AEROPORTI DI ROMA

Integrated Annual Report

2023

Contents

Report on Operations

Letter to the Stakeholders

Air traffic recovered in 2023, despite inflationary pressures and rising geopolitical tensions, which resulted in the continuation of air traffic restrictions with a related impact on the pre-Covid volume trajectory of some markets.

The airport system consisting of Fiumicino and Ciampino airports recorded over 44.2 million passengers, an increase of +35% compared to the previous year. The result is even more significant as the increase was concentrated at Fiumicino airport (+37%), with a 93% recovery in traffic volumes compared to the pre-pandemic period; while Ciampino airport recorded a more contained growth compared to 2022 (+11%), due to the known operating restrictions that the regulations have imposed on this airport.

The growth in passengers handled at the main Italian airport was characterised in the summer months by a strong increase in traffic volumes, through a significant increase in Leisure and Visiting Friends and Relatives (VFR) flows, as well as by important developments in international demand. In particular, the recovery in air traffic affected the European and North American markets, with respect to which the performances recorded in 2023 showed an increase in passengers of +10% and +12%, respectively, compared to 2019.

The Fiumicino aviation development has outlined a very positive overall scenario for the Roman market with the activation of 45 new air connections, 15 of which to new destinations served with direct flights and a schedule that has gradually approached pre-pandemic levels with approximately 100 airlines serving 200 destinations to more than 70 countries, thus connecting all continents to the capital. The North American market was the star performer with a schedule that, in the peak months, counted 34 departures per day, of which as many as 11 to New York alone. A record offer, thanks to the new connections launched by ITA Airways and the developments of the American carriers which, at an aggregate level, have offered a number of connections up to 50% higher than the pre-pandemic peak period. In this context, Leonardo da Vinci positioned itself as the third European hub after London and Paris in terms of number of flights to the Big Apple and among the airports with the greatest growth in flights to North America, including Canada.

The year ended with a consolidated operating profit of 316.8 million euros (131.9 million euros in the previous year) and with a profit of 193.4 million euros, compared to 45.1 million euros in 2022. The Group's financial structure was further strengthened, as also certified by the investment grade credit ratings, thanks to a new transaction finalised in July. In fact, after issuing its inaugural Green Bonds in 2020 and the world's first Sustainability-Linked Bonds by an airport operator in 2021, in July 2023 ADR successfully placed new Sustainability-Linked Bonds, which directly link the cost of debt to the achievement of ambitious sustainability targets. The 400 million euro 10-year deal attracted strong interest internationally and from operators specialising in "ESG" investments, with requests for almost five times the offer and total orders of around 1.9 billion euros, more than 95% of which came from foreign investors. The transaction, together with the simultaneous voluntary early repayment of other financial debts with a shorter maturity, also made it possible to remove the main debt maturities up until 2027, increasing the average life of the debt by 1.2 years, and accelerated the conversion of the Group's financial structure to sustainable finance (now representing 65% of financing sources).

Investments amounted to over 323 million euros, up 51% compared to 2022, for the expansion and upgrading of the Roman airport system. The restructuring of the boarding area A31-A52 (former Pier B) was completed during the year, after a profound functional, plant and regulatory renovation that affected the pier at all its levels. The new availability of twelve contact gates and ten remote boarding gates, in addition to guaranteeing the necessary capacity to cope with summer traffic peaks, has ensured the possibility of maximising the allocation of flights on gates equipped with bridges, with the consequent positive effects in terms of operational efficiency and service quality. New important commercial areas were also inaugurated, such as the square in the Schengen area and the tunnel that connects the same square with the boarding area A1-A10. In the East area, the initiative to open and expand the commercial offer for passengers continues. In particular, the new Food Court of over 3,700 square meters was inaugurated, 4 new Lounges were opened for over 2,000 square meters and the Retail offer was expanded with the opening of important brands in the luxury and fashion sector.

In addition, a series of redevelopment works were carried out in several areas and, in general, works regarding safety, business continuity and compliance with regulatory obligations continued.

As in previous years, also in 2023 the Group continued its commitment to the quality of services offered to passengers, airport operators and stakeholders, equipping the Roman airport system with innovative procedures, technologies and systems with the objective of guaranteeing increasingly cutting-edge safety and quality standards. This commitment involved all the staff of Aeroporti di Roma, which has allowed the Fiumicino and Ciampino airports to be once again among the most internationally recognised. For the first time, in fact, "Leonardo da Vinci" obtained the maximum award of the 5 Skytrax stars for excellent standards in service quality (the first and only airport in Italy). Not only that. Also in 2023, Airport Council International (ACI) Europe, the trade association of airports at European level, awarded Leonardo da Vinci the "Best Airport Award" in the category of hubs with over 40 million passengers. This is the fifth consecutive time in the last 6 years that ADR has ranked first in Europe, following the evaluation of a jury of experts from the Travel & Tourism industry in Europe. This result is in addition to the "Airport Service Quality Award" for the main Italian airport, which for 6 consecutive years has topped the European ranking for the quality of service expressed directly by passengers, through the international survey conducted by ACI World in more than 350 airports worldwide. Thanks to these results, in 2022 ACI included Aeroporti di Roma in the "Director General's Roll of Excellence", a register of excellence that includes only 69 airports worldwide (out of over 18,000 airports present at global level), which have excelled for their highest levels of service quality. In addition, the UNWTO, the World Tourism Organisation - for the first time ever - awarded the Capital's hub with an official recognition on Sustainability.

In terms of passenger initiatives, the process of enhancing the immense Italian cultural and artistic heritage in all its forms continued, with an airport that aims to ensure cultural content and social awareness in different spaces, imagining itself as a region-wide museum network. Thanks to the collaborations with Institutions, Organisations and Cultural Associations, numerous cultural events, exhibitions, concerts and theatrical performances have been held that have made Leonardo da Vinci a vibrant and welcoming place for passengers, rich in content and a major player in the connections between people and cultures that find their maximum expression at the airport. From the temporary exhibition of Giovan Lorenzo Bernini's "Salvator Mundi" owned by the Religious Buildings Fund of the Ministry of the Interior, to the "Natural Reaction" exhibition by Marcantonio, the work of contemporary art depicting a life-size white rhinoceros with a fifty-inch screen pierced by its horn, moving on to the exhibition of the work "Vertigine" by Manuel Felisi and the work "Deti" by Marco Lodola, and concluding with performances by the Accademia di Santa Cecilia, Teatro dell'Opera and Teatro Patologico, a group of professional actors and actors with disabilities who performed a fragment of the Greek tragedy "Medea" by Euripides in the setting of boarding area A.

In the Sustainability and Innovation area, the transformation process undertaken by ADR continued, and indeed accelerated, thus strengthening the strategic pillars on which the Sustainability Plan is based: a focus on people (employees, passengers, local communities, business partners, etc.), environmental sustainability of operations, economic and social development of the territories. The Plan's objectives were defined according to materiality principles, intersecting the global SDGs of the 2030 Agenda with the most relevant local issues for the Company's stakeholders and management. The Plan is consistent with all the Group's strategic, operational and financial planning tools.

In this context, it should be remembered that in 2023 for the Fiumicino and Ciampino airports, the ACI Europe Airport Carbon Accreditation 4+ "Transition" certification was reconfirmed on the reduction of direct and indirect CO2 emissions, in addition to the company's commitment to progressively reducing the environmental footprint of its airports with the Net Zero Emission target in 2030, twenty years ahead of what was set at the European airport sector level.

During 2023, Aeroporti di Roma continued to analyse the compliance of its economic activities with the European Taxonomy for Sustainable Activities. The results of the analyses confirmed the validity of the Group's commitment to creating an economic model based on sustainability. The European Taxonomy framework also represents a fundamental tool for stimulating sustainable investments and effectively combating the phenomenon of greenwashing.

The company's goal of defining a path that makes the development of air transport compatible with the protection of the environment is the basis of the Pact for the Decarbonisation of Air Transport, the observatory promoted by ADR that aims to accelerate the achievement of the sustainability objectives of the sector in the context of the SDGs and the 2030 Agenda and which brings together industrial players, institutional stakeholders and associations, led by experts from the academic world. As an international best practice, the Pact was presented to the European institutions at the European Parliament in Brussels and in December at the United Nations Climate Change Conference (COP28) in Dubai as part of the virtuous initiatives selected by the Italian Ministry of the Environment. Participation in the COP28 of the Pact - which today has about thirty representatives of institutions, companies and associations of both national and international importance and which in December created a Foundation - represented a unique opportunity to present the solutions outlined so far for achieving the climate neutrality objectives of the sector: incentivising investments through measures capable of reducing emissions such as the use of sustainable fuels, research into new technologies for aircraft propulsion and the development of intermodality.

With the aim of projecting the airport system towards the future with an innovative vision, ADR has also supported a series of strategic agreements to promote the transition of the capital's airports to smart, innovative and sustainable energy hubs. According to this logic, extensive projects were launched with the FS Group, in particular with Trenitalia aimed at encouraging the development of intermodality at the Leonardo da Vinci intercontinental airport, with the aim of increasing the offer of high-speed railway services to and from the airport and offer integrated "train + plane" solutions able to guarantee a new and more sustainable travel experience. An offer also enriched by the launch of dedicated services such as "FCO Connect", which allows passengers arriving with Trenitalia and continuing on flights operated by ITA Airways to check-in and deliver their baggage at dedicated desks directly in the station of the airport. In addition, ADR continued its commitment to promoting the use of SAF (Sustainable Aviation Fuel), the biofuel capable of reducing CO_2 emissions by 60-80%, working in particular together with ENI to raise awareness among air carriers towards a use of the SAF that goes even further than regulatory requirements, anticipating them. While for the production of renewable energy ADR will build - together with Enel X - the largest self-consumption photovoltaic energy plant in a European airport. Located parallel to runway no. 3 of Leonardo da Vinci, the plant will cover an area of 340 thousand square meters with a capacity of 22 MW, producing approximately 32 GWh of renewable energy per year. Once operational, the plant will avoid the emission of over 11 thousand tons of CO_2 into the atmosphere. During the year, the plan for the installation of the network of electric charging stations for airport mobility continued (with a target of around 500 charging points by 2025).

