustainability issues linked to corporate activities and interaction dynamics with all Stakeholders, b) examines the Sustainability Plan before it is submitted for approval to the Board of Directors and monitors its implementation, c) examines the content of the periodic non-financial disclosure before it is submitted for approval to the Board of Directors.

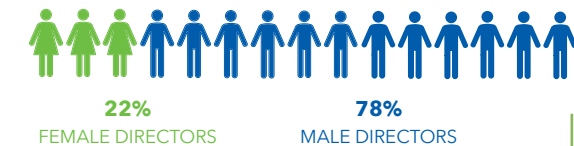
The Audit and Risk Committee, consisting of three directors, does the following to assist the Board of Directors, among other things: a) assesses the suitability of the periodic non-financial disclosure in terms of adequately representing the Company's business model and strategies, the impact of its activities and its performance, coordinating with the Sustainability Committee and b) examines the content of the periodic non-financial disclosure in terms of information on the internal audit system and risk management.

With a view to creating sustainable medium- to long-term value, the Sustainability Committee considers interaction with the Audit and Risk Committee and with the Remuneration Committee as fundamentally important, in order to encourage each within its remit to increase the integration of sustainability

into corporate governance.

Moreover, the Sustainability function, reporting directly to the Chief Executive Officer, contributes to establish the company sustainability strategies with a view to create medium- to long-term value for all Stakeholders, identifies and suggests to senior management the areas and projects for improvement in the Sustainability model, prepares the Sustainability Report, promotes and distributes the sustainability culture within the Group and ensures, through coordination with other departments, the identification and analysis of Stakeholders' expectations by encouraging dialogue with them.

GENDER BREAKDOWN OF THE BOARD OF DIRECTORS



4 Directors are considered independent pursuant to the Consolidated Law on Finance and meet the independent requirements established in the Corporate Governance Code

AGE GROUPS OF THE BOARD OF DIRECTORS MEMBERS



MANAGEMENT OF CONFLICTS OF INTEREST

On 16 December 2021, the Board approved a new version of the procedure on transactions with related parties ("RPT Procedure") in order to take account of the delisting and, therefore, the non-application of the Regulation containing provisions on transactions with related parties approved by CONSOB with resolution no. 17221 of 12 March 2010, as subsequently amended and the provisions of the new articles of association approved by the Shareholders' Meeting.

Available on the Company's website www.astm.it in the "Governance" section, the procedure sets out the rules governing the approval and management of related-party transactions carried out by the ASTM, directly or through subsidiaries, in order to guarantee the transparency and procedural and substantive fairness of transactions.

RELATIONSHIP WITH SHAREHOLDERS AND THE MARKET

ASTM organises its activities according to rules that ensure management's reliability and a fair balance between the powers of management and the interests of shareholders and other stakeholders, as well as transparency and the market's knowledge of managerial decisions and corporate events that

PROCEDURE FOR DRAFTING, APPROVING AND PUBLISHING THE NON-FINANCIAL DISCLOSURE PURSUANT TO ITALIAN LEG. DECREE NO. 254/2016

In 2019, ASTM adopted an operating procedure "Procedure for Drafting, Approving and Publishing the Non-Financial Disclosure Pursuant to Italian Legislative Decree 254/2016", which defines the operating process for drafting, approving and publishing the NFD based on that established under Legislative Decree 254/2016 and the GRI Sustainability Reporting Standards.

can significantly influence the development of the securities issued, in compliance with applicable regulations on market abuse (Regulation (EU) no. 596/2014), as well as procedures adopted by the Company to manage, process and communicate inside information.



THE SUSTAINABILITY PLAN

Sustainability is a key component of the Group's corporate strategy. The sustainability strategy of ASTM has involved analysis, integration and development of a number of elements, such as the "Ten Principles" of the United Nations Global Compact (UNGC), ISO 26000 Guidelines, the Group's materiality analysis and the 17 UN Sustainable Development Goals (SDGs) to be achieved by 2030, consistent with the Group's Strategic Plan.

ASTM has adopted a tangible, progressive and proactive approach over the years for implementation

of its ambitions in the ESG sphere, which are comprehensively presented in the Sustainability Plan "Going Global Sustainably", the first holistic step taken by the company to incorporate sustainability aspects into its operations. Specifically, the Plan promotes the commitment to sustainability issues in the context of continuous improvement and in order to inform all its stakeholders of the Group's strategic directions in terms of sustainability, sharing goals, principles and values.

A summary of the main results achieved for each strategic direction is shown below:

Implement sustainability governance in line with best practices

- Define an organisational structure for sustainability in line with best practices
- Adopt policies for sustainability issues relevant to the Group (Anti-Corruption Policy, Diversity and inclusion policy, Supplier code of conduct, Human rights policy, Environment manifesto, Biodiversity policy).
- Implement a Group risk management system in line with best practices which integrates ESG risk management
- Guarantee annual sustainability reporting, including thanks to the adoption of the operating procedure "Preparation, Approval and Publication of the Consolidated Non-Financial Disclosure pursuant to Italian Legislative Decree 254/2016"

Create sustainable value in the medium to long term for all stakeholders, while protecting and developing the Group's reputation

- Adopt a Code of Conduct to be distributed to all suppliers
- Support sports and cultural initiatives, including support for the Derthona Basketball team and the CUS Ad Maiora Rugby
- Promote the reuse of materials, as part of activities for the maintenance and modernisation of motorway infrastructure and with a view to supporting a circular economy

Promote policies intended to improve road safety

- Plan and monitor maintenance activities for motorway infrastructure and infrastructure works
- Create a plan to disseminate electric charging points in service areas
- Develop an application that allows motorway users to stay updated about road information in real time
- Develop and distribute the "Autostradafacendo" campaign

Develop human capital by promoting skills and different cultures

- Implement a managerial incentive system with the aim of enhancing skills and promoting the achievement of increasingly more excellent results, while establishing a virtuous link between compensation and professional performance and including an assessment of ESG performance
- Attract young resources through partnerships with universities, defining assessment and professional development programmes

Guarantee compliance with environmental regulations and promote energy efficiency policies

- Develop competencies for the planning and construction of buildings with a reduced primary energy consumption, using low environmental impact technologies, also with LEED classification
- Since 2018, join the CDP Climate Change Programme and obtain recognition as leader in the fight against climate change
- Disseminate an awareness campaign to promote the adoption of responsible conduct

Ensure occupational health and safety

- Promote training and prevention activities to reduce injuries, guarantee a safe working environment, and promote and encourage virtuous behaviour in the workplace
- Constantly update the quality, safety and environment management systems according to current versions of ISOs

In the context of defining the ASTM sustainability strategy, 9 SDGs deemed the most relevant were

selected on the basis of the areas in which the Group operates and are reported on below.



In 2021, ASTM strengthened its commitment to the fight against climate change by defining objectives and initiatives to reduce greenhouse gas emissions by 2030, approved by the Science-Based Targets initiative (SBTi) and integrated into its financial strategy, by publishing its first Sustainability-Linked Fi-

nancing Framework (available on the ASTM website under the "Investor Centre" section), in the context of which 3 billion worth of Sustainability-Linked Bonds were issued in November.

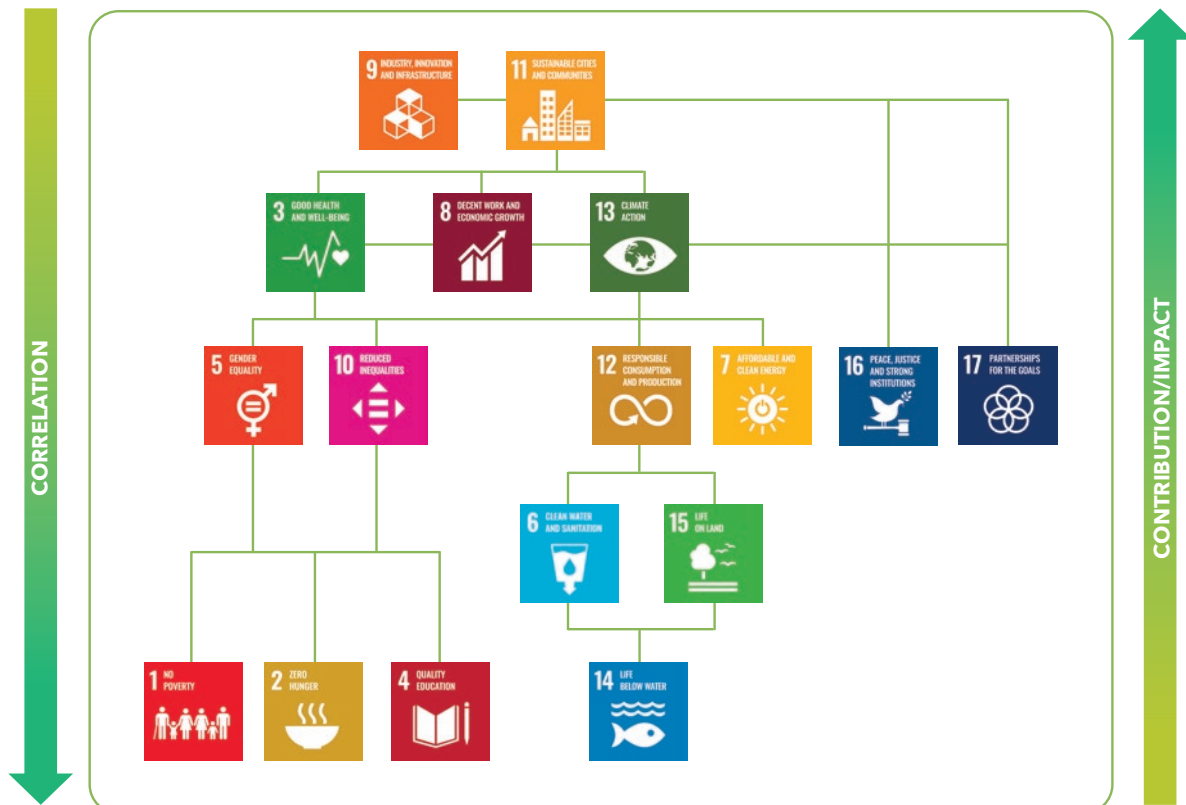
ROADMAP OF SDGs

In line with the guidelines published by the World Business Council for Sustainable Development (WBCSD), in 2019 ASTM defined a roadmap to improve the Group’s contribution to achieving the United Nations’ Sustainable Development Goals (SDGs) by 2030.

In particular, through an assessment of consistency, validity and application of the Sustainable Development Goals (SDGs) to the sustainability issues and policies of the Group, also taking into account the context and reference sector and the main impacts generated and experienced by the Group along the value chain, actions were identified to improve the Group’s performance and impact in relation to the SDGs.

The analysis made it possible to prioritise the SDGs based on the greater and lesser ability of the Group to contribute to achieving them through the impact generated along the value chain. A summary of the achieved results is shown below: the SDGs at the top are of greatest significance for the Group in terms of contribution/impact. The lines shown in the chart show the existing connection between the development issues identified and represented by the SDGs. The analysis made it possible to identify targets of particular relevance and indicators used to improve the monitoring of the Group’s contribution to the targets. These indicators are monitored periodically and reported on annually in this document.

Of particular relevance were SDG 9 - Industry, innovation and infrastructure - given that the Group is committed to developing quality, reliable, sustainable and resilient infrastructure - and SDG 11 - Sustainable cities and communities - which reflects the commitment to providing access to safe and sustainable transport systems and improving road safety.



ASTM AND MOBILITY OF THE FUTURE

ASTM is aware that, in addition to being complex works of engineering, infrastructure represents a strategic asset for economic growth and the well-being of citizens. Working on these projects, then, not only means changing the connective tissue of a territory, but also contributing to its development, creating connections between people, goods and ideas.

By integrating sustainability policies into its business strategy, by giving people and the environment a central role, ASTM intends to be a protagonist and to participate actively in the digital and ecological transformation of mobility, promoting technological innovation and ecological transition projects to make its infrastructure even safer, smarter and more sustainable.

The A4 Torino-Milano motorway is at the centre of the first important modernisation plan promoted by ASTM, which involves high-technology interventions to make the infrastructure more resilient, sustainable and one of the most modern and cutting-edge in Europe and the world. The first part of these projects will be completed by 2024 on a 30-km pilot stretch between the Novara Est junction and the Milano Ghisolfia barrier, before being extended to the entire stretch managed - subject to the Ministry of Infrastructure and Sustainable Mobility (MIMS) authorisation. By 2030, ASTM aims to create a model for the entire motorway system in Italy: safer infrastructure equipped with innovative solutions, designed with the aim of continuing and improving the travel experience and the quality of service for customers.

The envisaged works can be divided into three areas:

- road safety and assisted driving;
- infrastructure monitoring and maintenance;
- sustainability.

At the end of the works, the users of the A4 Torino-Milano will benefit, for example, from the introduction of hydrogen distributors, the increase in the infrastructure monitoring system, wrong way vehicle and hazardous goods detection systems, new asphalt surfaces obtained from recycled materials, anti-fog and vehicle-infrastructure communication systems (the latter being fundamental, in the short term, for improving the efficiency of traffic flows and, in the long term, for the introduction of self-driving vehicles, the arrival point of the "smart road"). In terms of connectivity, the A4 has a stretch that is already fully equipped to allow vehicle-infrastructure "dialogue": the ASTM Group and Volkswagen Group Italia have in fact tested these technologies between Arluno and Rho, as part of an important initiative covered in more detail later in this document.

The ecological and digital transition project of the A4 Torino-Milano motorway involves significant investments, which will have a positive impact on the territory, in terms of the economic contribution and employment generated along the entire value chain.

INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM

The Internal Audit and Risk Management System is part of the organisational, administrative and accounting structure and more in general the corporate governance structure. It is inspired by best practices and the Corporate Governance Code of Borsa Italiana⁹.

The Board of Directors is responsible for the internal audit and risk Management System in relation to which, through the specific Committee, it defines the guidelines and periodically checks their adequacy and actual operation, ensuring that main company risks are identified and managed in line with the strategic objectives set.

The internal audit and risk Management Model adopted by ASTM is in line with best practices defined by the Enterprise Risk Management Integrated Framework ("COSO ERM") and ISO 31000.

With support from dedicated internal functions, the model adopted guarantees monitoring of risk as-

sociated with the attainment of strategic company objectives, including in terms of sustainability.

As an industrial holding, ASTM S.p.A. coordinates and develops its equity investments, identifies new investment opportunities and mainly manages financial and compliance risks related to its nature as a holding.

As part of their legal and operational autonomy, the subsidiaries are responsible for the autonomous management of the risks concerning the specific business activities.

During 2021, each company monitored/ revised the assessment of main risks generated or sustained, relating to business operations, including aspects concerning environmental, social aspects and personnel issues, respect for human rights, the fight against active and passive corruption.

In particular, the facing page contains the main risks concerning sustainability issues of ASTM and its subsidiaries are reported.

SUSTAINABILITY POLICIES

To support its efforts in the ESG sector, ASTM has adopted specific policies on relevant sustainability issues which can be found on the Company's website, promoting their adoption also by the main operating subsidiaries which, taking into account their own operations and organisational structures, have adopted them through their relevant bodies.



ANTI-CORRUPTION POLICY



DIVERSITY AND INCLUSION POLICY



SUPPLIERS CODE OF CONDUCT



HUMAN RIGHTS POLICY



ENVIRONMENT MANIFESTO



BIODIVERSITY POLICY

⁹ For further information on the Internal Audit and Risk Management System, see ASTM's "Report on Corporate Governance and Ownership Structure" available on the Company's website in the Governance/Corporate Governance Report section

MAIN RISKS CONCERNING SUSTAINABILITY ISSUES

RISKS OF OPERATIONAL DISRUPTION TO INFRASTRUCTURE

Risks related to the operational disruption to motorway infrastructure caused by unpredictable events outside the control of the licensees of the Group, such as violent weather events, natural disasters or man-made disasters (accidents, fires, acts of terrorism).

RISKS RELATED TO THE MANAGEMENT OF EMERGENCY EVENTS AND MOTORWAY USER SERVICES

Risks related to the inadequate management by the Group's licensees of emergency events (weather emergency, transport of dangerous goods) in motorway operation and the provision of motorway services not in line with the standards defined in the services charter.

COMPLIANCE RISKS AND RISKS RELATED TO ETHICAL BEHAVIOUR

Risks related to non-compliance with environmental regulations by the Group companies, including those on climate change, occupational health and safety and the lack of integrity of management and employees that could result in unethical, unauthorised, unlawful or fraudulent behaviour, with particular reference to active and passive corruption, corruption between individuals and human rights.

RISKS RELATED TO THE SUPPLY CHAIN AND SUBCONTRACTING

Risks related to the conduct of suppliers and subcontractors and lack of monitoring of supplier practices, particularly in the construction sector, with particular reference to occupational health and safety issues, respect for human rights, anti-corruption and compliance with environmental regulations, including regulations on climate change.

RISKS RELATED TO PERSONNEL

Risks related to the ability to attract, hire, develop, motivate and retain qualified professionals within the Group companies while guaranteeing diversity and equal opportunities.

ENVIRONMENTAL COMPLIANCE RISKS

Risks related to environmental, legal and related regulations (in particular those on climate change) in Countries where the Group companies operate and that could affect the business activities.

"NIMBY" RISK

Risks related to NIMBY (Not In My Back Yard) campaigns, i.e. when local communities or trade associations protest against the development of large infrastructure and/or projects to improve road systems undertaken by the Group companies.

RISKS RELATED TO INNOVATION AND THE MARKET

Risks related to the lack of or late implementation of innovative solutions (including in relation to solutions that reduce environmental impact) that meet the market's expectations with possible repercussions on the national and international competitiveness of the Group companies.

BUSINESS CONTINUITY RISKS

Risks linked to temporary limitations or interruptions to company business and/or operation due to external events and/or factors which affect one or more operating subsidiaries of the Group.

THE GROUP'S RESPONSE TO RISK

ASTM and its main operating subsidiaries have adopted a Risk Management system conforming to the best practices identified by CoSo ERM and ISO 31000, defining the organisational structure and assigning clear roles and responsibilities in this regard. Specific processes to identify, monitor and mitigate main company risks have also been defined.

As regards the main risk mitigation activities, ASTM and its operating Italian subsidiaries have adopted a Code of ethics and conduct and a Management Programme since 2004, pursuant to Italian Legislative Decree 231/01 (Model 231), also establishing the operating procedures and a disciplinary system.

Itinera S.p.A. also holds a certificate of conformity for its production cycle in relation to the provisions of ISO 31000 guidelines on risk analysis for activities carried out in Italy and overseas by work sites and branches.

The main policies adopted by ASTM and its subsidiaries, to mitigate identified sustainability risks, are described in this document, with particular reference to the "Ethics and Integrity" section.

ASTM and its main operating subsidiaries have implemented management systems in line with UNI ISO norms with reference to health, safety, environment and quality aspects. For more details, please see the dedicated sections.

In regards to whistleblowing legislation, ASTM and its main operating Italian subsidiaries adopted a system in 2018 to report irregularities and potential offences committed by employees and third parties, to supplement the channels already set up for reporting to the Supervisory Body. EcoRododias introduced an "Ethics Channel" from 2018. This online platform allows employees, customers and third parties to report potential infringements of the Code of Ethics or any policy and procedure adopted by the Group, including anonymously. An Ethics Committee was also established, with the task of in-

vestigating the reports received, with the support of the Compliance Team.

APPROACH TO RISK MANAGEMENT



CRISIS MANAGEMENT

ASTM and its main operating subsidiaries have adopted an interdepartmental procedure for crisis management.

In particular, the procedure identifies the types of possible crises, defines the organisational structure, processes and information flows in the event of a crisis.

The analysis of the various business segments of the Group identified the types of crises essentially attributable to safety issues (e.g. pollution or environmental disaster, serious injury at work, impediment of senior management) and to external factors (e.g. serious damage to works or infrastructure caused by external events, serious epidemics or infectious



diseases, IT accidents, extreme weather events or natural disasters) and the criteria for assessing their severity on the basis of the event's specific characteristics.

In the event of a crisis assessed to be of maximum severity, the Crisis Manager (identified as the Chief Executive Officer) of the company affected can activate the Crisis Management Team, which will be responsible for the overall crisis management strategy. In relation to the type of crisis, the Crisis Manager may also involve external professionals and experts.

In the event that a crisis affects a subsidiary, in addition to initiating its own dedicated Crisis Management organisation, that company informs ASTM S.p.A., which provides an Advisory Committee to consult with the subsidiary's Crisis Manager.

In 2021, the management of the Covid-19 epidemic continued, and no events were recorded that were severe enough to lead to the activation of the Crisis Management process.

Material topic:

BUSINESS CONTINUITY

Area of Leg. D. 254/2016:

ENVIRONMENTAL, SOCIAL, PERSONNEL, RESPECT FOR HUMAN RIGHTS, FIGHT AGAINST ACTIVE AND PASSIVE CORRUPTION



Main sustainability risks associated:

- Business continuity risks;

Summary of main management and mitigation actions:

- Crisis Management operating procedure, which defines the organisational structure, processes and information flows in the case of a crisis
- Flexible organisational structure to be adopted in emergencies to guarantee continuity of business and of services in the public interest
- Adequate infrastructure and IT equipment
- Training and operating guidelines for the use of software, communication systems, connection methods
- Supplier register to guarantee business continuity



ETHICS AND INTEGRITY

The Company's Code of Ethics and Conduct, in the version most recently adopted by the Board of Directors on 16 December 2021, was prepared in terms of the Group and, inspired by the ESG principles and values contained in the various sustainability policies adopted by ASTM and its main operating subsidiaries, summarises all the elements which serve as the foundation for the ASTM Group's identity and culture.

The Code of Ethics and Conduct, available on the Company's website, applies to ASTM S.p.A. and its Italian and foreign subsidiaries, and is binding for all employees and collaborators of said companies and for all those who, in any capacity and regardless of the type of contractual relationship, contribute to the attainment of the Group's targets and objectives, including members of company bodies.

There were no reports regarding breaches of the Group's Code of Ethics during 2021.

Material topic:

ANTI-CORRUPTION

Area of Leg. D. 254/2016:

THE FIGHT AGAINST ACTIVE AND PASSIVE CORRUPTION



Main sustainability risks associated:

- Compliance risks and risks related to ethical behaviour;

Summary of main management and mitigation actions:

Implementation of an integrated human capital management system, through:

- Anti-corruption policy in line with the applicable best practices and national and international standards;
- Anti-corruption management system certified to ISO 37001 for ASTM S.p.A., Itinera S.p.A., Sinelec S.p.A., Tubosider S.p.A., Ecorodovias Infraestrutura e Logística S.A. and Ecorodovias Concessões e Serviços S.A.;
- Anti-corruption officer;
- Internal channel to report offences or irregularities identified during work activities.

Training courses on corruption risks are held at regular intervals for executives and people most exposed to these risks.





ANTI-CORRUPTION

With a zero-tolerance approach, the Group repudiates and disincentives all types of corruption, whether in Italy or abroad, and is committed to actively fighting it by complying with the anti-corruption regulations in effect in all the countries in which it works, requiring its stakeholders to work honestly and with integrity.

To that end, inspired by the best practices of the Anti-Corruption Compliance Program and the in-

ternational reference standards, such as UNI ISO 37001, ASTM and its main operating Italian subsidiaries have adopted a structured system of rules, controls and notification mechanisms with the aim of preventing crimes of corruption. In particular, the measures implemented to prevent corruption are governed by the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 and the Anti-Corruption Policies of the main operating companies controlled by the Group who have adopted them.

ANTI-CORRUPTION MANAGEMENT SYSTEM CERTIFIED TO ISO 37001

ASTM S.p.A. and its subsidiaries Itinera S.p.A., Sinelec S.p.A., Tubosider S.p.A., EcoRodovias Infraestrutura e Logística S.A. and EcoRodovias Concessões e Serviços S.A. have implemented an Anti-Corruption management System, certified to UNI ISO 37001, for the Italian remit.

The UNI ISO 37001 Management System has been harmonised with the existing controls, contributing to the optimisation of the organisational structure and the decision-making and control processes aimed at the tangible implementation of the Anti-Corruption Policy, with a view to the continuous improvement of the ISO standards. ASTM's Anti-Corruption Policy was most recently updated through a Board of Directors resolution on 13 November 2020.

As envisaged by the voluntary standard, an anti-corruption officer has been appointed, in the figure of the Internal Audit Function Manager, who has been allocated with tasks and responsibilities to oversee the implementation of the management system for corruption prevention, in compliance with the existing regulations and requirements of ISO 37001, and to communicate with senior management regarding the system's adequacy, highlighting any shortcomings or areas for improvement.

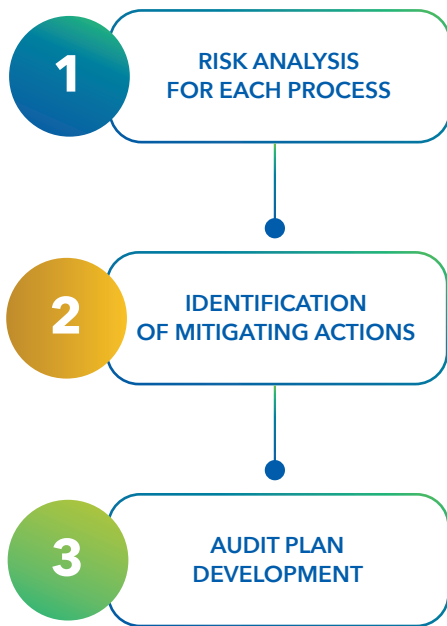
Training sessions are carried out periodically on the anti-corruption management system for all employees, with the objective of increasing awareness about each individual's contribution to promoting the culture of legality according to a zero-tolerance approach towards behaviours that do not meet the ethical principles adopted by the company.

In accordance with the standard, specific internal audits are also carried out periodically on the compliance of the anti-corruption management system. The results of the monitoring activities and any reports are analysed systematically in order to assess the implementation of possible improvement actions.



INTERNAL AUDIT FUNCTION

ASTM and its main operating Italian subsidiaries have appointed a manager of the Internal Audit Function. This individual is in charge of verifying the operations and suitability of the internal audit and risk management System, through an audit plan approved by the Board of Directors, based on a structured process of analysis and prioritisation of the main corporate risks.



The Board of Directors of ASTM, with the support of the Audit and Risk Committee, approves the working plan annually prepared by the manager of the Internal Audit Function, having consulted the Board of Statutory Auditors and the Chief Executive Officer.

As part of the audit activities carried out, in FY 2021 the monitoring activities by ASTM's Internal Audit Function continued on the measures adopted by the company to address the Covid-19 epidemic, in order to ensure the health and safety of its employees in the work place. As the Manager of the compliance and corruption prevention function, ASTM's Internal Audit Function Manager carried out the necessary investigations and reported to the relevant bodies regarding the ISO 37001 Management system adopted by the Company.



WHISTLEBLOWING SYSTEM

To promote a culture of lawfulness with a zero tolerance policy for behaviour not in line with the ethical principles adopted by the Company and with current rules and regulations, ASTM and its operating Italian subsidiaries have implemented a notification (or "Whistleblowing") which, through the use of a digital platform managed by a specialised and independent third party, allows all stakeholders to anonymously report presumed or confirmed violations of laws, regulations, company procedures and policies or values set out by the Code of ethics.

In 2021, a report was received about S.A.T.A.P., which was followed up on and processed in compliance with the company's procedure.

With regard to the EcoRodovias Group, in December 2021, 16 reports were received via the Ethics Channel, most of which referred to infringements of company procedures and one referring to discrimination. All of these were investigated confidentially and independently, and submitted to the Ethics Committee for the relevant disciplinary measures, if applicable.

With reference to the inquiries connected to events which occurred prior to the acquisition of control by the ASTM Group and which involved some EcoRodovias Group companies, please refer to the explanation in the paragraph "Other information" of the Explanatory Notes to the consolidated financial statements of the ASTM Group as at 31 December 2021.



PRIVACY

The Group continues to focus on protecting the personal data of its Stakeholders, aware that protecting the privacy of natural persons is a fundamental right, also recognised by the Charter of Fundamental Rights of the European Union.

In line with the provisions of EU Regulation 2016/679 ("GDPR" - General Data Protection Regulation), a data protection organisational and operational model has been implemented which requires: the definition of roles and responsibilities within the company, including the identification of a Data Privacy Officer (or "DPO"), a focal point (or

“Data Protection Officer”) and internal managers for functional areas (known as “Data Managers”) who oversee personal data processing, also managing relations with third parties; the adoption of a data privacy policy and specific data protection procedures and protocols; the implementation of a digital platform for the management and accountability of all data protection activities.

A coordinating body has also been established, formed of the Data Protection Officers of the indi-

vidual companies (known as the “Data Protection Officers Group”), with the role of raising collective awareness and connecting methodologies. Over the year, periodic meetings were held by the Officers Group and the DPO.

The Group pays particular attention to training company resources and raising employee awareness by organising training initiatives based on the corporate profiles of the participants.

MANAGEMENT OF THE COVID-19 EPIDEMIOLOGICAL EMERGENCY

The Covid-19 epidemic and health emergency that marked 2020 and changed our habits, way of living, working and interacting with others, also continued in 2021.

In 2021, all companies, in order to contain the risk of infection, continued to strictly apply and, where necessary, update all the measures adopted previously, in compliance with the measures of the Authorities and Institutions, as well as the recommen-

dations, indications and guidelines distributed by the parent company.

Prime Ministerial Decree of 22 April 2021 marked the start of the recovery of economic and social activities in accordance with the need to contain the spread of the epidemic, by gradually removing the restrictions imposed to limit infections, in light of scientific data and the progress of the vaccination campaign launched in late December 2020.



Impacts on
business



Business continuity
Operations & maintenance



Protecting employee
health



Resilience and
strengthening projects

IMPACTS ON BUSINESS

Although the actions taken by the Group demonstrated its ability and the rapidity of the response limited the impacts of the pandemic as much as possible, the pandemic nonetheless had an impact on the main economic/financial indicators. In particular, the trend over the course of FY 2021 in terms of traffic volumes and, consequently, toll revenues, was still affected by changes in the Covid-19 epidemic, although - from the second half of 2021 - the difference compared to 2019 began to decrease.

For more information on economic and financial impacts, please see the ASTM Group’s Consolidated Financial Statements at 31 December 2021.

In accordance with the legislative provisions issued by the competent authorities, ASTM S.p.A., the companies of the EPC sector and those of the Technology and Innovation sector made use of unemployment benefits (CIGO - Covid), albeit to a very limited extent. This institution was not used by the licensee companies, though they were impacted by a significant reduction in traffic.

BUSINESS CONTINUITY, OPERATION & MAINTENANCE

Relative to the progressive spread of the Covid-19 pandemic – starting in February 2020 and continuing throughout 2021 – in Italy and in the foreign countries in which the Group operates, in line with the directives of the relevant national and local health authorities, it promptly adopted prevention, containment and protection measures, issuing and disseminating provisions, guidelines and instructions with the aim of mitigating the impacts on the health of its employees and other workers, as well as its business operations.

The emergency structure, activated in accordance with the “Interfunctional procedure for crisis management”, focused on the constant monitoring of the measures and provisions issued by the competent authorities on the protection and organisation of personnel, the monitoring of the main economic and financial KPIs (Key Performance Indicators) and study of possible scenarios as well as legislative and contractual compliance.

ASTM’s Crisis management team, active since February 2020, also continued to operate through specific work groups.

With regards to management of the motorway network granted in concession, all user services relative to the road network were guaranteed, and actions relative to maintenance and investment activities also continued, aimed at continuously increasing the safety standards for infrastructure and operation.

In the EPC sector, activities to carry out strategic works continued in spite of the complicated context.

The constant monitoring of the internal and external situation, the framework of available information, data and analysis, and the adoption of responsible behaviour by all parties, have made it possible to deal effectively with the emergency and to promptly evaluate, identify and implement the

most appropriate actions for the protection of the health of personnel and the business, confirming the remarkable resilience of the company structure and its processes.

The operations of ASTM S.p.A. and its subsidiaries, including essential public services, were not interrupted.

Given the continuation of the emergency, Group companies have constantly updated the operating procedures issued to protect company employees and to limit contagion, making reference to the provisions issued by health authorities.

PROTECTING EMPLOYEE HEALTH

At all stages of the emergency, in line with the instructions in the orders and measures of the Italian Ministry of Health and of the various Regions affected, communications, protocols and operating instructions were promptly distributed to all personnel containing information about behaviour and guidelines pertaining to operating procedures to protect health.

All companies organised their activities so as to limit the presence of employees in the office, while simultaneously guaranteeing operations and the provision of essential services.

Specific insurance protection was kept active for all personnel in 2021.

Furthermore, in September, Decree no. 127/2021 introduced the obligation for all workers, from 15 October 2021, to possess and produce on request the Covid-19 green certification (green pass) to enter all workplaces. The consequent updating of company protocols and measures to limit infections concerned, among other things, the scheduling of checks and the related process, the consequences and actions associated with the absence of certification and the entry conditions for external parties.

COVID-19: COMPANY INTRANET TOOLBOX

From the start of the epidemiological emergency, a specific section was created on the #Agora intranet to promptly and effectively communicate with Group personnel. It was constantly updated and documents and information were made available to all employees.



More specifically, all the Group's Protocols and instructions were made available, as well as videos, informational material and institutional links. Additionally, awareness was increased about the use of the company intranet which offers, among other things, numerous initiatives aimed at employees.

RESILIENCE AND STRENGTHENING PROJECTS

At present, it is still difficult to foresee the developments and intensity of the social and economic effects generated by the shock of Covid-19, due to the undetermined nature of factors linked to pandemic trends, not yet behind us, which the Group therefore continues to monitor.

The Group continued to constantly monitor and control the epidemic, in line and in accordance with the measures issued by the competent Authorities and Institutions, including by adjusting and integrating its operating protocols and instructions.

During 2021, the ASTM Group companies' efforts were also focused on identifying and implementing all possible measures to mitigate the health crisis' impact on its economic and financial results, so as to keep both aspects fit for and consistent with existing commitments and operating programmes, with the goal of always ensuring the maintenance of absolute levels of efficiency in the service to users and the safety of the infrastructures.

The health context generated by Covid-19 led to the extension of "emergency" smart working as a measure to contain the pandemic and promote distancing: in a context that is still unstable and impossible to plan, the attempt at a "mature" smart working approach continued.

The impacts the Covid-19 healthcare emergency has caused for the ASTM Group, even potentially, on its value chain, were considered when updating the materiality analysis done for preparation of the 2021 NFD: business continuity - the ability of an organisation to guarantee company operations, including those for essential public services, following extraordinary external events and/or factors which affect one or more Group companies - was confirmed as a relevant theme of sustainability.

To better monitor the supply chain for products and materials needed to deal with possible emergencies linked to extraordinary external events, relative procedures were verified and strengthened. These include, among other things, ESG assessment models.

TRANSPORT WORKING GROUP

In 2020, ASTM took part in the Transport Working Group (TWG) established by the Ardian Fund, which brings companies in the transport and infrastructure sectors together with the aim to increase resilience through the sharing of experiences and best practices in the ESG area.

The third TWG workshop on the protection of biodiversity and the fourth workshop on health and safety were held in 2021.

GROUP CLIMATE STRATEGY

With reference to the Group’s climate strategy, in 2021 the process of aligning with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations continued, intended to strengthen the Group’s commitment relative to climate change and, in particular, help meet the objective of limiting the increase in the average global temperature in line with the Paris Agreement.

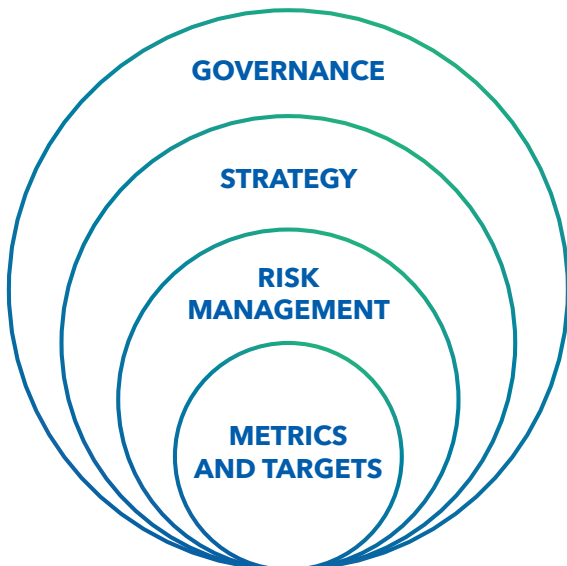
The main goal of the TCFD recommendations is to help companies to inform their stakeholders, clearly and in a comparable fashion, about risks and opportunities linked to climate change, with reference to four thematic areas representing the fundamen-

tal pillars of an organisation: Governance, Strategy, Risk Management, Metrics and Targets.

GOVERNANCE

To promote the sustainable success of the Group also through environmental performance monitoring and, in particular, of the impacts of climate change on the company’s operation and financial results, the ASTM Group has created a governance model in line with ESG best practices which guarantees top management are involved in the definition of strategic sustainability guidelines, also with reference to climate change issues. Further, each

FUNDAMENTAL ELEMENTS IN TCFD REPORTING



GOVERNANCE

The organisation’s governance with regards to climate-related risks and opportunities.

STRATEGY

The effective and potential impacts of climate-related risks and opportunities on an organisation’s assets, strategy and financial planning.

RISK MANAGEMENT

The processes used by the organisation to identify, evaluate and manage climate-related risks.

METRICS AND TARGETS

The metrics and targets used to evaluate and manage climate-related opportunities and risks.

company, based on their operations, considers the impacts of climate change in their risk management policies, financial planning, operating activities and investment planning, as well as in designing and monitoring organisational performance objectives.

In 2021, ASTM was confirmed as a global leader in the fight against climate change, achieving an A-rating.

STRATEGY

The medium/long-term planning, starting from the first Sustainability Plan "Going Global Sustainably", also takes account of the UN's 17 Sustainable Development Goals (SDG) for 2030, including target 13.1 "Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries". The Group's strategic guidelines include the promotion of energy efficiency policies, specifically through objectives and measurable actions for every area, over the medium/long term.