On the innovation front, which is another fundamental pillar of Aeroporti di Roma's business strategy, worth mentioning are the Innovation Hub, which in October 2023 celebrated its first year of activity, as a unique space inside Terminal 1 that has welcomed more than 50 start-ups from all over the world, and the launch of the second call4ideas with the selection of 13 startups focused on specific areas of strategic interest. The international ecosystem of partnerships promoted by Aeroporti di Roma, Airports for Innovation, has also been expanded. With the addition of the airports of Dubai, Oman, as well as AENA, Athens, Nice, Munich, Vancouver and Dallas Fort Worth, it reaches approximately 0.7 billion managed passengers that can be potentially involved in joint innovative solutions. Lastly, 2023 saw the launch of "ADR Ventures", the Group's Corporate Venture Capital company, with the first investments in Ottonomy and Assaia, and the continuation of the international development and promotion of Urban Air Mobility services, through UrbanV. Also for these reasons, for the second consecutive year Aeroporti di Roma was awarded the "Corporate Innovation Award", a recognition assigned by Plug and Play, one of the largest Venture Capital operators in the Silicon Valley, as the best corporate partner at global level in the Travel & Hospitality area.

Innovation has also permeated the processes: during the year, installation of the innovative C3 machines was completed at the security checks, which allow passengers to carry liquids, even over 100 ml, in their carry-on baggage, as well as computers, tablets and mobile phones without the need to remove them and keep them separate from their suitcase.

Airport operational excellence also involves attention to individuals and their dignity. The airport is a place where passengers must feel comfortable and free to express themselves. ADR is dedicated to creating an inclusive and welcoming environment for all. Inclusion, Respect for Diversity and Equality remain the fundamental principles that inspire Aeroporti di Roma's way of doing business. This strategy was further strengthened with the implementation of a new Mundys Group human rights policy, defined to guarantee equal conditions and opportunities for each employee, without distinction of age, gender, sexual orientation, ethnicity/culture, religion, physical condition and disability, economic condition, trade union-political opinion and others. But also to remove any discriminatory behaviour and promote a working climate that ensures respect for everyone's dignity. In terms of gender equality, in 2023, the airport management company obtained the Gender Equality Certification for the individual Group companies, an important result to enhance the commitment and effectiveness of the DE&I actions already undertaken and defining the priorities of future interventions aimed at reducing gender differences in the workplace.

During 2023 ADR also conducted an analysis of the direct, indirect and induced impact of its economic activities, which highlighted a total added value of over 24 billion euros and the generation of approximately 388,000 jobs thanks to the activities of the airports of Fiumicino and Ciampino. This reflects the important role of airports in promoting economic development, tourism and employment at local and national level.

In 2023, ADR continued its activities to support local development, helping to safeguard and promote its environmental integrity, renewing its commitment to contributing to the social and environmental development of the areas in which the capital's airports are located. The Aeroporti di Roma Group's commitment to local territories, Fiumicino and Ciampino, where it operates, but also the city of Rome, the metropolitan area in which the airports are located, and with which ADR maintains an active and constant dialogue, has been witnessed by significant initiatives carried out in various fields.

During the year, in addition to donations for the benefit of the local area and interventions to support the work of a local non-profit organisation for people with disabilities and people with difficulties in social adaptation, the project related to the creation of a new cycle path in the Fiumicino area continued. Numerous guided tours were organised for citizens at the Leonardo Da Vinci airport, on the occasion of the exhibition of Bernini's work Salvator Mundi, and a specific activity was promoted to listen to the local reference communities (Fiumicino and Ciampino), through digital tools to ensure the widest possible knowledge (surveys/adv.). 2023 confirmed the relevance for local communities of the social and environmental initiatives promoted by ADR. In this latter regard, thanks to the collaboration between ADR and LS Travel Retail Roma S.r.l., two public parks have been identified, located respectively in the municipalities of Fiumicino and Ciampino, where planting and environmental redevelopment work will be carried out for the benefit of local communities.

ADR, focused on the importance of the development of the territory and local communities as an integral part of the airport system, intends to continue the path already effectively undertaken in an even more incisive manner, involving the local communities even more, starting from the schools in the area through the effective collaboration established with the administration of the Municipality of Fiumicino. In 2023, the latter organised repeated thematic visits to the airport by the dedicated "Sky Science" section of the C. Colombo Comprehensive Institute in Fiumicino, with further initiatives dedicated to young people and the local area, such as the "Outdoor Educational" project in collaboration with Fondazione Benetton and Maccarese S.p.A., which saw the participation of about 2,250 children and young people, much appreciated by schools.

During 2023, the illustration to the relevant institutional Stakeholders of the new Development Plan, currently being examined by ENAC, continued, completely revised under the banner of sustainability, aiming at minimising land consumption thanks to the optimisation of existing infrastructures, while at the same time enabling significant environmental reclamation and protection works to the benefit of the territory. The project remodels the infrastructural development objectives in a sustainable manner with increased emphasis on intermodality, also to the benefit of the competitiveness of the national transport system according to an integrated and effective logic.

In 2023, Aeroporti di Roma reaffirmed its commitment to leading the development of the airport hub that is characterised by increasingly deep integration with social and economic sustainability issues, greater connectivity and a focus on active listening. This commitment extends both to internal human resources, an asset to be constantly enhanced, and to the local community with the aim of stimulating the economic fabric of the territory. We are therefore ready to keep playing a leading role, driving the environmental transition and contributing to the wellbeing of our people and the local community, looking to the future with the knowledge that every challenge represents an opportunity and that our continued commitment will help make the world not only more connected, but also more sustainable.

THE CHAIRMAN

Vincenzo Nunziata

CHIEF EXECUTIVE OFFICER

Marco Troncone

Guide to the 2023 Integrated Annual Report

The third Integrated Annual Report of the Aeroporti di Roma Group (also referred to as "ADR" or "ADR Group") is an advanced and consolidated document that aims to provide stakeholders with a complete, measurable and transparent view of the financial and sustainability performance of the Group. The objective is to outline the value generated by the Group from an economic, environmental, social and governance point of view.

Prepared on a voluntary basis, this document offers an integrated and comprehensive representation of ADR's current and potential value. It embraces connectivity opportunities for Rome, Italy and the Mediterranean, ensuring operational excellence, customer focus and an intelligent and sustainable airport model, in line with the Careport concept and consistent with the Group's strategic guidelines. For further details, please refer to section 2. Strategy and business model.

The structure of the third Integrated Annual Report consists of:

- the Report on Operations, supplemented with the Non-Financial Statement ("NFS"), pursuant to Italian Legislative Decree 254/2016;
- the Consolidated Financial Statements at December 31,2023;
- the Separate Financial Statements of ADR S.p.A. at December 31,2023;
- the Resolution of the Ordinary Shareholders' Meeting.

The document follows a progressive in-depth analysis of the contents, guiding the reader in identifying the most relevant information. In particular, the Report on Operations is broken down into four sections:

- section 1. Overview section provides a summary of the Group, illustrating performance and value creation indicators;
- the subsequent chapters 2. Strategy and business model, 3. Risks and opportunities and 4. Governance, integrity and business ethics describe the strategic lines, the main risks and the governance model to understand the operation of the Group;
- the chapters of section 5. 2023 Performance present information and data relating to the financial and non-financial component in line with the Materiality Matrix;
- the chapters containing quantitative financial information.

The main change is the introduction of the results of the Double Materiality analysis, which constitutes an essential point of reference for the development and updating of the business strategy, with reference to both the perspective of the impact and the financial materiality. For further details, please refer to section 2.1 Double materiality analysis.

The third Integrated Annual Report is drafted in compliance with the main reference standards and methodological frameworks, including the principles of the Framework of the International Integrated Reporting Council (IIRC), the International Accounting Standards - IAS and International Financial Reporting Standards - IFRS of the International Accounting Standards Board (IASB) and the GRI Sustainability Reporting Standards of the GRI - Global Reporting Initiative, published in 2016 and subsequently integrated and updated in 2021. The document also complies with the provisions of Italian Legislative Decree 254/2016 that implements Directive 2014/95/EU on the disclosure of non-financial information. For further details, please refer to Chapter 9 of the Report.

Chapter 1

Overview

1.1

Financial and non-financial highlights 2023

TABLE 1 - ADR's 2023 financial and non-financial highlights

	UoM	Indicators	2023	2022	Δ vs 2022
Business	No.	Total passengers	**44,429,929**	32,836,515	35.3%
	No.	Total aircraft movements	**309,233**	254,820	21.4%
	Score	Customer satisfaction (ACI)[1]	**4.6**	4.5	1.3%
Economic	€/mln	Revenue from airport management	**878.5**	643.7	36.5%
	€/mln	Net operating costs	**660.0**	508.2	29.9%
	€/mln	EBITDA	**470.0**	299.6	56.8%
	€/mln	Profit (loss) for the year attributable to the owners of the parent	**+193.4**	+45.1	329.3%
	€/mln	Investments	**323.6**	214.2	51.1%
	€/mln	Liquidity	**909.3**	1,025.0	-11.3%
Environment[2]	tons	CO_2 emissions (Scope 1 and 2)	**58,265**	56,386	3.2%
	tons	CO_2 emissions (Scope 3)[3]	**948,966**	889,396	6.7%
	MJ/Pax	Energy consumption intensity	**19.2**	25	-23%
	%	Percentage of drinking water out of total water withdrawn (FCO)	**28%**	34%	-6.0 p.p.
	%	Investments aligned with the EU Taxonomy	**81%**	72%	9 p.p.
Social	i	Rate of workplace injuries	**13.9**	18.2	-23.6%
	No.	Total employees	**4,092**	3,767	8.6%
	%	Percentage of female employees	**40%**	38%	2 p.p.
	%	Percentage of women in managerial positions	**32.3%**	29.2%	3.1 p.p.
	€/000	Economic value distributed[4]	**644,462**	432,895	49%

[1] *Evaluation scale: from 1 (Poor) to 5 (Excellent).*

[2] *The change in absolute environmental KPIs compared to 2022 is partly due to the resumption of normal post-Covid operations*

[3] *Net of Scope 3 emissions of the "Cruise" category*

[4] *The economic value distributed is broken down as follows: operating costs, employee salaries and benefits, payments to capital providers, payments to the Public Administration by country and investments in the community*