In 2020 ASTM introduced climate scenario analysis to its strategy to:

- Assess how risks and opportunities linked to the climate influence all the Group's business areas
- investigate the Group's resilience/robustness in the face of risks and opportunities linked to the climate
- identify a strategy to reduce the Group's emissions over the medium/long-term

The scenarios used for analysis reflect various future possibilities, specifically the "Transition Scenarios", the technological and economic changes needed to mitigate climate change and, the "Physical Scenarios", how the Earth's climate reacts to changes in concentrations of greenhouse gases (GHG).

In compliance with TCFD recommendations, various scenarios were considered, including: one 2°C scenario and two much more ambitious ones (well below 2°C and 1.5°C); a scenario appropriate to the geographic context in which the organisation oper-

ates (Integrated National Energy and Climate Plan (INECP), the expression of the Nationally Determined Contributions (NDC) for Italy); and a physical scenario used to anticipate possible climate effects which will impact the Group's activities in the future (RCP8.5).

From the physical scenarios, the International Panel on Climate Change (IPCC) RCP8.5 was selected in order to include the most significant impacts connected to physical climate variables (e.g. temperature increase, extreme precipitation) which could directly influence the Group's activities, in particular infrastructure safety and road safety.

The physical effects which over the long term have the highest probability of impacting ASTM's business in the geographic areas of greatest interest to the Group were extracted (Europe and Latin America):

- increased damages associated with floods and landslides, overflowing of rivers and coastal erosion
- increase in water scarcity and consequent restrictions on water use
- increase in damage due to extreme heat and forest fires.

Relative to the transition scenario applied to Group business, various scenarios were selected in compliance with TCFD recommendations: the scenarios "2DS", "Well Below 2°C" and "1.5°C" (designed by the Science Based Target initiative - SBTi¹⁰ and the International Energy Agency - IEA¹¹), used for target setting to assess the maximum available "carbon budget" and to obtain plausible emissions reduction trajectories, as well as the INECP-based scenario¹², used to assess regulatory and technological changes in the geographic area in which most of the ASTM Group's assets are located, Italy.

This analysis made it possible to assess the feasibility of a Science Based Target and update the mapping of climate-linked risks and opportunities as described below.

¹⁰ <https://sciencebasedtargets.org/resources/legacy/2019/04/foundations-of-SBT-setting.pdf>

¹¹ <https://www.iea.org/reports/energy-technology-perspectives-2016>

¹² mise.gov.it/images/stories/documenti/PNIEC_finale_17012020.pdf



RISK MANAGEMENT

As part of its responsibilities regarding the Internal Audit and Risk Management System, the Board of Directors ensures that the main corporate risks are identified and managed in line with the strategic objectives identified. Management of ESG risks is integrated into the Risk Management System implemented by ASTM and its main operating subsidiaries. Risk mitigation actions also include opportunities for development which could lead to a competitive advantage over time.

Climate change and its effects on the economic activities represent a potential risk factor for the operations of the Group companies and the resilience of the infrastructure managed by ASTM. However, at the same time, the energy and technology transition currently in place could create important opportunities for growth and development. The risk assessment process considers both physical and transition risks. The first category includes the occurrence of extreme weather events (intense rain, flooding, landslides), caused by changes in climate conditions which could damage motorway infrastructure; the second includes changes in the market, increasingly sensitive to sustainability issues, or developments in environmental regulations, with the introduction of new minimum environmental requirements and new limitations on GHG emissions.

Group companies are implementing various actions to mitigate these physical and transition risks. With particular reference to the most vulnerable areas and works, the status of motorway infrastructure under concession is constantly monitored in order to guarantee, in compliance with the applicable laws, the safety of those infrastructure for the use of motorway traffic, in addition to a suitable maintenance work programme and planning. Along some stretches of the A6 Torino-Savona, the A5 Quin-

cinetto-Aosta, and the A15 Parma-La Spezia motorways, as regards the particular morphology of the local area, specific systems are in place to monitor landslide movements and mountainsides which, in some cases, require continuous measurement of pre-established parameters and the activation of alarms if the pre-set thresholds are exceeded.

The Group is also reviewing the possibility of introducing low or zero emission vehicles to the corporate fleet, an option that would both comply with limitations on the circulation of polluting vehicles and reduce CO₂ emissions.




Climate change also creates new opportunities that could go on to impact the competitive mechanisms of the various sectors in which the Group operates.

For this reason, each company must be able to proactively identify and exploit the opportunities in order to maintain high levels of competitiveness. For example, with reference to motorway management, technological innovation plays an increasingly important role in guaranteeing high user service standards through a gradual digital transformation of infrastructure able to communicate with next generation connected vehicles, to use automatic driving assistance systems and to mitigate and lighten traffic, reducing motorway accidents.

With reference to the EPC sector, clients are increasingly requesting infrastructure and civil and industrial works which are designed and constructed to have low environmental impacts and with high LEED ratings (Leadership in Energy and Environmental Design).

The following tables present details of the main risks and opportunities related to climate change that impact the Group's business segments.

RISKS RELATED TO CLIMATE CHANGE

Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Acute environmental risk	Physical risk	Risks associated with unforeseeable events related to climate change and outside the control of the Group companies such as violent weather events and natural disasters that could cause operational disruption to the motorway infrastructure managed by the Group licensees.	 Short term	 As likely as it is unlikely	 High	The financial impact is linked to the operational disruption to the motorway infrastructure with a decrease in revenues, increase of maintenance costs, as well as additional expenses for the return to normal operations and direct and indirect compensation for damages to third parties.

Risk management methods

Within its own legal and operational autonomy, each Group licensee oversees and mitigates the risk through multiple structured engineering and operational initiatives. The extraordinary maintenance and investment programme envisages interventions such as:




- stabilisation of mountainsides superjacent to the motorway stretches with particular risk aspects, through containment works, surface and deep drainage, bolted and rockfall protection netting, soil bioengineering works;
- protection and reinforcement of bridge and viaduct foundations including parapets, weirs and hydraulic works;
- interventions aimed at the seismic improvement/upgrading of structures.

The motorway maintenance work programme is defined on the basis of specific and structured monitoring systems and models implemented through inspections, measurements and periodic surveys that allow each company to plan activities in order of priority, verified and approved also by external and independent experts.

For some motorway stretches (such as the A15 Parma-La Spezia, the A6 Torino-Savona and the A5 Quincinetto-Aosta), the licensees in collaboration with Institutions and Bodies have initiated specific systems to monitor landslide movements which in some cases require continuous measurements of parameters with the activation of alarm systems when certain thresholds are exceeded and consequent suspension of traffic. The monitoring activities are also extended, where necessary, to riverbanks to control the evolution of ongoing erosion.

In addition, the licensees have stipulated specific insurance policies to cover any damages to infrastructure, direct and indirect damages caused to third parties and lost revenue caused by the suspension of traffic.

The potential effects of climate change on infrastructure are considered in the design of new works and in the extraordinary maintenance of existing works. In infrastructure design decisions, and in particular for hydraulic works and the consolidation of mountainsides at hydrogeological risk, variables are assessed such as the return times of flooding events and the frequency of extreme weather events.

Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Chronic environmental risk	Physical risk	<p>Risks related to the inadequate management of emergency events by the Group licensees in motorway operation and management of motorway services not in line with the standards defined in the services charter.</p> <p>The increased frequency of weather phenomena – such as particularly heavy rainfall including of short duration, frozen rain (i.e. glaze) and exceptional snowfall – could compromise the safety of traffic on the motorway stretches (e.g. reduced visibility, loss of grip, etc.), as well as cause damage to the motorway body and make a temporary traffic block necessary.</p>	 Short term	 More likely than not	 Medium to high	The financial impact is linked to a potential increase in the ordinary preventive maintenance costs to guarantee operation of the infrastructure and, in the event of temporary operational disruption, to any recovery costs and compensation to third parties, as well as decreased revenues.

Risk management methods

Within its own legal and operational autonomy, each Group licensee oversees and mitigates the risk through multiple structured engineering and operational initiatives.

The ordinary maintenance programme that each licensee company prepares annually provides for specific interventions such as cleaning ditches and gutters, culverts and the water collection and disposal systems in general in order to streamline their functioning in the event of particularly heavy rain. The banks, embankments and motorway areas in general are periodically mown and trimmed in order to avoid potential damage to traffic and infrastructure in the event of particularly adverse weather (e.g. wind, exceptional snowfall and frozen rain).

Periodic interventions are carried out on the works, buildings and systems in order to mitigate the effects of frequent and cyclical events, and to prevent considerable damage to them with consequent potential hazards for traffic and the need for more significant maintenance interventions. Specific procedures have been adopted, especially along the “valico” (crossing) stretches, to manage snowy rainfall, and local governance bodies and police forces have been involved. In particularly serious cases, heavy vehicles may also be stopped from travelling and temporarily directed to pre-defined lay-bys.




The licensees have also stipulated specific insurance policies to cover potential damages to infrastructure, direct and indirect damages caused to third parties and lost revenue caused by the suspension of traffic.

Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Compliance risk	Transition risk	Risk related to non-compliance with the environmental regulation applicable to the business segments in which the Group companies operate	 Short term	 Highly unlikely	 The media	The financial impact is linked to the potential fines and/or lawsuits deriving from violations of the applicable environmental regulation, as well as the potential redevelopment costs required to recover the conditions envisaged by the regulation.

Risk management methods

Since 2004, ASTM and its main operating Italian subsidiaries have had a Compliance Programme, in compliance with Italian Legislative Decree 231/01, which defines, among other things, procedures, protocols and a disciplinary system to prevent environmental damage and guarantee compliance with environmental regulations. In addition, some Group companies have adopted an Environmental Management System certified to ISO 14001, providing specific operating procedures for environmental issues management with a view to continuous improvement.

Lastly, the design of new works and the maintenance of existing works, overseen by the subsidiaries of ASTM, are developed in respect of the applicable technical and environmental regulations (e.g. Italian Legislative Decree 152/2006, as amended, which governs, among other things, the environmental impact assessment procedures of works).




Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Regulatory risk	Transition risk	Risk associated with changes to the environmental regulations in countries in which the Group companies operate with an impact on the business activities.	 Long term	 More likely than not	 Medium to high	The financial impact is linked to the costs of upgrading to new regulations, as well as the potential fines and/or lawsuits deriving from violations of the new environmental regulation.

Risk management methods

Within its own business activity, each Group company constantly monitors the evolution of environmental regulations, including through dialogue and active participation in specific work groups.

In particular, S.I.N.A. has actively participated for over 30 years in the research programmes of the PIARC – World Road Association. It has also chaired the Italian National Technical Committee for 14 years, which deals with climate change, mitigation policies, conversion and the resilience of infrastructure.






Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Market/ technology risk – EPC and Technology	Transition risk	<p>Risk associated with the non-implementation of innovative solutions that reduce environmental impact and meet the expectations of the market, which is increasingly more aware of aspects pertaining to climate change.</p> <p>In particular, the construction sector is exposed to the risk associated with not meeting the requirements to participate in tenders that require specific environmental expertise, as well as the ability to operate in contexts with scarce water resources.</p>	 Long term	 More likely than not	 The media	The financial impact is linked to the failure to be awarded new potential contracts that require particular technical expertise with consequent loss of profits and revenues.

Risk management methods




The EPC and Technology sectors of the Group are constantly involved in implementing, maintaining or updating the environmental requirements and/or certifications and developing analyses and in-depth studies into the use of new technologies. The construction sector has developed expertise to design and develop transport infrastructure and civil and industrial buildings with a low environmental impact and a high LEED (Leadership in Energy and Environmental Design) classification, which involves, among other things, the reuse and recycling of water resources. The engineering sector also promotes the development of expertise in the Envision Sustainability Protocol, a ratings system for the assessment of sustainable infrastructure. In addition, expertise is being developed in order to undertake redevelopment, compliance and energy efficiency projects for lighting systems.



Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Market/ technology risk - Concessions	Transition risk	Risk associated with the non-implementation of innovative solutions that reduce environmental impact and meet the expectations of the market, which is increasingly more aware of aspects pertaining to climate change. With particular reference to the concessions sector, one of the main risks is that of not adapting the infrastructure to technology changes and the requirements of its users.	 Short term	 More likely than not	 The media	The financial impact is linked to a loss in profits and revenues (toll revenues and service area royalties) in the motorway concessions sector.

Risk management methods




The Group licensees promote dedicated work groups in order to identify innovative solutions for the management of infrastructure (i.e. smart infrastructure), including the involvement of the Group companies operating in the technology and engineering sectors. In addition, the licensees have launched a programme for the dissemination of alternative fuels within the service areas of the motorway stretches under concession.

Risk	Classification	Description	Time period	Probability	Magnitude of the financial impact	Financial impact
Reputation risk	Transition risk	Risk associated with the reputational effects occurring in the events described above.	 Short term	 As likely as it is unlikely	 Low	Impact mainly linked to the indirect effects on the performance of the stock exchange price of the ASTM share.

Risk management methods




The management of risks related to climate change is integrated into the Risk Management System implemented by ASTM and its main operating subsidiaries. Each risk is assessed for financial impact deriving from any non-compliance, as well as for reputational impact. Therefore, the organisational structure of each company and the related actions put in place to mitigate the various risks also contribute to the mitigation of reputation risk. In addition, the Investor Relations and Communication Function defines the plans for disclosure to the markets, encouraging stable and efficient relations with analysts, institutional investors and Stakeholders.

OPPORTUNITIES RELATED TO CLIMATE CHANGE

Opportunity	Scope	Time period	Probability	Magnitude of the financial impact	Financial impact	Execution costs
Market/ technology opportunities – EPC	Products and services	 Short term	 Highly likely	 The media	The potential financial impact is connected to the increase in revenues and profits following the increase in customer demand for the design and construction of works with low energy impact.	The execution costs of the opportunities are mainly linked to training courses to develop internal expertise and knowledge about LEED and Envision requirements.

Strategy




In order to seize new business opportunities related to the growing demand for buildings with low energy impact, the Group companies operating in the EPC sector are promoting the development of internal expertise for the design and construction of infrastructural works and civil and industrial buildings with lower primary energy consumption through the use of technologies with low environmental impact (e.g. LEED and Envision Sustainability Protocol). Opportunities have also been highlighted for the development of energy production systems with photovoltaic technology, in addition to redevelopment, compliance and energy efficiency projects for lighting systems.

Opportunities	Scope	Time period	Probability	Magnitude of the financial impact	Financial impact	Execution costs
Market/ technology opportunities – Concessions and Technology	Products and services	 Short term	 More likely than not	 The media	The financial impact is linked to the increased demand for innovative and competitive services that could lead to an increase in revenues.	The execution costs of the opportunities are mainly linked to initiating the necessary partnerships.

Strategy

To support the market transition towards electric vehicles, an experimental high-power electric charging project has begun.

In the context of new technologies applied to tolls, Sinelec, the Group's technology company, has developed the first open toll collection system in Italy in Free Flow Multilane mode, which enables users to pay tolls without having to transit through a toll station, thus reducing queues and consequent CO₂ emissions. In addition, the use of Artificial Intelligence (AI) is considered at research and development level as a potential assistance tool for identifying trends more quickly and operating more predictively with a view to continuously improve road safety.

Opportunity	Scope	Time period	Probability	Magnitude of the financial impact	Financial impact	Execution costs
Market/ technology opportunities - Concessions	Energy efficiency	 Short term	 Highly likely	 The media	The estimate of the investment and economic return (i.e. reduced spending on electricity purchases) is assessed based on the specific lighting requirements of each motorway stretch within the remit of each concession agreement.	The execution costs are mainly related to the replacement of traditional lamps with LEDs and the preparation of the system.

Strategy

The use of LED technology to light the motorway stretches under concession, in particular tunnels, junctions and toll booths, may contribute to reduce electricity consumption and the associated emissions.

For more information on the risks and opportunities related to climate change identified by the Group, please refer to the CDP Climate Change questionnaire available at www.cdp.net/en.

METRICS AND TARGETS

ASTM Group consumption and GHG emissions are monitored and certified annually by an independent external company in order to identify and assess any changes and, additionally, are used to calculate the Group’s carbon footprint in line with the guidelines contained in the GHG Protocol “Corporate Accounting and Reporting Standard” and the “Global Reporting Initiative Sustainability Reporting Standards” published by the Global Reporting Initiative (GRI).

To support this type of reporting, the Group has installed internal monitoring tools to identify where the greater impacts are concentrated in terms of GHG emissions, relative to emission sources, business areas and geographic areas.

For more information, please see the section “Our commitment to the environment” in this document.

ASTM is the first European motorway operator - and the largest in terms of km managed in the world - to have set science-based emission reduction targets

validated by the Science-Based Targets initiative (SBTi), in line with the reduction trajectories set out by the Paris Agreement.

In particular, ASTM set out a path to reduce its carbon footprint in the medium term, with different levels of ambition for different categories of emissions (Scope). The results of this planning prompted the Group to set ambitious reduction targets based on scientific criteria to contribute to the fight against climate change and containment of the increase in average global temperature well below 2°C. The targets set were submitted and validated by the international initiative “Science Based Targets” and appear from October 2021 on the official list of “Companies Taking Action”. To strengthen its commitment to the fight against climate change, the emission reduction targets have been integrated into the financial strategy through the formalisation of a Sustainability-Linked Financing Framework.

ASTM SCIENCE BASED TARGETS



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

The ASTM Group is committed to reducing its Scope 1 and 2 GHG emissions by 25% by 2030, compared to 2020 levels. ASTM is also committed to reducing Scope 3 GHG emissions for goods and services purchased from third-parties by 13% in the same period.

To achieve the GHG emission reduction objectives, the Group has defined an action plan containing the following initiatives for Scope 1 and 2 emissions:

- strengthening of governance for energy consumption (e.g. appointment of a Group Energy Manager, implementation of energy management system according to ISO 50001:2018)
- vehicles with low environmental impact
- monitoring of motorway infrastructure using innovative technologies to reduce the kilometres travelled on the network
- plan to replace lamps with LED technologies
- dynamic management systems to reduce energy consumption for lighting and HVAC to a minimum
- self-generation and the purchase of renewable energy
- other technologies and initiatives for energy efficiency, so as to reduce the carbon footprint of operations and properties
- research and innovation for the development of energy recovery technologies.

Another action plan was defined to reduce Scope 3 emissions, comprising the following initiatives:

- strengthening of governance for energy consumption (e.g. appointment of a Group Energy Manager, implementation of energy management system according to ISO 50001:2018)
- increased efficiency of processes to reduce the demand for goods and services
- green procurement policies that support the purchase of products and services with a low carbon footprint
- engagement of suppliers to increase awareness and promote the transition towards green materials and technology
- technological innovation of materials, energy mixes, efficiency trends and electrification
- innovation of the business model, which includes predictive planning of maintenance operations for motorway infrastructure.

It should be noted that the Scope 3 emission reduction target represents an ambitious commitment to extend the ESG objectives to third parties that the ASTM Group does not control.

SUSTAINABLE FINANCE

In November 2021, ASTM S.p.A. placed three Sustainability-Linked Bonds (SLB) for a total of €3 billion, receiving four times more requests than the offering. The operation represented the first Sustainability-Linked Bond (SLB) issued in the world by an infrastructure operator, incorporating the science-based targets of reducing emissions validated by the SBTi.

The bonds were issued in the scope of the Sustainable-Linked Finance Framework (SLFF), whereby the Group has further consolidated its commitment to fight climate change, by linking its financial strategy to significant and ambitious sustainability targets.

The Framework was structured so that it is aligned to the relevant market principles and contributes to achieving the United Nations Sustainable Development Goals. ASTM has identified two KPIs that cover 70% of the Group's carbon footprint, more specifically: Scope 1 and 2 emissions and Scope 3 emissions from purchased goods and services.

An independent external entity has confirmed that the Framework aligns with the relevant market principles, as well as the ambitious nature of the targets identified.

More information is available on the Company's website under the "Investor Centre/Sustainable finance" section.



THE EUROPEAN REGULATION ON THE TAXONOMY OF SUSTAINABLE ECONOMIC ACTIVITIES

REGULATION (EU) 2020/852: PURPOSE, LEGISLATIVE FRAMEWORK AND REPORTING OBLIGATIONS

Some time ago, the European Union defined a strategic framework for the implementation of political actions and initiatives in line with the UN's Agenda 2030 objectives and, in that context, in March 2018 the European Commission formalised for the first time an action plan to fund sustainable growth, with the declared objective of redirecting capital towards sustainable investments, integrating sustainability into risk management and promoting transparency and long-term vision, with the awareness of the important role that the financial sector may have in driving private investments that support sustainable development.

The European Union's commitment, also confirmed in the "Strategy for Financing the Transition to a Sustainable Economy" published in 2021, also includes Regulation (EU) 2020/852 (the "Taxonomy"), the goal of which is to provide investors and the market with a shared language of sustainability metrics which guarantees comparability between operators, reduce the risks of greenwashing and increase the quantity and quality of information about the environmental and social impacts of business, thus favouring more responsible investment decisions. This Regulation requires that as of 1 January 2022, the NFD information of companies subject to the obligation to publish non-financial information pursuant to article 19-bis or article 29-bis of Directive 2013/34/EU must include how and to what extent their activities (measured in terms of turnover, capital expenditure and operating expenses) are associated with sustainable economic activities pursuant to the Taxonomy. In the same way, participants of the financial market must report to what extent the financed activities and their investments meet the criteria of the Taxonomy.

In June 2021, the European Commission formally adopted the Technical Delegated Acts (hereinafter, "Climate Delegated Acts") which define the list of sectors and economic activities currently included in the Taxonomy and the related technical screening criteria that make it possible to verify whether they contribute substantially to the environmental goals of climate change mitigation and climate change adaptation; in 2022 the publication of further delegated acts is expected with reference to the remaining four environmental goals (sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems).

The process to verify the sustainability of an economic activity (so-called "alignment" with the Taxonomy) involves the following steps:

- verification of the Technical Screening Criteria to assess the effective contribution of the economic activity to a certain environmental objective, in compliance with the principle of technology neutrality and taking account of the long and short-term impact of the economic activity; and
- verification of the "DNSH" (Do No Significant Harm) criteria to ensure that the economic activity does not cause significant harm to any of the other environmental objectives.

In addition, verification is also envisaged of compliance with Social Minimum Safeguards, intended to guarantee that the economic activities are conducted in compliance with the main guidelines and international treaties on human rights.

The legislation envisages reduced information content for the first year which is centred exclusively around the indication of the proportion of turnover, capital expenditure and operating expenses deriving from Taxonomy-aligned economic activities, i.e.

included in Annexes I and II of the Climate Delegated Act. The verification and reporting of turnover, CapEx and OpEx deriving from Taxonomy-aligned economic activities is required in documents published from 1 January 2023.

THE TAXONOMY FOR THE ASTM GROUP

As declared by the European Commission, the Taxonomy includes the sectors that could play the largest active role in meeting the challenges posed by climate change to guide the EU's ecological transition, with the end goal of achieving climate neutrality by 2050. Of these sectors, the Climate Delegated Act has outlined specific economic activities dedicated to the construction, modernisation, maintenance and operation of infrastructure for road, rail, sea and air transport (as part of section "6. Transport") as well as the construction and renovation of buildings (as part of section "7. Construction and real estate activities"), recognising the importance of these sectors for the achievement of the objectives of climate change mitigation and climate change adaptation. In particular, according to information communicated by the European Commission, transport operations account for one third of total consumption of energy and around 23% of total direct greenhouse gas emissions in the EU, while construction, considering all sectors, is responsible for 40% of energy consumption and 36% of carbon emissions at European level.¹³

As a result, the ASTM Group is one of the economic operators that could most contribute to the environmental transition process promoted and encouraged by the European Union and it is expected that this circumstance will also be confirmed following publication of the additional delegated acts related to the remaining four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems).

Already in 2020, the ASTM Group had introduced an analysis of climate-linked scenarios into its strategy in order to assess how the risks and opportunities linked to climate change influence the operations of its business areas and launched numerous initiatives¹⁴ with a view to energy efficiency, emission reduction and management and monitoring of climate risks. The implementation of further strategic actions in response to the legislative requirements introduced by the Taxonomy will therefore be part of the journey already undertaken by the Group to strengthen its commitment in terms of climate change.

METHODOLOGICAL NOTE

The ASTM Group, understanding the relevance and innovative extent of the Taxonomy, immediately launched dedicated actions to understand the new legislative obligations and to promptly and effectively plan the preliminary activities for the reporting process as part of its consolidated non-financial declaration.

The aforesaid activities involved the organisation as a whole, requiring the proactive participation of the business structures for the identification of the activities "eligible" for the Taxonomy and for the management of data collection process at the Italian and foreign Group companies. In this regard, it should be noted that this reporting on the Taxonomy covers the entire scope of the companies included in the financial consolidation.

The reporting process, as required by legislation, envisaged continuous discussions with the structures dedicated to financial reporting in order to guarantee consistency between the data examined. In this regard, it is noted that the calculation of the KPIs involved the following considerations:

- the balances were calculated on a consolidated basis, net of intercompany data, to avoid any potential risk of double counting;

¹³ See Regulation (EU) 2021/2139, sec. 33 e 36

¹⁴ For example, the development of innovative solutions for infrastructure management (i.e. smart infrastructures), the high-power electric charging trial project to support the market's transition to electric vehicles and the commitment to implement, maintain or update the environmental requirements and/or certifications both in the construction of transport infrastructure (eNVISION Sustainability Protocol) and in civil and industrial construction works (mainly LEED).

- the accounting effects deriving from the application of IFRIC 12 were neutralised with reference to revenues, investments and construction costs of non-compensated revertible assets (motorways).

ELIGIBLE ECONOMIC ACTIVITIES OF THE ASTM GROUP

KPIs	
Portion of "eligible" turnover	98%
Portion of "eligible" CapEx	98%
Portion of "eligible" OpEx	100%

Turnover KPI

The turnover of the ASTM Group is considered almost entirely attributable to "eligible" economic activities; this area includes motorway management revenues, EPC sector revenues, technology sector revenues and a number of specific residual items accounted for among other revenues (KPI numerator). In particular:

- the "eligible" revenues from motorway management refer to proceeds from tolls and ancillary revenues that fall under the economic activity "6.15 Infrastructure enabling low-carbon road transport and public transport"¹⁵;
- the "eligible" EPC sector revenues are attributable to the following activities: i) construction of infrastructure, included associated engineering, planning and inspection activities (mainly infrastructure referring to economic activities "6.14 Infrastructure for rail transport", "6.15 Infrastructure enabling low-carbon road transport and public transport" and "6.16 Infrastructure enabling low carbon water transport" of the Climate Delegated Act), and ii) construction of buildings (economic activities included in section "7. Construction and real estate

activities" of the Climate Delegated Act). The "eligible" revenues in this context also include those deriving from plant engineering and energy efficiency works;

- the "eligible" technology sector revenues mainly fall under the economic activities included in section "8. Information and communication" of the Climate Delegated Act.

The KPI denominator is formed of the "Total turnover" reported in the table on page 8 of the Management Report under the paragraph "Financial highlights", which represents the consolidated revenues for FY 2021 net of the fee/additional fee payable to ANAS and the reversal of the accounting effects of IFRIC12.

CapEx KPI

The proportion of "eligible" economic activities with reference to capital expenditure (KPI numerator) mainly refers to investments in the motorway in compliance with conventional obligations and with particular attention to the improvement of quality and safety standards. These investments, which for example refer to the construction of new infrastructure, paving and motorways, noise and safety barriers and plant engineering, fall within the economic activity "6.15 Infrastructure enabling low-carbon road transport and public transport" since they are closely related to motorway management revenues. For more information, refer to the table "Investments in motorway assets" on page 42 of the Management Report and to section "Investments in safety" on page 79 of the Sustainability Report. The KPI is also determined by additional investments of a lower amount referring to properties and vehicles owned or in leasing.

The KPI denominator is formed of the sum of the gross increases accounted for in FY 2021 with reference to intangible assets (goodwill, other intangible assets and concessions - non-compensated revertible assets) and tangible assets, including rights of use, as shown in Note 1 and Note 2 of the Explanatory Notes to the Consolidated Financial Statements.

¹⁵The FAQs published by the European Commission on 2 February 2021 clarify that the wording "low carbon emissions" is not relevant for the purposes of the "eligibility" assessment but for the alignment checks (see FAQ 9).

OpEx KPI

The operating expenses¹⁶ of the ASTM Group, as defined in the scope of Taxonomy, are considered almost entirely “eligible” (KPI numerator) since they are direct costs closely related to the “eligible” economic activities considered in the calculation of the turnover and investment KPIs. This area mainly includes concession fees, accounted for in “Other costs” (Note 30 of the Explanatory Notes to the Consolidated Financial Statements), and the costs of maintenance of non-compensated revertible assets, accounted for in “Costs for services” (Note 28 of the Explanatory Notes to the Consolidated Financial Statements).

FUTURE STRATEGIC AREAS

The ASTM Group, understanding the purposes of the Taxonomy as a tool to improve transparency and support investors in assessing the performance of companies in the medium/long term, is assessing whether to introduce parameters linked to the Taxonomy into its own strategic planning process. It has committed to pursuing a leadership position in the new competitive scenario by directing its own investment decisions towards sustainable economic activities.

From 1 January 2023, as mentioned, it will be necessary to report the proportions of turnover, capital expenditure and operating expenses “aligned” with the Taxonomy. This circumstance requires the verification, for each economic activity identified as “eligible”, of compliance with the technical screening criteria that make it possible to determine a) the substantial contribution of an economic activity to one or more environmental objectives, b) that it does no significant harm to any of the other environmental objectives and respects the minimum safeguards.

This is a particularly challenging and onerous process in light of the application complexities of the aforesaid criteria; the ASTM Group has already launched the necessary preliminary activities to guarantee complete and accurate reporting for FY 2022 in accordance with legislative requirements. In particular, it is systematising the information collection and analysis process through the formalisation of the related roles and responsibilities as well as the assessment of changes to the management and reporting systems that support this process.



¹⁶ It should be noted that the Climate Delegated Act states that the denominator of this KPI “shall cover direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets”. The FAQs published by the European Commission on 2 February 2021 further clarify this provision (ref. FAQ 12).





02

OUR RESPONSIBILITY TOWARD LOCAL AREAS

- 63** Economic value generated and distributed
- 68** Impact measurement
- 70** Supply Chain
- 76** Motorway Infrastructure Management
- 96** Donations and sponsorships

CONTEXT

Investments in sustainable infrastructure and scientific and technological research promote economic growth, the creation of jobs and prosperity. Growth of the global gross domestic product fell to 4.3%¹⁷ in 2020, the lowest rate since the Great Depression. This slowdown is occurring at the same time as dissatisfaction is increasing with the social and environmental aspects of economic growth, featuring pervasive inequality and worsening climate change. Investments in infrastructure with private participation have increased considerably since the start of the century, with particular reference to average-income countries. However, since 2012, private investments in infrastructure have been declining. In 2019, private investments in the energy, transport and ICT backbone sectors and in water infrastructure in countries with a low to average income amounted to USD 96.7 billion, through 409 projects in 62 countries, down slightly (3%) with respect to 2018 levels¹⁸. Since 2000, the percentage of expenditure in research and development accounting for world GDP has been rising steadily.

However, there is a considerable disparity between developed and developing countries, with the latter recording expenditure in Research and Development which is far lower. Considering the difficult macroeconomic situation, the Group is committed to maximising the value created and distributed and to measuring its impacts on communities in economic and employment terms, as described in the following sections of the document.

With regard to the geo-political tensions that emerged with the Russian-Ukrainian crisis, it is noted that these together with certain remaining inefficiencies in the supply chain due to Covid-19, have had a direct effect on raw material prices, especially fuel and electricity, which are having, and will presumably have repercussions on the economy in general, and therefore also on the motorway and EPC sectors. Except for two smaller initiatives, the ASTM Group is not directly exposed in these geo-political regions. For additional information, reference is made the ASTM Group Financial Report.



¹⁷ United Nations, World Situation and Prospects 2020, New York

¹⁸ World Bank, Private Participation in Infrastructure (PPI), 2019

ECONOMIC VALUE GENERATED AND DISTRIBUTED

The table showing the breakdown of economic value generated and distributed by the ASTM Group was based on reclassifying items in profit and loss of the Consolidated Financial Statements of ASTM at 31 December 2021.

In 2021, the Group's net global added value was 2,983 (2,218 million in 2020).

Most of this value, equal to 62% (64% in 2020), refers to "Supplier remuneration", in the amount of approximately € 1,837 million, consisting mainly of costs for services and raw materials. This is followed, in line with the previous year, by "Personnel remuneration" (17%, 20% in 2020), totalling € 510,164 thousand and mainly referring to salaries and social security contributions.

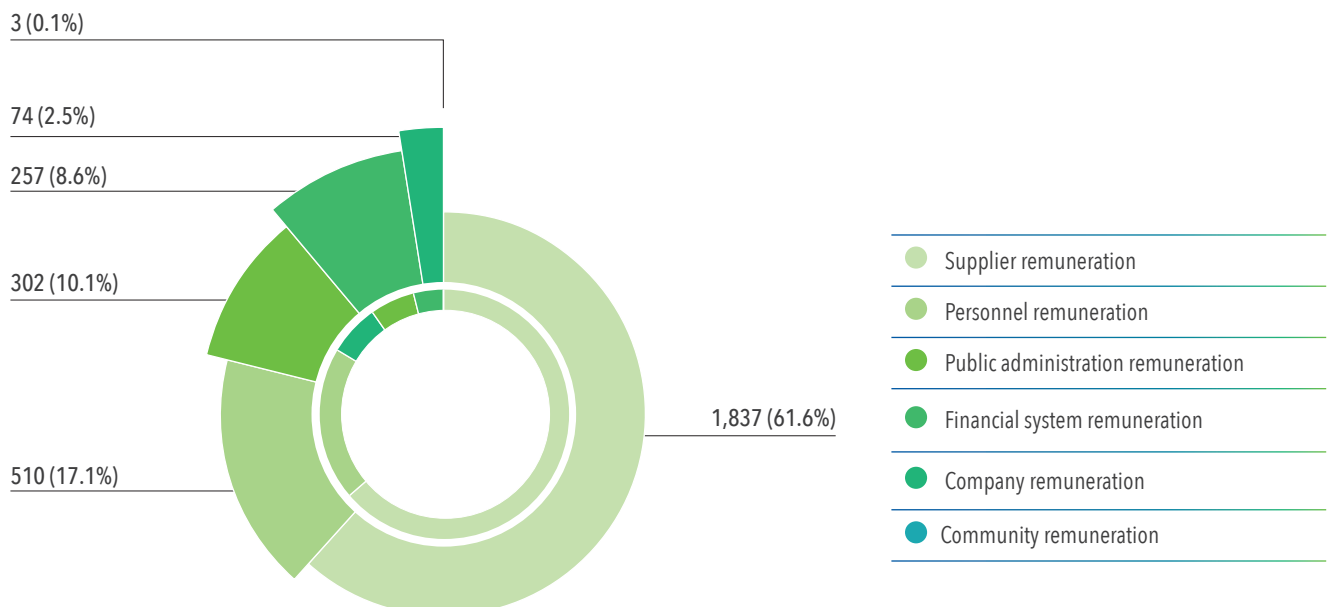
"Public administration remuneration" accounts for around 10% (6% in 2020) and amounts to around € 302 million. It essentially includes income taxes of € 168 million, plus concession fees totalling € 134 million.

"Financial system remuneration" accounts for 9% (4% in 2020), for a value of around € 257 million.

"Company remuneration", representing around 2% of the total (6% in 2020), comes to € 74 million and includes the value retained by ASTM for the Group's future development.

Finally, community remuneration amounted to around € 3 million¹⁹.

DISTRIBUTION OF ECONOMIC VALUE (in millions of EUR)



¹⁹"Shareholders' Remuneration" is not included in the distribution of economic value for the year 2021 as there are no plans to distribute dividends

GROUP TAXES

OUR APPROACH

As described in the previous section, the Group contributes to the creation and distribution of value, also by paying taxes.

ASTM is aware that taxes, although not currently classified among the most relevant sustainability issues, are important sources for public funds and are fundamental for fiscal policy and the macroeconomic stability of the countries in which it works.

The Group's companies carry out their business in compliance with the fiscal norms established in the legislation for the jurisdictions in which they operate, promoting the principle of integrity, meaning correctness, honesty, loyalty and good faith, in carrying out their company activities and in their relationships, both internal and external to the Group. In line with that defined in the Code of Ethics, the values and ethical principles which inspire tax governance with an eye to creating medium/long-term value for stakeholders and protecting its reputation are:

- **Legality and compliance:** respect for the laws and regulations in force in the countries in which the Group operates.
- **Transparency and correctness:** attention to the needs and expectations of Stakeholders, including tax authorities, guaranteeing completeness, reliability, uniformity and promptness in disclosures and avoiding misleading communication, in compliance with the law and best market practices, so as to guarantee full understanding of events underlying the application of tax norms.
- **Sustainability:** creation of sustainable value over time for all Stakeholders, contributing to the economies of the countries in which the Group operates.

FISCAL GOVERNANCE, CONTROL AND RISK MANAGEMENT

The principles which guide tax management are intended to mitigate potential reputation and financial risks relative to corporate tax practices, included as part of the wider internal audit and risk management systems defined by each Group company.

Management of fiscal risks, including compliance risks and those linked to uncertainty about tax positions and changes in legislation are integrated in the Risk Management System, as well as the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, of the main operating Italian subsidiaries of the Group, who have adopted them.

ASTM has implemented administrative-accounting procedures which identify responsibilities, roles, processes and types of controls, in compliance with Legislative Decree 231/2001 and Law 262/2005, assigning responsibility for managing fiscal issues to the head of the Administration and Budget function who, in exercising these responsibilities, also makes use of specialised external consultants.