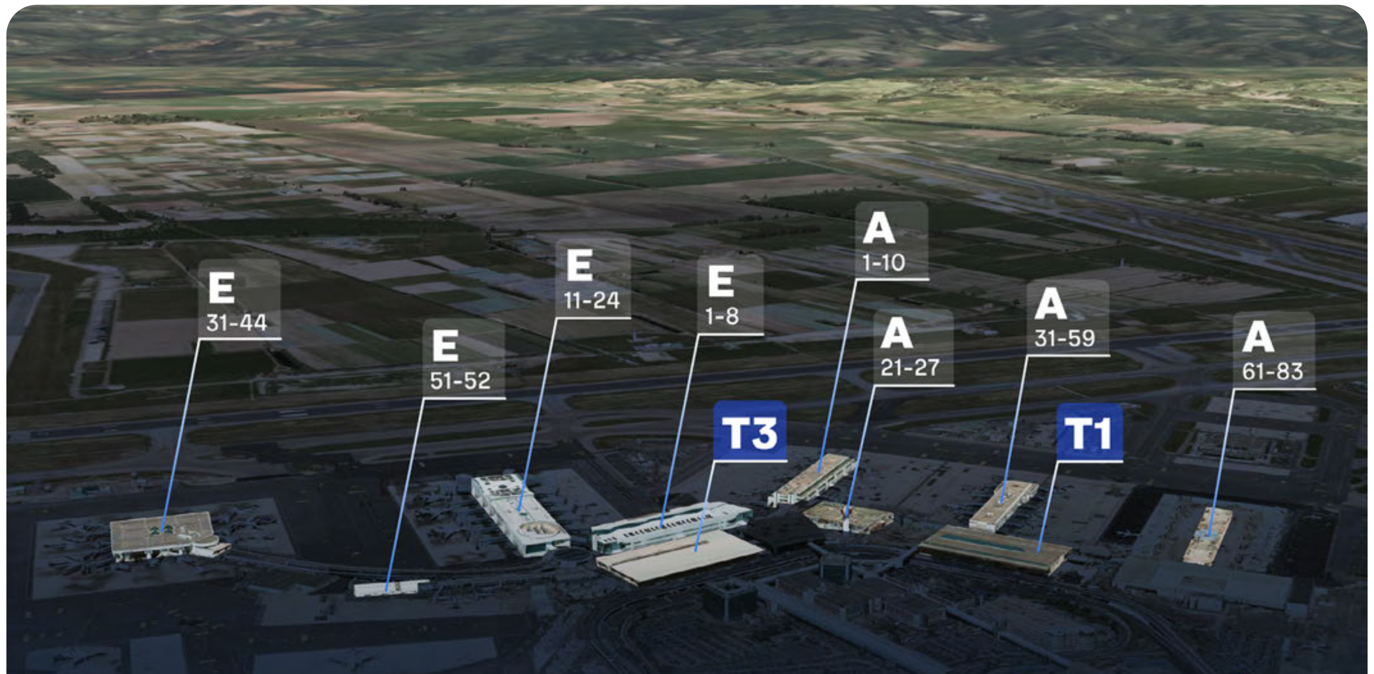
1.2
The Roman airport system

The Roman airport system consists of two separate airports: the “Leonardo Da Vinci” of Rome-Fiumicino (FCO) and the “G.B. Pastine” of Rome-Ciampino (CIA). Both infrastructures are managed by ADR (or the “Company”), on the basis of a concessionary relationship with the Italian Civil Aviation Authority (“ENAC”).

Fiumicino airport is one of the most important European airports in terms of number of passengers, benefiting from a large area of traffic attraction on the national territory and a high degree of connectivity with the main European and international destinations. The Rome-Ciampino airport, on the other hand, has the typical characteristics of a “secondary airport” with traffic essentially related to “low cost” and General Aviation flights.

Both airports benefit from the international importance enjoyed by the city of Rome, certainly among the most important tourist and cultural destinations in the world.

INFOGRAPHIC 1 - The Roman airport system, Rome Fiumicino Airport



Leonardo Da Vinci | Rome Fiumicino (FCO)

- Country’s first airport
- Grounds of approximately **1,600 ha** consisting of a system of 3 flight runways
- System of terminals with a total gross surface area dedicated to passengers of approximately **430,000 Sq m.**
- About **30km** from the centre of Rome
- The paved area of the runways is equal to **61 ha**
- **141 aprons** for a paved area of approximately **155 ha**

G. B. Pastine | Rome Ciampino (CIA)

- Secondary airport of the Capital
- Grounds of approximately **157 ha** consisting of a single flight runway
- a system of terminals with a total gross surface area dedicated to passengers of approximately **16,000 Sq m.**
- Just **15km** from the centre of Rome
- The paved area of the runways is equal to **10 ha**
- About **70 aprons** dedicated to the parking of aircraft and helicopters and a series of air side (hangar) and land side support structures

INFOGRAPHIC 2 - ADR Group certificates of excellence obtained in 2023

FCO - CIA

"Airport Service Quality Awards" 2023

ACI World

Airport Service Quality is an international customer satisfaction survey conducted by ACI (Airports Council International) World, the international airport association, through a standardised questionnaire distributed to passengers, at the gate, before boarding. The survey is carried out in more than 350 airports worldwide. Passengers have the opportunity to evaluate the services at the airport and express their overall satisfaction with the customer experience by giving a score from 1 (poor) to 5 (excellent). For the first time both airports managed by ADR, in 2023, win the "Best Airport" of ACI World for the high quality of service that characterizes the customer experience offered to passengers.

Specifically, in March 2024, Rome Fiumicino airport gets the "Best Airport in Europe" airport panel >40 million passengers for the seventh consecutive year, while Ciampino airport wins for the first time the "Best Airport in Europe" airport panel 5-15 million passengers.

FCO

As part of the Airport Service Quality, conducted by ACI (Airports Council International) World, Fiumicino Airport has won for the first time all four Sub-Categories of the awards introduces for the first time by ACI World in 2022, Namely: Most dedicated staff (for the 2nd time in a row), Cleanest airport (for the 2nd time in a row), Most enjoyable airport (for the 2nd time in a row), Easiest airport journey.

Fiumicino is the only international hub in the world to have won all the Awards provided by the ASQ-ACI World programme in 2023.

FCO

"Best Airport" Award

ACI Europe

Category airports >40 million passengers

The "Best Airport Award" is assigned by ACI Europe to airports that have achieved excellence in the management of airport activities, with a particular focus on operations, sustainable development and customer experience. In 2018 and 2019, the judges awarded the Rome Fiumicino airport the prestigious award of best airport in Europe. Also in 2020 the Airports Council International Europe (ACI Europe) judged Fiumicino Airport to be the best airport in Europe and awarded it the "Best Airport Award". This is the first time in the history of ACI surveys that the award has been given for three consecutive years exclusively to the same airport. In 2022 and 2023, the prize was awarded in the category of hubs with over 40 million passengers and it is the 5th time in the last 6 years that ADR has ranked first among European airports, following the evaluation of a jury of experts from the Travel & Tourism industry in Europe.

FCO

5 Stars

Skytrax

Following the airport audits carried out by the inspectors from Skytrax, the leading international rating company on the quality levels offered by airlines and airports, in 2022, taking into consideration more than 800 different key performance indicators, Skytrax awarded 5 stars, the highest score obtainable, to Rome Fiumicino airport. This is a certificate of excellence that crowns ADR's commitment to guaranteeing passengers the best possible experience. Fiumicino is the first airport in Italy (only 2 airports in the entire European Union, including Rome Fiumicino, have obtained this rating to date) to receive this prestigious quality award.

FCO - CIA

Corporate Innovation Award

Plug and Play

In 2022 and 2023 ADR received the "Plug and Play Corporate Innovation Award" as the best global Corporate Partner in the Travel & Hospitality sector, for the commitment to promoting open innovation initiatives and building the "airport of the future".

As part of the global PNP event, which was held in Silicon Valley from June 14 to 16, 2022, in the presence of over 2,000 people between start-ups and corporations, ADR presented its innovation model.

FCO - CIA

Future Travel Experience Award

Power List

At the Future Travel Experience EXPO EMEA in Dublin, the ADR Innovation Team received, both in 2022 and 2023, the EMEA-wide "FTE Airport Transformation Power List" award, for developing an operating model that fosters the diffusion of a culture of innovation in the company, ensuring the development of a network ("airports for innovation") to drive collaboration with start-ups and open innovation partners, and identifying innovation projects through scouting for company best practices and new enabling technologies.

FCO - CIA

Public Health & Safety Readiness Accreditation

ACI

Fiumicino and Ciampino airports are the first in the European Union and second in the world to have obtained the prestigious "Public Health & Safety Readiness Accreditation" certification from ACI World (in 2020 and 2021), the international trade association of airports that recognises the satisfaction of passengers in over 350 airports worldwide, for proactive management in terms of public safety and health. The certification, as the result of a careful investigation, was also obtained thanks to compliance with the measures established in the ACI Aviation Business Restart and Recovery guidelines and the recommendations of the ICAO Council Aviation Recovery Task Force.

FCO

Skytrax Best Airport Staff In Europe 2022

Skytrax

Every year Skytrax draws up a ranking on passenger satisfaction in the air and airport sector, based on the opinions expressed by passengers from all over the world through an international survey. In 2022, Fiumicino obtained the award for the best airport staff at European level.

FCO - CIA

ACA: Airport Carbon Accreditation

ACI

In 2021 ADR reached Level 4+ "Transition", of the Airport Carbon Accreditation (ACA) programme of the Airports Council International (ACI), making the two airports of FCO and CIA the first in Europe to do so.

FCO - CIA

Director General's Roll Of Excellence 2021

ACI

ACI has created the Director General's Roll Of Excellence award to reward airports that for at least 5 years, over ten years, have won the "Airport Service Quality Award". In 2021, the Rome-Fiumicino airport was awarded this honour by winning the "Director General's Roll Of Excellence" 2021 award. To date, the ASQ award has been won for 6 consecutive years.

INFOGRAPHIC 2 - ADR Group certificates of excellence obtained in 2023

FCO

World's Most Sustainable Airport 2022

UNWTO

UNWTO is a specialised agency of the United Nations that deals with the coordination of tourism policies and promotes the development of responsible and sustainable tourism.

In July 2022, in the context of the Global Youth Tourism Summit -GYTS, a platform created by the UNWTO and with the support of ADR, Fiumicino airport was awarded the "World's Most Sustainable Airport 2022" prize by the UN agency, which testifies to the Roman airport's great commitment and attention to the impacts of airport contexts and their mitigation.

FCO

"Most Enjoyable Airport In Europe" 2022

ACI

As part of the Airport Service Quality survey, ACI has recently created a new award that recognises the enjoyment of the airport experience, contributed to in particular by the restaurants and bars, shops, comfort, seating availability, Wi-Fi quality, artwork, entertainment opportunities and ambience. The votes expressed by passengers on these elements allowed Rome Fiumicino airport to position itself at the top of the ranking among European airports, obtaining the "Most Enjoyable Airport In Europe" 2022 award.

FCO

"Cleanest Airport In Europe" 2022

ACI

As part of the Airport Service Quality survey, ACI recently created a new award that recognises cleanliness in general, as well as terminal cleanliness, in particular the cleanliness of toilets and health prevention measures, which are fundamental for passengers. The votes expressed by passengers on these elements allowed Rome Fiumicino airport to position itself at the top of the ranking among European airports, obtaining the "Cleanest Airport In Europe" 2022 award.

FCO

"Most Dedicated Staff In Europe" 2022

ACI

As part of the Airport Service Quality survey, ACI recently created a new award that recognises the dedication of airport staff, in particular those who work on information, maintenance, check-in, security checks and passport control , in shops and bars/restaurants. The votes expressed by passengers on the courtesy of the staff allowed Rome Fiumicino airport to position itself at the top of the ranking among European airports in 2022, obtaining the "Most Dedicated Staff In Europe" award.

FCO - CIA

ACI Europe Digital Transformation Award 2021

ACI

ADR was awarded for the first time in 2021 the "ACI Europe Digital Transformation Award", a competition open to all European airports regardless of size, which involved the presentation of details on the implementation of one or more solutions matching the SESAR vision of the "Single European Sky", enhancing the technologies of the following areas: (i) Automation and autonomy, (ii) Air/ground integration, (iii) Virtualisation, (iv) Connectivity, (v) Data sharing. The jury motivated the awarding of the prize to ADR for the focus on innovation and digital solutions that were brought to the forefront by the operator, showing particular appreciation for the airport's investment in the brand new Airport Operation Centre, and for the implementation of the new innovation model centred on Open Innovation.

FCO

Biosafety Trust Certification 2020

RINA

In 2020, the certifying body RINA awarded the Biosafety Trust Certification 2020 as the first airport in the world to obtain this certification, following a thorough investigation of the containment measures adopted for all possible forms of contagion, from the least dangerous to the most harmful viruses such as Ebola and Covid-19.

FCO

World's Most Improved Airport 2018

Skytrax

As part of a survey conducted by Skytrax, customers have the opportunity to evaluate online the services they have experienced at different airports around the world. In 2018, after an exceptional improvement in the ratings expressed by customers on our airport, Rome Fiumicino won the "World's Most Improved Airport" 2018 award.

FCO

Skytrax 5-star Covid-19 airport rating 2020

Skytrax

Following the Covid-19 pandemic, Skytrax conducted audits that are based on a combination of controls on the efficiency of procedures, visual observations and ATP tests (biolumiscence test on surfaces in which the presence of adenosine triphosphate is highlighted) as a result of which Fiumicino Airport was the first airport globally to receive a 5-star rating.

1.3 Mission and Vision

MISSION

Leading and being a reference in the development of a new airport model. With passion, we focus on Sustainability, Quality and Innovation.

Thanks to our people, we are constantly striving to achieve excellence at international level for our passengers, partners and communities.

Our strategy follows this path, guided by our fundamental values:

- **our way of being:**
  We act with integrity and transparency, encouraging understanding and cooperation. We create trust and cultivate relationships based on an ethical and honest approach;
- **our approach:**
  We are constantly inspired and stimulated by the passion for what we do. We always look ahead, committing ourselves with enthusiasm and pride;
- **our present and our future:**
  All our people matter - our team, our community, our passengers. We care about their uniqueness, and encourage inclusiveness, listening and dialogue;
- **our challenges:**
  We have the courage to dare, learning from mistakes, as individuals and with our people, driven by audacity and curiosity. We innovate to create excellence, guided by the aspiration to be architects of the future.

VISION

To be Italy's main gateway to the world, cutting-edge and captivating, creating sustainable and shared value for our Stakeholders.

1.4
The value creation model

MEGATREND (Cfr. 2.2.1)

- Technology/Innovation
- Sustainability & Climate change
- Aviation/Mobility
- Business/Economy
- Society & Global

INPUT

- **Financial performance** (Cfr. 5.2; 5.4)
- **Asset and investment** (Cfr. 5.3)
- **Innovation** (Cfr. 5.5)
- **People** (Cfr. 5.6)
- **Environment** (Cfr. 5.7)
- **Customer experience** (Cfr. 5.8)
- **Ecosystem** (Cfr. 5.9)

BUSINESS MODEL AND STRATEGY

Mission

Leading and being a reference in the development of a new airport model. With passion, we focus on Sustainability, Quality and Innovation.

Vision

To be Italy's main gateway to the world, cutting-edge and captivating, creating sustainable and shared value for our Stakeholders.

Strategy (Cfr. 2.2)

- Fully capture Rome's Connectivity Potential
- Customer centricity and operational excellence
- A new smart and sustainable airport model

Business model (Cfr. 2.3)

ADR AEROPORTI DI ROMA

- Aviation
- Infrastructure
- Commercial: Retail, Real Estate, Advertising, Parking

Risk (Cfr. 3) | Governance (Cfr. 4) | Regulatory (Cfr. 5.1.4)

OUTPUT

- **878.5 €/mln** of revenue from airport management
- **323.6 €/mln** of investments
- **13 projects** in innovation through the «**Call4Ideas**» call
- **4,092** employees
- **-20.8% tCO_2** vs. 2019
- ACI Score **4.61** (customer satisfaction)
- **644,462 €/000** of Economic Value Distributed

OUTCOME & IMPACT

3 SALUTE E BENESSERE; 4 ISTRUZIONE DI QUALITÀ; 5 PARITÀ DI GENERE; 6 ACQUA PULITA E SERVIZI IGIENICO-SANITARI; 7 ENERGIA PULITA E ACCESSIBILE; 8 LAVORO DIGNITOSO E CRESCITA ECONOMICA; 9 IMPRESE, INNOVAZIONE E INFRASTRUTTURE; 11 CITTÀ E COMUNITÀ SOSTENIBILI; 12 CONSUMO E PRODUZIONE RESPONSABILI; 13 LOTTA CONTRO IL CAMBIAMENTO CLIMATICO

STAKEHOLDER (Cfr. 2.1.1)

Customers | Employees | Suppliers | Associations | Media | Investors and the Financial Community | Institutions | Community e Environment

Chapter 2

Strategy and business model

2.1 Double materiality analysis

2.1.1 MATERIALITY ANALYSIS

In consideration of the centrality of the Stakeholders in the Group's business model and the gradual transition towards an integrated information approach, the Materiality Matrix is an essential reference point for the development and updating of the corporate strategy, as well as representing a consolidated tool in non-financial reporting.

In the current context, characterised by a growing interest in sustainability and ESG topics, the materiality analysis assumes a crucial role. ADR has adopted an innovative approach, introducing the double materiality analysis in 2023. This methodology makes it possible to assess not only the impacts of the company in terms of environmental, social and governance sustainability, but also the relevance of these impacts from a financial point of view.

During the year, an in-depth double materiality analysis was carried out to identify and assess the significant impacts of the company, both in terms of impact materiality and financial materiality.

The process began with an analysis of benchmarks and specific regulatory requirements, in line with the requirements of the 2021 GRI Standards and the ESRS Standards. Interviews were conducted with key company figures and internal documents were analysed to reconstruct the entire value chain, identifying a long list of impacts.

Thanks to these inputs, the impacts in the two perspectives were identified. The first, known as Inside-Out or Impact Materiality, refers to the impacts that the company, through its activities, has on the environment, on people and on ecosystems. The second, on the other hand, called Outside-In or Financial Materiality, focuses on the importance that a certain impact, risk or opportunity has on the company's financial performance.

All the impacts identified in the Impact Materiality phase were assessed under two interpretations, probability and severity. Probability refers to the possibility that an impact will actually occur. The probability of an impact considers the measures adopted by ADR to prevent and mitigate the impact. It takes into account the associated risks, such as the level of governance controls, the presence of procedures for the management of human and workers' rights, due diligence processes on sustainability issues, etc. Severity, on the other hand, refers to a dimension that is given by the intersection of the intensity scale and the scope of application. In the case of negative impacts, the irremediable nature of the impact is also taken into consideration.

On the other hand, the impacts identified in the Financial Materiality phase were determined on the basis of the probability, as described above, and the magnitude, or the extent of the potential economic-financial effects generated by the identified risk and/or opportunity. The magnitude was also assessed with a time scale (short, medium and long term).

Following these assessments, we came to a short list of impacts, which were then grouped into 17 material topics, categorised under environmental, social, economic and governance aspects.

TABLE 2 - The material topics of the ADR Group

AREA	ENVIRONMENT	SOCIAL	GOVERNANCE
MATERIAL TOPICS	• Protection of biodiversity • Circular Economy and waste management • Protection of water resources • **Air quality** * • Noise pollution • Climate change	• Diversity, equity & inclusion • Protection and development of local territories and communities • **Protection of human rights** * • Staff growth and development • Health and safety of people	• Service quality airport experience management • Governance, integrity and business ethics • **Contribution to the country's development and local and global connectivity** * • Responsible value chain management • **Airport Security e Business Continuity** * • Sustainable infrastructure development

* *Topics added compared to 2022*

These issues were then subject to an extensive Stakeholder Engagement phase. Thanks to the involvement of a wide range of our stakeholders, the topics identified were classified in terms of relevance. This last phase allowed the prioritisation of material themes and the definition of the Double Materiality Matrix, which represents the result of this process of analysis and synthesis.

More than 500 stakeholders were involved, both during workshops aimed at assessing the significance of the Topics and through surveys.