When evaluating extraordinary transactions in line with the Group's strategy, if necessary making use of specialised external consultants, any relevant fiscal issues are also assessed in compliance with applicable regulations, to be submitted for examination by the relevant decision making body. In managing business carried out in foreign jurisdictions, local tax professionals are involved to guarantee better monitoring of local applicable norms, as well as to provide support in relations with the tax authorities in the various countries in which the Group operates.

Company structures responsible for handling tax issues constantly monitor legislative developments in this area, also through participation on specific working groups organised by experts. Note that the ASTM Model 231 was most recently updated on 16 December 2021, to include, among other things, the predicate offences regarding taxes introduced by Italian Law 157 of 19 December 2019.

In the context of the internal audit and risk management system, activities to verify the efficacy of controls implemented to mitigate fiscal risks were

carried out by Internal Audit pursuant to the Model 262/2005 by the appointed manager and to Model 231/2001 by the Supervisory Board, also with the support of qualified external consultants.

Through the whistleblowing management system implemented by ASTM and its main operating Italian subsidiaries, all Stakeholders can provide information about problems linked to unethical or illegal behaviours and organisational integrity also for fiscal aspects. EcoRododias also introduced an "Ethics Channel" from 2018. This online platform allows employees, customers and third parties to report potential infringements of the Code of Ethics or any policy and procedure adopted by the Group, including anonymously.

STAKEHOLDER ENGAGEMENT AND MANAGEMENT OF TAX WORRIES

In managing fiscal issues, the Group promotes cooperative and transparent professional relationships with the relevant authorities, recognising that resolving risks in advance is in the best interest of both the Group and the tax authorities, through the use of tax clearance application process. In the case of disagreement with a fiscal interpretation or decision, Group companies begin formal disputes only after having attempted to resolve all problems through proactive and transparent discussions and negotiations with the financial authorities.

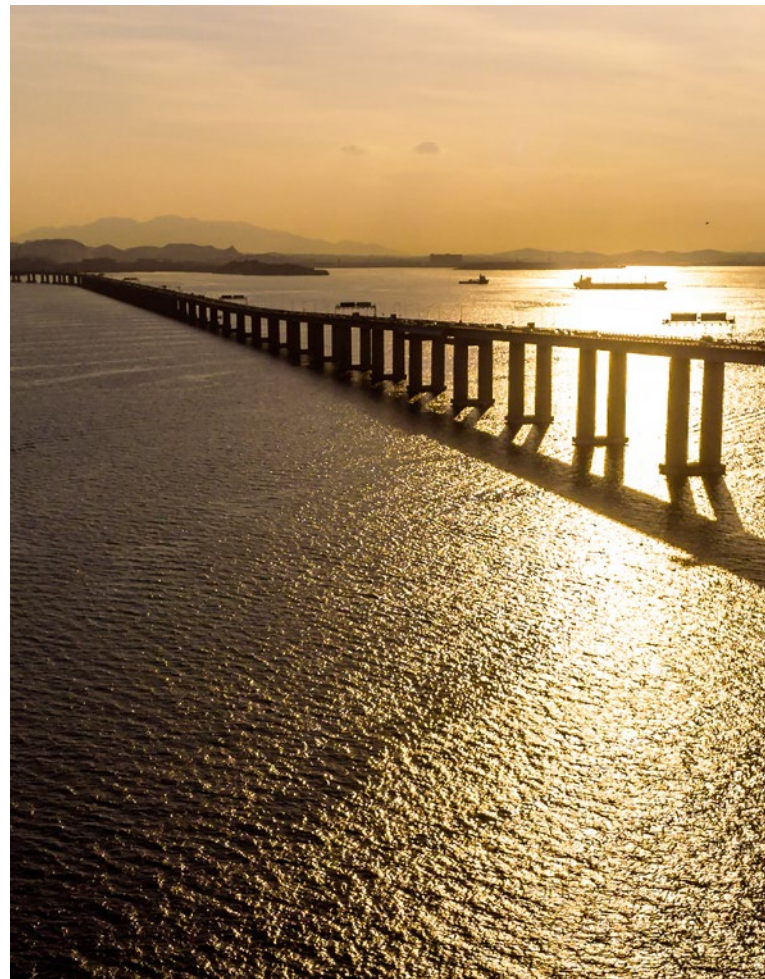
Tax audits and any tax disputes are managed by the appropriate company functions, with the assistance of external tax consultants if hired. At 31 December 2021 there were no significant tax disputes and, for more information, please see that reported in the ASTM Group's consolidated financial statements at 31 December 2021, audited by PricewaterhouseCoopers.

COUNTRY BY COUNTRY REPORTING

The ASTM Group complies with the obligations imposed by Italian Law 208 of 28 December 2015 regarding the Country by Country Report established by the OECD as part of the "Base erosion and profit

shifting - BEPS" project (see Action 13). To that end, Aurelia S.r.l. was identified as the ultimate parent entity, to which ASTM S.p.A. and its subsidiaries provide the information and data needed to comply with current regulations.

The table below provides information for each tax jurisdiction. As required by Disclosure GRI 207-4, given that the information referring to the most consolidated financial statements is not available, the information provided below refers to the financial year ended 31 December 2020, as this is the consolidated financial statements for the period immediately preceding the most recent.



Tax jurisdiction	Resident entities
Angola	Itinera S.p.A. Angola (Branch)
Saudi Arabia	Itinera S.p.A. Saudi Arabia (Branch)
Austria	Itinera S.p.A. Austria (Branch); Arge H 51
Botswana	Itinera S.p.A. Botswana (Branch); Itinera/Cimolai JV
Brazil	Igli Do Brasil Participacoes LTDA; Itinera Construcoes Ltda; Consortium Baixada Santista; Cons. Binario Porto de Santos; MG-135 Consortium; Alcas da Ponte Consortium; Consorcio BR-050; Consultoria - Novos Negocios; Consultoria - Eco 135; Consorcio SP-070; Consorcio PSG
Denmark	Itinera S.p.A. Denmark (Branch); Storstroem Bridge JV; I/S Koge Hospital; I/S Odense Hospital; ECS MEP Contractor I/S
United Arab Emirates	Itinera S.p.A. Abu Dhabi (Branch); Itinera - Ghantoot JV; Itinera Agility JV
Italy	A.T.I.V.A. S.p.A.; Autostrada Asti-Cuneo S.p.A.; Autostrada dei Fiori S.p.A.; S.A.T.A.P. S.p.A., S.A.V. S.p.A.; Società Autostrada Ligure Toscana p.A.; Società di Progetto Autovia Padana S.p.A.; A 7 barriere S.c.ar.l. in liquidation; Agognate S.c.ar.l. in liquidation; Argo Costruzioni Infrastrutture S.c.p.a.; Ativa Engineering S.p.A.; Biandrate S.c.ar.l. in liquidation; C.B.S. S.r.l. in liquidation; Carisio S.c.ar.l. in liquidation; Cervit Impianti Tecnologici Consortile a Responsabilità Limitata (C.I.T. S.c.ar.l.); Consorzio Sintec; Cornigliano 2009 S.c.ar.l.; Crispi S.c.a r.l. sole shareholder in liquidation; CRZ01 S.c.ar.l. in liquidation; Diga Alto Cedrino S.c.ar.l.; Euroimpianti S.p.A.; Impresa Costruzioni Milano S.c.ar.l. - I.CO.M. in liquidation; Itinera S.p.A.; Lambro S.c.ar.l.; Lanzo S.c.ar.l.; Marcallo S.c.ar.l.; Mazze' S.c.ar.l.; Partecipazione Roma Sud S.c.ar.l.; Pedemontana Lombarda Manutenzioni S.c.ar.l. (P.L.M.) in liquidation; Ponte Meier S.c.ar.l.; Ramonti S.c.ar.l. in liquidation; S.G.C. S.c.ar.l. in liquidation; SEA Segnaletica Stradale S.p.A.; Si.Co.Gen. S.r.l.; S.I.N.A. S.p.A.; Sinergie S.c.ar.l. in liquidation; Siteco Informatica S.r.l. unipersonale; Società Attività Marittime S.p.A.; Taranto Logistica S.p.A.; Torre di Isola S.c.ar.l.; Tubosider S.p.A.; Urbantech S.p.A.; ASTM S.p.A.; Autostrada Albenga Garessio Ceva S.p.A.; Finanziaria di Partecipazioni e Investimenti S.p.A.; IGLI S.p.A.; Logistica Tirrenica S.p.A.; Sistemi e Servizi S.c.ar.l.; Sinelec S.p.A.; Safe Roads S.c.ar.l.
Kuwait	Itinera S.p.A. Kuwait (Branch)
Romania	Itinera S.p.A. Cluj Napoca (Branch)
South Africa	Itinera S.p.A. South Africa (Branch)
Sweden	Itinera S.p.A. Sweden (Branch)
UK	Tubosider UNITED Kingdom LTD; Tubosider CSP Limited
US	Halmar International - LB Electric LLC; Halmar International LLC; Halmar International Trucking Inc; Halmar Transportation System LLC; Halmar-A Servidone - B Anthony LLC; HIC Insurance Company Inc.; Potomac Yard Constructors; Atlantic Coast Foundations LLC; HINNS JV; Itinera USA Corp; 3RD Track Constructors JV; Itinera Infrastructure and Concessions Inc; Sinelec USA INC
Zambia	Itinera S.p.A. Zambia (Branch)
Total	

The total amount of “taxes” for 2020 is € 25 million and includes current taxes of € 80 million (of which corporate income tax (IRES) of € 63 million, regional production tax (IRAP) of € 15 million and international taxes of € 2 million) and deferred tax assets of € 55 million.

These tax disclosures, together with the reconciliation of effective and “theoretical” taxes, are found in the ASTM Group's consolidated financial statements at 31 December 2020, audited by PricewaterhouseCoopers, to which the reader is referred for further information. Taxes are paid almost entirely in Italy, where the Group contributes to the economic

Main Activities	Number of employees	Revenues from sales to third parties	Infragroup revenues in other tax jurisdictions	Infragroup revenues in the same tax jurisdiction	Profit/loss before taxes	Tangible assets other than cash and cash equivalents	Income taxes paid based on the cash criterion	Income taxes accrued on profits/losses
EPC	-	-	-	-	35	-	-	-
EPC and Technology	3	1	143	-	(467)	10	-	-
EPC	8	32,658	104	158	(3,459)	15,677	-	-
EPC	193	16,456	-	-	(4,839)	3,454	-	-
EPC and Services	406	19,713	-	-	3,284	519	742	(782)
EPC	308	136,860	823	1,773	(27,072)	36,368	-	-
EPC	563	144,866	418	8,314	3,859	5,385	-	-
EPC, Motorway, Technology and Services	4,216	1,681,466	22,133	461,845	186,591	131,716	76,655	(77,940)
EPC	3	37,599	205	-	36	7	-	-
EPC	78	14,067	-	-	(12,643)	1,248	-	-
EPC	-	145	5	-	(772)	7	-	-
EPC	10	15,695	-	-	(73)	522	-	-
EPC	36	3,604	-	-	(72)	2,808	33	(25)
EPC and Holding	1,464	379,191	-	7,863	24,276	18,631	-	(1,347)
EPC	-	-	-	-	(38)	-	-	-
	7,288	2,482,321*	23,831	479,953	168,646	216,352*	77,430 *	(80,094)*

* Total as in the ASTM Group's consolidated financial statements at 31 December 2020.

and social development of the areas in which most of its operations occurs, with an eye to creating sustainable value over the medium/long-term.

Additionally, note that in the ASTM 2020 consolidated financial statements, subsidies, contributions and other public aid are listed in the section "Public

Disbursement Transparency Disclosure", received by the Italian subsidiaries of the ASTM Group. In financial year 2020 these totalled € million. The section also lists the subsidy measures that the Group benefited from following the Covid-19 epidemic, totalling around € 1 million.



IMPACT MEASUREMENT

The business segments in which the Group operates, and in particular concessions and construction, are fundamentally important for the economy, especially in the difficult context associated with the Covid-19 epidemic.

As regards motorway concessions, numerous studies have demonstrated the strong correlation between an area's infrastructure and its rate of development. The economic growth of a nation is in fact related to an increase in passenger and goods mobility in its territory²⁰.

Moreover, the construction industry is the driving sector of the domestic economy and purchases goods and services from 90% of economic sectors²¹.

The estimate of the economic impact makes it possible to measure the incremental wealth generated by an investment in the relative sector and therefore relate the business activity to other economic variables such as the economic value produced and employment.

For this reason, the ASTM Group, aware of the economic and social impact of its business operations, has developed - and refined over the years - a cal-

culatation model to quantify the direct, indirect and related contributions generated by its own business.

The analysis is based on an input-output model²² that, by statistically analysing the interactions between a country's industries, makes it possible to further understand the economic context in which a business operates.

The total economic impact generated is € 8,939 million. Of this, € 2,909 million is a direct effect, € 2,513 million is an indirect effect occurring along the value chain and € 3,517 million derives from related employment generated by spending by those employed along the value chain. The total economic impact is around € 3.1 exchanged for each Euro spent. The total employment impact generated is 58,782 jobs. Of these, 22,498 are generated directly, 16,183 are indirect along the value chain and 20,101 are positions activated as related employment, through service and consumption spending by those employed along the value chain. Jobs activated directly, indirectly and in related employment amount to around 21 for every € 1 million spent by ASTM.

DIRECT: Economic and employment contribution directly connected to business activities.

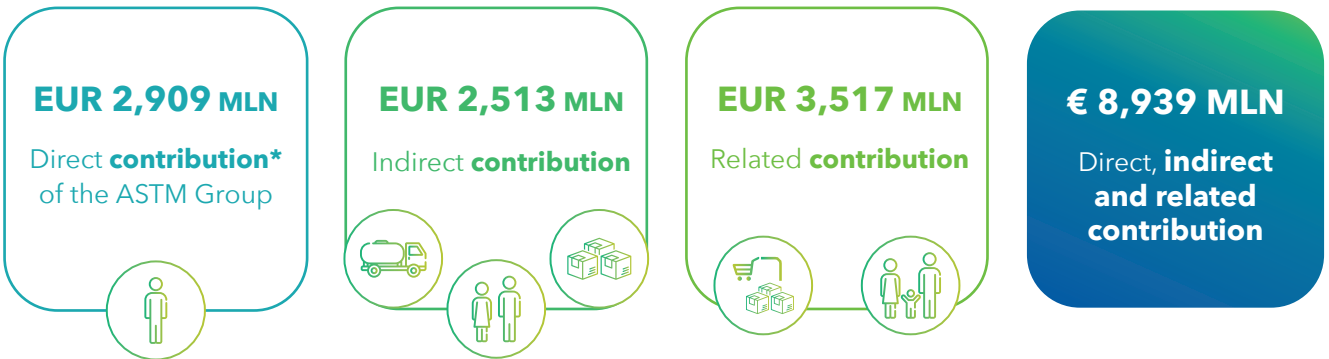
INDIRECT: Economic and employment contribution indirectly connected to business activities, consisting of the value generated by the Group's partners throughout the value chain activated.

RELATED: economic and employment contribution linked to business levels at the larger level, consisting of value generated through the demand for goods and services coming from personnel employed throughout the value chain activated.

²⁰ Source: "Processing an economic impact indicator for developing new linear transport infrastructure" - CRMT (Transport and Infrastructure Research Centre) - Unioncamere Lombardia

²¹ Source: "The construction industry: structure, sector interdependence and economic growth" by the Economic Affairs Department and Research Centre, ANCE (Italian Association of private construction contractors)

²² Model developed by Wassily Leontief, the world-famous economist and scientist, winner of the Nobel Prize for Economics in 1973 and inventor of the input-output system



*The direct contribution is equal to the economic value generated and distributed without considering "Company remuneration"



**Includes direct employees (12,975) and jobs created with Group suppliers through the purchase of goods and services

Source for multipliers for input/output analysis is based on Eurostat databases, especially "Symmetric input-output table at basic prices (industry by industry)", "National accounts employment data by industry" and "Household saving rate"

SUPPLY CHAIN

The ASTM Group recognises the importance of guaranteeing a transparent procurement cycle and of regulating social and environmental impact in order to safeguard its Stakeholders. To that end, each company undertakes to select suppliers and manage relations with them according to criteria of transparency, fairness and impartiality, avoiding conflicts of interest, even potential.

The choice of suppliers is based on assessments that aim to identify and select parties of proven quality, professionalism, integrity and reliability with the necessary legal requirements, as well as the best standards in terms of human rights, working conditions, ethics and respect for the environment.

As part of the internal audit system, each company formalises roles and responsibilities, criteria and operating methods for the monitoring and management of the procurement process.

ASTM S.p.A. has adopted specific policies and procedures to guarantee a sustainable management of its supply chain and, among other things, in 2020 implemented a Supplier Register which, among other things, verifies reputation checks carried out in part through the use of databases.

ASTM and its main operating subsidiaries have adopted a Suppliers code of conduct which applies together with current regulations, complementing the Code of ethics, the Anti-corruption policy and



other company policies and procedures, defining the standards of behaviour that suppliers, partners, business agents and distributors shall adopt, as well as the procedures for disseminating the code and recruiting suppliers. The document reinforces the commitment of the Group companies to applying international standards such as the Ten Principles of the United Nations Global Compact (UNGC), the Universal Declaration of Human Rights and the Fundamental Conventions of the International Labour Organization (ILO). Through the introduction of specific clauses in contracts signed with suppliers, the latter undertake to observe - on penalty of contract termination and without prejudice to compensation for damages - the behavioural principles and rules established under the Code of ethics, Model 231, Anti-corruption policy and other company policies adopted.

In particular, for all Italian **licensee companies**, the transparency of the process to award works for motorway construction is guaranteed by legal provisions that the licensees must observe when assigning works. In addition, all the licensees have a Suppliers list, which is managed and updated by the Department of purchases, contracts and quality. As regards the execution of works and services for the construction of new works or the maintenance of the motorway structures under management, the Group companies operate in line with the official ANAS price list, which is used to determine the "threshold" prices of the works to be carried out. Costs are subject to periodic checks by the Italian Ministry of Infrastructure and Transport ("MIT" or "Granting Body").



For the **Brazilian licensee companies**, supplier management is coordinated by the Purchasing department, which is connected to the Corporate functions, and follows financial and social quality and compliance criteria. Through the use of its own system, the Department guarantees the traceability and documentation of each supplier, which must adopt the standards of the Company code of conduct. The Supplier management programme assesses the degree of compliance of suppliers with the EcoRodovias standards, including aspects linked to ESG topics. After finalising the contract with suppliers, they are assessed by three complementary initiatives:

- Assessment by the Purchasing Office: legal aspects and quality of service are taken into consideration. This assessment considers the strategic suppliers.
- PAF (Program of Suppliers Assessment): the compliance of suppliers is evaluated in terms of health and safety and environmental aspects. All service suppliers are covered by this programme.
- Programme of social and environmental assessment and engagement of strategic suppliers: in this programme, strategic suppliers answer a questionnaire with 5 aspects (Governance, Administrative, Technical, Social and Environmental).

Aspects pertaining to human rights, such as the fight against child labour and forced labour, are regulated by the Suppliers Code of Conduct.

These practices guarantee a good selection of new suppliers, compliance with current laws and the dissemination of good practices with current suppliers, while reducing risks related to the supply chain.

The supply chain occupies a strategic position in the **construction sector**. The construction companies operate in work sites for the construction of civil engineering and infrastructure works. A significant quota of the works is subcontracted to third parties. When recruiting subcontractors, the characteristics

of the contracted companies in relation to the work to carry out and relevance for environmental issues are assessed. Special attention is paid to excavation and earth moving works, environmental clean-ups and specialist works such as special foundation works, waterproofing and asphaltting.

The sustainability parameters are part of the assessment procedure for offers for goods, framework agreements and professional agreements and shall be extended to the assessment of the Suppliers List.

The supply chain in the **engineering** sector is also managed so as to guarantee complete traceability of suppliers and, where present, any subcontractors. The checks are intended to guarantee the high quality of services and, through contractual clauses and specific requirements for insertion in the Suppliers list, to ensure the ethical nature of the suppliers network. A specific contractual clause was also introduced which renders the efficacy of the contract subordinate to registration of the third party in the Suppliers list. By virtue of the principle of continuous improvement, and in the aim of guaranteeing the traceability of the chain, the clause related to subcontractors has been amended, requiring that the Company's prior approval must also be given in relation to sub-suppliers and not limited to subcontractors. This way, it is possible to verify compliance with the principles by any party in the chain in advance.

In line with that established in the Suppliers Code of Conduct, the best standards in supply chain management are also adopted for the **technology** sector.

During 2021, approximately 96% of Group purchases were sourced from local suppliers²³. The chart below shows the percentage of local purchases, by geographic area.

²³ In relation to the Significant Locations of Operations: Italy, Rest of Europe, United States, Latin America, South Africa, Middle East. The data refers to the purchase of main materials, the quantities of which are shown on the following page

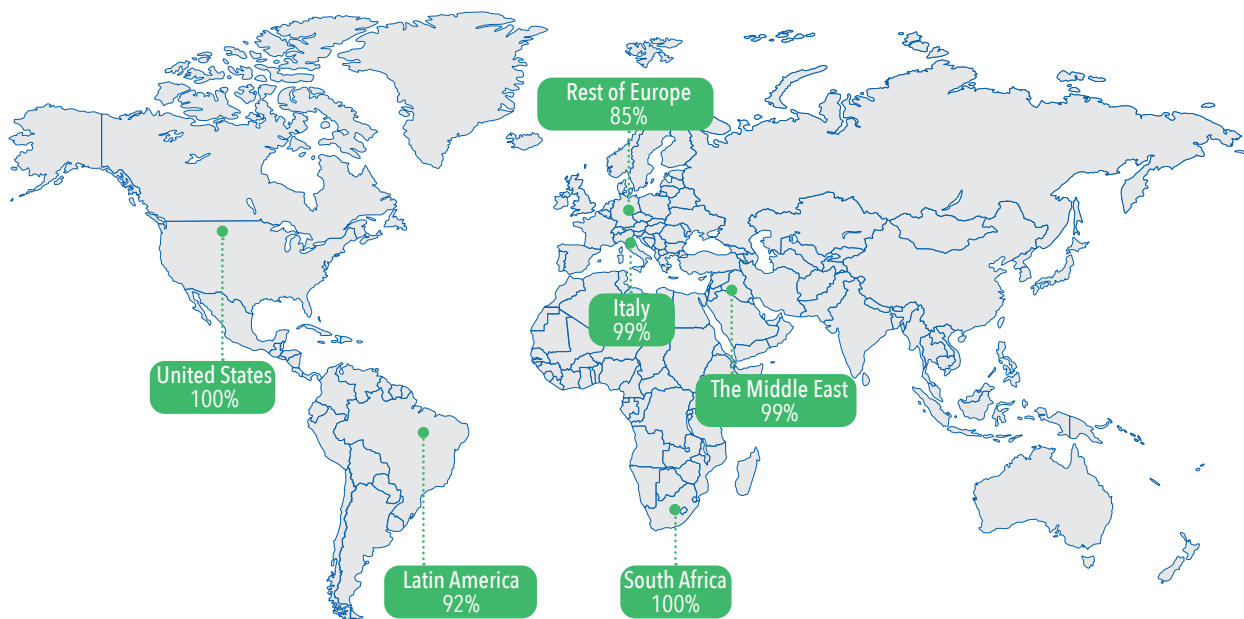
EXTERNAL AUDITS ON ITINERA S.p.A. SUPPLIERS

In accordance with company procedures, again in 2021 Itinera performed audits on certain key suppliers. Specifically, in Italy, seven audits were performed on suppliers operating on worksites SP 19 Ospitaletto - Montichiari motorway link, Asti - Cuneo and the prefabrication plant, with no issues identified (i.e. Major Non-Conformities) that impeded qualification of the suppliers. Certain areas for improvement were identified (8 Observations/Minor Non-Conformities and 27 Recommendations), the implementation of which will be monitored in 2022 during follow-up activities.

Four audits were performed abroad on suppliers operating on worksites for the Storstrøm bridge and two technical inspections were carried out on the Køge hospital worksite. No critical issues were identified by the checks performed.

LOCAL PURCHASES

(% of expenditure on local suppliers)



The main non-renewable materials purchased by the Group during 2021 are broken down as follows, by reference category.

MAIN MATERIALS PURCHASED²⁴

	2020	2021
Oil products [litres]	29,874,104	63,141,103
Concrete [m3]	1,001,490	323,584
Quarry material [m3]	490,791	495,942
Bituminous mixes [ton]	194,129	560,726
Road barriers [ml]	145,237	59,825
Cement and other binding agents [ton]	54,122	124,552
Iron and steel [ton]	34,634	106,208
Bitumen [ton]	15,270	13,776
Chlorides [ton]	14,894	29,136
Prefabricated cement products	3,646	4,689

Supplier screening and assessment mainly takes place through monitoring supplier conformity to applicable laws and specific labour and environmental requirements.

In the **motorway concessions** sector, the services and works contracts of the licensee companies specifically refer to applicable laws and collective bargaining agreements in use, with particular reference to occupational health and safety, and insurance, welfare and salary conditions. In compliance with management systems adopted, suppliers used are generally assessed by the Procurement Function of each Group company, assisted by relevant Technical Managers and competent company functions. If

examination of the documentation produced were to show any irregularities compared to the contract, the termination clauses envisaged in each order and contract would be used.

Regarding the **construction** industry, suppliers are screened - as part of criteria concerning work practices - according to whether activities are to be carried out in Italy, the EU or the rest of the world. For Italy and EU countries, documents on personnel to use for activities to carry out are examined beforehand. For non-EU partners, a special focus is also placed on child labour (regarding subcontractors directly at the work site and external manufacturers of materials which are then used at work sites), and on living conditions at base camps (accommodation, board, leisure and recreational facilities, transport to and from the home country). In the case of suppliers operating at external production units, specific audits may be directly conducted at the units concerned. As regards environmental issues, when recruiting subcontractors, the characteristics of individual companies in relation to the work to carry out and relevance for environmental topics are normally assessed, requesting information on environmental certification and registration with applicable registers.

The criteria concerning work practices, used for screening in the **engineering sector**, vary according to the countries considered. In Italy and the European Union, specific references to the current legislation and the collective agreements applied are taken into consideration. In the other countries, in addition to the above criteria, compliance with the UN Convention on the Rights of the Child (Articles 31-40) is also considered, and contractual obligations are included on the maintenance of workers on site and their treatment.

²⁴ The figure is the result of estimates made in consideration of the total cost and average unit cost incurred for the materials listed above

ACTIONS TO MITIGATE MAIN RISKS REGARDING CHILD LABOUR

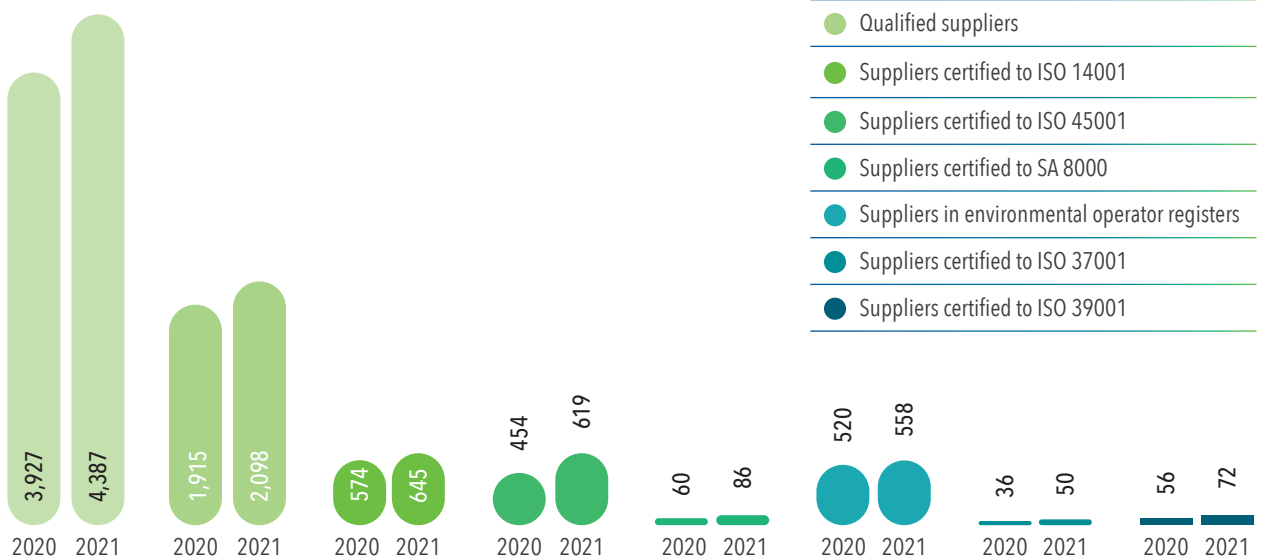
Considering the specific nature of its business and geographic scope of its operations, in the world, the main risks identified for the Group regarding child and forced labour concern construction sites, with particular reference to the responsible management of the supply chain in Africa and the Middle East. Specifically, Itinera requests a statement of

compliance with the UN Convention on the Rights of the Child, Articles 31-40, in relation to activities and main suppliers, both Italian and foreign, with a greater risk of the use of child labour. At the Botswana work site, the Human Resources and Health, Safety and Environment departments carry out controls. At the Abu Dhabi work site, work visas are checked before staff can enter the site. As regards activities and main suppliers with a considerable risk of the use of forced labour, workers selected

ITINERA SUPPLIERS LIST

Itinera has implemented an on-line platform for the prior assessment (pre-qualification) of its suppliers of goods and services worth more than € 10 thousand per year. In particular, the process is divided into two phases: (i) qualification of headquarters' staff (prior assessment - pre-qualification) and (ii) monitoring of the qualified supplier during its activity in the work site by competent Project Managers and Site Directors (direct assessment - work site feedback) and through specific audits. Having qualified suppliers meets the requirement to operate with reliable suppliers in quality, technical and organisational terms, the protection of health and safety and the environment, which guarantee the provision of the service requested in full compliance with the contractual requirements. In addition to the certifications achieved, some accident indicators in terms of health and safety have been inserted as a preferred criterion for awarding contracts. At the end of 2021, out of 4,387 suppliers recorded in Itinera's list, a total of 2,098 suppliers were qualified, of which 1,703 in Italy and 395 overseas.

TOTAL SUPPLIERS



on a random sample are interviewed during internal audits on human rights and any unlawful situations, in accordance with requirements of SA 8000 and Corporate Accountability. Boxes are provided

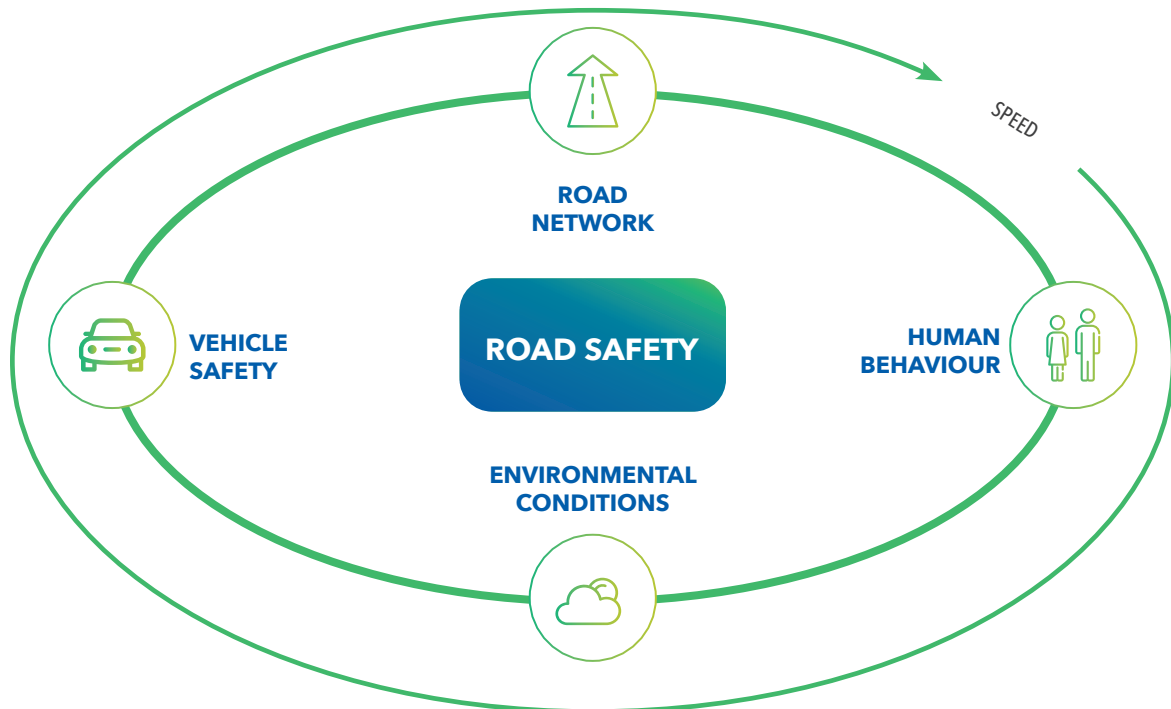
at foreign work sites to post anonymous reporting of any breaches.

MOTORWAY INFRASTRUCTURE MANAGEMENT

OUR COMMITMENT TO ROAD SAFETY

The roads designed, built and managed by ASTM Group licensees aim to fulfil the need for the safe transit of people and goods. The complex and regulated road system calls for formal compliance with sector regulations, which is a qualifying part of the planning and management process, but still only

one part. In fact, for some time the ASTM Group licensee companies have understood the need for a multi-factor approach to road safety management, choosing to update the aspects historically used to address these aspects to also include criteria in which road users, vehicles and infrastructure are assessed and compared in an integrated manner. These criteria mean:



- Design and construction choices geared towards safety, as part of a cycle of technical and administrative efficiency, with measures that target the development and adaptation of the roads that are devised to incorporate the human factor in design criteria, in order to prevent accidents and mitigate consequences for people.
- careful maintenance of infrastructure. inspection technologies and methods adopted tend to establish the consistency and safety of the work and foresee its future deterioration, referring this to the conditions of use of the infrastructure which the work is a part of. Activities comprise inspections and checks, controls and monitoring of works and the overall management of road infrastructure.
- safe management of infrastructure, with careful monitoring of events on the network and use of feedback relating to managed motorways.
- public notices and promotion of safety through the Autostradafacendo safe driving campaign.

THE ROLE OF PREVENTION

In managing safety policies, prevention plays a central role. The technical departments of the ASTM licensee companies are supported by EPC sector companies to develop a multitude of actions for prevention and to improve infrastructure. Additionally, to improve the motorway infrastructure management process, all Italian Group licensee companies have launched an accident analysis process, following a shared methodological approach.

Material topic:

ROAD SAFETY

Area of Leg. D. 254/2016:

ENVIRONMENTAL, SOCIAL



Main sustainability risks associated:

- risk of operational disruption to infrastructure
- risks related to the management of emergency events and motorway services.

Summary of main management and mitigation actions:

- management qualification and personnel training, including through drills
- operating procedures for timely and coordinated traffic and emergency management
- continual planning and monitoring of maintenance
- memorandums of understanding with neighbouring licensees and authorities (the police, civil protection, prefectures, etc.);
- service contracts with third parties (e.g. winter services);
- grantor monitoring plan
- systems to identify customer satisfaction.

All Group licensees have an operating unit that users may contact in the event of emergencies, and SOS points along the entire motorway network.

Autostrada dei Fiori S.p.A., for the A10 Savona-Ventimiglia and A6 Torino-Savona sections, S.A.T.A.P. S.p.A, for the A4 Torino-Milano and A21 Torino-Piacenza sections, Autovia Padana S.p.A. for the Piacenza-Cremona-Brescia stretch of the A21; SALT S.p.A., for the A12 and A15 sections within its remit and Asti Cuneo S.p.A. for the A33 stretch, A.T.I.V.A. S.p.A. for the Torino-Quincinetto and Ivrea-Santhià (A5) stretches and Tangenziale di Torino and Torino-Pinerolo (A55), Concessionaria das Rodovias Ayrton Senna e Carvalho Pinto S.A. – Ecopistas, Concessionaria Ecovias dos Imigrantes S.A., Concessionária Ponte Rio-Niteroi SA – Ecoponte, Eco050 – Concessionária de Rodovias S.A., ECO101 Concessionaria de Rodovias S.A., Eco135 Concessioanria de Rodovias S.A., Empresa Concessionaria de Rodovias do Sul S.A. – Ecosul e Concessionaria Ecovias do Cerrado S.A. have obtained ISO 39001 certification.

MONITORING THE CONDITIONS OF MOTORWAY INFRASTRUCTURE

The Group's licensees have defined and adopted a method – formalised in the Action Plan for Maintaining Infrastructure efficiency – for the integrated process which monitors the conditions of infrastructure, provides diagnostics and defines necessary measures, to ensure the safety, functionality, sturdiness and durability of works over time.

The process is based on specific procedures that target the acquisition of information about the conditions of the infrastructure and developments over time, in order to understand the “current” conditions of works, reasonably predict future conditions and thus promptly and effectively plan necessary measures.

In addition to the ordinary checks required by the concession agreements, there are additional checks managed by the internal structure and external professionals, which provide the Technical Departments of the Group licensees with all results, making it possible to define which measures to undertake, the type and the planning of interventions.

The methodology adopted also envisages specific checks and validations by third-party and independent experts.

After priorities for actions and the planning are defined, the projects are prepared (OpEx and CapEx) and, as provided for by applicable regulations, are validated by a competent person; capex activities are also approved by the Granting Body or other competent organisations.

In close connection with this monitoring process, the Group is developing an industrial project to define a standard for the safety of infrastructure which, thanks to a combination of the most advanced techniques and civil engineering plus applied mathematics, as well as innovative monitoring technologies and advanced cognitive cloud computing systems, will improve the quality and safety of works, extending their useful life and reducing management costs.