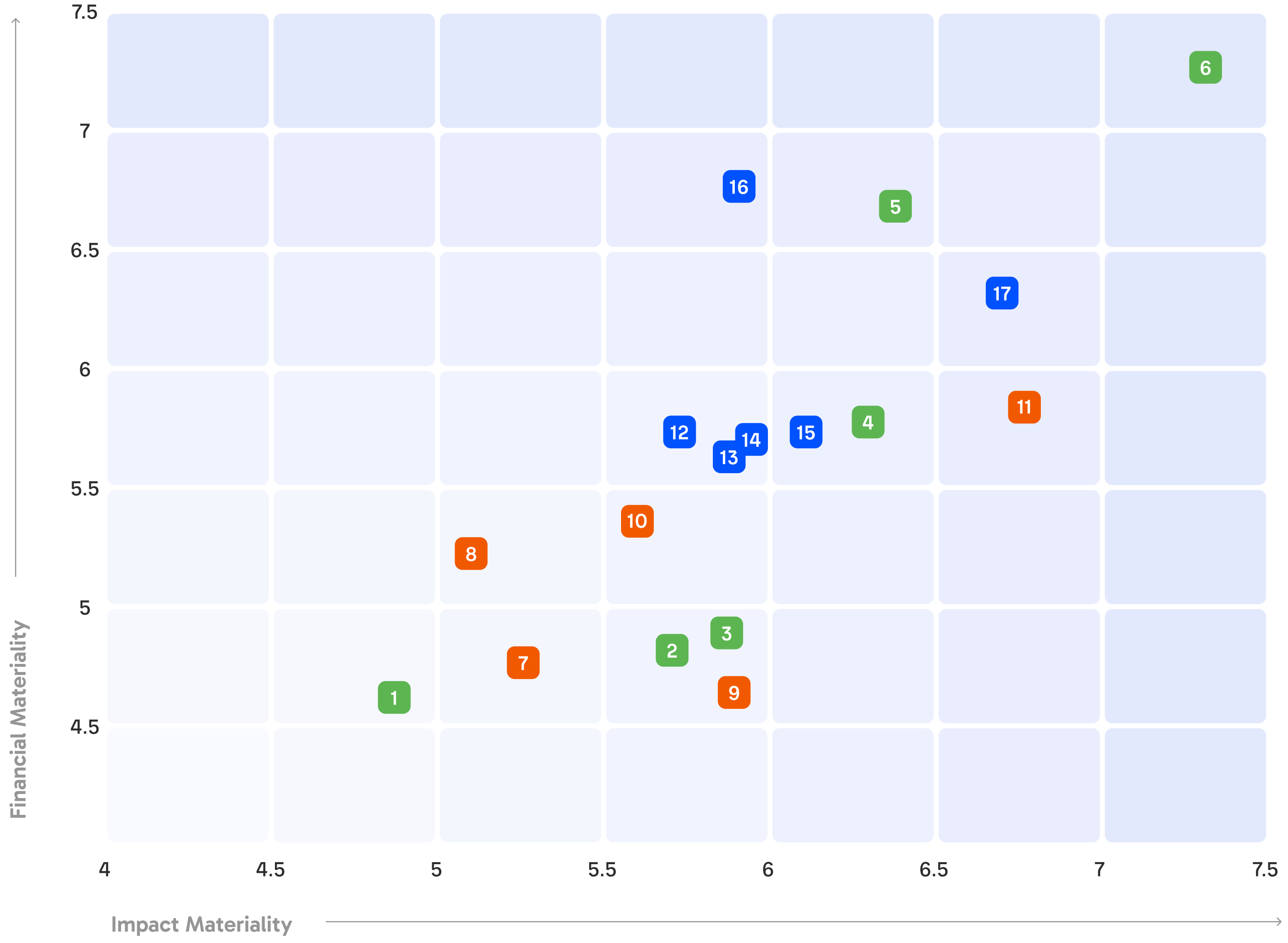
TABLE 3 - Stakeholder involved

INTERNAL	EXTERNAL
• Board of Directors • Management • Executives and Middle Managers	• Entities and Institutions • Suppliers • Customers • Associations • Industrial partners • Trade unions • Financial Stakeholders

The results of the materiality analysis are the starting point on the basis of which the ADR Group sets the structure of its Sustainability Plan. For each topic identified, in fact, new initiatives are present and will be added to support the achievement of the sustainable development objectives of the Roman airports and of its business.

During 2024 and in the years to follow, the objective is to increasingly implement this analysis and make it one of the foundations of the company's strategic planning.

GRAPH 1 - Materiality analysis of the ADR Group 2023



ENABLERS → Innovation, Partnership & Sustainable Finance

ENVIRONMENT

1 Protection of biodiversity
2 Circular Economy and waste management
3 Protection of water resources
4 Air quality
5 Noise pollution
6 Climate change

SOCIAL

7 Diversity, equity & inclusion
8 Protection and development of local territories and communities
9 Protection of human rights
10 Staff growth and development
11 Health and safety of people

GOVERNANCE

12 Service quality airport experience management
13 Governance, integrity and business ethics
14 Contribution to the country's development and local and global connectivity
15 Responsible value chain management
16 Airport Security e Business Continuity
17 Sustainable infrastructure development

2.1.2 STAKEHOLDER MAPPING

ADR is a private company that manages a public service under concession, characterised by interactions not only with a number of diversified customers, but also with local communities and institutions. This role implies the creation and maintenance of relationships with multiple categories of Stakeholders, through specific channels of dialogue, involvement and communication developed over the years.

The relationship with Stakeholders is therefore of strategic importance for the effective and efficient management of the airport system.

INFOGRAPHIC 3 - The mapping of ADR's Stakeholders

Customers
Private customers | Airlines | Sub-concessionaires (Retail and Real Estate)

Employees
Human resources | Trade unions

Suppliers
Suppliers of goods and services

Associations
National and international trade associations

Investors and financial community
Shareholders, lenders and investors in debt securities

Institutions
Central institutions | State Bodies | International institutions

Community and environment
Territory and local institutions

Media

2.2
Strategy and objectives

2.2.1 INTRODUCTION

Today and in the coming years, the airport sector is and will be at the centre of a profound transformation as a consequence of the impacts of major global and industry-specific megatrends.

The changes that affect the national and international context in which ADR operates mainly concern: demographic changes and the progressive increase in energy needs, climate change, the evolution of the macroeconomic and geopolitical context increasingly tending towards a so-called "multipolarism", technological progress. The so-called "megatrends" have shown to have extremely significant long-term impacts on the private sector, such as to feed a specific analysis of the World Economic Forum (WEF) in a dedicated annual report. The long-term risks identified by the WEF are intended to characterise the current era by defining the future trajectory of global business strategies. Therefore, ADR's strategic vision integrates the main global megatrends into its response and associates the major long-term risks identified by the WEF, reconciling this analysis with its strategic pillars.

TABLE 4 - ADR's strategic vision: analysis of sector megatrends and reconciliation with long-term risks

Global megatrends	Industry megatrends	Long-term WEF risks	Pillar of the ADR Strategy
TECHNOLOGICAL PROGRESS	• Digitalisation of processes and passenger services • Use of big data and AI • New forms of mobility (i.e. Advanced Air Mobility)	• Erosion of social cohesion and polarisation of society	• A new smart and sustainable airport model • Customer centricity and operational excellence
INCREASE IN ENERGY REQUIREMENTS & CLIMATE CHANGE	• New electric mobility and sustainable fuel (SAF) solutions • Sustainable transformation of the supply chain • Sustainable finance and investments	• Natural resource crisis • Failed mitigation of climate change effects • Failed adaptation to climate change • Natural disasters and extreme weather events • Loss of biodiversity and collapse of ecosystems • Large-scale environmental incidents	• A new smart and sustainable airport model
DEMOGRAPHIC CHANGES	• Increase in air traffic • Urbanisation acceleration	• Large-scale involuntary migration	• Fully capture Rome's Connectivity Potential • Customer centricity and operational excellence
MULTIPOLARISM	• Physical and digital security • Restrictions on travel on a global scale and repercussions on air connectivity • Increased complexity of flight programme management	• Widespread cybercrime and cyber insecurity • Geoeconomic comparison	• Fully capture Rome's Connectivity Potential • Customer centricity and operational excellence

2.2.2 STRATEGIC ROADMAP 2023-2027

Destination

The airport system's desire to take care of the passenger community, the territory and the environment in a logic of continuous interaction with Stakeholders, symbolised by the Careport concept, gives rise to the founding elements of the ADR Group's strategy, in which the ESG component is of primary importance, in harmony with the attention to quality and the development of programmes and plans agreed with the granting administration (ENAC).

On this basis, the 2023-2027 Strategic Roadmap was created, which envisages three routes:

Fully capture Rome's Connectivity Potential

Looking ahead, ADR has identified supporting traffic growth as an objective to be pursued through the development of the market segments of greatest value for strategic positioning.

With regard to the Aviation BU, this objective envisages both short-medium and long-haul growth, identifying destinations with few connections to markets with most growth potential and expanding connections by introducing new destinations not served by Roman airports.

An enabler will be the growth of connectivity under-

TABLE 5 - 2023-2027 Strategic Roadmap of the ADR Group

	1	2	3
ROUTE	Fully capture Rome's Connectivity Potential	Customer centricity and operational excellence	A new smart and sustainable airport model
TAKE OFF	Traffic Development	Commercial: Retail, Real Estate, Advertising, Parking	Innovation
	Investments	Operational Excellence	Sustainability

stood as the opening of new routes, the strengthening of Fiumicino as a gateway for long-haul flows but also by improving and expanding the railway infrastructure to/from the airport in order to intercept the needs of non-Roman passengers.

Further attention will be paid to the cargo sector by developing dedicated freight infrastructures, focusing on sectors of importance to Fiumicino such as pharma, the cold chain and large-scale distribution and, finally, becoming a cargo gateway for Central and Southern Italy by offering air-truck intermodal services on Italian import and export flows and on the domestic parcel market.

ADR has also envisaged a medium/long-term investment plan to respond to the expected growth in passenger traffic in the coming years.

As part of the long-term development of the airport, a plan is envisaged to meet the country's need to ensure that Fiumicino can accommodate approximately 100 million passengers at the end of the concession.

Customer centricity and operational excellence

Excellence in customer services, certified by numerous awards, remains crucial to ADR's actions, thanks to the improvement plan developed over the years by ADR, which, with the involvement of airlines, handlers and government agencies, has led to the raising of operational performance and the achievement of high-quality standards.

This desire is reflected in the Retail area, where particular attention is paid to enriching and expanding the commercial areas for both Schengen passengers, with new openings of shops and Food & Beverage, and non-Schengen passengers, with a special focus on luxury, all through the development of a digital ecosystem to improve the passenger experience.

A strong advertising strategy is relevant to attracting national and international brands. In order to pursue the objective of increasing revenue with an innovative and sustainable experience, beyond what is already present in ADR (e.g. Digital balcony).

The contribution of Real Estate with different asset management methods is significant in order to:

- increase quality and functionality;
- maximise occupancy through total/partial restructuring actions;
- develop new initiatives with different implementation/management models

Consistently with the focus on connectivity, ADR takes into account the development of the various modes of transport with reference to new generations of passengers, more established ones as well as new mobility needs (e.g. Mobility as a service - MaaS) and increasing digitalisation.

For the development of the Mobility business, attention will be paid to the Parking area, with the creation of ad hoc offers for both private and corporate customers together with constant revenue management activities. In addition, for Rent a Car (RAC) the objective is to increase the number of sub-concessionaires together with the creation of a preparation area for the RAC fleet to reduce operator management costs.

ADR has demonstrated that it achieves high standards in terms of the quality of the services offered to passengers, while maintaining constant attention to operational efficiency. Two main levers have been identified to maintain operational excellence:

- improving operational performance, ensuring quality in security processes, providing for the upgrading of infrastructure and technology platforms to support border operations, and applying predictive maintenance and IoT to increase the total effectiveness of installations;
- improving the passenger experience, addressing every aspect of the journey at the airport and implementing actions such as digital services, signage and the creation of recharging points and working areas.