The methodology is therefore characterised by an integrated approach which is also innovative. This is because establishing values and specific indexes for infrastructure conditions is difficult, and so mathematical models and specific algorithms are used to measure any inefficiencies, to enable the consequent planning of actions to ensure safety and sustainability over time.

More specifically, the system will automate data collection and processing in order to standardise inspections and identify any critical aspects. To this end, SHM (structural health monitoring) systems are used comprising high-quality installed sensors to monitor significant structural parameters, connected to the cloud, for data acquisition, processing and storage. Real-time measurements of main structur-

Material topic:

MOTORWAY INFRASTRUCTURE SAFETY

Area of Leg. D. 254/2016:

ENVIRONMENTAL, SOCIAL



Main sustainability risks associated:

- risk of operational disruption to infrastructure
- compliance risk and risks related to ethical behaviour.

Summary of main management and mitigation actions:

- monitoring and planning of maintenance to check and guarantee the safety status of motorway infrastructure
- the seismic and hydrogeological monitoring plan;
- grantor monitoring of infrastructure
- the “Code of Ethics and Conduct” and “Compliance Programme” 231/01 (hereafter “Model 231”) adopted by ASTM and its main operating Italian subsidiaries, including specific operating procedures monitoring environmental offences and occupational health and safety;
- environmental and occupational health and safety management systems in line with applicable best practices

al parameters are compared with expected results, calculated using the structure mathematical model, to promptly identify any critical aspects of works.

Considering the importance of the development of methodologies and technologies described above regarding the infrastructure under concession, and considering the opportunities of the project in the safety industry, the Group will put its experience and skills to use in the civil engineering sector.

Lastly, project partners include world leaders in the sectors of materials, components, systems and IT, as well as major universities.

INVESTMENTS IN SAFETY

The Group's licensees continue investing constantly in their own motorway network, with particular at-

tention to improving quality and safety standards, in compliance not only with conventional obligations but, mostly, with the industrial approach to business that has always distinguished the Group.

Ordinary maintenance, closely related to road safety, totalled € 287 million in 2021 and refers, for example, to works on paving, structures, green areas, restoring the road infrastructure (e.g. paving and safety barriers following accidents) and works on installations.

Investments in motorway assets in FY 2021, totalled around € 608 million (€ 392 million in 2020). In particular, investments in motorway assets from Italian concession holder companies amounted to € 583.6 million ²⁵, an increase of 50% ²⁶ compared to the same period the previous year, reflecting

SPENDING FOR INVESTMENTS AND MAINTENANCE

(amounts in millions of Euro)

	2020		2021	
	Ordinary maintenance	Investments	Ordinary maintenance	Investments
A4 Torino-Milano	29.3	10.1	33.4	19.7
A21 Torino-Piacenza	29.7	53.6	33.9	57.0
A6 Torino-Savona	17.8	87.4	25.4	83.0
A12 Livorno-Sestri Levante	23.2	73.1	32.8	96.6
A15 Parma-La Spezia	20.1	44.1	27.8	93.7
A33 Asti-Cuneo	7.9	2.8	8.7	19.8
A10 Savona-Ventimiglia	22.6	44.3	24.4	73.0
A5 Quincinetto-Aosta Ovest	11.4	11.7	16.2	12.1
A21 Piacenza-Cremona-Brescia	11.9	28.5	14.0	43.2
A5 Torino-Quincinetto and Ivrea-Santhià A55 Tangenziale di Torino and Torino-Pinerolo	24.8	36.6	25.5	30.6
A32 Torino-Bardonecchia* T4 Frejus Tunnel	-	-	27	54.9
Total Italian concessions	198.7	392.2	269.1	583.6
EcoRodovias **	-	-	18.1	24.5
Total	198.7	392.2	287.2	608.1

* Consolidated since 1st April 2021

** Consolidated since 1st December 2021

the Group's commitment to guarantee high safety standard on all the sections managed, and a return to full operations for all sites after the restrictions imposed due to the pandemic.

Investments made by the Brazilian subsidiaries for the period from 1 December (date when control was acquired) to 31 December 2021 amounted to € 24.5 million.

Most of the investments in motorway assets made during the year relate to investments to improve the safety of the network, including upgrading of tunnels to comply with EU directives, work on bridges, viaducts, overpasses and the upgrading of safety and noise barriers.

During the financial period, work also continued on the new motorway works carried out by SALT for the construction of the Tyrrhenian-Brenner multi-modal corridor (TIBRE) and by Autovia Padana for the construction of the new Montichiari - Ospitaletto motorway junction and the variant to the former SS 45bis.

MANAGING EMERGENCIES

The Group is committed to managing all types of risks and emergencies as efficiently as possible, to ensure transit on its motorway stretches in all situations and in the case of any type of event. Main emergency situations refer to snow, flooding, fire and landslides. In 2021, a total of 111 snow events lasting a total of approximately 787 hours (65 snow events lasting approximately 758 hours in 2020)

were managed, using 1,588 vehicles and around 28 thousand tonnes of fluxing agents (salt and chlorides, approximately 22 thousand tonnes of fluxing agents in 2020). During 2021, 43 flooding events were also managed, using 98 items of equipment. All Group licensees have an operating unit that users may contact in the event of emergencies, and 2,658 SOS points along the entire motorway network. The increase in data related to flooding and fires mainly depends on the entry into the scope of consolidation of the Brazilian licensee companies of the EcoRodovias Group, though the data are only consolidated at the date of entry into the scope of reporting.



AROUND 795 KM

**OF DRAINING/SOUND-ABSORBING
ROAD SURFACES EQUAL TO AROUND
61% OF THE MOTORWAY NETWORK
MANAGED IN ITALY**

²⁵ Amount net of investments for € 10.5 million undertaken by S.I.T.A.F. S.p.A. over the period 1 January to 31 March 2021

²⁶ +35% on a like-for-like basis, excluding the investments from S.I.T.A.F. S.p.A. from 1 April 2021 (date when control acquired) to 31 December 2021

EMERGENCY SITUATIONS ON GROUP STRETCHES

TYPE OF EVENT	2020	2021
	no. of events/duration	no. of events/duration
Snow events (hours of snow)	758	787
Flooding (no. of events)	8	43
Landslides (no. of events)	3	5
Fires (no. of events)	41	120

SAFE INFRASTRUCTURE MANAGEMENT

During 2021, development continued on the project to implement an ISO 39001 compliant road traffic safety management system by motorway companies, with the aim of decreasing the number of accidents on sections managed through application and continuous improvement of the system, specifically in terms of cases involving serious consequences for those involved.

Safe infrastructure management starts from careful attention to usage conditions, circulation features and information on accidents: these elements represent an extraordinarily rich knowledge base to work towards progressive improvement in travel conditions on the road network. In 2021, the licensees perfected their methods of collecting, cataloguing and assessing these information assets by improving a detailed system that supports decision making, able to integrate various data sources. The ADAM® (Accidents Data Analyser Module) platform, now used through the ASTM Group's Italian network, makes it possible to:

- create a descriptive road database, indicating the technical and geometric features of interest obtained from field measurements (e.g., viaducts, tunnels, turns, lengths, slopes, pavement features);
- acquire dynamic information from the manager of interest for processing (e.g., traffic, accidents);
- use the above data to create a wide number of indicators (e.g. accident rate, severity index, social cost);

- calculate indicators based on various types of road segmentation (automatic segmentation algorithm, guided by the indicators, or fixed);
- create infrastructure "models" based on the technical/geometric characteristics of sections to as to make homogeneous comparisons between indicators for arteries (e.g. compare only indicators in areas in which traffic is disturbed by junctions);
- compare the same motorway section over intervals of various times, to verify whether or not safety measures implemented are effective.

The aforesaid action represents a useful tool for implementing a virtuous process of improvement in road safety and the operating measures implemented for such purposes, namely to choose measures that, on the basis of feedback on the operating experience, are objectively targeted to reduce the accident rate on the network.

All licensee companies of the Group have Services Charters, which report the quality indicators and related reference standards with which compliance is assured. Updated annually, the Services Charters represent an opportunity to review the service and the value of the information for motorway customers. The Group, in compliance with the objectives of the quality and road safety policy, is also committed to monitoring quality perceived by users of its own motorway infrastructure. To this end, the licensee companies carry out customer surveys on a regular basis and the results are analysed and used internally to identify strengths and weaknesses, plan improvement actions and follow them up.

ACCIDENT RATE ON THE GROUP'S ITALIAN NETWORK

The graph shows the rate of fatal accidents and the mortality rate on the network managed by the Group in Italy. The strong decrease in rates reflects the efforts to continually improve safety on its managed infrastructure.

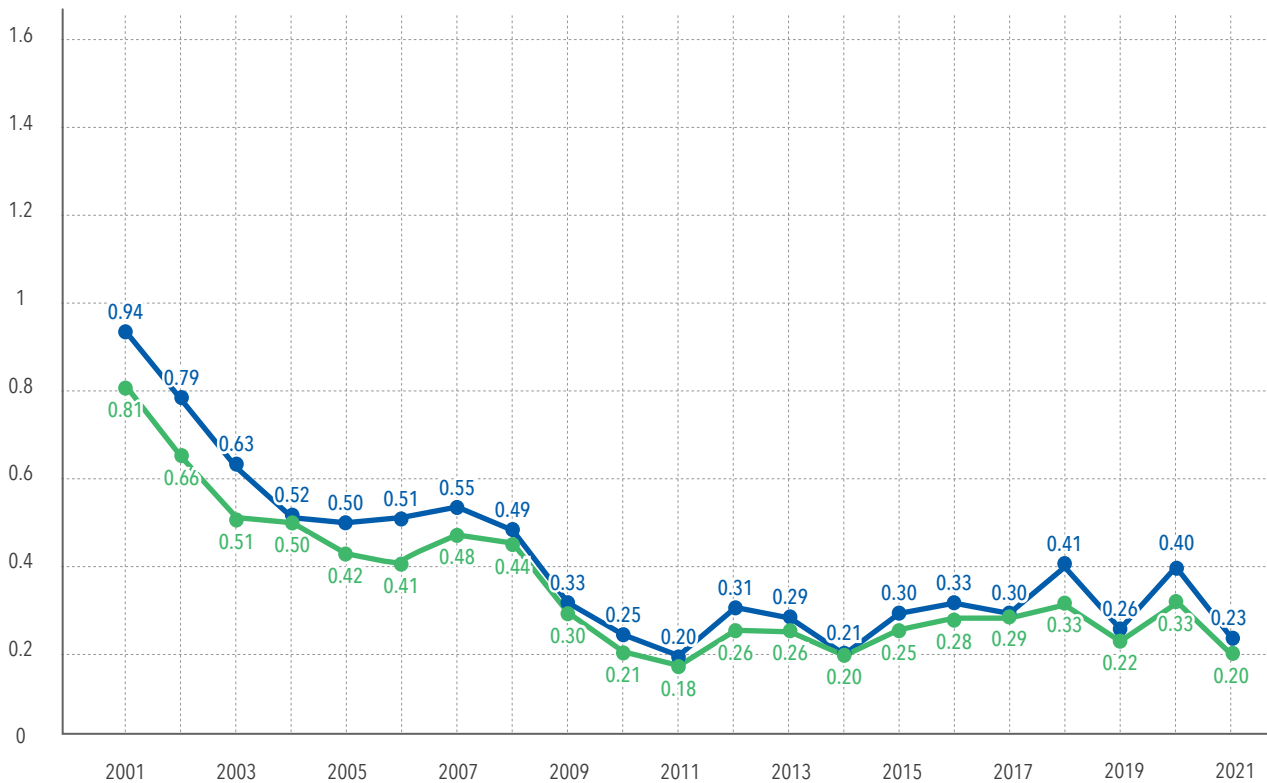
In 2021, there were a total of 3,380 accidents on the network of the Italian licensees controlled by the Group (2,762 in 2020, of which 34 S.I.T.A.F.), of which 23 fatal accidents (29 in 2020), with 1,235 injuries (1,004 in 2020, of which 9 S.I.T.A.F.) and 27 deaths (35 in 2020). The data related to the accident rate are influenced by the increase in traffic due to the end of the Covid-19 emergency situation.

FATAL ACCIDENT RATE

(Rate for the years 1998-2021, no. of fatal accidents/mileage in millions of vehicles/km*100)

MORTALITY RATE

(Rate for the years 1998-2021, no. of deaths due to road accidents/mileage in millions of vehicles/km*100)



63% of vehicles involved in accidents are light vehicles (68% in 2020), the remainder heavy vehicles.

-69% Fatal accidents since 2001

The following elements contributed:

Technical improvement to infrastructure

Completion of operational capacity

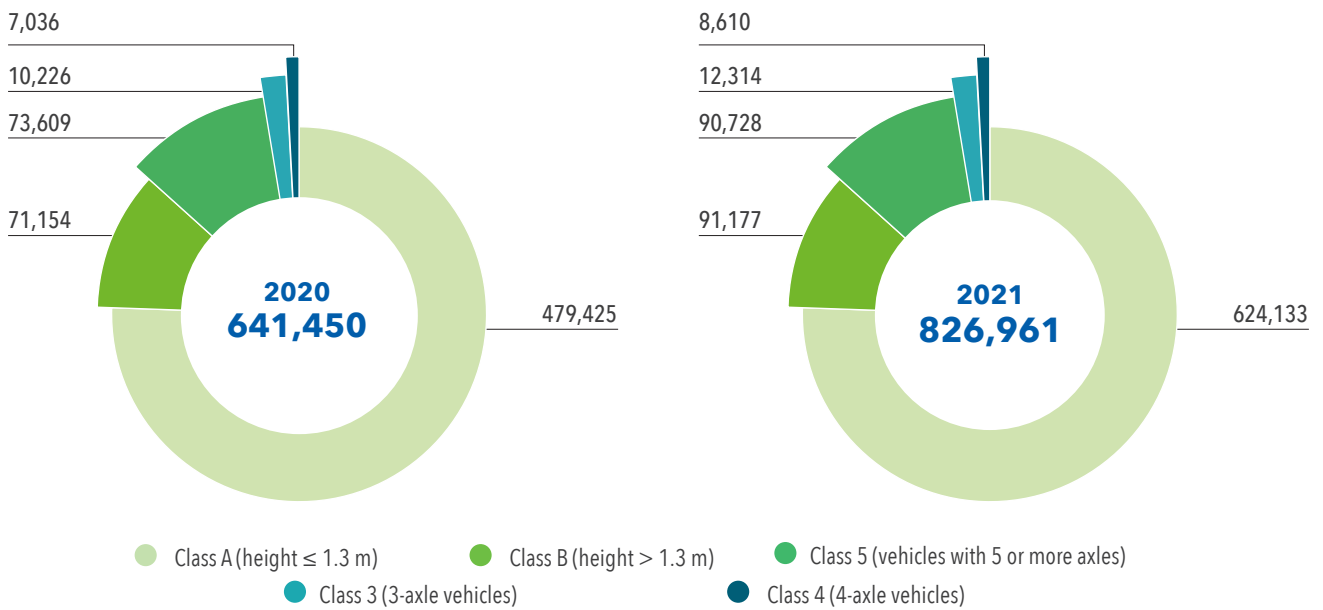
Development of the road safety campaign Autostradafacendo

TRAFFIC DATA ON THE GROUP'S ITALIAN NETWORK

72% of journeys assessed in vehicles/km²⁷ are light vehicles (70% in 2020), the remainder heavy vehicles.

Graphs and data on traffic served daily by the Group's motorway licensee companies in Italy are shown below, indicating services provided to the public.

AVERAGE ACTUAL DAILY VEHICLES BY TYPE OF VEHICLE ²⁸



²⁷ Includes paying vehicles, vehicles subject to paying and exempt vehicles. The definition of vehicles/km refers to total km travelled by vehicles joining the motorway, in particular between the start and end of the stretch, and makes a distinction between actual vehicles, which are the number of all vehicle units, regardless of the category, joining the motorway and regardless of the km travelled.

²⁸ Includes paying vehicles, vehicles subject to paying and exempt vehicles.

ACCIDENT RATE ON THE GROUP'S BRAZILIAN NETWORK

The accident data for the EcoRodovias Group refers to the period from 1 December to 31 December 2021.

For the licensee companies of the EcoRodovias Group, an accident rate of 4.58 is recorded, a fatal accident rate of 0.07 and a mortality rate of 0.09. The indices are calculated as no. of events/journey in thousands of equivalent paying vehicles*100. The accident rate in Brazil is higher due to the country effect, in particular according to a report by the World Health Organization in 2016 Brazil recorded four times as many road accidents compared to Italy.

TRAFFIC DATA ON THE GROUP'S BRAZILIAN NETWORK

The traffic data for the EcoRodovias Group refers to the period from 1 December to 31 December 2021.

For the licensee companies of the EcoRodovias Group, 16,648 thousand of equivalent paying light vehicles were recorded in December 2021 (15,466 in December 2020) and 17,053 thousand of equivalent paying heavy vehicles (15,113 in December 2021) were recorded.

The traffic increase of light vehicles is mainly due to the progress of the vaccination programmes and campaigns intended to tackle the Covid-19 pandemic, which allowed for an easing in the social distancing and travel restriction measures adopted by the Brazilian authorities.

Heavy traffic is also affected by the growth in industrial production and the good results of the farming harvest.



LOCAL PROJECTS IMPLEMENTED

Accident rate studies

In application of Italian Legislative Decree 35/2011 on motorway infrastructure safety management, S.I.N.A. carries out widespread accident rate analysis on the motorway network managed, contributing to evaluating safety developments on the stretches of the individual licensee companies.

Group licensee companies implement progressive safety improvement measures also on the basis of these assessments. After these measures, accident rate studies also serve to verify the actual efficacy of the measures implemented. After identifying the type of action, the period in which it was executed and the date in which the work was completed, it is possible to do subsequent analysis to determine whether accident rates have effectively fallen over time after execution.

AUTOSTRADAFACENDO

One of the fundamental elements for road safety is represented by the human factor. Aware of the importance of this aspect, the Group seeks to raise its users' awareness through the road safety campaign, Autostradafacendo. It seeks to influence the human factor through user communication on virtuous behaviours and misuse.

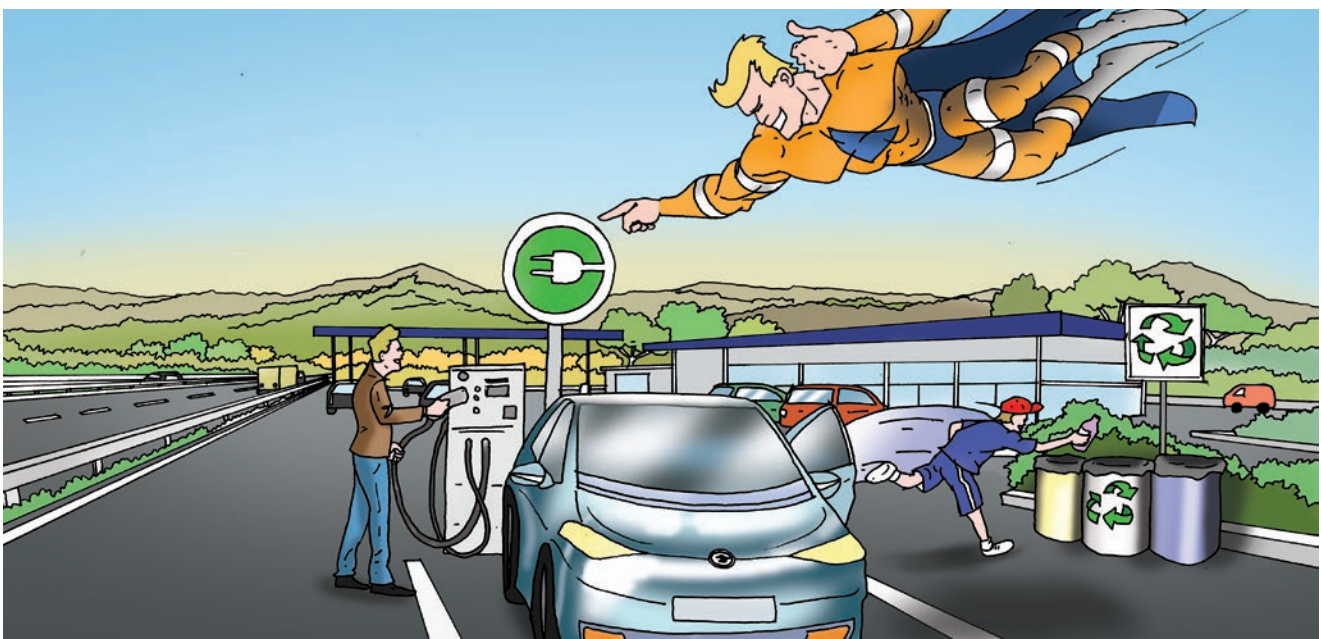
ICARO Project

The ICARO project is a road safety campaign aimed at young people in lower and upper level secondary schools in every Italian province. Its aim is to disseminate the importance of following the rules and laws through correct road user behaviour. Participation is not open to individuals, but to classes located throughout Italy.

Through S.I.N.A., the ASTM Group contributes to the work of the Icaro project alongside the Italian Traffic Police and other illustrious partners who seek to educate young people, and future drivers, about road safety culture. In the second half of the year, new criteria were established for the next competition, which will see young people involved in 2022. In mid December, the award ceremony took place for the classes that won in previous years, but for whom no event could be organised due to the pandemic.

Journalism competition

Again in 2021, the ASTM Group took the opportunity to contribute to the new edition of "Cronisti in classe" (Class Reporters), a journalism competition organised by the newspaper Il Giorno as part of the initiative which promotes road safety for young people.



Of the various topics suggested by the newspaper, road safety was addressed by the young people, who prepared 5 articles, a sign that despite their young age, the topic is already very well known.

COOPERATION WITH EUROPEAN INSTITUTIONS

The mobility system has always had a large influence on local and global socio-economic growth. In recent years, technological developments are demonstrating potential which could favour further acceleration of the same.

It is then easy to understand why mobility is one of Europe's priorities, as it recognises that technology is absolutely necessary for positive changes in the transport system. For this reason, it has invested billions of euros in developing the Intelligent Transport System (ITS), which integrates digital knowledge with transport engineering. The aim is to improve driving safety, protecting people, vehicles and goods, while improving both the quality and efficiency of the systems used to transport passengers and goods, optimising the use of natural resources and respecting the environment.

BENEFITS OF DIGITALISATION OF TRANSPORT IN EUROPE. RESULTS IN A BOOK COORDINATED BY S.I.N.A.

25 March 2021 is the date when the fourth webinar of the "Web ITS Forum" was held, an event entitled "Digitalisation of road transport in Europe: the great progress under the Connecting Europe Facility" dedicated to the benefits achieved by European countries thanks to a wide series of projects for the digitalisation of TEN-T road infrastructure.

The evaluation of these European benefits was carried out with methodologies identified by the group of experts from the European ITS Platform. Through this team, the European ITS Platform developed a set of guidelines to promote a harmonised approach to the evaluation of the benefits of ITS systems and services for the community and for operators.

The objective of ITS systems is to increase the performance of the European road infrastructure and build a unique space for transport, while contributing to the pre-defined objectives of European policy on various fronts: safety, mobility, environment and climate change.

The initial results of the ITS Corridors, prepared using this common approach, are now presented in the "Digitalisation of Road Transport in Europe" book edited by S.I.N.A., which contains an overview of the impacts and overall benefits of the ITS investments co-financed by the European Commission.

Moderating the debate was S.I.N.A., as project manager of the European ITS Platform.

PANEUROPEAN COOPERATION TO IMPLEMENT NEW TECHNOLOGIES

The European ITS Platform (EU EIP) is the place where the Ministries, national road authorities, motorway operators and public and private sector partners coming from almost all European Union member states and bordering countries come to cooperate. Interested operators cooperate to promote, accelerate, harmonise and optimise current and future developments in the implement of road technologies on the Trans-European Road Network. The European platform for Intelligent Transport Systems (ITS) was established and is cofinanced by the European Commission. It is managed by European institutions through the Innovation and Networks Executive Agency (INEA) with the general coordination of the Italian Ministry of Sustainable Infrastructures and Mobility.

It brings together most European Stakeholders with the goal of cooperation, through an open forum able to provide a helpful contribution to future strategies, as well as providing recommendations for new European policies intended to improve development and more widely implement technological services throughout the European road corridors. The Group provided project management for the initiative throughout 2021.

COOPERATION WITH NATIONAL COMMITTEES

SINA - THE PRESIDENCY OF THE PIARC NATIONAL COMMITTEE 3.1A "ROAD SAFETY POLICIES AND PROGRAMMES" FOR THE 2021-2024 FOUR-YEAR PERIOD

On 28 January the first meeting of the PIARC national committee 3.1a "Road safety policies and programmes" was held. S.I.N.A. will chair the committee for the 2021-2024 four-year period. The meeting was attended by 30 national leading experts, including representatives from the Ministry

of the Interior, the Ministry for Infrastructure and Sustainable Mobility and a number of regional administrations.

The Chairperson of the Committee, on behalf of the ASTM Group, led the meeting during which the foundations were laid for the work programme of the National Technical Committee, which approved three areas of interest: "The measurement of safety and intervention tools", "Evolution of mobility and human factor", "Road safety policies (system approach to safety)".

SAFETY MANAGEMENT SYSTEMS OF ITALIAN CONCESSION HOLDERS AND NEW ANSFISA GUIDELINES

After the first goals were achieved by Autostrada dei Fiori S.p.A., which developed the pilot project and obtained ISO 39001 certification in September 2019 for the A10 Savona-Ventimiglia and A6 Torino-Savona sections, and in the last quarter of 2020 by S.A.T.A.P. S.p.A., for the A4 Torino-Milano and A21 Torino-Piacenza sections, more concession holders achieved the same goal during 2021. These were: Autovia Padana S.p.A. (Piacenza-Cremona-Brescia stretch of the A21), SALT S.p.A. (A12 and A15 sections), Asti Cuneo S.p.A. (A33 stretch), A.T.I.V.A. S.p.A. (Torino-Quincinetto and Ivrea-Santhe stretches (A5) and the Tangenziale di Torino and Torino-Pinerolo stretches (A55)).

ANSFISA - Italy's national agency for the safety of railways and road and motorway infrastructure (in charge, among other things, of the verification of the correctness of maintenance processes, inspection activities and spot checks on infrastructure), in August 2021 and October 2021 conducted inspections at the Autostrada dei Fiori (A10 stretch).

The checks, which concerned in particular the organisation and corporate structure, the safety policy, obligations and responsibilities, resources and designation of key safety personnel, were completed with a positive outcome.

During 2021, ANSFISA established a Technical Round Table, in which the Group participated for consultations by the relevant parties and collecting suggestions regarding the drafting of the *"Guidelines for the implementation, certification and evaluation of the performance of Safety Management Systems (SMS) for the verification and maintenance of road and motorway infrastructure"*.

Also considering the voluntary management systems already implemented, at the invitation of ANSFISA, Autostrada dei Fiori S.p.A. now has a safety management system for the verification and maintenance of motorway infrastructure that complies with the aforesaid guidelines.

CUSTOMER SATISFACTION

The Group, in compliance with the objectives of the quality and road safety policy, is committed to monitoring quality perceived by users of its own motor-

way infrastructure. To this end, the licensee companies carry out customer surveys on a regular basis and the results are analysed and used internally to identify strengths and weaknesses, plan improvement actions and follow them up.

CONTRIBUTION OF S.I.N.A. TO INFRASTRUCTURE SAFETY

In 2021, the activities continued by the "S.I.N.A. - ASTM Group Higher Education School for Infrastructure Engineering". The activities implemented in collaboration with the Milan Order of Engineers (FOIM) involved training initiatives for S.I.N.A. and ASTM Group personnel on highly current topics for the sector of engineering and road infrastructure.

In particular, 6 training days were organised dedicated to various topics pertaining to road infrastructure and its various aspects (planning, surveys and monitoring, research and safety), making it possible to engage with a wide range of listeners including from companies outside the Group. To promote interest in the initiatives, contributions were made by professionals from ministries and universities, as well as the world of motorways.

In total, around 850 engineers attended the days in 2021, for which 2129 training credits were given, with an increase of over 20% compared to 2020. In terms of the ASTM Group only, in the reporting period, the total number of credits given was around 1,700, a number necessary to maintain the qualifications of 113 engineers.

The training events were also organised thanks to various collaborations including:

- S.I.N.A. School - ASTM Group School for engineering training of ASTM Group personnel
- International collaboration of the ASTM Group with European road authorities as part of the European ITS Platform
- Seminars organised by PIARC (World Road Association) committees with coordination of S.I.N.A.
- Seminars organised in collaboration with UNASCA (Italy's national association of driving schools)

With reference to the issue of infrastructure safety, which is of utmost importance in the materiality matrix of the ASTM Group, as regards the development and implementation of road restraint systems, S.I.N.A. has consolidated its know-how since the 1960s, through the engineering and full-scale testing of its own-design safety barriers, partnering with the most important and qualified research centres and laboratories over the years.

In this field, it uses specific operating procedures to study the most appropriate and advanced technical and design solutions for restraint systems, which are tested using calculation and numerical simulation models. The operation process culminates in crash tests on the device prototype, which are carried out according to applicable national and European standards, at authorised testing sites/laboratories. The purpose of these tests is to certify the designed system, so it may receive CE marking.

On this basis, S.I.N.A. restraint products and systems, all with CE marking, have been developed and con-

tinually implemented, with a different performance class depending on the intended use. There are more than twenty products currently available, including solutions combining safety barriers with sound-absorbing panels for bridge/viaducts, certified, with the addition of specific reach for LED lamps, as an optimal solution including in terms of environmental friendliness. Further in-depth and development studies - including trials - were carried out on two systems to improve the performance of the ground connection of barriers embedded in the terrain, for which patent applications have been filed.

S.I.N.A. also undertook a viaduct monitoring project characterised by significant technological and innovative content. The system is formed of a high number of sensors that continuously measure the standard parameters of the structure. The consistent amount of information generated by these instruments is then allocated to a cloud and analysed with specific algorithms. The structures are modelled numerically to monitor their behaviour and obtain information about any damage or degradation processes. The bridge and viaduct assessment activities are repeated annually and take into account the changing state of preservation of the structures as recorded during the year as a result of the inspections.

The process to increase knowledge about the structural status of tunnels continued: S.I.N.A. developed an inspection methodology with the assistance of specialised consultants which, using the CETU (Centre d'Etudes des Tunnels) guidelines as a reference and adopting the relative IQOA (Image Qualité des Ouvrages d'Art) classification, makes it possible to achieve an in-depth portrait of a tunnel.

The methodology identified, which includes multiple stages, both in the field and backoffice, features an approach based on analysing the historical data for every individual tunnel. The process makes it possible to characterise the assessment and assign priorities and the consequent maintenance projects.

S.I.N.A., also in synergy with Group companies active in the technology sector, developed a standardisation project of the operating processes for tunnels and the management of systems through the definition of specific emergency management procedures. Reference scenarios range from the presence of a construction site through to the most serious case of a fire involving multiple heavy vehicles.

In summary, the technologies being implemented in tunnels associated with the innovative equipment management system will make it possible to improve safety and energy efficiency, also thanks to the monitoring of the equipment present.

The skills and professionalism of S.I.N.A. acquired during the planning and development of new works, tunnel safety and surveillance and infrastructure control and inspection systems, as well as environmental monitoring activities, were also placed at the disposal of the Group companies in order to build even safer and more resilient works, infrastructure and systems.

Specifically, over 11,400 linear metres of viaducts on the Italian motorway network have continuous monitoring sensors, of which over 5,200 linear metres were set up in 2021.



THE ASTM COMMITMENT TO THE ECOLOGICAL AND DIGITAL TRANSITION TOWARDS THE MOBILITY OF TOMORROW

PROJECTS TO SUPPORT SUSTAINABLE MOBILITY: BY 2026 THE ENTIRE NETWORK WILL BE ELECTRIFIED

In the context of sustainable mobility, the ASTM Group, in order to contribute to the decarbonisation goals and facilitate the dissemination of electric mobility including on motorways, launched initiatives a few years ago that reduce environmental impact and contribute to meeting the market's expectations.

In particular, within the perimeter defined by the EU Directives and national legislation for the dissemination of electric mobility on motorways, the Group has prepared through its licensee companies specific Dissemination plans for charging services. The implementation of the aforesaid plans, based on compliance with the principles of technology neutrality and market openness, is still ongoing also thanks to the commitment of the operators active in service areas.

To date, along the motorway network managed by the licensee companies of the ASTM Group, and in particular along the Tyrrhenian-Brenner (A12-A15) corridor, along the stretches connecting with France and Switzerland (A10 and A5) and at the gates to Milan (A4), there are 13 active charging stations, 9 of which are ultra-fast which allow for an electric vehicle to be charged to 80% autonomy in 15-20 minutes.

These include the stations recently activated at the service areas Versilia Est and Versilia Ovest, located along the A12 motorway under concession to SALT p.A. and inserted in a particularly significant territo-

rial context for tourism.

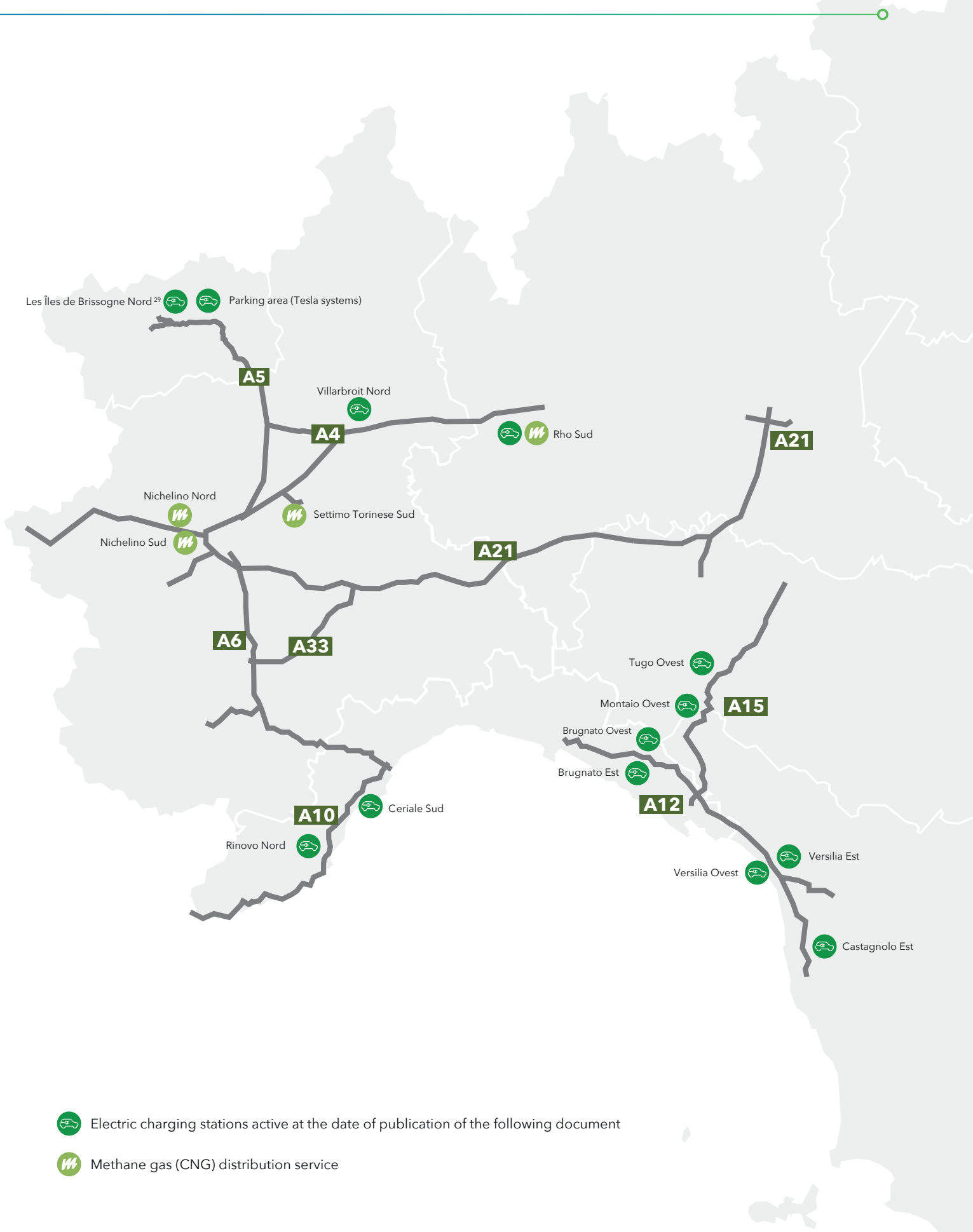
The Les Îles de Brissogne Nord service area and the area of the former disused barrier opposite it, along the A5 motorway stretch (Quincinetto - Aosta) of the licensee company S.A.V., have been identified as optimal areas for the development of a trial project consisting of the installation of high-power fast charging points. The service within the Les Îles de Brissogne Nord area is active. The station in the former barrier area, which will be the first exclusively dedicated to an electric charging service, is under construction.

The position has strategic significance. In fact, the motorway stretch managed by S.A.V. S.p.A. through the concession connects the national major road system with France and Switzerland, through the Monte Bianco and Gran San Bernardo tunnels and the Piccolo and Gran San Bernardo passes, serving as an access point to numerous and important Alpine tourism areas.

Through different implementing methods, considering the evolution of the market, technology and compliance with the indications of the Granting Body, the Ministry of Infrastructure and Sustainable Mobility (MIMS) and the competent authorities, the range of stations will be progressively increased in service areas over the next few years.

The medium and long-term strategy of the ASTM Group, organised into subsequent phases in order to guarantee a number of stations and an interdistance between them that is adequate for changes in demand, aims to disseminate electric charging services in all service areas of its network in Italy by 2026.

To support the electrification of transport infrastructures, the Brazilian motorway concessions have also launched a plan to build more electric charging stations: most of the service areas should be equipped with charging stations by 2022.



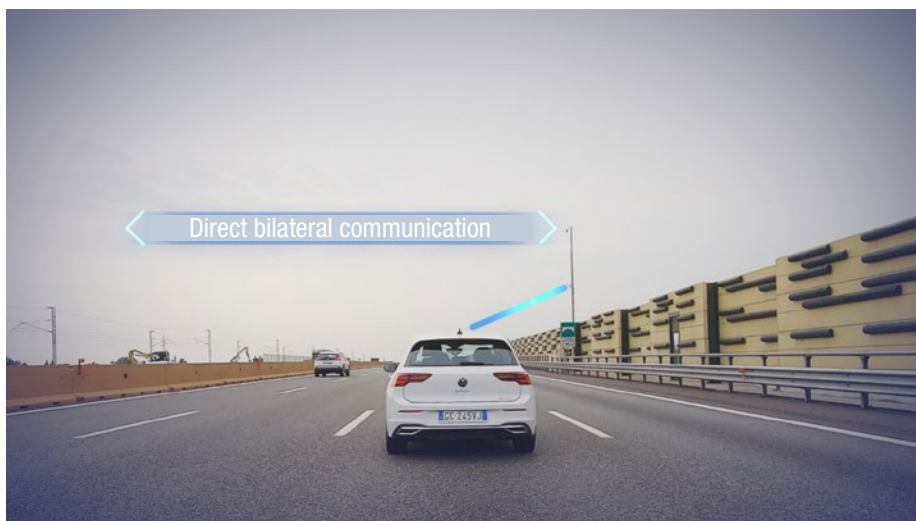
²⁹ Trial project launched

MOBILITY OF THE FUTURE: SMART AND CONNECTED

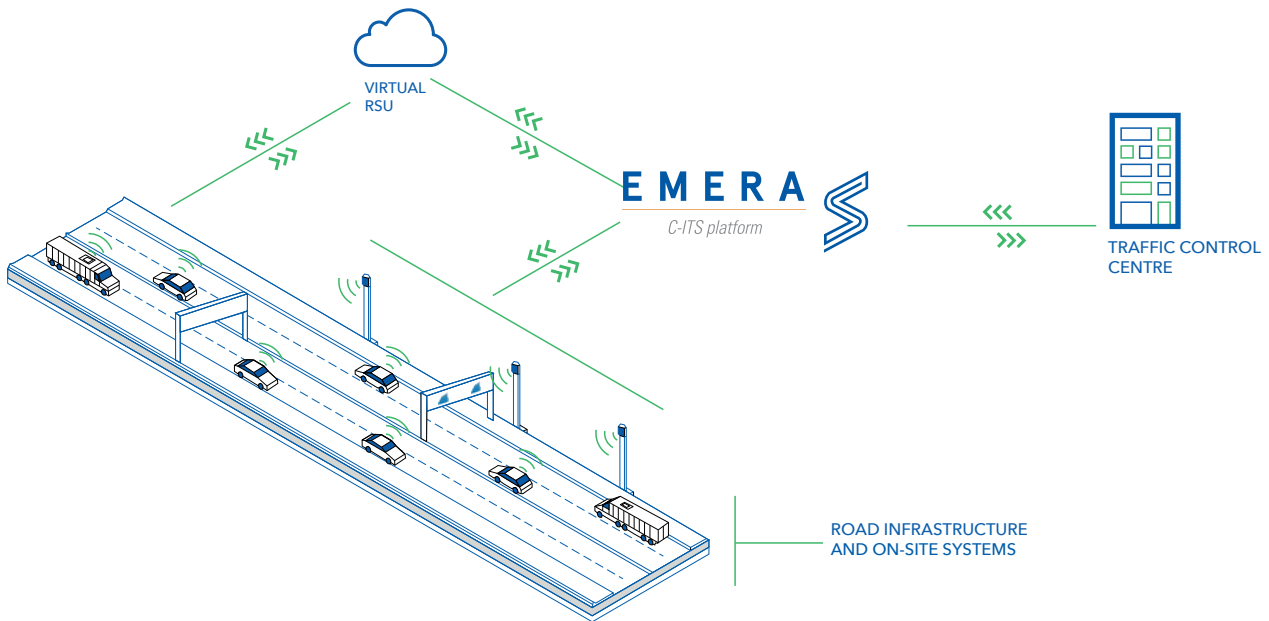
ASTM GROUP AND VOLKSWAGEN GROUP ITALIA TOGETHER FOR VEHICLE-INFRASTRUCTURE DIALOGUE

The digitalisation of transport infrastructure is driving us towards a new smart and connected mobility. In this context, the creation of a system that supports vehicle-infrastructure dialogue is an essential step for cooperative scenario openness, where operators and users will have the possibility to exchange information to optimise journeys, thus reducing accidents, congestion and polluting emissions.

The ASTM Group - through its own technological branch, Sinelec - and Volkswagen Group Italia have launched a partnership that brings car makers and road operators significantly closer. These two parties are fundamental for the development of technology in support of connected mobility. The collaboration, presented to the press in November 2021, arose from the Connected Car & Mobility Observatory of the Polytechnic University of Milan, where both companies are research partners.



Through this important collaboration it has been possible to test the interconnection between a standard car and the motorway in open traffic conditions for the first time in Italy. Specifically, direct vehicle-infrastructure dialogue applied to the "ongoing works" use case on the Arluno-Rho stretch of the A4 Torino-Milano motorway has been demonstrated. The technological enabler of vehicle-infrastructure dialogue is EMERAS, the software platform by Sinelec, which was created to respond to the technological and operational challenges deriving from a connected road ecosystem.



The initiative is part of the modernisation, technological innovation and ecological transition projects on the A4 Torino-Milano motorway of the ASTM Group. The first part of these projects will be completed by 2024 on the Milano-Novara pilot stretch, before extending to the entire motorway, subject to the Ministry of Infrastructure and Sustainable Mobility (MIMS) authorisation. By 2030, among other things, the vehicle-infrastructure communication systems will be extended, hydrogen distributors introduced, the sensor monitoring system for works increased, 70% recycled asphalt used for deep layers and graphene asphalt for the surface layer and wrong way vehicle detection and hazardous goods detection systems implemented.

The development and implementation of cutting-edge technological solutions are an integral part of the ASTM Group's long-term strategy, which strives for increasingly more modern, safer and more sustainable motorways. The Group intends to be a protagonist in the digital transformation and ecological transition processes of its infrastructure with the aim of continuing to increase the travel experience and quality of service offered.



SINELEC AND THE MOTORWAY COMPANIES

Sinelec is the technological player of the ASTM Group. It accumulates its expertise in intelligent transportation systems (ITS) and electronic tolls. Specialising in the development, implementation and maintenance of innovative solutions for safe and smart traffic management, Sinelec helps highways operators to confront the challenges of the increasingly sustainable and interconnected mobility of the future. Furthermore, Sinelec operates for the ASTM Group as its ICT service provider, responsible for digital services and telecommunications networks.

TOLL COLLECTION SYSTEMS

Sinelec offers complete systems for toll collection: lane devices, data acquisition systems, station control platforms and financial information processing and reconciliation systems. Installed at over 900 points, Sinelec's system has been designed to manage users of the European Electronic Toll System (EETS).

Already a leader in traditional toll collection, Sinelec developed the "free flow" system S*GATE, based on artificial intelligence, machine learning technologies and 3D tracking. The "free flow" system makes it possible to identify and classify the vehicle passing under the point without it having to stop at the collection booth. This provides benefits in terms of traffic management and emissions. The use of cutting-edge technologies increase the accuracy of the collection process, while reducing the use of electronics on site, with a consequent reduction in costs during the acquisition, installation and maintenance stages.

INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

In the context of intelligent transportation systems, Sinelec proposes various solutions intended to guarantee growing safety levels and even more effective traffic management.

SINCRO is an integrated system that monitors motorway stretches, manages information and coordinates infrastructure intervention and maintenance activities. SINCRO guarantees the complete and functional integration of different systems used in ITS (e.g. cameras, variable message signs and SCADA systems) and simplifies their coordination by collecting data in a single complete and intuitive interface. In addition, the system acts as a Decision Support System (DSS) by providing operators, operating managers and maintenance staff with tools to effectively manage daily operations and emergencies, optimising response times and coordination with third parties, such as police forces and [?] SINCRO is now the heart of 14 operating centres in Italy which manage more than 1,400 km of motorway network.

LIBRA/S is the Sinelec solution for Weigh-In-Motion (WIM). Weigh-in-motion systems were created from the need to govern the phenomenon of overloaded vehicles in the context of road transportation. There are multiple negative externalities caused by these vehicles: in addition to reducing the life expectancy of road infrastructure, causing further deterioration to the paving and works such as bridges or viaducts, they have an impact on safety and environmental pollution.

The LIBRA/S platform consists of an on-site component (weighing stations) and a central control system, which uses diagnostic, data analysis and reporting instruments to allow the monitoring and overview of the network of weighing stations, supporting customers in the optimisation of day-to-day management and the processing of predictive maintenance models related to the circulation of heavy traffic.

Sinelec has recently integrated its portfolio by introducing EMERAS, a platform for C-ITS (Cooperative-Intelligent Transportation Systems) services. The digitalisation of transport infrastructure is driving us towards a new smart and connected mobility. In this context, the creation of a system that supports vehicle-infrastructure dialogue is an essential step for cooperative scenario openness, where operators and users will

have the possibility to exchange information to optimise journeys, thus reducing accidents, congestion and polluting emissions. EMERAS enables the real-time two-directional communication between vehicles and infrastructure and guarantees integration with both ITS on the road and with traffic control centres. In addition, by collecting and aggregating information related to the current scenario, the platform immediately activates dedicated response plans taking account of the risk factors, disseminating geolocalised messages addressed to enabled vehicles. EMERAS manages complex critical situations, thus assisting road operators in the achievement of their safety objectives.

ROADS OF THE FUTURE

For Sinelec, the roads of the future are characterised by a new management paradigm which involves a multi-level technological and operating transformation process, to be applied gradually to the entire infrastructure system. Smart roads include multiple areas such as connectivity, cybersecurity, real-time traffic monitoring and infrastructure status, with the short/medium-term objective of enabling a more sustainable and safer mobility, and with one long-term goal: the introduction of self-driving connected vehicles. In this context, Sinelec offers operators valid tools to support their roadmap towards digital roads.

Committed for several years to the digital evolution processes of infrastructure, Sinelec is currently involved, as lead company of a joint venture, in the Smart Road project by Anas in Italy, one of the most ambitious and innovative road digitalisation programmes. Specifically, Sinelec is working on two different initiatives that involve the A2 "Mediterraneo" motorway and the A90 Grande Raccordo Anulare di Roma / A91 Roma-Aeroporto Fiumicino motorways respectively. The development of an advanced technological infrastructure is being completed. It aims to increase safety and driver comfort, and to enable interoperability between connected vehicles and infrastructure. The project will implement technological solutions necessary to provide C-ITS services and basic infrastructure to guarantee communication (fibre-optic network) and power (stations powered by renewable sources) on the smart road. The initiative will be energy-sustainable, thanks to the construction of "green islands", electricity generators also intended to promote the transit of electric vehicles.

TECNOSITAF RESEARCH AND INNOVATION PROJECTS

Tecnositaf S.p.A., the integrated engineering company of the ASTM Group, is constantly active in research and innovation with continuously evolving studies and projects. In particular:

- **WIFI IN MOTION** - Thanks to this study and development, Tecnositaf has achieved the objective of guaranteeing WiFi communication to users on the move at more than 100 km/h. This solution is being installed on the A32 Torino - Bardonecchia motorway and in the T4 Frejus Tunnel.
- **SECTRAM EUROPEAN PROJECT** - Safety in goods transport, which involved the study and implementation of logistics solutions, dedicated to roads, railways and ports, to improve safe conditions of services and multi-modal transport infrastructure;
- **ECOFEV and FABRIC EUROPEAN PROJECTS** - These projects involve the feasibility study of constructing lanes for the dynamic charging of electric vehicles. The activities led to Tecnositaf filing a patent on the installation and construction of dynamic charging lanes based on induction charging. A test site was then created where specifically equipped vehicles could recharge during driving.

DONATIONS AND SPONSORSHIPS

The ASTM Group is aware that relations with local communities are an important driver in creating shared value, and develops and promotes initiatives that help the economic, social and cultural development of local areas. With this in mind, the Group fosters relationships based on trust and cooperation with local communities, contributing directly or indirectly to supporting and/or funding projects and initiatives with a significant impact on the areas where it operates.

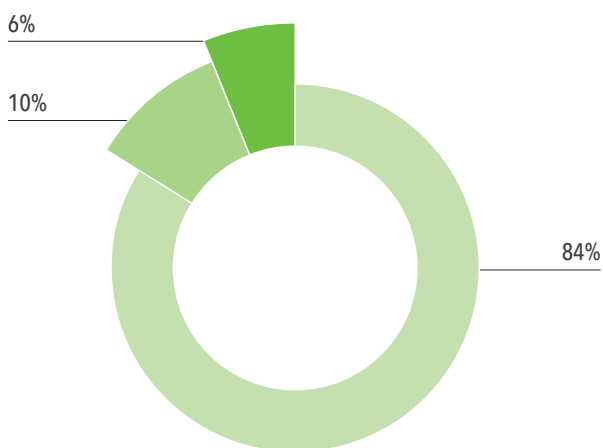
ASTM has defined principles and methods for offering donations and sponsorships in the internal procedures forming part of the Anti-Corruption System, certified in accordance with ISO 37001, as guarantee that the interventions are carried out in accordance with the approved budget and only following the positive outcome of certain checks on the validity of the purpose and the intentions of the payment, and on the credibility and moral integrity of the potential beneficiary.

In particular, through donations the Group companies promote humanitarian and social initiatives in order to contribute to the development of the so-

cial fabric in which they operate; the sponsorships are instead used as a communication instrument through which each company supports cultural, artistic, sport, social or technological initiatives, with the aim of increasing its popularity and promoting its reputation positively.

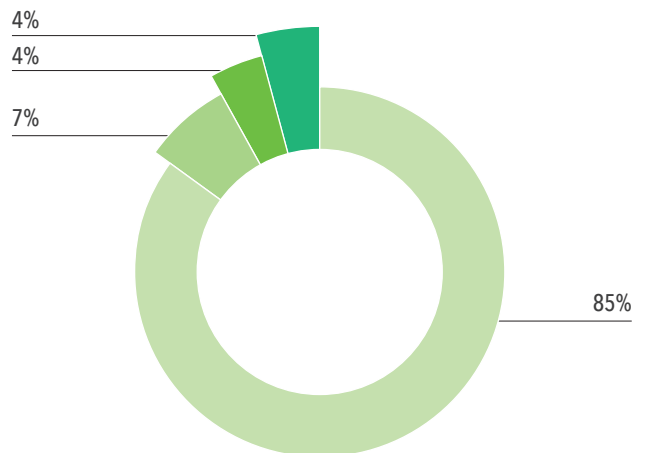
In 2021, the Group made donations of around € 269 thousand (€ 3,505 thousand in 2020) and sponsorships for around € 2,477 thousand (€ 873 thousand in 2020). As part of the sponsorships, in particular, the Group allocated around € 2,304 thousand to community initiatives with a commercial impact (€ 837 thousand in 2020) and invested around € 173 thousand in the community (€ 36 thousand in 2020). ASTM considers community relations as a vital part of its business. This is why it establishes long-lasting relations, setting up initiatives and projects that can benefit local areas from both a social and cultural standpoint. In particular, it considers sport an important way to encourage the growth of local communities and the development of young people.

TYPE OF INITIATIVE



- Community initiatives with a commercial impact
- Donations
- Community investments

TARGET SECTOR



- Sport
- Other
- Health
- Welfare

ASTM FOR SPORT

ASTM invests in sport and the values it represents, aware of the role that it plays in the training of people, in particular of young people, in the local areas where the Group operates.

In basketball, the Group has for many years supported Derthona Basket, the historic team from the city of Tortona. ASTM sponsored the team for the 2021-2022 sports season for a total of around € 4 million, of which over € 1 million in 2021. Derthona, with its first team, currently participates in the Italian Serie A basketball championship, representing absolute excellence at national level.

In 2021, works then started on the Cittadella dello Sport in Tortona, the new sports centre for the city. The new infrastructure on the one hand will be tangible proof of the Company's sports journey, and on the other, will represent an opportunity for the territory, linked to sport and much more.

The Group's sponsorship activity is also marked by an entrepreneurial approach, as well as an awareness of the role of sport. Investments are made in people and in infrastructure, too, equipping Tortona with a Sports "Citadel" open to everyone and destined to last over time, a building that will change the face of the city itself, becoming a distinctive element of it. The "Citadel" will include poly-functional sports installations, ample green spaces and of course the indoor sports stadium that hosts up to 5,000 people.

In rugby, through Itinera the Group has been the main sponsor of the CUS Ad Maiora Rugby 1951 since the 2017/2018 sports season. Both the men's and women's CUS Torino (Piedmont capital's University Sports Centre) teams take part in the Serie A championship. Itinera also offers deserving youngsters a chance to go on a work placement, which is a unique opportunity to learn about the company first hand. This year, the grant paid to the team totalled € 120 thousand.

Lastly, SEA Segnaletica Stradale S.p.A. has also supported the Derthona Calcio football club with € 171 thousand and Halmar International LLC the New Jersey Devils hockey team with approximately € 190 thousand.

FAI (FONDO AMBIENTE ITALIANO - ITALIAN ENVIRONMENTAL FUND)

During 2021, ASTM became part of the "FAI 200", a group of patrons and companies established in 1987 to support the Foundation and its work to protect culture, art and nature.

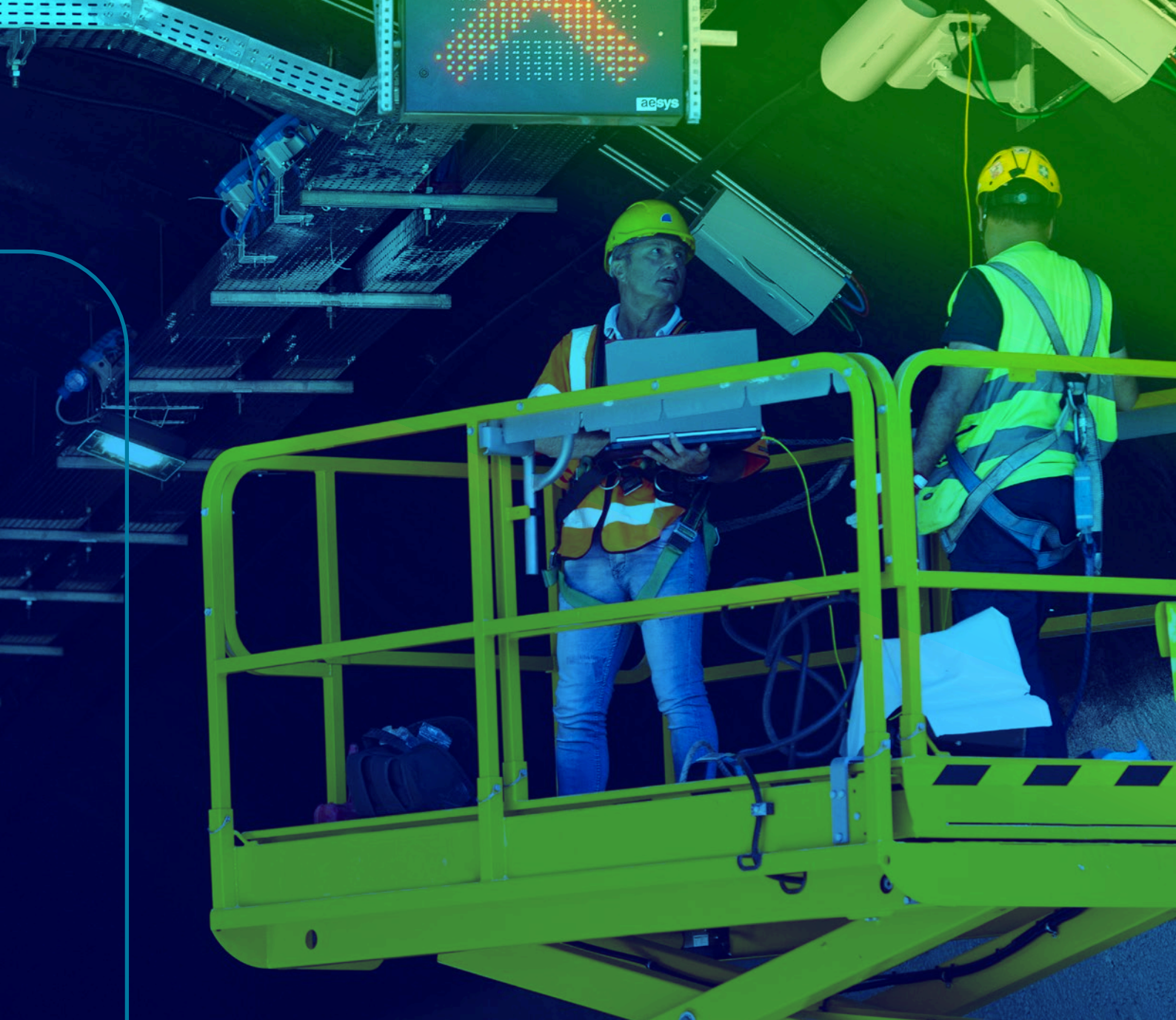
For over 40 years, the Italian Environmental Foundation has worked every day, together with over 190,000 members, to maintain the special places of Italy for present and future generations. Today, FAI protects 64 assets, including castles, villas, monasteries, parks and forests.

THE ECOVIVER SOCIAL PROGRAMME OF ECORODOVIAS

EcoRodovias has implemented various social projects in the communities where it operates. Developed by environmentalists and educators, Ecoviver is an educational and artistic project that aims to promote environmental awareness among community residents and primary school pupils.

The Ecoviver project is in its 15th year and 332,000 students and 12,000 teachers from 40 cities across Brazil have benefited from it so far.





03

OUR RESPONSIBILITY TOWARDS PEOPLE

- 101** People
- 109** Diversity and inclusion
- 115** Remuneration and benefits
- 119** Human Capital Development
- 122** Health and safety

CONTEXT

There are approximately 220 million unemployed worldwide: of these, the majority are young people. In particular, the global rate of youth unemployment (14.6%) is more than two times the average rate (6.5%).³⁰ The global unemployment rate has increased by 1.1%, a fact that underlines the need for greater efforts to promote additional employment opportunities, in particular for the new generations, to reduce inequalities (in particular in terms of the gender pay gap) and to promote working environ-

ments that are more dignified, safer and healthier³¹. General disparity is still a widespread problem in the world, even if some forms of direct and indirect discrimination against women and girls have attenuated and numerous countries have achieved important goals regarding gender equality in terms of education, health, access to the economy and politics. In particular, compared to some gradual improvements since 2006, there is still a Global Gender Gap Index of 32.3%, a slight increase on the previous year. If this trend continues, the gap will be closed in around 100 years³².

³⁰ International Labour Organization (ILO), World Employment and Social Outlook, Trends 2021

³¹ United Nations (UN), The Sustainable Development Goals Report, 2021

³² World Economic Forum (WEF), The Global Gender Gap Report, 2021



PEOPLE

ASTM considers its employees as the most important resource it has in order to create value within the organisation and also lay the foundations for its success.

ASTM's human resources management policies promote stable, long-lasting working relationships, which include part-time, that can meet employees' needs for a more flexible, dynamic approach.

"We believe in our people and invest in them, developing their skills. We support the protection of human rights, recognising the equal dignity of all people and diversity as essential resources for the development of humanity. We promote the health and safety of our people and the creation of an ethical working environment."

The Code of Ethics

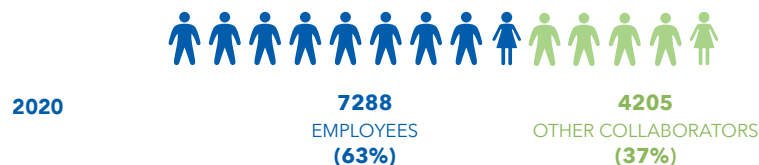
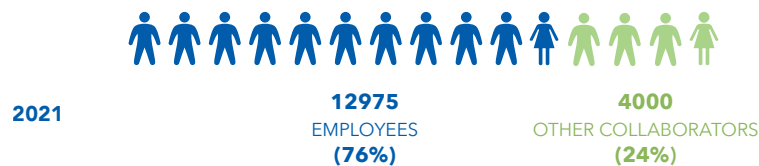


16,975
EMPLOYEES AND OTHER
COLLABORATORS



97%
EMPLOYEES WITH
PERMANENT CONTRACTS

GROUP PERSONNEL



EMPLOYEES AND OTHER COLLABORATORS BY GENDER

NO. OF PEOPLE	AT 31 DECEMBER 2020			AT 31 DECEMBER 2021		
	Men	Women	Total	Men	Women	Total
Employees	6,108	1,180	7,288	9,437	3,538	12,975
<i>of which joint operations</i>	983	122	1,105	656	73	729
Other collaborators	4,176	29	4,205	3,925	75	4,000
<i>of which joint operations</i>	4,156	21	4,177	1,771	40	1,811
Total	10,284	1,209	11,493	13,362	3,613	16,975

The Group's overall work force at 31 December 2021 totalled 16,975 people (11,493 in 2020), of whom 12,975 were employees (7,288 in 2020) and 4,000 other collaborators (4,205 in 2020).

The increase in the number of employees compared to the previous year of 5,687 people is mainly related to the EcoRodovias Group entering the consolidation perimeter (4,547 employees) and the S.I.T.A.F. Group (551 employees), in addition to the increases from Itinera Construções (553 employees in 2021 and 19 in 2020, + 534).

The item "Other collaborators" (4,000 in 2021,

4,205 in 2020) mainly includes temporary workers deployed at operating sites abroad. This decreased slightly compared to the previous year followed the combined effect of the entry into the perimeter of the EcoRodovias Group and S.I.T.A.F. Group (increase of 2,153 people) and reduced operations at the Reem Mall site, which resulted in the number of people working for the Itinera Ghantoot and Itinera Agility joint operations coming down significantly (down by 2,386 people).

In 2021, 73% of employees were male, and nearly all other collaborators were male.

GROUP EMPLOYEES BY BUSINESS SEGMENT

MOTORWAY CONCESSIONS
43%



CONSTRUCTION
38%



HOLDINGS AND OTHER MINOR COMPANIES
12%



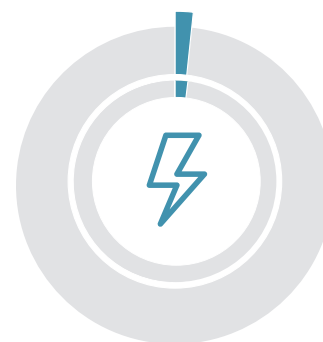
TECHNOLOGY
3%



ENGINEERING
2%



PLANT ENGINEERING
2%



Looking at the breakdown of personnel by business segment, approximately 43% (32% in 2020) work in the motorway concessions sector, approximately 42% (62% in 2020) in the EPC sector, of which 38% (56% in 2020) in the construction sector, 2% (4% in 2020) in engineering and 2% (2% in 2020) in plant engineering, whereas business, technology and other sectors employ the residual 15% of resources (6% in 2020).

GROUP EMPLOYEES BY GENDER AND TYPE OF CONTRACT (PERMANENT, TEMPORARY)

NO. OF PEOPLE	AT 31 DECEMBER 2020			AT 31 DECEMBER 2021		
	Men	Women	Total	Men	Women	Total
Temporary	351	118	469	279	132	411
<i>of which joint operations</i>	159	36	195	78	23	101
Permanent	5,757	1,062	6,819	9,158	3,406	12,564
<i>of which joint operations</i>	824	86	910	578	50	628
Total	6,108	1,180	7,288	9,437	3,538	12,975

As proof of the Group's continuous commitment to promoting stable, long-lasting working relationships, around 97% of employees have permanent contracts, an increase on the previous year (94%). This percentage is another excellent result regarding the current macro-economic context in which the Group operates.

Employees on permanent contracts totalled 5,379 in Latin America (404 in 2020), 4,477 in Italy (4,027 in 2020), 1,212 in the United States (1,464 in 2020), 987 in the Middle East (568 in 2020), 508 in the rest of Europe (356 in 2020) and 1 in South Africa (0 in 2020). Employees with temporary contracts totalled 242 in Italy (189 in 2020), 101 in South Africa (193 in 2020) and 68 in the Rest of Europe (84 in 2020).

GROUP EMPLOYEES BY GENDER AND PROFESSION (FULL-TIME, PART-TIME)

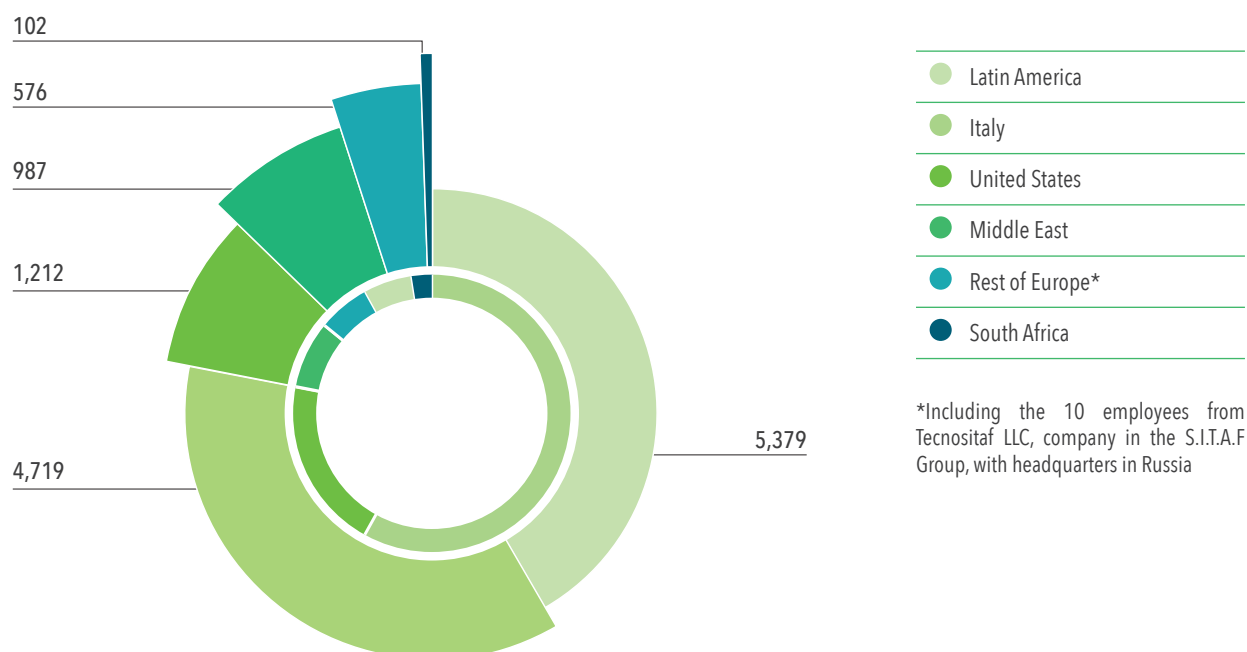
NO. OF PEOPLE	AT 31 DECEMBER 2020			AT 31 DECEMBER 2021		
	Men	Women	Total	Men	Women	Total
Full-time	5,732	882	6,614	9,031	3,132	12,163
<i>of which joint operations</i>	982	119	1,101	655	72	727
Part-time	376	298	674	406	406	812
<i>of which joint operations</i>	1	3	4	1	1	2
Total	6,108	1,180	7,288	9,437	3,538	12,975

In 2021, 812 (674 in 2020) employees have part-time contracts, approximately 6% of all employees (9% in 2020). These are equally distributed between men and women.

GROUP EMPLOYEES BY GEOGRAPHIC AREA

NO. OF PEOPLE	AT 31 DECEMBER 2020			AT 31 DECEMBER 2021		
	Men	Women	Total	Men	Women	Total
Italy	3,326	890	4,216	3,702	1,017	4,719
United States	1,362	102	1,464	1,146	66	1,212
Middle East	547	22	569	967	20	987
Rest of Europe	333	107	440	471	105	576
Latin America	381	25	406	3,072	2,307	5,379
South Africa	159	34	193	79	23	102
Total	6,108	1,180	7,288	9,437	3,538	12,975

GROUP EMPLOYEES BY GEOGRAPHIC AREA



In 2021, approximately 42% of Group employees were based in Latin America (6% in 2020), around 36% in Italy (58% in 2020), around 9% in the United States (20% in 2020), around 8% in the Middle East (8% in 2019), 4% in the Rest of Europe (6% in 2020) and around 1% in South Africa (2% in 2020).

NEW HIRES BY GENDER AND AGE GROUP

GENDER	AGE	2020		2021	
		no. of people	Turnover %	no. of people	Turnover %
Women	<30 years	104	81.89%	1,007	100.60%
	30-50 years	208	33.07%	1,526	78.10%
	>50 years	91	21.46%	195	33.45%
Total women		403	34.15%	2,728	77.11%
Men	<30 years	588	81.55%	1,092	71.14%
	30-50 years	1,423	48.09%	3,588	71.99%
	>50 years	756	31.14%	744	25.50%
Total men		2,767	45.30%	5,424	57.48%
Total		3,170	43.50%	8,152	62.83%

In 2021, 8,152 people joined the ASTM Group (3,170 in 2020), with a turnover rate (new hires) equal to around 62.83% (around 43.50% in 2020).

In particular, in Latin America, 6,032 new people entered in 2021 (EcoRodovias Group +4,547), in Italy 1,172 people (S.I.T.A.F. Group +551), in the Middle East 495, the Rest of Europe 381, the United States 50 and in South Africa 22. The turnover rate for new hires at 31 December 2021 was 112.14% in Latin America, 66.15% in the Rest of Europe, 50.15% in the Middle East, 24.84% in Italy, 21.57% in South Africa and 4.13% in the United States.

With a view to the sustainable development of skills and human resources, the Group tries to recruit candidates from areas where it operates, that preferably meet the professional profiles necessary for it to achieve its objectives.

In 2021, around 96% of Group executives were working in their home country (95% in 2020).

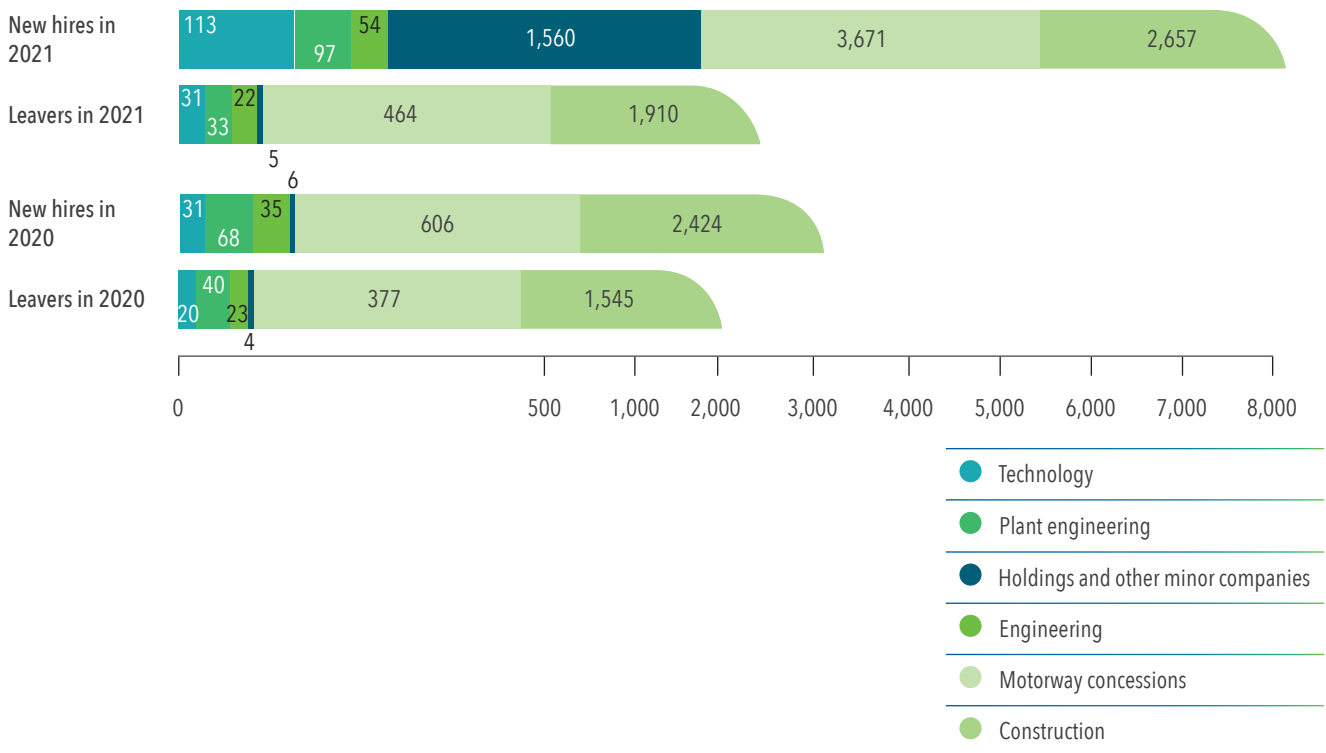
LEAVERS BY GENDER AND AGE GROUP

GENDER	AGE	2020		2021	
		no. of people	Turnover %	no. of people	Turnover %
Women	<30 years	83	65.35%	118	11.79%
	30-50 years	95	15.10%	173	8.85%
	>50 years	45	10.61%	79	13.55%
Total women		223	18.90%	370	10.46%
Men	<30 years	373	51.73%	298	19.41%
	30-50 years	1,039	35.11%	1,351	27.11%
	>50 years	374	15.40%	446	15.28%
Total men		1,786	29.24%	2,095	22.20%
Total		2,009	27.57%	2,465	19.00%

The turnover rate (leavers) at 31 December 2021 was equal to around 19.00% (around 27.57% in 2020). During the year, a total of 2,465 people left the company (2,009 in 2020), of whom 370 were women and 2,095 men, mainly in the 30-50 age group. Leavers in Latin America totalled 1,059, in the Italy 667, in the United States 302, in the rest of Europe 209, in South Africa 113 and in the Middle East 77.