A new smart and sustainable airport model

ADR has become a reference point of excellence in the sector and innovation is one of the levers to support the various company areas in the creation of "the airport of the future". ADR's approach to this issue is based on:

- identifying new ideas and solutions to improve operations in various operational areas with the Call4Ideas project;
- use of the first Italian start-up accelerator dedicated to the aviation sector, Innovation Hub, which offers the start-ups selected in the Call4Ideas an incubation programme along their development path;
- continuation of activities aimed at developing a network dedicated to innovation and sustainability together with other airport operators and Airport for innovation;
- launch of a Corporate Venture Capital, ADR Ventures, established at the beginning of 2023, specialised in the Aviation sector with the objective of investing in Italian and international early stage start-ups in the aviation, travel & sustainability sectors, which are functional and instrumental to the continuous improvement of the performance and quality of services offered by ADR to passengers and carriers directly or indirectly.

Sustainability is and will be central, in line with the commitment made to pursue and achieve the Sustainable Development Goals.

ADR has adopted and developed a Sustainability Plan which consists of a structured set of objectives and programmes, organised into three priority areas: People, Environment and Development. This tool is included in the strategic planning of the company. Through the Plan, ADR implements various projects aimed at sustainable development, such as the design of large multi-megawatt photovoltaic energy plants and the implementation of projects for electrical storage.

ADR's commitment to this issue is also demonstrated by its role as a founding member of the Italian network of the United Nations Global Compact. In this context, ADR reiterates its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, Anti-corruption.

As evidence of its commitment, in June 2023 ADR hosted the Business & SDGs High-Level Meeting, dedicated to the commitment of companies to People and Prosperity. The event was attended by the managers of the main Italian companies involved in this network, and ended with the signing of the "Businesses for People and Society" Manifesto, with the aim of spreading the ambition of a growing commitment to the social dimension of sustainability in the company, along supply chains and in communities, striving to involve the value chain, in order to ensure a fair and sustainable future for generations to come, leaving no-one behind.

In the area of asset management, ADR plans that new buildings and eligible assets in the portfolio will be LEED and BREEAM certified, and a strong focus will be placed on key environmental performance indicators (e.g. energy consumption; water; waste). For the Mobility segment, a strong focus will be on electric mobility, with the installation, management and maintenance of charging stations in addition to the renewal of the shuttle fleet with electric vehicles.

People are central to our daily activities: our employees who with their commitment, expertise and professionalism contribute to the value of the company, and all of our passengers and stakeholders who help us pursue our mission *"Leading and being a reference in the development of a new airport model. With passion, we focus on Sustainability, Quality and Innovation. Thanks to our people, we are constantly striving to attain excellence at international level for our passengers, partners and communities"* to achieve our vision: *"To be Italy's leading, cutting-edge and attractive gateway to the world, creating sustainable and shared value for our Stakeholders"*.

2.3

The business model

INFOGRAPHIC 4 - The organisational and business model of the ADR Group: the three key Business Units

Aviation

The Aviation segment, coordinated by the Business Unit (BU) with the same name, manages the core business of the Company and at organisational level it has included the Aviation Business Development department since 2021.

The BU's main task is to assist passengers, handlers and airlines engaged in aeronautical activities for airport requirements, guaranteeing the safety, quality and punctuality of flights, through the use of the best available technologies, and coordinating activities related to the handling and parking of aircraft in terms of safety, regularity of service, quality and environmental protection.

Commercial activities

The commercial activities, coordinated by the BU of the same name, include: retail sale of the shops at the airport, through contracts for the sub-concession of activities to specialised third-party operators, airport advertising, enhancement and real estate development of the Group. More specifically:

- the commercial activities under sub-concession include shops, bars, restaurants and other services - offered to passengers at the Rome Fiumicino and Ciampino airports - and are divided into the following product categories: Core Category, Specialist Retail, Food & Beverage and commercial passenger services;
- Real Estate collaborates in defining the Group's real estate enhancement and development strategy also in coordination with the Aviation BU. In addition, it ensures the effective and efficient allocation of real estate assets, as well as the planning and marketing of property development initiatives;
- advertising is the business relating to the sale of advertising space inside and outside the Fiumicino and Ciampino airport system;
- the purpose of the Parking business is the management of parking and car parks in the airport area in its components of parking for passengers, airport operators, vehicle rental operators and the management of scheduled public transport operators and non-scheduled ones.

All these projects are conceived through the principle of regeneration, limiting land consumption and contributing to the enhancement of the Fiumicino and Ciampino airport systems, in line with the high levels of service already provided and perceived today. Attention to environmental sustainability is an essential driver of both development initiatives, involving the use of energy certifications, and heritage management activities.

Infrastructural development

The Infrastructure BU coordinates ADR's infrastructural development activities and is responsible for supporting the growing demand for traffic, improving the operational efficiency of the airports, and for the upgrading and restructuring of existing infrastructure, guaranteeing high safety and service standards as well as compatibility with the objectives of reducing environmental impact.

From the point of view of production from renewable sources, the key solutions envisaged by the Project to complete Fiumicino Sud consist in the creation of different solar farms for a peak photovoltaic power of up to 60 MWp by 2030.

For long-term development, in harmony with the principle of circular economy, assumed as a resource to be included within the construction process are the materials deriving from the building demolitions necessary for the construction of the new configuration, providing for the recovery/reuse of at least 80% of waste materials.

Also in the field of mobility, the initiatives envisaged in the medium-term development will be able to make a significant contribution, in particular thanks to the creation of a new infrastructure dedicated to recharging plug-in electric vehicles, capable of supplying - by 2030 - as many as 7,000 recharging points serving passenger and operator car parks, taxis/rental cars with driver, shuttle buses, rent-a-cars, car sharing.

The exclusive management of the Rome airport system, consisting of Fiumicino and Ciampino airports, is based on the concession granted to the Company by Italian Law no. 755 of November 10, 1973, and by virtue of the Single Deed "Agreement for the management of the Rome airport system and Planning Agreement", approved by law on December 21, 2012. This Single Deed, together with four Additional Deeds that update and amend the original document, governs relations between the concessionaire ADR and ENAC until the expiry of the concession (recently extended until June 30, 2046 from the previous June 30, 2044). The IV Additional Deed came into force on November 13, 2023 and regulates the consequences of art. 10 of Law no. 37 of March 9, 2019, which provided for the extension of the powers of the national sector regulator (ART, the Transport Regulation Authority) also to the three airports that have signed planning agreements in accordance with the provisions of art. 17, paragraph 34bis of decree law no. 78/2009, converted into law no. 102/2009 of August 3, 2009, offering substantial continuity to the pre-existing system regarding the contents of Title II of the Deed, which defines the economic model for determining the fees for services subject to regulation at Fiumicino and Ciampino airports.

The regulatory framework above provides a consistent set of transparent and stable rules that are valid for the entire duration of the concession and that support the financial sustainability of the Development Plan for the Roman airport system. The fundamental principles of the Single Deed - Planning Agreement are:

- clarity of concessionaire and ENAC rights and obligations in all circumstances, including situations that can give rise to termination of the Agreement;
- identification of airport service efficiency and quality objectives subject to economic regulation;
- updating of the criteria to determine tariffs based on the actual cost of services, estimated traffic, the investment plan and quality objectives, in line with international best practices;
- central role of the investment plan in both the short and long term;
- institutions for the protection of the economic and financial balance due to force majeure or facts unrelated to the responsibility of the concessionaire.

Regulatory model

- Fee structure: the fee structure adopted is based on criteria recognised at international level in correlation with the costs of infrastructure and services, promoting the efficiency objectives in accordance with Directive 2009/12/EC and Law no. 27/2012, which absorbed the same directive into the national regulations. The tariff regulation is based on:
  - "price cap" method ("RAB-based"), which correlates the tariffs with the costs of the services subject to economic regulation. In addition, the initial RAB value is calculated as of January 1, 2013 at 1.8 billion euros, updated year on year with the rules for regulatory accounts;
  - "dual till" based on which all the revenue of the commercial activities is kept by the airport company;
  - provision of bonuses/penalties when the values recorded concerning environmental and quality indicators are above/below the objectives set with ENAC.
- Fee review: the Planning Agreement, also based on the pro tempore postponement (pending ENAC's approval of ADR's new Airport Development Plan) provided for in the IV additional deed, signed on November 10, 2023, to the ART regulation model A pursuant to ART resolution 38/2023 of March 9, 2023 clearly defines, in terms of content, methods and schedules, the mechanisms and reasons that require updating of the economic-financial plan at 2046, of the five-year regulatory periods, of the variables contained in the mechanism of annual tariffs.
- Admitted remuneration: for the current five-year period (third regulatory period: 2024-2028), the real pre-tax WACC (Weighted Average Cost of Capital) has been set at 5.83%. Relating to the return rate recognised on the capital, the Planning Agreement clearly defines parameters and criteria for the update at the end of each regulatory five-year period. For the new works of particular strategic and environmental value already approved by ENAC, the IV additional deed states that the real pre-tax WACC may be increased up to 4%.
- Variations in traffic: the variations in traffic compared to the forecasts within a range compared to the agreed plan to be determined following consultation with airport users will be to the benefit of/charged to ADR. In the presence of greater variations, 100% of the higher revenue will be returned to the users in the subsequent regulatory period; if lower, the same 100% of the lower revenue will be included in the allowed costs for the tariff calculation of the next regulatory period. Particularly significant traffic variations may legitimise the request for changes to the planned infrastructure works.
- Value recognised at the end of the concession: ADR has the right to receive, at the natural expiration of the concession, a fee equal to the residual value at that date not amortised, inferred from regulatory accounts, of the investments made.