The outgoing turnover rate at 31 December 2021 amounted to 110.78% in South Africa, 36.28% in the Rest of Europe, 24.92% in the United States, 19.69% in Latin America, 14.13% in Italy and 7.80% in the Middle East.

TURNOVER FOR NEW HIRES AND LEAVERS BY BUSINESS SECTOR



33% of new hires and around 77% of leavers are in the construction sector, with 2,657 new hires and 1,910 leavers in 2021. The concessions sector recorded 3,671 (45%) new hires and 464 (19%) leavers.

In addition, the concessions sector, as a result of some unique aspects particularly related to staffing motorway toll booths, is characterised by a high number of seasonal employees.

ASTM and its operating subsidiaries are defining, through their internal policies and procedures, the responsibilities, criteria and methods followed for personnel employment: from planning and identifying profiles for candidates for specific operating segments to identifying the employment category and salary package.

These activities are inspired by impartiality, transparency, autonomy and independent judgement criteria. In particular, favouritism of any kind is prohibited, and a policy is pursued that recognises expertise, ability and professionalism and ensures inclusion.

INDUSTRIAL RELATIONS

The operations of ASTM Group Italian companies are extensive, and are covered by a large number of collective bargaining agreements and consequently a considerable number of second-level company and/or local contracts.

100% of employees in Italy are covered by collective bargaining agreements and the most representative, in terms of number of employees are: the building industry and local-level agreements, the engineering industry, motorways and road tunnels, items manufactured in concrete and senior management in industry.

Italian Law 300/70 (Workers' Statute) which forms the basis for all labour laws and national and local bargaining agreements, and for all trade union negotiations, is the reference legal framework for companies to manage industrial relations. Companies acknowledge that the trade union organisations who are signatories of national and local collective bargaining agreements are the "natural" parties to

deal and negotiate with regarding financial and legal aspects of redundancy procedures.

Given the high number of contracts in place, industrial relations play an important role in human resources management, also considering the ramifications at a geographic level of the Group's operations in Italy and abroad. As part of its strategies, which target growth and the optimisation of work, including safety and quality levels in human resources management, ASTM Group companies focus first and foremost on empowering work, professional qualifications and improving employee satisfaction levels as part of provisions established by law and by contracts. The involvement of trade unions in an industrial relations system that is more functional to achieving results for both companies and employees is strategic to reach objectives.

In the context of industrial relations, the companies have therefore strengthened regional solutions

through innovative tools such as welfare measures and supplementary healthcare schemes. Industrial relations also cover all bargaining for the professional training of resources, involving both trade union representatives and workers in order to maintain high professional standards. The companies again confirmed their commitments to the Fondimpresa/Fondirigenti/Fonte training fund and consider it a valid tool in preparing training programmes and in providing supplementary funding for training costs.

Take-up among employees for supplementary pension and healthcare schemes is very high.

Regarding staff employed abroad, local regulations concerning industrial relations, salaries, insurance and welfare are complied with in full, in accordance with laws in effect in countries where the Group operates.

DIVERSITY AND INCLUSION

“Empowering human capital based on meritocracy, professional competencies, appropriate behaviour, honesty and trust, and promoting a working environment that is inclusive and open to diversity, are the cornerstones of the ASTM Group’s human resources policies.”

Diversity and Inclusion Policy

ASTM recognises the diversity of its employees as a success factor and seeks to maximise their experience, capabilities and qualities. ASTM believes that diversity, in all its forms, is a strategic benefit as it enhances cultural initiatives, promoting a work environment that is inclusive and focused on co-operation and innovation. The Group is careful to avoid all forms of discrimination concerning employment and work, and does not tolerate any form of discrimination based on ethnic or racial origin, skin colour, gender, sexual orientation, religious beliefs, nationality, age, political opinions, trade union representation, marital status, health, and any other social or personal conditions.

These principles are set out in the Diversity and Inclusion Policy adopted by ASTM which all personnel shall comply with in relations with colleagues, customers, suppliers and all people they come into contact with while carrying out activities.



Confirming its commitment to eliminate all forms of discrimination and obstacles to inclusion, in 2020 ASTM subscribed the Women’s Empowerment Principles (WEPs), promoted by the United Nations Global Compact to guide companies towards gender parity in employment, on the market and in the community.

GROUP EMPLOYEES BY EMPLOYMENT CATEGORY AND GENDER

NO. OF PEOPLE	AT 31 DECEMBER 2020			AT 31 DECEMBER 2021		
	Men	Women	Total	Men	Women	Total
Executives	162	22	184	179	22	201
Middle managers	338	53	391	471	134	605
Office workers	2,617	1,007	3,624	3,670	1,810	5,480
Manual workers	2,991	98	3,089	5,117	1,572	6,689
Total	6,108	1,180	7,288	9,437	3,538	12,975
<i>of which joint operations</i>	983	122	1,105	656	73	729

Employees must adopt conduct that respects the rights and individual nature of colleagues, collaborators and third parties, regardless of their position within the Group’s hierarchy.

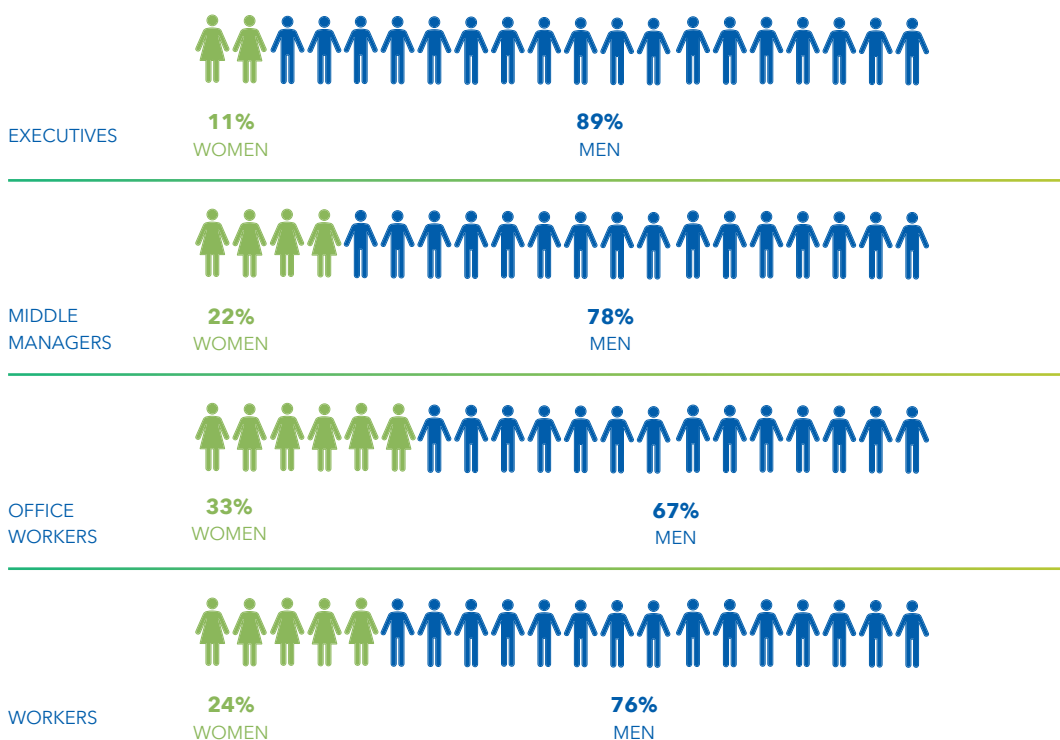
52% of Group employees are manual workers (42% in 2020), 42% are office workers (50% in 2020) and the remainder are middle managers (4%) and senior executives (2%).

Additionally, data relative to manual workers includes those associated with unions and on the payroll of the Halmar Group (Union Workers) at 31 December 2021, regardless of the number of hours worked during the reference period. This choice is in line with the features of the US labour market

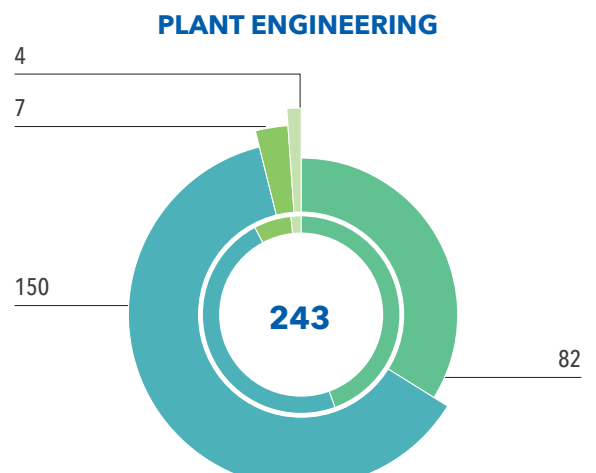
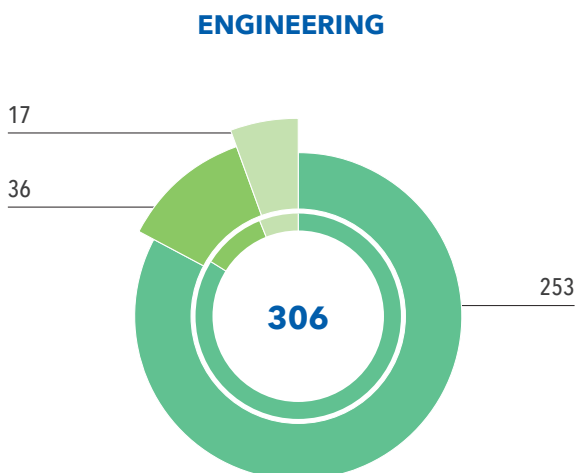
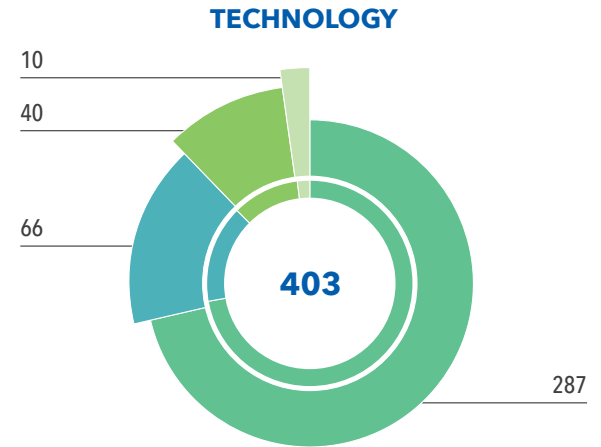
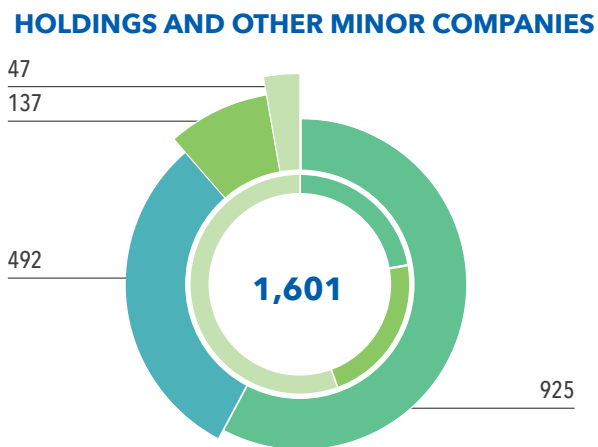
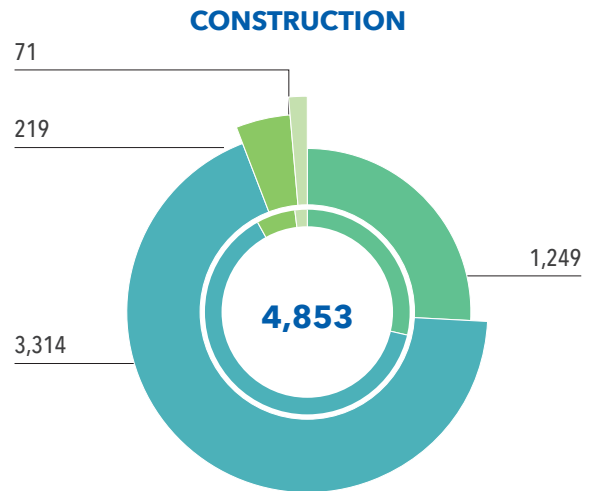
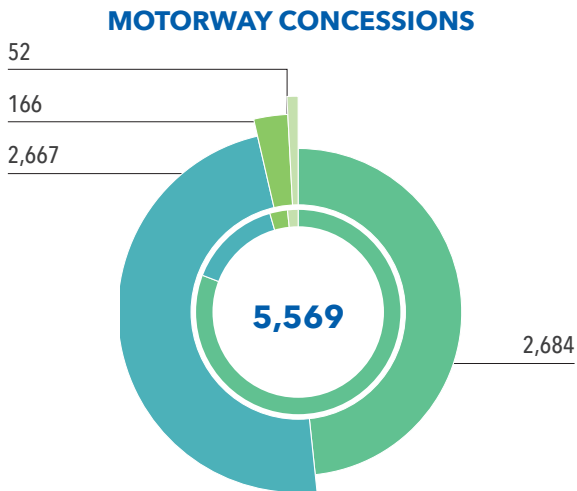
which has different regulations and incentivises obtaining workers through unions.

In 2021, approximately 27% of employees were female (16% in 2020). The increased number of women compared to the previous year is attributable to the inclusion of the EcoRodovias Group in the scope of consolidation. Around 51% of female employees are office workers (85% in 2020), 44% are manual workers (8% in 2020), 4% are middle managers (5% in 2020), while 22 women hold managerial positions (22 in 2020). Female employees at ASTM are an important factor in the Group’s development and growth.

BREAKDOWN BY GENDER

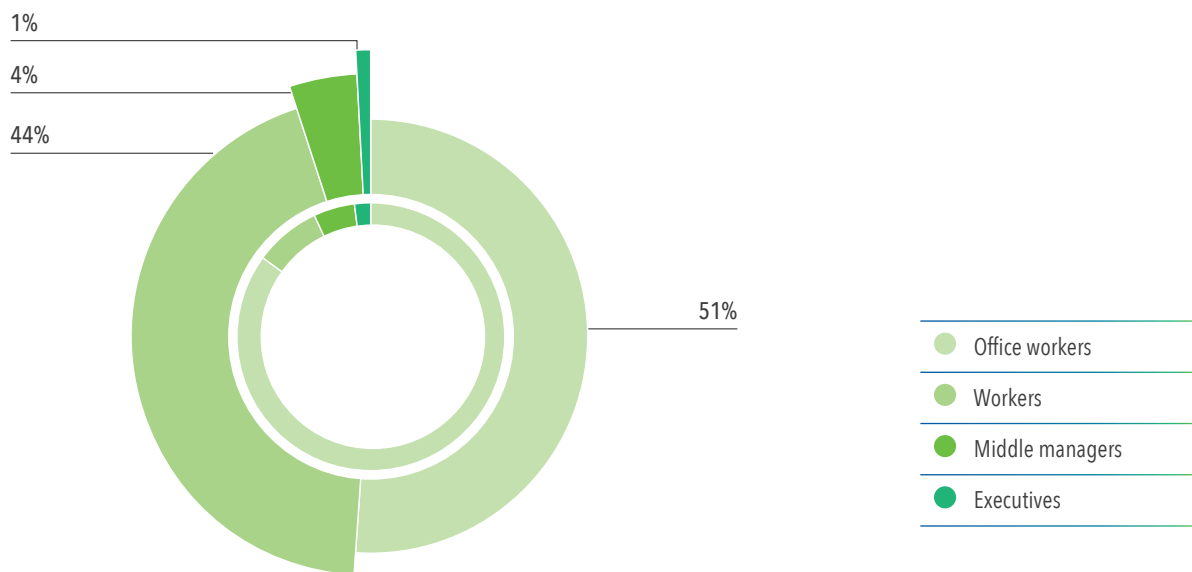


GROUP EMPLOYEES BY EMPLOYMENT CATEGORY AND BUSINESS SEGMENT



● Executives ● Middle managers ● Office workers ● Workers

GROUP FEMALE EMPLOYEES BY EMPLOYMENT CATEGORY



GROUP EMPLOYEES BY EMPLOYMENT CATEGORY AND AGE GROUP

NO. OF PEOPLE	AT 31 DECEMBER 2020				AT 31 DECEMBER 2021			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	-	45	139	184	-	62	139	201
Middle managers	11	189	191	391	10	355	240	605
Office workers	315	1,772	1,537	3,624	831	2,905	1,744	5,480
Manual workers	522	1,582	985	3,089	1,695	3,616	1,378	6,689
Total	848	3,588	2,852	7,288	2,536	6,938	3,501	12,975
<i>of which joint operations</i>	315	622	168	1,105	261	402	66	729

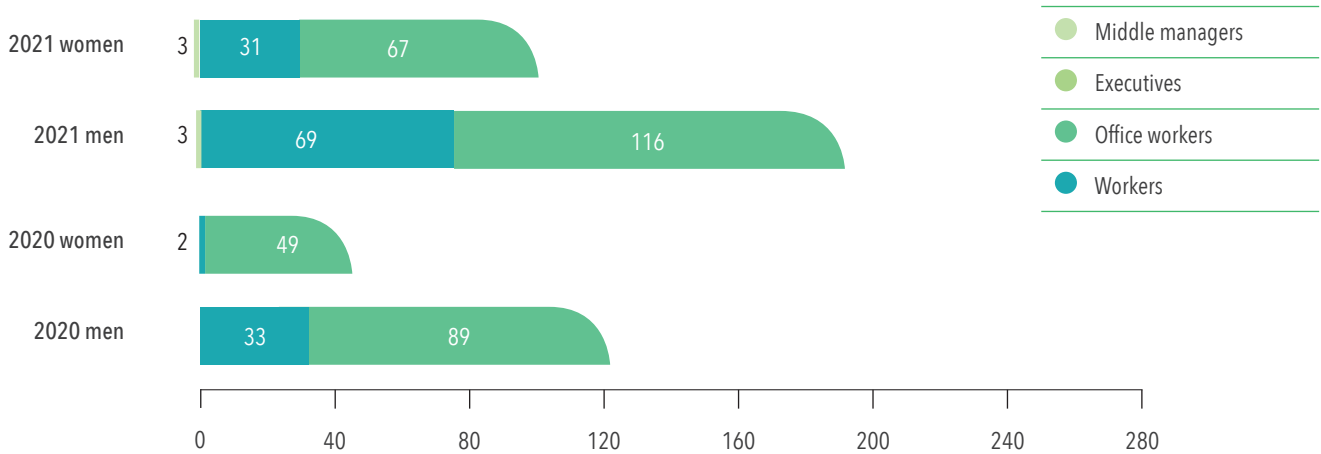
53% of employees are in the 30-50 age group (49% in 2020), 27% in the over-50 group (39% in 2020) and 20% in the under-30 group (12% in 2020).

The average age of employees is 41 years, is slightly lower than the previous year (44 years). Employees in the engineering sector have the highest average age (around 47 years), while employees in the holding and other minor companies segment have the lowest average age (38 years).

41 YEARS

AVERAGE AGE

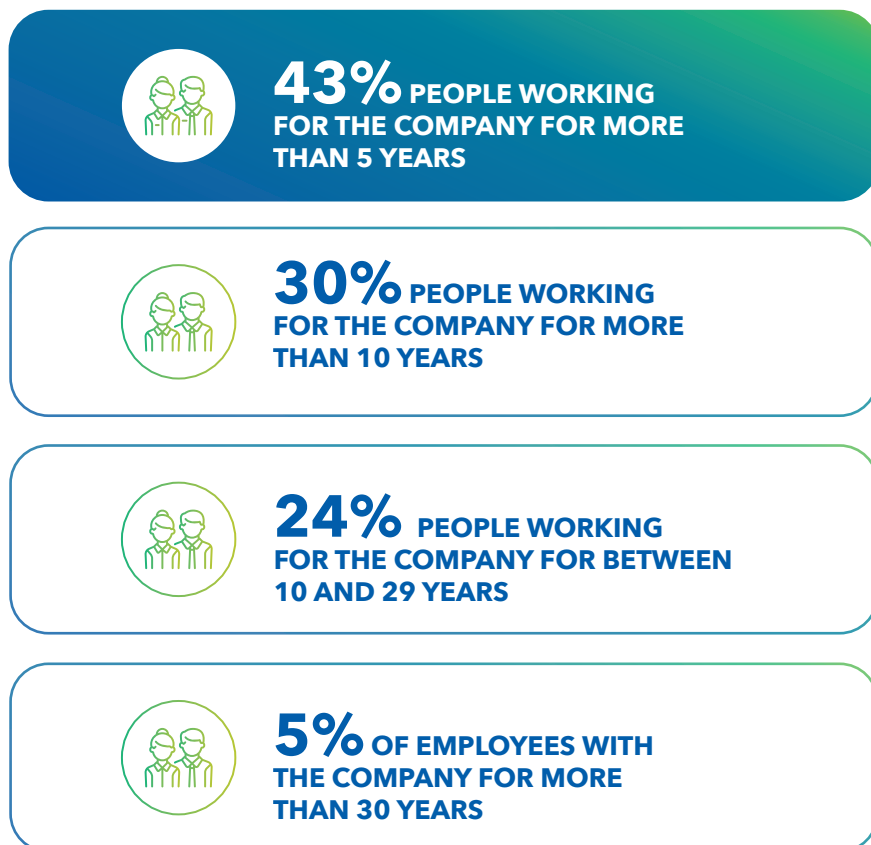
GROUP EMPLOYEES IN PROTECTED CATEGORIES



At 31 December 2021, the Group had 289 employees in protected categories (173 in 2020), of whom 188 men and 101 women.

3,835 employees or 30% have been with the company for over 10 years (2,917 employees or 40% in 2020), 3,146 employees or 24% for between 10 and 29 years (2,253 employees or 31% in 2020) and 689 employees or 5% for over 30 years (664 employees or 9% in 2020). These figures confirm the Group’s commitment to long-lasting, solid relationships and investments in its employees.

GROUP EMPLOYEES BY LENGTH OF SERVICE



INITIATIVES FOR ECORODOVIAS EMPLOYEES

- Programmes and Committees centred around the promotion of diversity and inclusion (e.g. gender equality, disability, ethnicity, sexual orientation and gender);
- the company signed the United Nations “Free and Equal Pact”, which targets respect for the human rights of employees, customers and members of the LGBT+ community, also removing barriers and supporting its LGBT+ employees in their working environments;
- an internal survey on diversity was conducted with the goal of understanding the demographics of employees and designing strategies for a sustainable growth in the diversity of the work force within an inclusive environment;
- structured committees for health and safety, focused on the quality of life and safety of employees and suppliers, intended to support and monitor actions that seek to reduce the number of accidents at work and increase everyone’s quality of life;
- each concession has, or is about to receive, ISO 45001 certification (Health and Safety Management Systems).



REMUNERATION AND BENEFITS

ASTM's salary system recognises each person's skills, role and responsibilities within the Group. Salary policies aim to attract and reward new hires with outstanding professional profiles and talent and are designed to increase employee motivation.

Special attention is paid to career paths and appropriate contract categories, with some Group companies also using various salary parameters of national collective bargaining agreements, for example in the motorway concessions sector, to assess employee performance.

Senior management reviews the positions and results of the resources on an annual basis, and consequently, the improvement plans with an impact on contract employment categories and relative changes in salary levels, as part of a wide-ranging, extensive bonus programme.

Since 2017, a variable annual MBO (Management By Objectives) incentive system has been in place. This system establishes objectives to be achieved and rewards individual performance, valuing a sense of belonging to the Group and the contribution of each person in developing its strategy.

In compliance with national collective bargaining agreements adopted by Group companies, supplementary packages are provided that often anticipate existing welfare regulations and supplement provisions recognised by law. These benefits, offered to employees on both full-time and part-time contracts, include:

- supplementary pension policies, which also replace contractual funds
- policies reimbursing medical expenses for employees and their family members, also in addition to that included under the relative national collective bargaining agreement
- Long-Term Care ("LTC");
- special conditions for company microloans, to assist employees with unexpected expenses
- policies and schemes in addition to law and employment contracts (e.g., life and accident insurance policies)
- agreements with trade union organisations for advances/loans to employees at special conditions.

For personnel under the "Motorways and road tunnels" contract, an update was made to the Welfare and Flexible Benefits in light of the updates that will be introduced during the renewal of the national collective bargaining agreement and its second-level derivations.

The aim of the Remuneration Policy of directors with specific roles and key management personnel is to:

- define salary packages that can: (i) acknowledge the managerial value of persons involved and their contribution to company growth, in relation to their duties and functions; (ii) attract, retain and motivate people with the professional skills and abilities that meet the company's needs;
- align the interests of the executive directors with the priority of creating medium/long-term value for shareholders;
- ensure a connection between managers' remuneration and actual Company performance
- promote sustainability in the medium to long term, with a particular focus on the interests of all Stakeholders

In line with the above, short and long term incentive schemes have been established, to promote the attainment of the Company's qualitative and quantitative objectives, thus promoting the loyalty and engagement of resources. Sustainability goals have been introduced to the incentive schemes, also in response to the increasing focus of institutional investors on these topics and in line with the strategic importance of ESG policies.

For more information about the reporting methods, refer to the Remuneration Report available on the ASTM website, in the Governance/Remuneration section.

OBLIGATIONS FOR COMPANIES APPLYING THE NATIONAL COLLECTIVE BARGAINING AGREEMENT FOR CONSTRUCTION WORKERS

The National Collective Bargaining Agreement for staff of Industrial Construction Companies and Similar requires registration with the Construction Workers Fund. This Fund is a joint association bringing together workers' trade unions and employers, set up under collective bargaining for construction industry workers, providing benefits and allowances.

Under Italian Leg. Decree no. 276/2003 as amended, the Fund has public functions, such as the certification of welfare contributions paid by its member companies and verification of the adequacy of labour costs on contracts.

HEALTHCARE SCHEMES

The national collective bargaining agreements applied to employees of the ASTM Group call for the registering of personnel in healthcare funds which supplement the national healthcare system.

ASTM complies with the provisions of these contracts with the firm belief that the services provided by these funds offer a concrete and effective response to employee requirements, complementary to corporate welfare.

FLEXIBLE BENEFITS

The 2016 Stability Law increased tax incentives for companies that provide company welfare services

for their employees. At the same time, it re-introduced non-taxation of production bonuses and salary items related to increased performance.

This financial manoeuvre introduced various measures intended to incentivise corporate welfare. The flexible benefits plan covers areas relevant to employees: education (reimbursement of education fees, school fees, study holidays, school books) family care mortgages and loans culture and free time (gyms and sports' associations, baby sitting, vouchers).

The following tables highlight the ratio between the basic salary of women and men by category and gender³⁴.

WAGE RATIO BY GENDER

For each geographic area and each professional category, the ratio between the base salary (or remuneration) for women and men is calculated as the ratio between (i) the arithmetic average of the base salary (or remuneration) for women and (ii) the arithmetic average of the base salary (or remuneration) for men. When calculating the total ratio, professional categories which do not include members of both genders have been excluded, as they would have rendered the ratio algebraically null.

Finally, note that the total ratio may be greater than the ratio for each geographic area/professional category in relation to the gender composition of the various professional categories; for example, in Latin America the total ratio is influenced by a high percentage of men in the manual workers category relative to women who are for the most part office workers, with average salaries higher than those paid to manual workers.

The following tables highlight the ratio between the basic salary of women and men by category and gender³³.

³³ In order to improve comparability between the information collected by geographic area, before being compared, the values in local currency were translated to USD at purchasing power parities according to the World Bank

RATIO BETWEEN BASIC SALARY³⁴ OF WOMEN AND MEN BY EMPLOYMENT CATEGORY

	2020					2021				
	Executives	Middle managers	Office workers	Manual workers	Total	Executives	Middle managers	Office workers	Manual workers	Total
Italy	0.82	0.85	0.87	1.23	0.88	0.86	0.88	0.88	1.14	0.91
Latin America	-	-	0.95	1.00	1.18	0.88	0.87	0.83	0.52	0.59
United States	0.57	0.81	0.75	0.76	1.09	0.81	0.65	0.61	0.86	1.10
South Africa	-	-	0.58	0.46	0.56	-	-	0.55	0.29	0.36
Rest of Europe	0.51	0.67	0.70	0.61	0.77	-	0.72	0.76	0.59	0.90
Middle East	-	0.52	0.81	-	0.80	-	-	0.91	-	0.91

The ratio between the basic salary of women and men is higher than 1 for the United States, just under 1 for Italy, the Middle East and the Rest of Europe, and significantly lower than 1 for Latin America and South Africa.

RATIO BETWEEN THE REMUNERATION³⁵ OF WOMEN AND MEN BY EMPLOYMENT CATEGORY

	2020					2021				
	Executives	Middle managers	Office workers	Manual workers	Total	Executives	Middle managers	Office workers	Manual workers	Total
Italy	0.81	0.86	0.86	1.20	0.86	0.83	0.90	0.86	1.12	0.87
Latin America	-	-	0.90	0.97	1.11	0.93	0.87	0.83	0.52	0.57
United States	0.58	0.81	0.75	0.73	0.94	0.82	0.65	0.61	0.82	0.96
South Africa	-	-	0.51	0.43	0.54	-	-	0.53	0.24	0.31
Rest of Europe	0.49	0.68	0.71	0.74	0.81	-	0.69	0.77	0.66	0.91
Middle East	-	0.59	0.98	-	0.96	-	-	0.99	-	0.99

The ratio between the remuneration of women and men is just under 1 for Italy, the United States, the Rest of Europe and the Middle East, and significantly lower than 1 for Latin America and South Africa.

³⁴ Basic salary is the fixed minimum amount paid to an employee for the execution of his/her functions

³⁵ Remuneration is the basic salary increased by additional amounts, with reference to MBO and one-off bonuses/awards and any other benefits.

MILLENNIALS FOR INNOVATION

To support the sharing of ideas, experiences and expectations of Millennials in the Group with regards to work, sustainability and opportunities for improving daily life within the company, the “Millennials for Innovation” forum was created on the intranet #Agorà.

The Forum has four sections:

- **Innovation:** an area in which to discuss innovative ideas for business and processes
- **Sharing:** intended for the sharing of thoughts on initiatives the company could implement to increase its attraction and retention levels.
- **Millennials for social:** used to share charitable initiatives promoted by members
- **Team building:** used to plan team building events.



HUMAN CAPITAL DEVELOPMENT

The ASTM Group believes strongly in training for personnel growth and is committed to providing programmes to build up the professional skills and managerial, technical and professional competencies of its employees.

Group companies also adopt programmes for managing competencies. In this framework, each organization has already been mapping the competencies of its employees for several years, requesting employees to compile questionnaires on professional skills with reference to their professional background, including training with previous employees and educational background, as well as specific qualifications certified by training organisations. This mapping, which is reviewed at regular intervals, can be used to immediately identify company positions required, within the broader context of the Group.

Training offered by the various companies differs

based on specific activities carried out by various company areas and is attributable to the following areas:

- quality: promote the necessary skills to achieve, maintain and improve quality standards defined by each company;
- health and safety: develop the skills to manage safety in the workplace;
- technical/professional: acquire and/or reinforce innovation of technical/professional skills pertaining to the management of the various business segments;
- broad-ranging: develop skills shared by various organisational levels and professional categories (foreign language courses, IT skills, legal updates, soft skills).





HOURS OF TOTAL AND PER CAPITA TRAINING FOR GROUP EMPLOYEES BY EMPLOYMENT CATEGORY AND GENDER

	2020					
	MEN		WOMEN		TOTAL	
	Training hours	Per capita	Training hours	Per capita	Training hours	Per capita
Executives	1,214	7.5	380	17.3	1,594	8.7
Middle managers	2,104	6.2	162	3.0	2,266	5.8
Office workers	16,103	6.2	4,453	4.4	20,556	5.7
Manual workers	26,371	8.8	393	4.0	26,764	8.7
Total	45,792	7.5	5,388	4.6	51,180	7.0

	2021					
	MEN		WOMEN		TOTAL	
	Training hours	Per capita	Training hours	Per capita	Training hours	Per capita
Executives	1,557	8.7	262	11.9	1,819	9.0
Middle managers	2,829	6.0	267	2.0	3,096	5.1
Office workers	27,037	7.4	16,693	9.2	43,730	8.0
Manual workers	66,990	13.1	3,930	2.5	70,920	10.6
Total	98,413	10.4	21,152	6.0	119,565	9.2

In 2021, the Group provided over 192 thousand total hours of training for employees and collaborators (554 thousand hours in 2020), of which around 71% was focused on issues regarding health and safety.

Over 119 thousand hours of training were provided to employees (over 51 thousand in 2020, +133%) with a per capita value of 9.2, of which 75,943 in the area of health and safety (27,846 in 2020, +173%).

Over 72 thousand training hours were provided to Group collaborators, most of which were provided in the Itinera Ghantoot joint operations on health and safety. The number of hours of training for other collaborators saw a significant reduction compared to the previous year as a consequence of the reduced number of collaborators, due to decreased activity on the Abu Dhabi Reem Mall worksite.

SUSTAINABILITY TRAINING

ASTM promoted training for Group personnel on ESG topics - including the protection of human rights, the fight against active and passive corruption - focusing particularly on the policies adopted, presenting the reference macro-trends in relation to specific issues.

During the first quarter of 2022, the Sustainability function organised e-learning training courses on "Sustainability, a shared route", aimed at over 3,400 Group employees in Italy.

HUMAN RIGHTS

ASTM endeavours to ensure that human rights are respected along the entire value chain. To consolidate its commitment to human rights, also considering the Group's international development, ASTM and the main operating Italian subsidiaries adopted a specific Human Rights Policy, inspired by international standards such as the Universal Declaration of Human Rights and the Fundamental Conventions of the ILO (International Labour Organization), the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, the Guiding Principles on Business and Human Rights of the United Nations, the Principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

In 2020 the CEO of ASTM signed the Italian version of the CEO Guide for Human Rights issued by the World Business Council for Sustainable Development (WBCSD).

In 2020, ASTM implemented a management system with SA8000 certification, a voluntary verifiable standard based on the Universal Declaration of Human Rights, ILO documents and other domestic and international norms on human and employment rights, to develop and protect individuals following under the control and influence of the organisation.

HEALTH AND SAFETY

The material issues of primary importance for the ASTM Group include the health and safety of workers, which is protected by all Group companies with the aim not only of respecting laws, but of undertaking at all times to improve working conditions.

This commitment has resulted in policies and occupational health and safety management systems being adopted to ensure that each employee is in a suitable working environment, which does not pose hazards and provides conditions that respect the individual. In particular, 74% of Group employees are covered by an Occupational Health and Safety Management System certified to ISO 45001. The remaining 26% are covered by Health and Safety Management Systems that are not certified or are in the process of being certified.

In addition, employees are protected by spreading a culture of safety, encouraging responsible behaviour, as well as monitoring and assessing hazardous situations.

A considerable number of solutions have been adopted in the construction sector to ensure the health and safety of employees, as they are more exposed to risks in their day-to-day activities.

Itinera's accident and near miss management procedure makes it possible to collect useful data for protecting the health and safety of employees and subcontractors.

The data refer to cases of:

- Near misses: events that have no consequences on people or objects but have the potential to cause an accident;
- First Aid: health intervention that does not require equipment or particular training (first aid officer). In this case, no working days are lost;
- Medical Treatment: health intervention by qualified healthcare personnel (doctor, nurse, paramedic). In this case, no working days are lost;

- Restricted workdays: any event that translates to a person's inability to carry out his/her normal job and that leads to the employee's assignment to a temporarily lighter workload. In this case, no working days are lost (not applicable in Italy);
- Injuries with serious consequences: an injury from which the worker cannot or is not expected to fully recover to his/her pre-injury state of health within 6 months.

In relation to the processes intended to facilitate workers' participation in the Occupational Health and Safety Management Systems and in order to provide access and communicate relevant information in this respect for the concessions sector a specific course named "Occupational Health and Safety Management System" was inserted into the usual training projects involving all personnel, and in particular workers in the collection and traffic department. Through various topics, the course covers policy, manual and procedures relating to the activities of the learners, reporting modules and the importance of reporting any accidents or near misses.

As part of the 45001 Management System, a specific reporting module was established for the engineering sector, through which each worker can communicate/report information about health and safety in the workplace, participating in the implementation/application of the system.

In relation to the existence of formal joint management-employee committees for health and safety, for the concessions sector specific committees were planned and established during the year. The committees include: the coordinator, appointed by the Employer, the Safety Manager (RSPP), the Safety Officers, the Workers' Safety Representatives (RLSs) and the Emergency Team Manager (RSE). The meetings are organised in order to assess and determine any interventions/activities that may be necessary to improve the safety standards.

There are no formal joint management-employee committees for the other sectors. However, the provisions of the law in relation to the activities of Workers' Safety Representatives (RLSs) are put in

place and constant periodic dialogue takes place between the Safety Manager and the Workers' Representatives.

INJURIES AND OCCUPATIONAL DISEASES INVOLVING GROUP EMPLOYEES BY GENDER

NO. OF CASES	2020			2021		
	Men	Women	Total	Men	Women	Total
Occupational diseases	1	-	1	2	-	2
Injuries	103	9	112	122	17	139
<i>of which with prognosis > 6 months</i>	2	-	2	1	1	2
<i>of which fatal</i>	-	-	-	1	-	1

In 2021, 139 injuries were recorded for Group employees, of which 2 with a prognosis greater than six months and one fatal.

Over the course of 2021, 11 cases of medical treatment for Group employees, 95 first aid injuries and 26 near misses were also recorded, while 3 cases of medical treatment, 46 first aid injuries, 5 near misses were recorded for Group collaborators.

TYPE OF ACCIDENTS INVOLVING GROUP EMPLOYEES BY GENDER

NO. OF CASES	2020			2021		
	Men	Women	Total	Men	Women	Total
Work-related injuries	99	9	108	111	12	123
Injuries while travelling to and from work using company vehicles	4	-	4	6	-	6
Total	103	9	112	117	12	129

During 2021, 129 injuries were reported (of which, 123 occurring at the workplace, and 6 injuries while commuting to and from work using company vehicles); in addition, 10 injuries while commuting to and from work using own vehicles (112 in 2020, of which 108 at the workplace and 4 injuries while commuting to and from work using company vehicles and 15 using own vehicles). In 2021, a male employee of the Ecorodovias Group suffered a fatal injury in Brazil.

3 workplace accidents for male collaborators (21 in 2020, including 1 while commuting to and from work using own vehicle), and none for women (1 in 2020), of which none with a prognosis greater than six months and/or fatal, and 1 accident while commuting to and from work using own vehicle, were also recorded.



ABSENCES AND LOST DAYS BY GROUP EMPLOYEES BY GENDER

NO. OF DAYS	2020			2021		
	Men	Women	Total	Men	Women	Total
Absences ³⁶	49,502	11,240	60,742	46,157	17,566	63,723
<i>of which joint operations</i>	7,292	192	7,484	792	147	939
Lost days ³⁷	3,234	396	3,630	2,266	294	2,560
<i>of which joint operations</i>	825	-	825	240	-	240

The days of absence went from 60,742 in 2020 to 63,723 in 2021, showing an increase of around 5%. In 2021, 15,899 thousand hours were worked by Group employees (11,036 thousand hours in 2020), of which 13,402 thousand hours by men (9,408 thousand hours in 2020) and 2,497 thousand hours by women (1,628 thousand hours in 2020). In 2021, 8,265 thousand hours were worked by collaborators (10,329 thousand hours in 2020), of which 8,156 thousand hours by men (10,281 thousand hours in 2020) and 109 thousand hours by women (48 thousand hours in 2020).

GROUP EMPLOYEE HEALTH AND SAFETY INDICATORS BY GENDER

	2020			2021		
	Men	Women	Total	Men	Women	Total
Lost day rate ³⁸	0.29	0.21	0.28	0.16	0.11	0.15
Occupational disease rate ³⁹	0.02	-	0.02	0.03	-	0.03
Absentee rate ⁴⁰	3.61	4.71	3.77	2.72	5.46	3.15

	2020			2021		
	Men	Women	Total	Men	Women	Total
Rate of fatalities as a result of work-related injury ⁴¹	-	-	-	0.07	-	0.06
High-consequence work-related injury rate ⁴²	0.21	-	0.18	0.07	0.40	0.13
Recordable workplace injury rate ⁴³	10.95	5.53	10.15	8.73	4.81	8.11

The recordable workplace injury rate was down compared to last year and is equal to 8.11 (10.15 in 2020).

³⁶ Absence means the days when the worker was absent, not only due to illness or an accident. Days of absence do not include agreed on leave such as holidays, study leave, maternity or paternity leave

³⁷ Lost days mean days when work was not carried out due to the worker not being able to carry out his/her usual work because of an accident in the work place or an occupational disease. Resuming work with limited or alternative duties carried out for the same organisation is not considered a lost day

³⁸ The lost day rate for accidents is the ratio between the total number of lost days through occupational accidents and diseases and the total number of hours that could be worked in the same period, multiplied by 1,000 (GRI 403 (2016))

³⁹ The Occupational disease rate is the ratio between the total number of cases of occupational disease and the total of hours worked in the same period, multiplied by 200,000 (GRI 403-2 (2016))

⁴⁰ The Absentee rate is the ratio between the total days of absence and the total working days in the same period, multiplied by 100 (GRI 403-2 (2016))

⁴¹ The rate of fatalities as a result of work related injuries is the ratio between the number of deaths resulting from injuries at work and the number of hours worked, multiplied by 1,000,000 (GRI 403-9 (2018))

⁴² The high-consequence work-related injury rate (excluding deaths) is the ratio between the number of injuries at work with serious consequences (excluding deaths) and the number of hours worked, multiplied by 1,000,000 (GRI 403-9 (2018))

⁴³ The recordable work-related injuries rate is the ratio between the number of recordable injuries at work, excluding injuries while commuting to and from work using own vehicles, and the number of hours worked, multiplied by 1,000,000 (GRI 403-9 (2018))

GROUP COLLABORATOR HEALTH AND SAFETY INDICATORS BY GENDER

	2020			2021		
	Men	Women	Total	Men	Women	Total
Rate of fatalities as a result of work-related injury	-	-	-	-	-	-
High-consequence work-related injury rate	-	-	-	-	-	-
Recordable work-related injuries rate	2.04	-	2.03	0.37	-	0.36

Material topic:

OCCUPATIONAL HEALTH AND SAFETY

Area of Leg. D. 254/2016:

EMPLOYEE RELATED THEMES



Main sustainability risks associated:

- compliance risk and risks related to ethical behaviour;
- risks related to the supply chain and subcontracting.

Summary of main management and mitigation actions:

- the "Code of Ethics and Conduct" and "Compliance Programme" 231/01" (hereafter "Model 231") adopted by ASTM and its operating Italian subsidiaries, including specific operating procedures monitoring compliance with the provisions in the Consolidated Health and Safety at Work Act (Italian Legislative Decree no. 81/08);
- occupational health and safety management systems in line with applicable best practices
- specific health and safety training and prevention programmes, to reduce accidents, guarantee a safe working environment, and promote and encourage virtuous behaviour in the workplace
- Suppliers' Code of Conduct that establishes the behaviour to adopt in dealings with suppliers and business partners.

With a view to continual improvement, the Group promotes the harmonisation of occupational health and safety policies within each business segment, also through the adoption of an Integrated Quality, Safety and Environmental Management System, in line with applicable international standards.



TRANSPARENCY IN THE SUPPLY CHAIN: SUBCONTRACTORS

The health and safety information required by the reporting standards used by the Group, GRI Standards, refers to all workers, employees or otherwise, whose work and/or workplace is controlled by the organisation.

With a view to continuous improvement and in order to provide more information about the value chain, Itinera has implemented, on a voluntary basis, a system to collect information about subcontractors regardless of whether the organisation controls the work and/or workplace.

The data reported in this Report refer to the subcontractors of Itinera S.p.A., in Italy and foreign branches.

Information such as the number of workers employed, the number of hours worked, the number of injuries and the hours of training provided, is collected to guarantee Itinera increased monitoring over the working standards of the subcontractors.

As at 31 December 2021, 1,436 workers of subcontractor firms, of which 1,421 men and 15 women, worked at the Itinera work sites. The overall hours worked totalled 2.6 million.

Details of subcontractor injuries for Itinera S.p.A. are shown below. (Italy and foreign branches):

NO. OF SUBCONTRACTOR CASES	2021		
	Men	Women	Total
Work-related injuries	13	-	13
Injuries while commuting to and from work using company vehicles	-	-	-
High-consequence injuries	1	-	1
Medical treatment	7	-	7
First aid injuries	20	-	20
Near misses	53	-	53

There were no fatal injuries. In 2021, approximately 30,500 hours of training were provided to the subcontractors of Itinera S.p.A. (Italy and foreign branches).

WORK SITE SAFETY

Itinera has developed and gradually adopted an Integrated Management system with a specific focus on controlling safety at all operating sites (work sites, head offices, warehouses and plants).

Moreover, the Management Systems Department conducts inspections and audits of operating areas, on a regular basis, in order to analyse the implementation and application status of the Management System, as well as the implementation status of actions to manage non-conformities concerning safety, environment and quality issues. The results of these audits are recorded in audit reports and system records, and any findings (non-conformities, observations and comments) are managed through documented action plans.

In 2021, 22 internal System Management audits were carried out in Italy, of which: 13 at operating units and 9 at management offices, as well as 20 inspections/training meetings. As a consequence of the two activities, zero non-compliances were recorded, while 13 observations and 64 recommendations were made.

Due to the Covid-19 pandemic, a portion of the audits were performed remotely and it was not possible to perform all internal audits planned at worksites abroad. Nevertheless, four Management System internal audits were carried out at the following worksites: Mina Tunnel and Reem Mall (Abu Dhabi), Storstrøm bridge (Denmark) and Skurusund bridge (Sweden). As a consequence of these activities, 2 non-compliances/observations and 18 recommendations resulted.

Meanwhile, audits were performed for renewal/maintenance of certifications by ICMQ for the Arab Emirates branch and, in the context of activity for renewal/maintenance of Itinera S.p.A. certifications, the certification body visited the sites of the Køge hospital in Denmark and the Skurusund bridge in Sweden.

Operating control and regulatory control are highly relevant in Italy. Overseas, on the other hand, the focus is mainly on monitoring the application of the Integrated Management System.

In the current year, supervisory bodies (local health authority - ASL, national labour inspectorate - ITL, specifically) conducted 17 health and occupational safety inspections in the Italian work sites (construction and motorway maintenance), with inspection reports issued, with two sanctions issued against Itinera. No permanent provisions were issued by the entities and/or supervisory bodies.

In addition, in the Storstrøm Bridge project, the contract requires that quality audits be performed on the main suppliers. In order to ensure effective and efficient monitoring, these audits are also extended to environment and safety aspects.

With regard to the Mina Zayed contract in Abu Dhabi, in November 2021 the number of hours of labour without accidents to employees or subcontractors reached 10 million.

PROMOTION OF WORKER HEALTH

As part of health monitoring for the concessions sector, the companies - in agreement with the workers' safety representatives - have decided to promote, using benefits in line with previous years, an awareness and prevention campaign for a number of significant illnesses. In addition, the licensee companies, through the external company that oversees the workers' health monitoring activities, provide all their employees, including their household with spouses and dependent children, the possibility to receive diagnostic and instrumental outpatient healthcare services, with short waiting times and subsidised prices, at multiple partner structures.

The engineering sector has a healthcare policy for all personnel which provides for the reimbursement of medical expenses.

For the construction and technology sectors, there are currently no ways to subsidise workers' access to medical and healthcare assistance services unrelated to work, above and beyond those required by law.





04

OUR RESPONSIBILITY TOWARDS THE ENVIRONMENT

- 131** Management of Environmental Issues
- 132** Use of Resources
- 140** Waste
- 142** Noise management
- 143** Protection of the local area, reduction of land use and protection of biodiversity

CONTEXT

The ecological transition, as indicated by the UN Agenda 2030 and the new European targets for 2030, forms the basis of the new development model in Europe and Italy (Italian National Recovery and Resilience Plan). Intervening to reduce polluting emissions, preventing and combating instability in the territory and minimising the impact of production activities on the environment is necessary to improve quality of life and environmental security, as well as leaving a greener country and a more sustainable economy behind for future generations.

The UNEP (United Nations Environment Programme) reports that the global use of material has tripled over the last four decades, and that the quantity of extracted materials went up from 22 billion tonnes in 1970 to 50 billion tonnes in 2010. This growth also reflects use per capita of resources: on average a person uses 10 tonnes of resources each year⁴⁴. In many countries, in-

dustrial sectors are evolving towards a greater efficiency and reduced energy intensity: generally, CO₂ emissions per unit produced are on the decrease.

Global greenhouse gas emissions from developed Countries decreased by 6.5% from 2000-2018⁴⁵. The companies purchased a record value of 31.1 GWh of clean energy through power purchase agreements, or PPAs (Power purchase agreements), in 2021, with an increase of nearly 24% compared to the record in the previous year⁴⁶. To achieve the goal of limiting global warming well below the 1.5°C defined in the Paris Agreement, an annual 45% reduction in greenhouse gas emissions compared to 2010 levels is necessary by 2030. However, greenhouse gas emissions reached new heights during 2020 with a global average of molar fractions of CO₂ higher than 410 parts per million.⁴⁷ In addition, average temperatures are continually increasing, the sea level is rising and extreme weather events are increasing in frequency and intensity.



⁴⁴ United Nations Environment Programme (UNEP), Global material flows and resource productivity, 2016

⁴⁵ United Nations, The Sustainable Development Goals Report, 2021

⁴⁶ <https://www.renewableenergyworld.com/news/bloombergnef-corporate-clean-energy-purchases-topped-30-gw-in-2021/#gref>

⁴⁷ United Nations (UN), The Sustainable Development Goals Report, 2021

MANAGEMENT OF ENVIRONMENTAL ISSUES

ASTM and its main operating Italian subsidiaries have adopted a Model 231 and implemented operational controls to guarantee conformity to applicable environmental regulations.

With a view to continuous improvement, various companies, joint operations and branches have implemented an Environmental Management System with ISO 14001 certification. This system establishes specific management procedures for the continual improvement of company performance.

Group companies operating in the technology sector and construction industry have also developed an integrated management system to guarantee that all applicable safety, health and environmental laws have been identified and evaluated and that all necessary measures to guarantee the legal compliance of all operating units have been taken.



27 COMPANIES

2 ITINERA BRANCHES OVERSEAS

1 JOINT OPERATIONS

ISO 14001 CERTIFIED

COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

No significant sanctions were administered to Group companies during 2021, due to failure to observe environmental laws and regulations.

SIGNIFICANT SPILLS

In 2021, three significant spills are reported. The first, involving Itinera S.p.A., occurred in the municipality of Verduno (CN), Italy, and involved the spillage of hydraulic oil from the vehicle of a subcontractor on 10 m³ of ground. The second, of the Storstrøm Bridge JV in Denmark, involved 40 litres of hydraulic oil spilled on the worksite. The third, of Itinera Construções, occurred in the municipality of Anápolis (State of Goias) and involved the spillage of bituminous emulsion for asphalt on 20 m³ of ground.

The companies involved promptly activated company procedures in force aimed at remediation works.

USE OF RESOURCES

ENERGY CONSUMPTION

In 2021, the energy consumption of the ASTM Group totalled over 1,382 thousand GJ (1,240 thousand GJ in 2020), up by around 11% compared to the previous year. The increase is mainly attributable to the EcoRodovias Group and S.I.T.A.F. Group entering into the perimeter of consolidation. In particular, electricity consumption is equal to around 505 thousand GJ (527 thousand GJ in 2020), diesel fuel over 625 thousand GJ (477 thousand GJ in 2020) and natural gas over 93 thousand GJ (101 thousand GJ in 2020), a slight increase compared to the previous year. In 2021, consumption of diesel fuel used to produce electricity from generators also totalled around 56 thousand GJ (49 thousand GJ in 2020),

petrol around 52 thousand GJ (42 thousand GJ in 2020), heating fuel around 30 thousand GJ (26 thousand GJ in 2020) and fuel oil around 122 GJ (12 thousand GJ in 2020). Consumption of self-produced electricity from renewable sources, net of the share sold and fed to the grid, is equal to 8,794 GJ (3,094 GJ in 2020), LPG around 4 thousand GJ (3 thousand GJ in 2020) and, lastly, 7,331 GJ of ethanol were consumed (550 GJ in 2020).

Electricity purchased decreased due to the exclusion of Arge H51 from the scope of consolidation (18,859 thousand kWh purchased in 2020) and the significant reduction in the purchase of energy by Itinera Ghantoot (-8,344 thousand kWh purchased compared to 2020).

ENERGY CONSUMPTION OF THE GROUP ⁴⁸

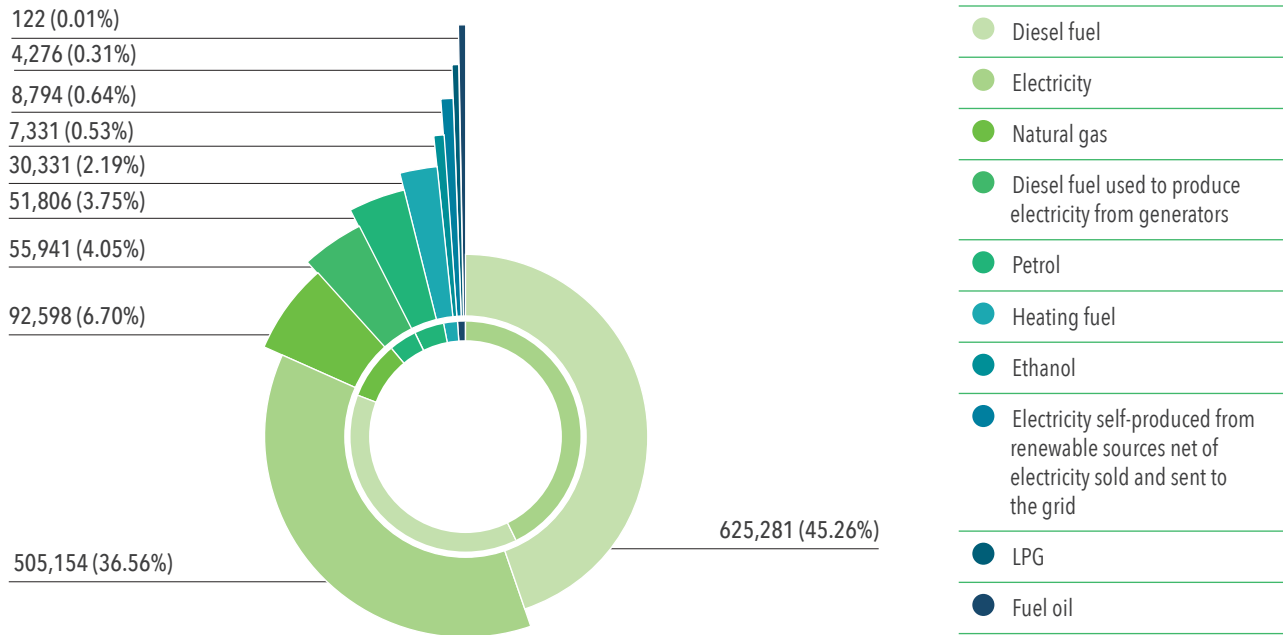
ENERGY SOURCE	2020	2021
	Total	Total
Electricity purchased	146,414	140,321
<i>Electricity purchased from renewable sources [kWh/000]</i>	19,479	108,646
<i>Electricity purchased from non-renewable sources [kWh/000]</i>	126,935	31,675
Electricity self-produced from renewable sources [kWh/000]	1,197	2,734
Electricity sold and put on the grid [kWh/000]	338	292
Natural gas (m ³ /000)	2,829	2,584
Heating fuel (l/000)	709	834
Diesel fuel (l/000)	13,549	17,304
Diesel fuel used to produce electricity from generators [l/000]	1,360	1,539
Fuel oil (l/000)	334	3
Petrol (l/000)	1,269	1,564
LPG (l/000)	111	176
Ethanol [l/000]	17	225

Total electricity used is equal to over 142,763 thousand kWh. Electricity used from renewable sources is equal to 111,087 thousand kWh (equalling around 80% of the electricity used; 14% in 2020), of which 108,646 thousand kWh purchased from renewable sources and 2,442 thousand kWh self-produced from renewable sources net of the energy sold and fed to the grid.

⁴⁸ Some data related to energy consumption are the result of estimates

ENERGY CONSUMPTION OF THE GROUP BY SOURCE

(values in GJ)



ENERGY SAVING AS PART OF UPGRADING PUBLIC LIGHTING

Environmental stewardship and protection is also achieved through a rational use of resources and this is why actions to rationalise the energy consumption of public lighting systems is an important measure. Euroimpianti is the Group company that manages plant engineering projects in captive and extra-captive markets. Its main activities involve the planning, development and maintenance of high technology systems. In this context, Euroimpianti has developed a number of activities as part of Energy Saving projects to re-qualify public lighting systems in order to reduce energy consumption, light pollution and improve performance thanks to LED lighting. Moreover, actions will include:

- the use of latest technologies applied to public lighting to increase system use through remote management and integration with the network of IT services for users, CCTV and Wi-Fi (Smart City);
- the development of projects for energy efficiency in ESCo (Energy Service Company) mode, with a consequent decrease in primary energy consumption with the same volume of final services; during 2020 Euroimpianti completed the works to upgrade the public lighting in the municipality of Piosasco as envisaged by the concession contract for the management and maintenance of public lighting systems - including the supply of energy carriers - signed in 2019;
- the development of competencies for the planning and construction of buildings with a reduced primary energy consumption, using low environmental impact technologies, also with LEED (Leadership in Energy and Environmental Design) classification, in 2020 Euroimpianti completed the executive design and began construction activities of the technological systems at the new Galeazzi Hospital in Milan in compliance with the provisions of the LEED protocol with the aim of obtaining LEED GOLD certification.

ENERGY EFFICIENCY PLAN ON ITALIAN MOTORWAY STRETCHES

With reference to the motorway sector, all Italian licensee companies of the Group are continuing to implement the energy efficiency plan through the adoption of new generation technologies on par with the most advanced sustainability performances.

In this regard, throughout 2021, works to modernise the lighting systems located in the motorway areas continued, mainly in the tunnels, parking lay-bys, junctions and toll booths. The process of adjusting to the standards established under Italian Legislative Decree 264/06 continued for 49 tunnels of over 500 meters located through the areas managed by the Group and included under the European Transport Network (TEN).

The “Automation” project of the “Tunnel System” was completed, which involves all tunnels longer than 500 metres and the new system is being implemented. It is currently completed in the Roreto tunnel of the A33 Asti-Cuneo stretch, the Cadibona and Montezemolo tunnels on the A6 Torino-Savona section, the Hone, Montjovet and Petit Monde tunnels of the A5 Aosta-Quincinetto and the Puntamonte tunnel of the A15 Parma-La Spezia.

The coordinated management of several systems will allow for a significant improvement in the efficiency of energy consumption monitoring. For lighting systems, with the launch of the system, optimised regulation is also in place of the lighting levels to be adopted for the reduction of energy consumption based on variable operating conditions.

The company S.I.N.A. is also involved in projects to adjust the lighting systems for tunnels not falling under the scope of Italian Legislative Decree 264/06 for motorway junctions, service areas and toll stations. These adjustments have the main objectives of complying with regulations and improving energy efficiency.

In general, for lighting in the motorway areas, efficiency is obtained through installation of LED lighting which consumes less energy, as well as allowing the installation of radio-wave regulation systems. By requiring a management method which aims for use only when lighting is effectively needed in the design, an additional advantage is obtained through the reduction of energy consumption, in combination with the already lower consumption deriving from the use of lighting which consumes less energy.



EMISSIONS

In 2021, the direct emissions of CO₂e (Scope 1 ⁴⁹) were equal to around 62,435 tonnes (51,840 tonnes in 2020), indirect Scope 2 emissions ⁵⁰ were equal

to around 15,237 tonnes of CO₂ (market-based, 61,995 tonnes in 2020) and around 47,818 tonnes of CO₂ (location-based, 57,432 tonnes in 2020) and Scope 3 ⁵¹indirect emissions were equal to 1,975,763 CO₂e tonnes (1,850,904 tonnes in 2020).

TOTAL DIRECT EMISSIONS (SCOPE1) [tCO₂e] AND INDIRECT (SCOPE 2) [tCO₂]⁵² AND INDIRECT SCOPE 3 [tCO₂e]

	2020	2021
Scope 1	51,840	62,435
Scope 2 (market-based)	61,995	15,237
Total Scope 1 and Scope 2 (market based)	113,835	77,672
Scope 2 (location-based)	57,432	47,818
Scope 3	1,850,905	1,975,763
Purchased goods and services	1,258,944	1,872,530
Capital goods	13,974	15,923
Fuel-and-energy-related activities	19,982	27,413
Upstream transportation and distribution	11,682	15,240
Waste generated in operations	5,720	2,799
Employee commuting	12,750	20,400
Investment	527,853	21,459
Total Scope 1 and Scope 2 (market based) and Scope 3	1,964,740	2,053,435

Total Scope 1 and Scope 2 (market based) emissions increased by 33% due to the combined effects of: the increase in Scope 1 emissions mainly due to the consumption of fuels by companies in the EcoRodovias and S.I.T.A.F. Groups entering the perimeter of consolidation during 2021; the decrease in Scope 2 emissions mainly due to the exit from the perimeter of consolidation of Arge H51 and the sharp drop in the procurement of energy by Itinera Ghantoot. Furthermore, within the scope of the action plans to reduce Scope 1 and 2 emissions, the percentage of electricity used from renewable sources increased in 2021, thus decreasing Scope

2 (market based) emissions. The increase in Scope 3 emissions refers mainly to the increase in the category of Purchased goods and services relating to the purchase of raw materials with high emission levels, such as iron and steel and bituminous mixes. Of note also is the significant decrease in emissions referring to the Investments category, following the full consolidation of companies in the EcoRodovias and S.I.T.A.F. Groups. (previously recognised in this category).

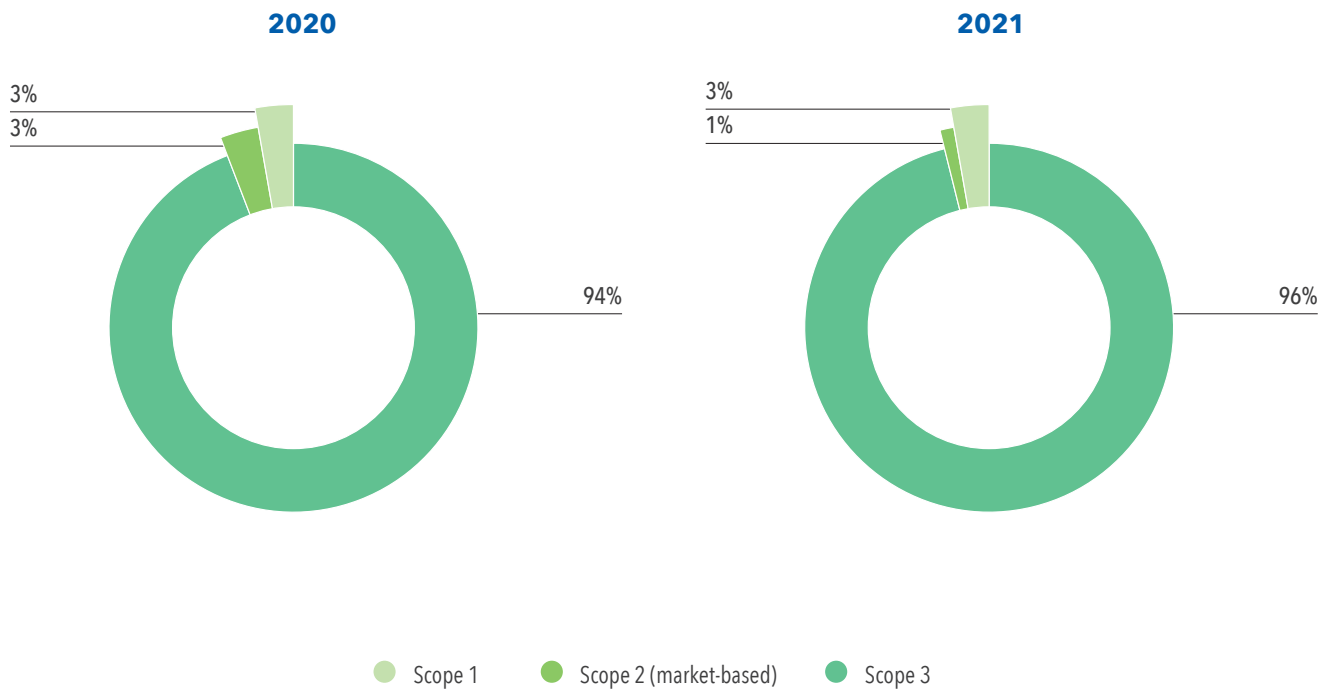
⁴⁹ Scope 1 (direct emissions): this category includes emissions from own sources or sources controlled by the organisation

⁵⁰ Scope 2 (indirect emissions): this category includes emissions inferred from purchased electricity use. Scope 2 emissions are expressed in tonnes of CO₂, however the % of natural gas and nitrous oxide had a negligible effect on total greenhouse gas emissions (CO₂ equivalent) as may be inferred from the technical literature

⁵¹ Scope 3 (indirect emissions): this category includes the emissions arising from company activities that include emission sources not under the direct control of the company, but where the emissions are indirectly attributable to company activities

⁵² Source of conversion factors used: DEFRA 2021

Source of emission factors used: TERNA 2020 and AIB 2019



SCOPE 3 EMISSIONS

In addition to the Scope 1 and Scope 2 emissions, ASTM has also calculated or estimate the Scope 3 indirect emissions, selecting from the categories deemed relevant for the Group.

Specifically, the following categories of emissions were calculated: Purchased goods and services (partially calculated, partially estimated using the Scope 3 screening tool, Quantis - "The Scope 3 Evaluator"), Fuel-and-energy-related activities (not included in Scope 1 or 2) and Waste generated in operations. In addition, the Group estimate the following categories GHG Scope 3 emissions iden-

tified on the basis of the GHG Protocol guidelines using the Scope 3 screening tool Quantis - "The Scope 3 Evaluator", issued by the GHG Protocol in collaboration with Quantis: Purchased goods and services (partially calculated, partially estimated using the Scope 3 screening tool, Quantis - "The Scope 3 Evaluator"), Capital goods, Upstream transportation and distribution, Employee commuting and Investment.

The other emission categories included in the GHG Protocol Scope 3 Standard were deemed not applicable or insignificant.

2021 ENERGY SAVING INITIATIVES

The main initiatives for greater energy savings adopted by the Group companies during 2021 include the replacement of lamps in tunnels with LED products by Autostrada dei Fiori S.p.A., which produced an energy saving of 516 thousand MWh per year.



WATER CONSUMPTION

In 2021, the companies of the ASTM Group consumed a total of around 688 thousand megalitres (ML) of water (427 ML in 2020). The significant increase in water consumption is due to the increase in operations of Itinera S.p.A., the Swedish branch of Itinera, Itinera Construções LTDA and the joint operation Itinera Agility e Odense.

In particular, around 59% (56% in 2020) of water use refers to third party water⁵³, 11% (31% in 2020) to surface water, around 30% (12% in 2020) to ground water, and around 0.1% to sea water (1% in 2020).

GROUP WATER CONSUMPTION ⁵⁴

(values expressed in ML)

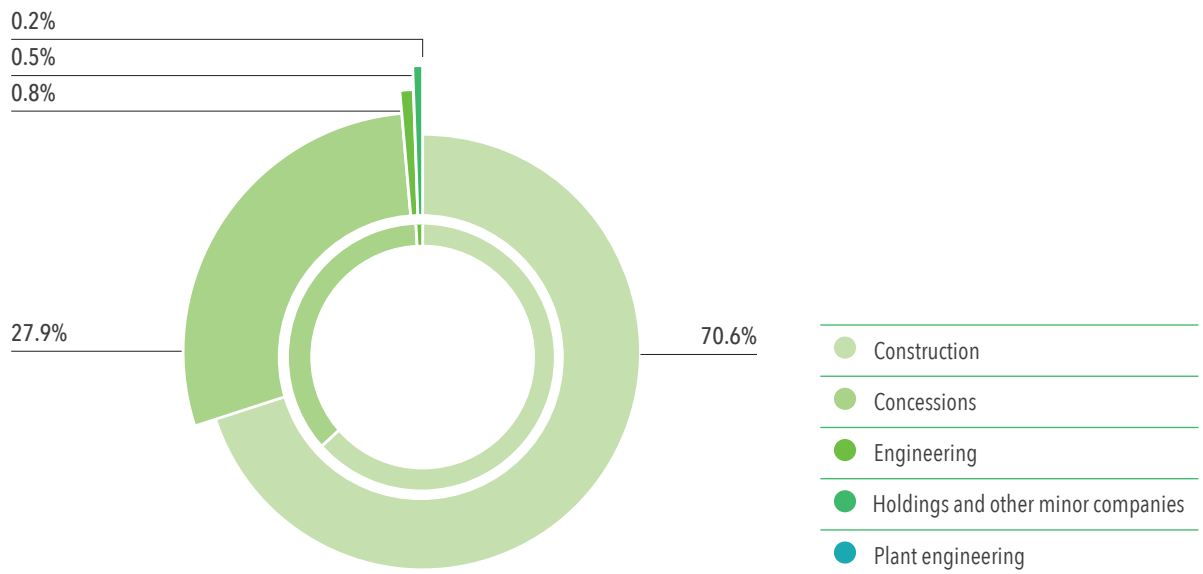
	2020		2021	
	All areas	Areas with water stress	All areas	Areas with water stress
Surface water	131	116	73	59
<i>fresh water</i>	81	66	71	56
<i>other types of water</i>	50	50	2	2
Ground water	51	51	206	164
<i>fresh water</i>	9	9	74	32
<i>other types of water</i>	42	41	133	132
Sea water	3	3	1	1
<i>fresh water</i>	-	-	-	-
<i>other types of water</i>	3	3	1	1
Water produced	-	-	-	-
<i>fresh water</i>	-	-	-	-
<i>other types of water</i>	-	-	-	-
Third party water	242	203	408	334
<i>fresh water</i>	112	77	339	269
<i>other types of water</i>	130	126	69	66
Total third-party water withdrawal by withdrawal source		203		334
<i>surface water</i>		160		143
<i>ground water</i>		43		130
<i>sea water</i>		-		62
<i>water produced</i>		-		-
Total water	427	373	688	558
<i>of which joint operations</i>	212	173	337	314

⁵³ "Third party water" means water supplied from water mains, municipal wastewater treatment plants, public or private services and other organisations involved in the supply, transportation, treatment, disposal or use of water and effluents.

⁵⁴ Some data related to water consumption are the result of estimates

WATER CONSUMPTION OF THE GROUP BY BUSINESS SEGMENT

(percentages in ML)



As shown in the graph, around 70% of water consumption refers to the construction sector (63% in 2020). In particular, water is mainly used at work sites, with a consumption equal to 486 ML (268 ML in 2020).

Regarding the concessions sector, water consumption mainly at maintenance work sites was equal to 192 ML (154 ML in 2020), accounting for approximately 28% of the Group's total consumption (36% in 2020).

On the other hand, water use for the engineering, technology and other sectors is significantly lower: it came to a level of 10 ML, equal to 2% of the Group's total consumption (5 ML, equal to 1% of the Group's total consumption in 2020), mainly intended for use at the operating sites.



WASTE

In line with the Group's policies, waste produced is recycled where possible, otherwise it is disposed of at the most suitable sites depending on the type of waste. The Group's policy on waste management aims to guarantee sustainable waste management, while increasing the percentage of recycled waste and ensuring a responsible management of hazardous waste.

The type of waste produced varies, due to the different nature of the Group's business segments.

Most waste is produced by the construction sector (88%) followed by plant engineering (6%), concessions (5%) and lastly the engineering, technology and other sectors with less than 1%. The percentage of waste attributable to the concession holder companies' sector is higher than the previous year due to the entry into the scope of consolidation of the licensee companies of the Ecorodovias Group, which directly disposes of considerable quantities of milled asphalt (this increase is significant despite only considering data at the date of entry into the scope of reporting).

Waste went from over 679 thousand tonnes in 2020 to over 870 thousand tonnes in 2021 with an in-

crease of 28%. This increase is mainly attributable to the entry of the Ecorodovias Group in the scope of consolidation (over 45 thousand tonnes disposed of since the date of entry into the scope of reporting) and to the increased operations of Euroimpianti (over 52 thousand tonnes of waste disposed of compared to over 6 thousand tonnes disposed of in 2020, resulting from the increased disposal activities from the tunnel upgrading work on the sections managed by the concessionaire SALT p.A.). The waste produced and disposed of by the construction sector is slightly higher than 2020.

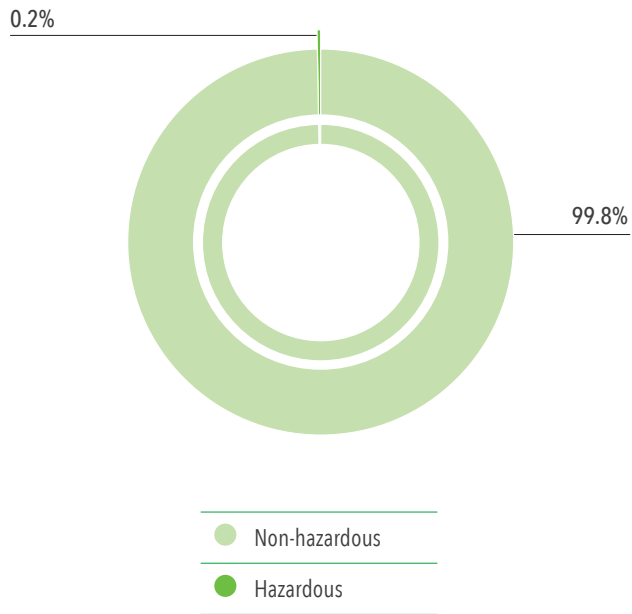
In 2021, most of the waste produced by the Group was recycled and reused (79%, 62% in 2020), while around 21% was sent to landfill, incinerated or disposed of in another way. Waste disposal is managed through municipal service companies and specialist firms. Almost all waste (99.8%) falls into the category of non-hazardous waste and the majority of hazardous waste (1,588 tonnes) is from the Storstrøm bridge worksite and originates from handling of materials already present on the site at the start of the project and owned/produced by the Port Authority.