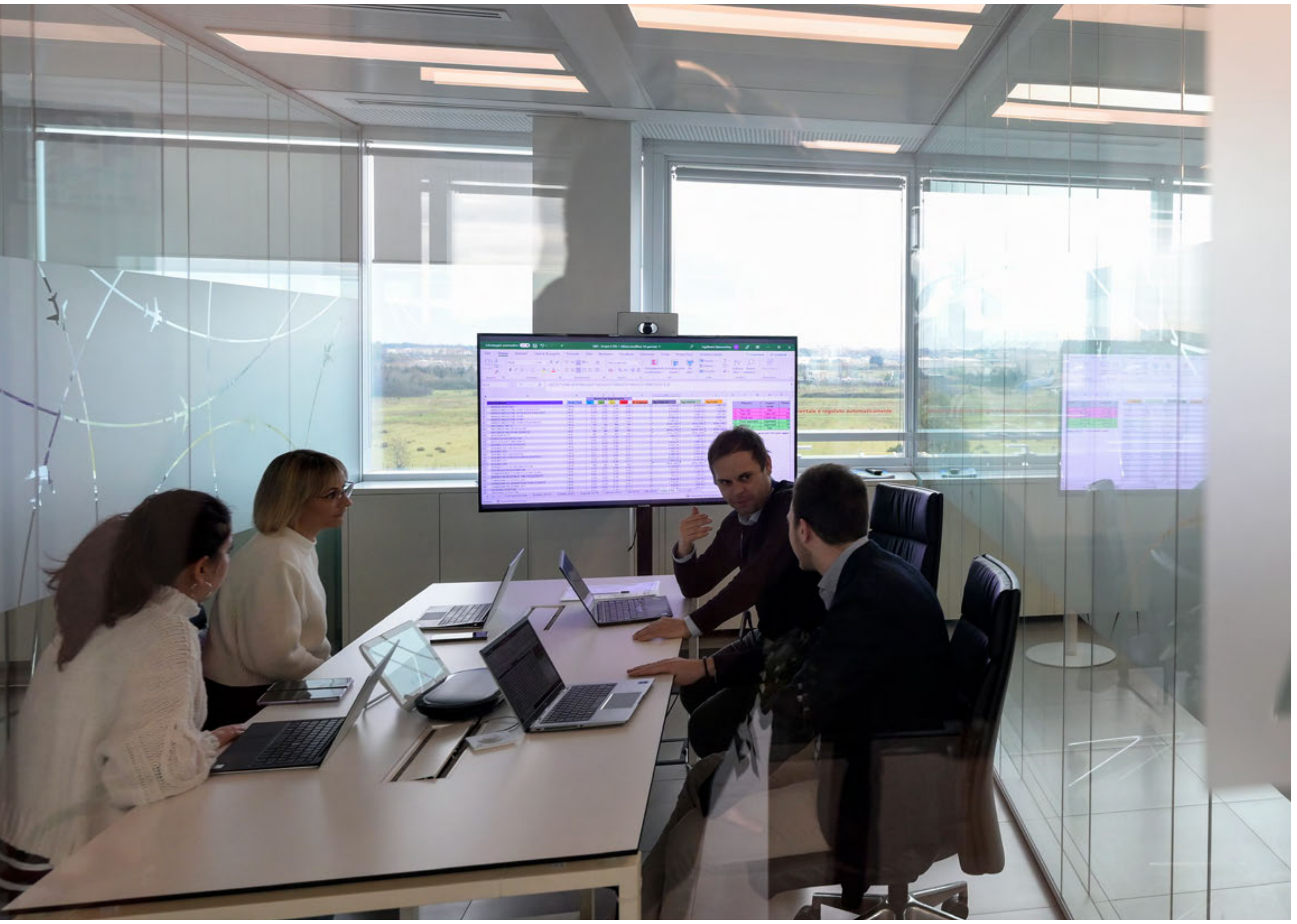
Chapter 3

Risks and opportunities

Risks and opportunities

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

It should be noted that since the Company has not issued shares admitted to trading on regulated markets or multilateral trading systems, it has availed itself of the option set forth in paragraph 5 of Article 123-bis of the TUF to omit the publication of the information set forth in paragraphs 1 and 2, except for the information set forth in paragraph 2, letter b) of the same article of the TUF.



3.1

The risk management system

The sound management of risks is a fundamental element for ADR to maximise opportunities and reduce the potential losses associated with unexpected events, preserve the creation of economic value in the long-term and protect the property, plant and equipment and intangible assets of the stakeholders.

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

Furthermore, with the aim of making risk identification, assessment and monitoring activities more effective, as well as more aligned and integrated with the organisation's entire internal control and risk management system, the risk assessment and management process has been digitised through the implementation of a GRC platform, which allows for an integrated view of risks at different levels of the organisation, improved monitoring of mitigation activities, and the streamlining of assessment activities through the digital mapping of control structures.

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

- the Board of Directors, which defines the nature and level of risk compatible with the strategic objectives (Risk Appetite), and the related response strategies (Risk Response). The Risk Appetite represents a crucial element that allows the prioritisation of risks during the risk assessment phase and supports the decision-making process of the organisation;
- the Risk, Governance and Compliance VP, reporting directly to the Chief Executive Officer, who oversees the Enterprise Risk Management process, with the aim of enabling synergies between the various players in the internal control system and integrating risk management with compliance requirements;
- the top management of ADR, which pursues the corporate objectives in compliance with the guidelines defined by the Board of Directors for which the VP Risk, Governance and Compliance, together with the Heads of the corporate structures (Process Owners), carries out specific risk analyses, assessment and monitoring in line with the risk appetite expressed by top management;
- the Risk and Control Committee, tasked with supporting the assessments and decisions of the Board of Directors concerning the Internal Control and Risk Management System.

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

- preparation/updating of the Risk Appetite Framework, i.e. the organisation's propensity to risk and the related response strategy for each applicable risk category;
- preparation/update of the Risk Catalogue and related measurement (known as Risk Assessment). This phase, which involves the ADR Risk Officer and Risk Owners, provides for the identification and assessment of risks, as well as the identification of the Company's Top Risks and of any corrective action taken or to be taken to align the level of residual risk with the risk appetite defined;
- Continuous Monitoring, i.e. the process of continuous monitoring of risks and the related Control System through a System of indicators (Key Risk Indicators). Continuous Monitoring supports the assessment of the adequacy and effectiveness of the Risk Control System through tolerance thresholds and alerts that are appropriately determined for the risks being analysed;
- periodic review of risk management activities in the Risk and Control Committee;
- approval by the Board of Directors of the results of the Risk Assessment and the related mitigation actions.

3.2
Mapping of risks and related control measures

Below is a summary of the main risks to which the ADR Group is exposed, also highlighting the significant issues with impacts in terms of ESG.

GRAPH 2 - The main risk categories of the ADR Group

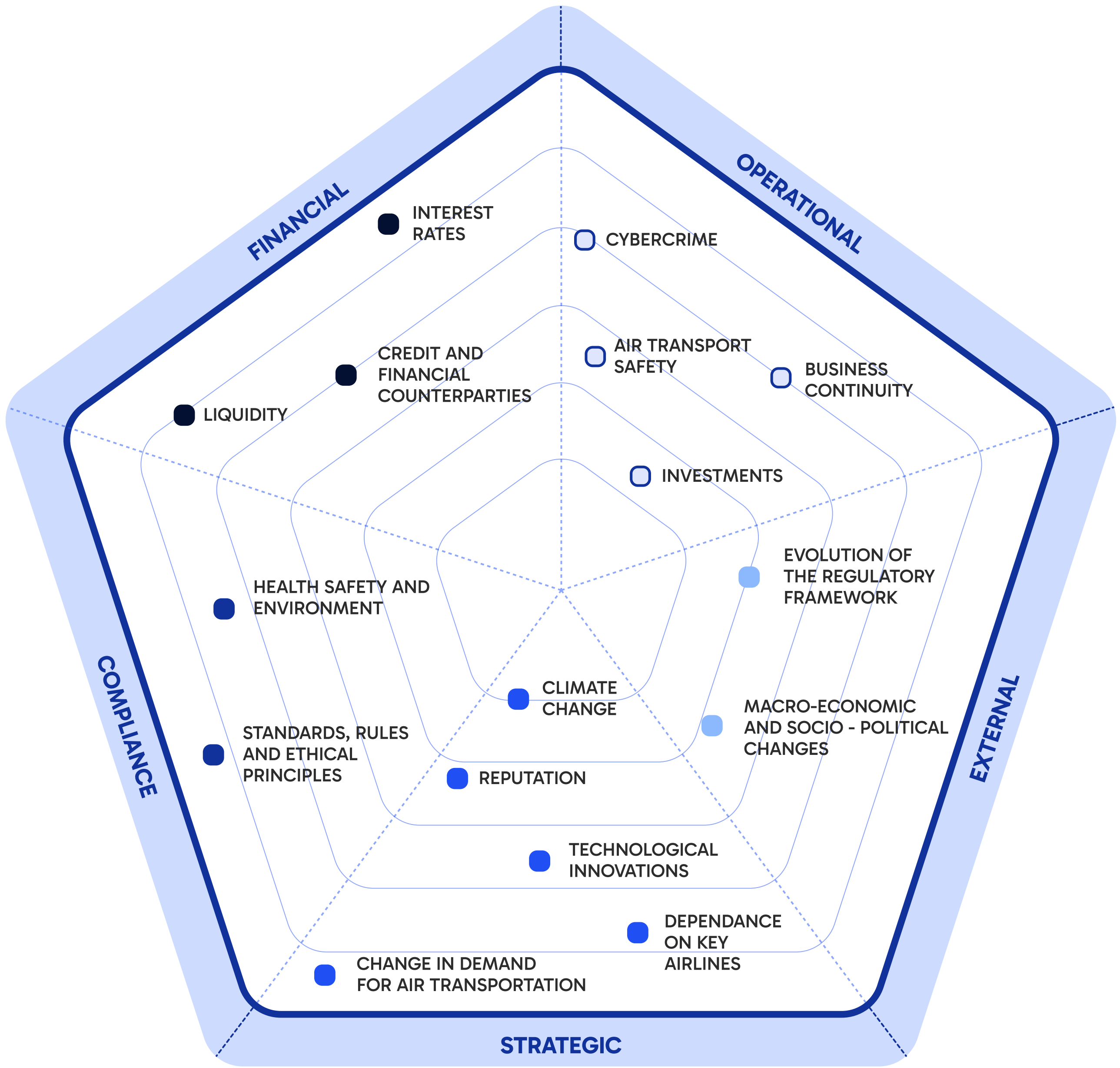


TABLE 6.1 - Description, impacts and risk response of the main risks categories of the ADR Group - **Strategic**

RISK FACTOR	DESCRIPTION	IMPACTS	RISK RESPONSE
ESG **CHANGE IN THE DEMAND FOR AIR TRANSPORT**	Risks related to the evolution of the air transport market, which may also derive from the economic situation and/or from health emergencies.	Particularly significant effects on long-term performance, thereby resulting in changes to ADR Group's development policies.	I. Monitoring macroeconomic and socio-political dynamics of the markets and scenario analysis; II. Attractiveness of airports also through sustainability-oriented measures; III. Diversification and development of the carrier/market portfolio.
DEPENDENCE ON KEY CARRIERS	Risks related to over-dependence on key carriers.	Negative short and long-term effects on the financial performance of the ADR Group.	
ESG **REPUTATION**	Risks deriving from a negative perception of the organisation's image by relevant internal or external Stakeholders.	Reputational damage to relations with Stakeholders and attention from national / international media and press.	I. Effective communication process for safeguarding and improving the image and the brand, also through specific monitoring and control activities; II. Systems for monitoring and verifying the progress of the quality of services; III. Corporate sustainability plan; IV. Consistency between investments and public needs.
ESG **CLIMATE CHANGE**	Risks related to climate change and the carbon footprint of the organisation and its assets.	Reputational damage, asset devaluation and lower profitability as well as failure to achieve the objectives of reducing emissions and achieving carbon neutrality.	I. Net Zero Carbon goal in 2030 for Scope 1 & 2 emissions; II. Certified emission measurement system (ACA 4+ certification), achievement of Carbon Neutral status by 2030; III. Actions aimed at reducing Scope 3 emissions; IV. Investments to maximise the resilience of infrastructures to extreme weather events.
ESG **TECHNOLOGICAL INNOVATION**	Risk deriving from technological evolution/innovation and from the difficulty of the Group to grasp all the implications linked to a new technological discovery, as well as from the costs/investments related to it that the organisation may have to incur in terms of human, financial and technical resources to the constant renewal of products/services/systems.	Loss of competitiveness, loss of development opportunities and process improvement/efficiency.	I. Activation of appropriate internal controls and external cooperation schemes (also through dedicated companies), in order to identify and evaluate possible technological innovations also from a sustainable perspective; II. Cost/benefit analysis in relation to the execution or otherwise of any investments; III. Monitoring of emerging opportunities in terms of new business and value creation.