GROUP WASTE BY DISPOSAL METHOD

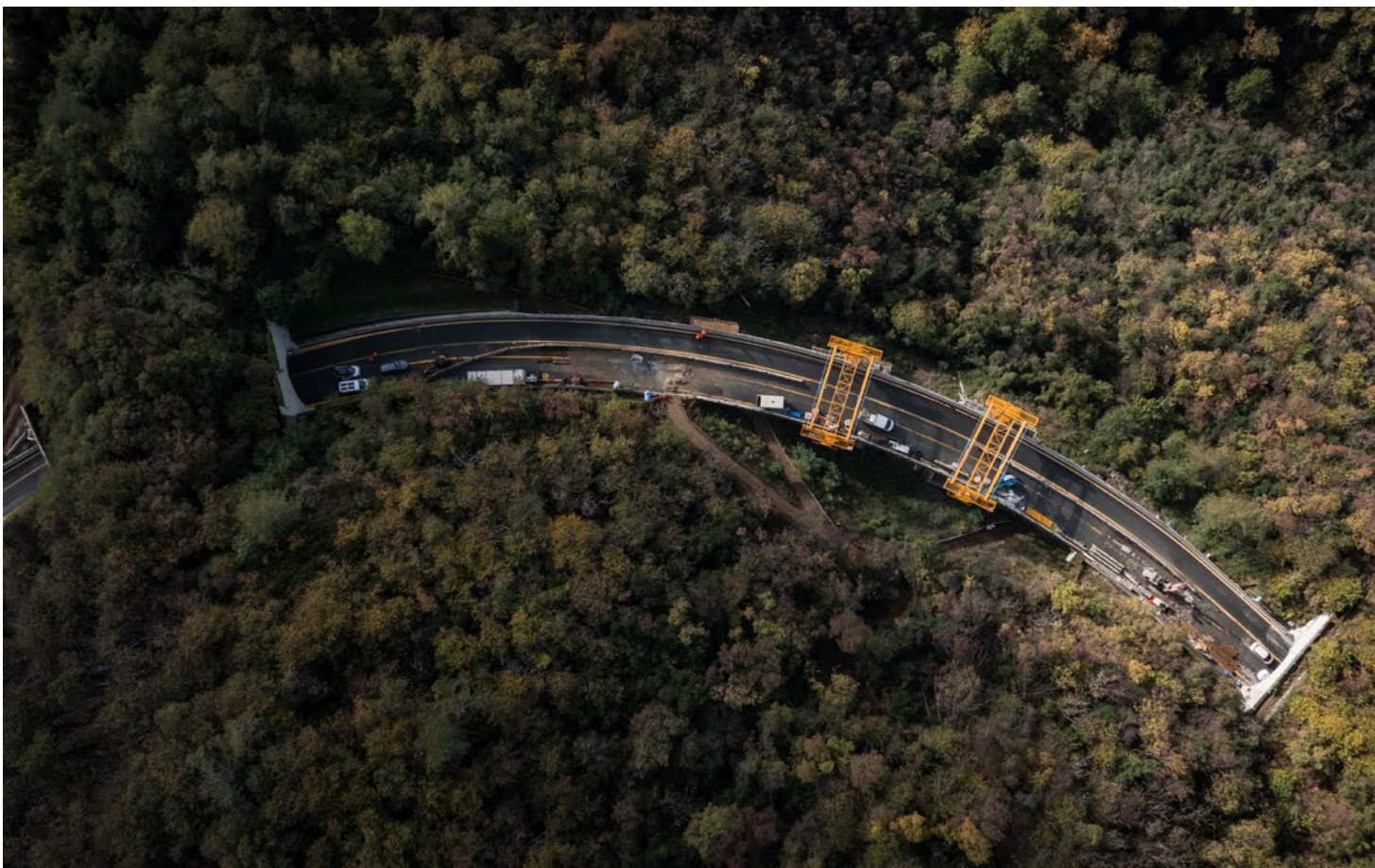
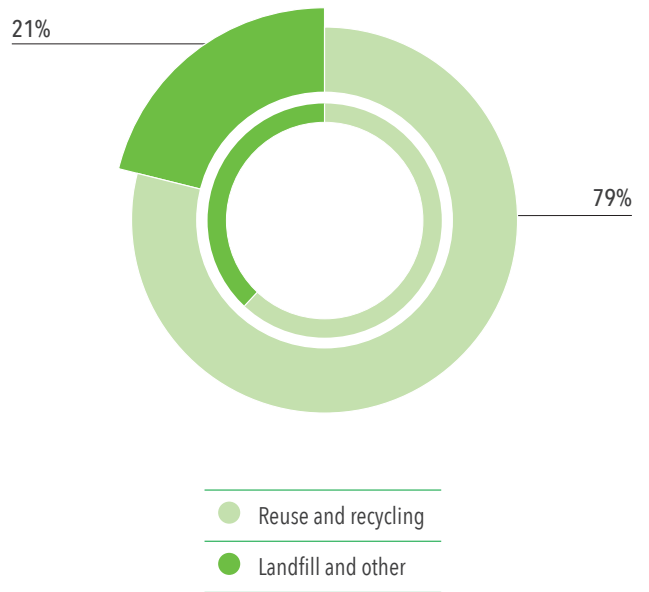
(figures in tonnes)

DISPOSAL METHOD	2020				2021			
	Hazardous	Non-hazardous	Total	Total (%)	Hazardous	Non-hazardous	Total	Total (%)
Reuse [t]	-	31,525	31,525	4.6%	2	129,112	129,114	14.8%
Recycling [t]	78	390,370	390,448	57.5%	76	558,771	558,847	64.2%
Energy recovery [t]	-	210	210	0.0%	48	524	572	0.1%
Incineration [t]	14	677	691	0.1%	13	655	668	0.1%
Landfill [t]	295	9,857	10,152	1.5%	124	90,980	91,104	10.5%
Other [t]	957	245,591	246,548	36.3%	1,658	88,415	90,073	10.3%
Total	1,344	678,230	679,574	100.0%	1,921	868,457	870,378	100.0%
<i>of which joint operations</i>	58	286,381	286,439	42.1%	30	327,546	327,576	37.6%

GROUP WASTE BY TYPE



GROUP WASTE BY DISPOSAL METHOD



NOISE MANAGEMENT

Noise management is particularly important in the concessions and construction sectors.

Transport infrastructure and their related motorway traffic are a widespread and significant source of noise pollution for the local areas. Nevertheless, the impact for the community and the perception of noise are notably affected by the location of the infrastructure with respect to inhabited areas.

With a view to the sustainable development of road infrastructure, noise is a fundamental issue. Aware of the importance of mitigating the potential negative effects on communities, the Group licensees continuously monitor the level of noise pollution through measurement and impact studies, planning and the construction of mitigation works launched in previous years. In 2021, according to the commitments defined in the financial plans of each licensee, activities to plan, develop and test mitigation measures continued, as provided for in the implementing sections of the Noise Abatement Plans pursuant to the Decree of 29 November 2000 of the Italian Ministry for the Environment. In particular, the Noise Abatement Plans require that following the issue of the legislation (2007) and approval of the Plan by the Ministry, the licensee companies must complete the interventions within 15 years.

As at 31 December 2021, around a total 156.8 km of noise barriers were installed along the Group's motorway stretches, of which around 17 km installed in 2021.

The table below provides details for each individual concession holder company in Italy.

NOISE BARRIERS ON THE ITALIAN NETWORK (figures in km)

	2021 (length in km)
A4 Torino-Milano	26.6
A21 Torino-Piacenza	15.5
A6 Torino-Savona	7.7
A12 Livorno-Sestri Levante	26.3
A15 Parma-La Spezia	9.0
A33 Asti-Cuneo	8.4
A10 Savona-Ventimiglia	10.5
A5 Quincinetto-Aosta Ovest	2.1
A21 Piacenza-Cremona-Brescia	11.1
A5 Torino-Quincinetto and Ivrea-San-thià A55 Tangenziale di Torino and Torino-Pinerolo	28.4
A32 Torino-Bardonecchia T4 Frejus Tunnel	11.2
Total	156.8

On the motorway stretches managed by the Italian licensee companies of the Group, a draining surface has been used whenever the characteristics of the stretch allowed. It is noted that for safety reasons, this paving cannot be laid in tunnels, nor is it recommended on the stretches subject to frequent snowy rainfall in winter months. Noise abatement draining paving is currently present on around 61% of the total kilometres managed by the licensees of the Group in Italy, which represents nearly all of the motorway stretches where this type of asphalt can be used.

In the construction sector, the environmental aspect of noise generated by operations at work sites (e.g. excavation and earth moving works, assembly, concrete mixers, handling operating equipment) is managed based on the location of the work site, as per specific operating instructions.

BIODIVERSITY POLICY

In November 2020, the ASTM Board of Directors approved the Biodiversity Policy.

ASTM and its subsidiaries are committed to the conservation and protection of biodiversity and ecosystem services. In this context, the Policy defines the Group's commitment in relation to protecting biodiversity.

In carrying out its business, the Group interacts with various ecosystems, landscapes and animal species. Therefore, ASTM is committed to promoting biodiversity in ecosystems, developing new projects in a sustainable manner, protecting and promoting the development and growth of natural assets. These commitments are made and promoted through the Policy, so that the various levels of the organisation and other Group companies might continue developing methods of analysis and action for the conservation of biodiversity when planning and undertaking their activities. The end goal is to integrate biodiversity conservation into the Group's strategy, considering it when making decisions about construction, management and dismantling of all infrastructure.

PROTECTION OF THE LOCAL AREA, REDUCTION IN LAND USE AND PROTECTION OF BIODIVERSITY

Group activities are carried out with a focus on protecting the environment, seeing it as an asset to protect and value. The aim is therefore to adapt the environment's characteristics to the needs of communities and standards of institutions in its motorway network maintenance and updating projects, as well as for the construction of new stretches.

Local areas have always been considered as a fundamental asset to protect. With this in mind, the Group carries out its activities with a view to protecting the environment and safeguarding historical and cultural heritage.

During 2021, the activities planned under the Environmental Monitoring Plans, defined during the design stage, mainly involved the motorway stretches of the A4 Torino-Milano and the A12 Livorno-Sestri

Levante. In particular, consistent with the evolution of the infrastructure modernisation works along the stretch between Pero and Milan, monitoring of the work continued and works began on the A12 Sestri Levante-Livorno-A15 Parma-La Spezia Interconnection.

Monitoring also continued in relation to the Ti.Bre. (Tirreno Brennero, Corridoio plurimodale Tirreno-Brennero) also continued, with subsequent validation and publication on the Local Information System of the measurement data sheets related to the individual natural components potentially impacted by the works; considering the progress of the works, particular interest was also paid to the vegetation components falling under the green works.

MANAGEMENT OF HYDROGEOLOGICAL RISK

The Group also focused heavily on the hydrogeological context of motorways, developing numerous initiatives in 2021.

The Group's Italian licensee companies have an Action Plan for Maintaining Infrastructure Efficiency (APMI), which, in particular for "Mountain Sides and Monitoring Works", provides instructions on how to manage the monitoring and maintenance of the works and on checks including: support works (e.g., reinforced terrain, gabion walls), passive defence works (e.g., rockfall barriers, bolted nettings), surface draining works (e.g., ditches, gutters), deep draining works (e.g., sub-horizontal drains, draining trenches, draining wells).

Some of the specific initiatives include the continuation in 2021 of an advanced integrated monitoring system for mountainside landslides, located in the Municipality of Quincinetto, Chiappetti district by the licensee S.A.V., in collaboration with the Civil Defence System at Florence University. Similarly, using technical round tables, the licensee company continued dialogue with Local Organisations, National Civil Defence and all players affected by the phenomenon.

Again for the licensee company S.A.V., the management of hydraulic and hydrogeologic risks associated with exceptional weather events continues, through the hydrometric and solid material movement monitoring network near certain critical overpass sections of motorway infrastructure near water features, with technical and scientific support from the Civil Defence System at Florence University.

Since the early 2000s, SALT's hydrogeological risk studies have made it possible to identify, record and monitor over 100 landslide events affecting the motorway stretch of the A15 Motorway Parma-La Spezia. In 2021, all surveys were carried out for each event identified, at intervals defined and planned in order to monitor developments. The landslide events considered most at risk are inspected annually, and additional tests are also carried out using

specific instruments that have been installed on the structures to guarantee continual monitoring of the landslide, including during critical events, and to offer the possibility of remote control through a dedicated website. Annual or twice yearly topographic surveys are also carried out by specialist technicians from the licensee company SALT, in association with Parma University, for checks on the station and guidance points.

Monitoring of landslide events makes it possible to plan specific actions with varying levels of intervention. In 2021, in-depth studies were carried out to improve the characterisation and definition of landslide movements.

The activities put in place by Autostrada dei Fiori also continued in 2021, after the well-known landslide in 2019 which led to the partial collapse of the Madonna del Monte viaduct between the Savona and Altare junctions, in the Turin direction, in order to monitor developments in this landslide phenomenon.

In 2021, the mountainside in Madonna del Monte was involved in landscaping and consolidation works, which are expected to be completed at the start of 2022.

PROTECTION OF BIODIVERSITY

The Group is committed to protecting biodiversity through planning, subsequent development and post-construction verification of environmental mitigation work, involving careful study of potential vegetation for operating areas and native flora.

In particular, during 2021, as part of ten-year agreements stipulated by SATAP with the University of Turin for the Torino-Milano motorway stretch, activities to develop trial systems for green areas continued, to redevelop the landscape and re-naturalise degraded areas affected by work sites for motorway modernisation in several municipalities.

In the trial site of Vicolungo, during the fourth growing season, management and monitoring activities



were carried out on the trial reforestation completed in the spring of 2018. At the end of the growing season, a positive trend was seen in terms of the plants response to the soil. In fact, the experimental areas have taken hold well and the plants appear well-adapted to the climate conditions. The satisfactory growth rates, combined with high vitality rates are factors which suggest the system is promising. Again during this growing season various traces of the passage of animals were seen, including small rodents, amphibians, boars, buzzards and other birds which nested among the plants, making it possible to state that the system is becoming naturalised, another indication that the design was done well.

At the trial sites of Chivasso and Rondissone, in line with previous years, all operating interventions used for the correct maintenance of the areas involved in testing were also carried out in 2021.

The ecological permeability of infrastructure for fauna is an increasingly important topic in planning, with specific defragmentation measures studied, as applicable.

For example, six large pass-through items (measuring 3 m by 2 m) were installed for the passage

of fauna in the area of the Torino-Milano motorway (A4) which crosses the Ticino Park. These items are specifically monitored with camera traps that demonstrate effectiveness, recording a moderate number of small and medium-sized fauna passing through.

In addition to areas below viaducts and secondary roads, the Group's infrastructure has over 600 items that, due to their size and location, serve for the fauna to pass through. One example are the large culverts (1.5 m x 1.5 m) in areas with high biodiversity levels which enable animals to pass.

In relation to the activities associated with the construction of the TI.BRE., in 2021 artificial nests installed the previous year were monitored, to encourage the development of the red-footed falcon colony that has settled near the work site. These nest boxes again this year guaranteed that nesting pairs had greater protection from predators and helped to support the survival of new chicks. The results of the checks carried out on all the nests used for the species were added to measurement data sheets included on the SIT (Local Information System) and accessible to the public. At the same time, in the areas involved in the works, other avifauna and fish species of interest were monitored.

IMPACT OF THE GROUP ON BIODIVERSITY

The ASTM Group has mapped the impacts of its operational activities at 31 December 2021 on biodiversity in terms of the motorway network under management and worksites.

This analysis was carried out with support from the Integrated Biodiversity Assessment Tool (IBAT), a multi-institutional work programme involving BirdLife International, Conservation International, IUCN (International Union for Conservation of Nature) and UNEP-WCMC (United Nations Environment Programme -World Conservation Monitoring Centre).

In particular, to increase the transparency and inclusion of issues related to biodiversity in the annual sustainability report, a Multi-site Report was prepared.

The Report makes it possible to evaluate the biodiversity characteristics of the operating sites for disclosure at aggregate level. For each operating site chosen, the following details related to biodiversity are provided:

- the protected areas and the key areas for biodiversity within a 3 km radius deemed significant by the Group;
- the species on the IUCN Red List classed as *Critically Endangered*, *Endangered* or *Vulnerable* which are potentially found within a 50 km radius from the operating sites considered.

In particular, 70% of the Group's operating sites are within 3 km of a protected area and 24% are within 3 km of a key area for biodiversity.

The operating sites with the highest number of species from the IUCN Red List potentially found within a 50 km radius include: Autostrada dei Fiori S.p.A. (A10) with a total of 187 species, of which 22 *Critically Endangered*, 60 *Endangered* and 105 *Vulnerable*; Società Autostrada Ligure Toscana - SALT p.A. (A15) with a total of 150 species, of which 22 *Critically Endangered*, 47 *Endangered* and 81 *Vulnerable*; ECO101 Concessionaria de Rodovias S.A. with a total of 289 species, of which 35 *Critically Endangered*, 124 *Endangered* and 130 *Vulnerable* and Concessionaria Ponte Rio-Niteroi SA - Ecoponte with a total of 233 species, of which 32 *Critically Endangered*, 99 *Endangered* and 102 *Vulnerable*.

Companies in the ASTM Group are assessing possible new initiatives for the protection of biodiversity based on this analysis.

REDUCTION IN LAND USE AND RE-USE OF MATERIALS

Regarding the reduction in land use and general tendency at the European level to reuse resources, maximum reuse of excavation materials has been envisaged at a planning and operational level.

In particular, after testing the geotechnical and chemical characteristics, in order to limit as far as possible the use of natural quarry materials at work sites, new works are developed by re-using the natural excavated terrain where the new infrastruc-

ture will be located. In the same way, the reuse of recycled aggregates from authorised and certified external plants and from internal processes was promoted. Additionally, when direct reuse was not possible, transport of excavation materials to alternative locations or authorised collection entities was favoured, rather than definitive disposal.

To guarantee sustainable development during the construction of new motorways and in the maintenance and restoration of existing ones, the Group also promotes the use of innovative raw materials with a reduced environmental impact.

REUSE OF RECLAIMED ASPHALT PAVEMENT

Through S.I.N.A., the ASTM Group activated a research contract with the Civil, Chemical, Environmental and Materials Engineering Department at the University of Bologna on the potential use of recycled asphalt in road surfacing for the development of more sustainable roadway infrastructure. The use of recycled asphalt in the new applications would make it possible to reduce the quantities of material for landfill disposal and the demand for new virgin natural resources.

The study involved the state of the art for methodologies and technologies available on the market for reuse of reclaimed asphalt pavement (RAP) in production of bituminous mixes with high RAP content, verifying whether performance was maintained in terms of safety, useful life and user comfort and expressing the appropriate economic and environmental evaluations.

The research supports the construction sector company Itinera's strategic decisions for possible investments in new cutting-edge bituminous mix production systems which allow for an extensive application (including over 70%) of RAP in the creation of new mixes to be used in the construction of road paving.

This new initiative flanks the usual recycling activities carried out by the ASTM Group, including the cold recycling of RAP in the creation of the road superstructure of the Torino-Milano Motorway Modernisation (with the use of around 1 million cubic metres of RAP), and, albeit of a lesser impact, the recovery in situ of the base layer using the foamed bitumen technique to upgrade the traffic divider at the junction east of Chivasso.

MINIMUM ENVIRONMENTAL CRITERIA

S.I.N.A. again in 2021 continued its participation on technical round tables set up by the Italian Ministry for the Environment, Land and Sea Protection (now MiTE or Ministry of the Ecological Transition), which oversees the definition of the "Minimum Environmental Criteria for the planning and works pertaining to the construction and maintenance of road infrastructure", in implementation of the National Action Plan for Green Public Procurement (NAP GPP).

These criteria are the environmental requirements defined for the various stages of the acquisition process, intended to identify the best design solution, product or service with regard to the environment through the life cycle. Once they take effect - with their adoption in a specific decree - they will be used by the contracting stations for the achievement of the environmental objectives set out by the NAP GPP, in the context of tender procedures, as provided for by Italian Legislative Decree 50/2016.

Pending definition of the specific for the road sector, attention has nevertheless been on minimising, throughout the entire life cycle of the road, the use of resources for the production of construction materials, the conservation of habitats and water resources, and the reduction of noise and atmosphere emissions. The work was intended to provide technical contributions and suggestions for the issue, it is hoped, of a document that responds to the fundamental requirement of environmental protection, indicating methods to manage the planning phases and works, which can be implemented and achieved by the various parties involved and which are therefore truly effective.

For application of already approved Minimum Environmental Criteria, the ASTM Group licensee companies began to call for their insertion in the Special Tender Specifications and Evaluation Criteria for the Most Economically Advantageous Tenders.

SINA AND ENVIRONMENTAL PROTECTION

Relative to the issue of environmental protection, S.I.N.A. has invested since 2018 to acquire skills in the context of the Envision Sustainability Protocol, a rating certification system to assess sustainable infrastructure, providing training courses each year and providing updates for its personnel certified as Envision Sustainability Professionals, i.e. professional figures qualifying for the certification of projects according to the protocol.

Envision rates the development of the infrastructure in a holistic manner, from the design and development stages to its sustainability and end of life.

Again with regards to environmental issues, and in particular relative to protection of local areas, biodiversity and reduction of soil consumption, the company has strengthened its qualifications and skills through the execution of environmental impact studies, including the prior verification of archaeological interest, and the design of works for environmental mitigation, conservation and compensation. Additionally, S.I.N.A. is specialised in noise pollution studies (supporting the Group's licensee companies for over 20 years), in managing excavated dirt and rocks and in carrying out environmental audits at construction sites.

S.I.N.A. also has specific and specialist expertise in environmental monitoring and in the design and organisation of databases and territorial information systems for the data management of various environmental matrices.

S.I.N.A. has actively participated – for over 30 years – in the research programmes of the World Road Association (PIARC) and, for 14 years, has chaired the National Technical Committee which oversees climate change, mitigation and adaptation policies and infrastructure resilience. In particular, in the current four-year research period (2020-2023), S.I.N.A. is chair of the National Committee "Climate Change and Resilience of Road Infrastructure" within the strategic topic of "Road Concessions Management". Specifically, the Committee oversees in-depth analyses of topics related to the impact on roads of climate change and other risks, how to assess and increase the resilience of infrastructure and identify the socio-economic impacts that such events could have on road users and all stakeholders in general. As part of its activities, the Committee evaluates and updates the PIARC Climate Change Adaptation Framework.

The Committee's activities involve members from the world of academia, institutions, the financial sector, as well as various professionals belonging to the Companies and licensee companies of the ASTM Group. The 2021 activities also included the organisation of the S.I.N.A. training days, "Climate Change and Resilience of the Road Network", in collaboration with PIARC and the Milan Order of Engineers.







05

ANNEXES

- 152** Table of the boundary of material topics for the ASTM Group
- 154** GRI Content Index
- 162** Table of SASB indicators

TABLE OF THE BOUNDARY OF MATERIAL TOPICS FOR THE ASTM GROUP

MATERIAL TOPICS	RECONCILIATION WITH GRI STANDARDS	SDGs	BOUNDARY OF IMPACTS	ASTM'S ROLE	SUSTAINABILITY RISKS
Economic/financial sustainability	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 201: Economic Performance (2016) 	● 8	● ASTM Group	● Direct - Caused by the ASTM Group	● risk of operational disruption to infrastructure
Governance and compliance	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 307: Environmental Compliance (2016) 	● 9, 16	● ASTM Group	● Direct - Caused by the ASTM Group	● compliance risk and risks related to ethical behaviour
Responsible supply chain management	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 204: Procurement practices (2016) 	● 9	● ASTM Group	● Direct - Caused by the ASTM Group	● risks related to the supply chain and subcontracting
Anti-corruption	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 205: Anti-corruption (2016) 	● 16	● ASTM Group	● Direct - Caused by the ASTM Group	● compliance risk and risks related to ethical behaviour
Energy consumption and GHG emissions	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 302: Energy (2016) ● GRI 305: Emissions (2016) 	● 7, 11, 12, 13	<ul style="list-style-type: none"> ● ASTM Group ● Electricity suppliers 	<ul style="list-style-type: none"> ● Direct - Caused by the ASTM Group ● Indirect - Related to ASTM Group activities through business relations 	● Environmental compliance risks
Use of natural resources and waste management	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 301: Materials (2016) ● GRI 303: Water (2018) ● GRI 306: Effluents and waste (2016) ● GRI 306: Waste (2020) 	● 7, 11, 12, 13	● ASTM Group	● Direct - Caused by the ASTM Group	● Environmental compliance risks
Motorway infrastructure safety	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) 	● 3, 11	● ASTM Group	● Direct - Caused by the ASTM Group	<ul style="list-style-type: none"> ● Risks related to the management of emergency events and motorway services ● risk of operational disruption to infrastructure
Occupational health and safety	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 403: Occupational health and safety (2018) 	● 3, 8	● ASTM Group	● Direct - Caused by the ASTM Group	● Risks related to personnel
Diversity, equal opportunities and inclusion	<ul style="list-style-type: none"> ● GRI 103: Management approach (2016) ● GRI 402: Labour/management relations (2016) ● GRI 405: Diversity and equal opportunity (2016) ● GRI 406: Non-discrimination (2016) 	● 5, 8, 10, 16	● ASTM Group	● Direct - Caused by the ASTM Group	● Risks related to personnel

MATERIAL TOPICS	RECONCILIATION WITH GRI STANDARDS	SDGs	BOUNDARY OF IMPACTS	ASTM'S ROLE	SUSTAINABILITY RISKS
Attracting and developing human capital	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 401: Employment (2016) GRI 404: Training and education (2016) 	<ul style="list-style-type: none"> 4, 8 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> Risks related to personnel
Respect for human rights	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 408: Child labour (2016) GRI 409: Forced or compulsory labour (2016) 	<ul style="list-style-type: none"> 8, 16 	<ul style="list-style-type: none"> ASTM Group Suppliers 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group Indirect - Related to ASTM Group activities through business relations 	<ul style="list-style-type: none"> Risks related to personnel risks related to the supply chain and subcontracting
Stakeholder relations	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 413: Local communities (2016) 	<ul style="list-style-type: none"> 11, 17 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> All risks
Impact on local area	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 202: Market Presence (2016) GRI 203: Indirect Economic Impacts (2016) 	<ul style="list-style-type: none"> 8, 9, 11 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> "NIMBY" risk Risks related to innovation and the market
Road safety	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> 3, 11 	<ul style="list-style-type: none"> ASTM Group Motorway users, with reference to driving behaviour 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group Indirect - Related to ASTM Group activities 	<ul style="list-style-type: none"> Risks related to the management of emergency events and motorway services risk of operational disruption to infrastructure
Protection of landscape and biodiversity	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> 11, 12 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> Environmental compliance risks
Privacy and information security	<ul style="list-style-type: none"> GRI 103: Management approach (2016) GRI 418: Customer privacy (2016) 	<ul style="list-style-type: none"> 16 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> compliance risk and risks related to ethical behaviour
Innovation	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> 9 	<ul style="list-style-type: none"> ASTM Group Universities and research centres 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group Indirect - Related to ASTM Group activities through business relations 	<ul style="list-style-type: none"> Risks related to innovation and the market
Service quality and customer satisfaction	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> 9, 17 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> Risks related to the management of emergency events and motorway services
Noise pollution	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> 9, 11 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> Environmental compliance risks
Business continuity	<ul style="list-style-type: none"> GRI 103: Management approach (2016) 	<ul style="list-style-type: none"> 8, 9, 11 	<ul style="list-style-type: none"> ASTM Group 	<ul style="list-style-type: none"> Direct - Caused by the ASTM Group 	<ul style="list-style-type: none"> Business continuity risk

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GRI Standard	Description of General Standard Disclosures	Page	Notes
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102-50	Reporting period	4	
102-51	Date of most recent report	4	
102-52	Reporting period	4	The Sustainability Report is published annually
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GRI 103: MANAGEMENT APPROACH (2016)			
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GRI 103-3	Evaluation of the management approach	4-7; 70-76	
GRI 204: PROCUREMENT PRACTICES (2016)			
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Anti-corruption			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	38; 152	
GRI 103-2	The management approach and its components	38-39	
GRI 103-3	Evaluation of the management approach	4-7; 36	
GRI 205: ANTI-CORRUPTION (2016)			
GRI 205-3	Confirmed incidents of corruption and actions taken		No incidents of corruption were recorded in 2021
GRI 207: TAXES (2019)			
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GRI 207-2	Fiscal governance, control and risk management	64-65	
GRI 207-3	Stakeholder engagement and management of tax worries	65	
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GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	131-137; 147-148	
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GRI Standard	Description of Specific Standard Disclosures	Page	Notes
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GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	140-141	
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GRI 301: MATERIALS (2016)			
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GRI 306: WASTE (2020)			
GRI 306-1	Production of waste and significant impacts related to waste	140-141	
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GRI 306-4	Waste not intended for disposal	140-141	
GRI 306-5	Waste intended for disposal	140-141	
GRI 306: EFFLUENTS AND WASTE (2016)			
GRI 306-3	Significant spills	131	
Attracting and developing human capital			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
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GRI 401: EMPLOYMENT (2016)			
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GRI 404: TRAINING AND EDUCATION (2016)			
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GRI Standard	Description of Specific Standard Disclosures	Page	Notes
Occupational health and safety			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 403: MANAGEMENT APPROACH (2018)			
GRI 103-1	Explanation of the material topic and its boundary	125; 152-153	
GRI 103-2	The management approach and its components	122-123; 127	
GRI 103-3	Evaluation of the management approach	4-7; 122-127	
GRI 403-1	Occupational health and safety management system	122	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	122-123; 127	
GRI 403-3	Occupational health services	122	
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	122	
GRI 403-5	Worker training on occupational health and safety	119-120	
GRI 403-6	Promotion of worker health	127	
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	127	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)			
GRI 403-9	Work-related injuries	123-125	
Diversity, equal opportunities and inclusion			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	6-7; 109-110; 116	
GRI 103-3	Evaluation of the management approach	4-7; 109-113	
GRI 402: LABOUR/MANAGEMENT RELATIONS (2016)			
GRI 402-1	Minimum notice periods regarding operational changes		The minimum notice period for workers and their representatives regarding organisational changes that could significantly impact them is established in compliance with laws applicable in the country where the group operates and, where applicable, with National Collective Bargaining Agreements
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)			
GRI 405-1	Diversity of governance bodies and employees	28; 109-113	
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GRI Standard	Description of Specific Standard Disclosures	Page	Notes
GRI 406: NON-DISCRIMINATION (2016)			
GRI 406-1	Incidents of discrimination and corrective actions taken		During 2021, a case of discrimination was reported and managed by the EcoRodovias Group
Respect for human rights			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	70-76; 121	
GRI 103-3	Evaluation of the management approach	4-7; 70-76; 121	
GRI 408: CHILD LABOUR (2016)			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	75-76	
GRI 409: FORCED OR COMPULSORY LABOUR (2016)			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	72-76	
Stakeholder relations			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	96-97	
GRI 103-3	Evaluation of the management approach	4-7; 96-97	
GRI 413: LOCAL COMMUNITIES (2016)			
GRI 413-2	Operations with significant actual and potential negative impacts on local communities		No operations with significant actual and potential negative impacts on local communities were reported
Privacy and information security			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	40-41	
GRI 103-3	Evaluation of the management approach	4-7; 40-41	
GRI 418: CUSTOMER PRIVACY (2016)			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		In 2021 a complaint was received by Ecorodovias Concessionoes e Serviços S.A. from a road user who requested twice that their personal details be deleted from the company's systems.

GRI Standard	Description of Specific Standard Disclosures	Page	Notes
Road safety			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	77; 152-153	
GRI 103-2	The management approach and its components	76-89	
GRI 103-3	Evaluation of the management approach	4-7; 76-89	
Governance and compliance			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	27-28	
GRI 103-3	Evaluation of the management approach	4-7; 27-28	
GRI 307: ENVIRONMENTAL COMPLIANCE (2016)			
GRI 307-1	Non-compliance with environmental laws and regulations	131	
Protection of landscape and biodiversity			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	6; 143-148	
GRI 103-3	Evaluation of the management approach	4-7; 143-148	
Innovation			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	33; 90-95	
GRI 103-3	Evaluation of the management approach	4; 33; 90-95	
Service quality and customer satisfaction			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	88	
GRI 103-3	Evaluation of the management approach	4-7; 88	
Motorway infrastructure safety			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	78; 152-153	
GRI 103-2	The management approach and its components	76-84; 88-89	
GRI 103-3	Evaluation of the management approach	76-84; 88-89	

GRI Standard	Description of Specific Standard Disclosures	Page	Notes
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GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	142	
GRI 103-3	Evaluation of the management approach	4-7; 142	
Impact on local area			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	152-153	
GRI 103-2	The management approach and its components	47-53; 62-63; 68-69; 96-97; 100-103	
GRI 103-3	Evaluation of the management approach	4-7; 47-53; 62-63; 68-69; 96-97; 100-103	
GRI 202: MARKET PRESENCE (2016)			
GRI 202-2	Proportion of senior management hired from the local community	106	
GRI 203: INDIRECT ECONOMIC IMPACTS (2016)			
GRI 203-2	Significant indirect economic impacts	68-69; 75-76	
Business continuity			
GRI 103: MANAGEMENT APPROACH (2016)			
GRI 103-1	Explanation of the material topic and its boundary	37; 152-153	
GRI 103-2	The management approach and its components	34-37	
GRI 103-3	Evaluation of the management approach	4-7; 34-37	

TABLE OF SASB INDICATORS

GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) represent the most recognised standards at international level for sustainability reporting. Considering the growing importance of SASB reporting for investors, the following table contains the indicators integrated into the 2021 Sustainability Report.

SASB indicator	Description	Section/ Notes	Material topic	GRI Standard
SECTOR: INFRASTRUCTURE - ACTIVITY: ENGINEERING & CONSTRUCTION SERVICES				
Activity Metrics	Number of active projects	There are 129 active projects (excluding intercompany).	N/A	N/A
Activity Metrics	Number of commissioned projects	There are 60 commissioned projects (excluding intercompany).	N/A	N/A
Activity Metrics	Total backlog	The backlog is equal to around € 4,479 million.	N/A	N/A
IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards and regulations	Management of environmental issues	Governance and compliance	GRI 307-1
IF-EN-250a.2	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	No monetary loss as a result of legal proceedings associated with occupational health and safety-related incidents.	Governance and compliance	N/A
IF-EN-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for: (a) direct employees and (b) contract workers	Health and safety The total recordable incident rate (TRIR) is equal to 1.62 for direct employees and 0.07 for contract workers. The mortality rate is equal to 0.01 for direct employees and 0 for contract workers.	Occupational health and safety	GRI 403-9
IF-EN-410a.1	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	One commissioned project (excluding intercompany) is certified to sustainability standards. There were 12 active projects (excluding intercompany) requiring certification	Energy consumption and GHG emissions	N/A
IF-EN-510a.2	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	No monetary loss as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	Governance and compliance Anti-corruption	GRI 205 GRI 206
IF-EN-510a.3	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behaviour in the project bidding processes	Anti-corruption As for the prevention of any anti-competitive behaviours, the Code of Ethics contains the related principles and also makes reference to the obligation to comply with fair competition laws.	Governance and compliance Anti-corruption	GRI 205 GRI 206

SASB indicator	Description	Section/ Notes	Material topic	GRI Standard
SECTOR: TRANSPORTATION - ACTIVITY: ROAD TRANSPORTATION				
TR-RO-110a.1	Gross global Scope 1 emissions	Emissions	Energy consumption and GHG emissions	GRI 305-1
TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for: (a) direct employees and (b) contract workers	Health and safety The total recordable incident rate (TRIR) is equal to 1.62 for direct employees and 0.07 for contract workers. The mortality rate is equal to 0.01 for direct employees and 0 for contract workers.	Occupational health and safety	GRI 403-9
TR-RO-540a.3	(1) Number and (2) aggregate volume of spills and releases to the environment	Management of environmental issues	Use of natural resources and waste management	GRI 306-3
SECTOR: TECHNOLOGY & COMMUNICATIONS SECTOR - ACTIVITY: SOFTWARE & IT SERVICES				
TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Energy consumption	Energy consumption and GHG emissions	GRI 302-1
TC-SI-130a.2	(1) Total water withdrawn, (2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Water consumption	Use of natural resources and waste management	GRI 303-3
TC-SI-230a.1	(1) number of data breaches, (2) percentage involve personally identifiable information (PII), (3) number of users affected	In 2021 a complaint was received by Ecorodovias Concessões e Serviços S.A. from a road user who requested twice that their personal details be deleted from the company's systems.	Privacy and information security	GRI 418-1
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	No monetary loss as a result of legal proceedings associated with anticompetitive behaviour regulations	Governance and compliance	GRI 206-1



ASTM SPA

**INDEPENDENT AUDITOR'S REPORT ON THE
CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT
TO ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE
NO. 254/2016 AND ARTICLE 5 OF CONSOB REGULATION
NO. 20267 ADOPTED BY RESOLUTION OF 18 JANUARY 2018**

YEAR ENDED 31 DECEMBER 2021



Independent auditor's report on the consolidated non-financial statement

pursuant to article 3, paragraph 10, of Legislative Decree No. 254/2016 and article 5 of CONSOB Regulation No. 20267 adopted by Resolution of 18 January 2018

To the Board of Directors of
ASTM SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5 of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of ASTM SpA and its subsidiaries (hereafter the "ASTM Group" or the "Group") for the year ended 31 December 2021 prepared in accordance with article 4 of the Decree and approved by the Board of Directors on 25 March 2022 (the "NFS").

Our review does not extend to the information set out in the paragraph "The European Regulation on the Taxonomy of Sustainable Economic Activities" of the NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016 and updated to 2020 by the GRI - Global Reporting Initiative (the "GRI Standards"), identified by them as the reporting standard.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated or faced by the Group.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

PricewaterhouseCoopers SpA

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Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and with the GRI Standards. We conducted our work in accordance with 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 (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. comparison of the financial information reported in the NFS with the information reported in the ASTM Group's consolidated financial statements;
4. understanding of the following matters:
 - business and organisational model of the Group with reference to the management of the matters specified by article 3 of the Decree;
 - policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 5 a) below;



5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS. In detail, we held interviews and discussions with the management of ASTM SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at Group level,
 - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information;
- for the following companies, ASTM SpA, Itinera SpA, Halmar International LLC, Società Autostrada Ligure Toscana pA and Autostrada dei Fiori SpA, which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the ASTM Group as of 31 December 2021 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards.

Our conclusions on the NFS of the ASTM Group do not extend to the information set out in the paragraph “The European Regulation on the Taxonomy of Sustainable Economic Activities” of the NSF, required by article 8 of European Regulation 2020/852.

Turin, 13 April 2022

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

Signed by

Paolo Bersani
(Authorised signatory)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any control on the NFS 2021 translation.