TABLE 6.2 - Description, impacts and risk response of the main risks categories of the ADR Group - **External**

RISK FACTOR	DESCRIPTION	IMPACTS	RISK RESPONSE
ESG **EVOLUTION OF THE REGULATORY FRAMEWORK**	Risks deriving from changes in the reference regulatory framework at national and/or international level.	Property and economic damage potentially due, for example, to the revision of the tariff system and/or to higher costs for adaptation to changes in the reference context.	I. Monitoring of the regulatory and legislative context at national and international level; II. Legal/economic benchmarking and quantitative assessment of any changes to the tariff dynamics.
MACRO-ECONOMIC AND SOCIO-POLITICAL CHANGES	Risks deriving from macroeconomic and socio-political characteristics and trends with repercussions on the markets in which the Group operates and connected to the evolution of the economic cycle, to the socio-political and/or macro-economic landscape, to changes in the context that can be detected in the medium/long-term period as a result of the Macro Trend in progress.	Negative effects in the short- and long-term on the economic performance of the Group (impacts deriving from the trend in inflation, from the Russia - Ukraine conflict with higher costs/delays for the realisation of investments and/or shortage of critical materials for processing).	I. Monitoring of the macroeconomic and socio-political dynamics of the markets in which the organisation operates; II. Monitoring and continuous updating of the scenario analysis, economic/financial evaluation of the various scenarios and identification of the related actions to be implemented (e.g. energy efficiency/independence actions, targeted purchase strategies for critical materials, etc.).

TABLE 6.3 - Description, impacts and risk response of the main risks categories of the ADR Group - **Compliance**

RISK FACTOR	DESCRIPTION	IMPACTS	RISK RESPONSE
ESG RULES, REGULATIONS AND ETHICAL PRINCIPLES	Risks related to the violation of rules, regulations and ethical principles by employees, suppliers and partners.	Criminal and administrative sanctions, initiation of the procedure for forfeiture of the concession, reputational damage, etc.	I. Organisational control and monitoring model for compliance with the regulations, current legislation and ethical standards of the Company (MOG 231, Code of Ethics, Anti-corruption Policy, Report management policy, ADR Policy on Diversity, Equity and Inclusion); II. Carrying out activities in sectors and with partners compatible with the Group's ethical standards.
ESG HEALTH, SAFETY AND ENVIRONMENT	Risks related to health, personnel safety and environmental protection (waste, soil water contamination, noise pollution).	Accidents involving people, financial, criminal and administrative penalties as well as impacts on corporate reputation.	I. Continuous monitoring of the reference regulatory context; II. Compliance with obligations and continuous improvement/alignment with best practices in the field of Health, Safety and the Environment; III. Adoption and certification of Occupational Health and Safety Management Systems.

TABLE 6.4 - Description, impacts and risk response of the main risks categories of the ADR Group - **Operational**

RISK FACTOR	DESCRIPTION	IMPACTS	RISK RESPONSE
ESG AIR TRANSPORT SECURITY	Risks for the safety of people and equipment in airport operations (ground/airside) (e.g. pandemic emergency management, terrorism).	Plane crashes, damage to persons, property, equipment and infrastructure of ADR and third parties.	I. Organisation of safety and security systems and procedures of which by way of example: • safety management system; • personnel training; • airport emergency plans; • monitoring of compliance with safety and security standards.
ESG CYBERCRIME	Risks of loss, theft, modification, disclosure of or unauthorised access to company data.	System unavailability with consequent blockage of airport operations, theft of sensitive or confidential data, fraud.	I. Cybersecurity tools and procedures and business continuity and disaster recovery plans for ICT systems.
ESG INVESTMENTS	Risks associated with delayed/non-investments as envisaged in the airport development plan.	Failure to develop airport capacity in relation to requirements, sanctions by the authority for non-compliance with the commitments of the development plan, loss of competitiveness.	I. Structured investment planning and design activities; II. Continuous monitoring of critical suppliers; III. Continuous monitoring of work orders in order to anticipate and manage critical issues.
ESG BUSINESS CONTINUITY	Risks related to the unavailability of people, infrastructures and/or systems (e.g. malfunction of a plant or critical IT system).	Effects on the provision of services and on business activities, compromising the achievement of company objectives.	I. Planning and execution of preventive and scheduled maintenance activities on all types of infrastructures and plants; II. Direct supervision of the maintenance of strategic plants; III. Continuous improvement of systems, infrastructures and procedures to guarantee the continuity of airport operations; IV. System of industrial relations and trade union policies; V. Business continuity and disaster recovery plans for ICT systems.

TABLE 6.5 - Description, impacts and risk response of the main risks categories of the ADR Group - **Financial**

RISK FACTOR	DESCRIPTION	IMPACTS	RISK RESPONSE
LIQUIDITY	Risks deriving from inadequate financial planning/management with excess liquidity or tensions on the availability of liquidity or risks related to the difficulty/inability to contract or refinance the debt to ensure the loans necessary for organic growth and/or to meet financial commitments.	• Deterioration in the ability to honour current commitments and invest in the maintenance and development of airport infrastructure; • impossibility of repaying borrowings falling due, with potential declaration of "default" by the lenders (see below).	I. Monitoring and forecasting of short and long-term prospective financial needs; II. Monitoring of capital market conditions; III. Refinancing of borrowings well in advance of their contractual due dates; IV. Diversification of the sources of financing; V. Increase in the liquidity reserve in times of financial tension.
	Risks associated with non-compliance with the performance/non-performance obligations (including financial covenants) and/or the conditions of use provided for in financial contracts.	• Lack of usability of the sources of financing; • limitations on operations (according to the provisions of financial contracts); • declaration of "default" by the lending institutions with the activation of coercive actions that may go as far as requesting early repayment in full of the loans concerned.	I. Monitoring of the commitments and deadlines set by the financial contracts; II. Periodic and preventive assessment of the trend in financial covenants and early activation of any corrective actions (e.g. request for a covenant holiday).
INTEREST RATES	Risks related to the variation/volatility of interest rates.	Increase in the borrowing costs, with an impact on the level of financial expense and on the value of financial assets and liabilities.	I. Using "derivative" instruments (interest rate swaps); II. Borrowing at a fixed rate.
CREDIT AND COUNTERPARTY	Risks related to the assignment of commercial counterparties, to the monitoring and recovery of the related trade receivables.	• Incurring the costs of monitoring and recovering non-performing exposures; • impairment of loans and receivables with impacts on the income statement; • default of counterparties.	I. Use of databases for screening counterparties in the lending phase; II. Obtaining suitable collateral guarantees (deposits/guarantees or sureties) or, alternatively, "spot" or advance payment; III. Periodic and continuous monitoring of credit positions, with the support of the "credit committee".
	Risks associated with the possible default of financial counterparties.	• Default of counterparties; • impairment of liquidity investments.	I. Preferential use of financial counterparties with a high credit standing; II. Compliance with the absolute concentration limits and by rating class provided for by the policies in force; III. Continuous monitoring of the creditworthiness of financial counterparties.

3.3
Climate change risks

The ADR Group pays great attention to issues relating to future climate changes that could impact the airport. In fact, the risks associated with climate change can represent a threat to company operations, airport safety and health and safety. The aforementioned risks may also lead to an increase in operating costs, have repercussions on revenue, affect the ability to attract investments and access the capital and insurance markets. Furthermore, climate risks could require extraordinary investments for the modernisation of the assets managed or for the reconstruction of damaged structures, and may also directly impact the company's reputation. In the same way, they can generate new market and commercial development opportunities deriving from the transition of the transport sector towards low-carbon mobility.

The ADR Group has developed a Climate Change Risk Analysis (CCRA) methodology consistent with the reference best practices (i.e. ICAO and ISO 14091 "Adaptation to climate change - Guidelines on vulnerability, impacts and risk assessment") and integrated into the Enterprise Risk Model (ERM), which identifies and assesses the climatic risks (physical and transitional) that concretely affect the economic activity and the vulnerability of the assets. This methodology makes it possible to formulate a suite of strategies that combine both adaptation and resilience to the impacts of climate change, also in order to define proposals for the mitigation of potential impacts in preparation for an integrated adaptation plan consistent with sustainability strategies.

The CCRA methodology developed by ADR mainly involves the following phases:

I. climate modelling for physical risks: through the analysis of climate trends carried out by means of historical data and future projections, a climate modelling of the relevant hazards is carried out over different time horizons and different climate scenarios. The identification of climate hazards is carried out in line with the European Taxonomy for sustainable investments, which distinguishes, for physical risks, between "acute" hazards, i.e. caused by extreme events (such as droughts, floods and storms) and "chronic" (so defined if caused by progressive changes, for example, in temperatures or sea level) relating to temperature, winds, water and solid mass;
II. analysis of potential impacts also in terms of exposure of individual assets and analysis of the reference context (future trends, scenario analysis) with specific reference to transition risks;
III. resilience assessment: the combined analysis of climate data assessments, the possible impacts deriving from them, the existing infrastructures/plants and the related operating procedures, makes it possible to assess the resilience of the assets and the organisation to the management of these changes;
IV. definition of an adaptation plan: downstream of the resilience analysis, an adaptation plan is defined, if necessary, which contains the identified short, medium and long-term mitigation measures and any opportunities are also identified.

The results deriving from these analyses and any adaptation plans are monitored and reviewed periodically and shared with Top Management.

The CCRA process is periodically updated to identify changes in the scope with respect to the scenarios and the reference climate data and the situation of the infrastructures and the organisation.

Chapter 4

Governance, integrity and business ethics

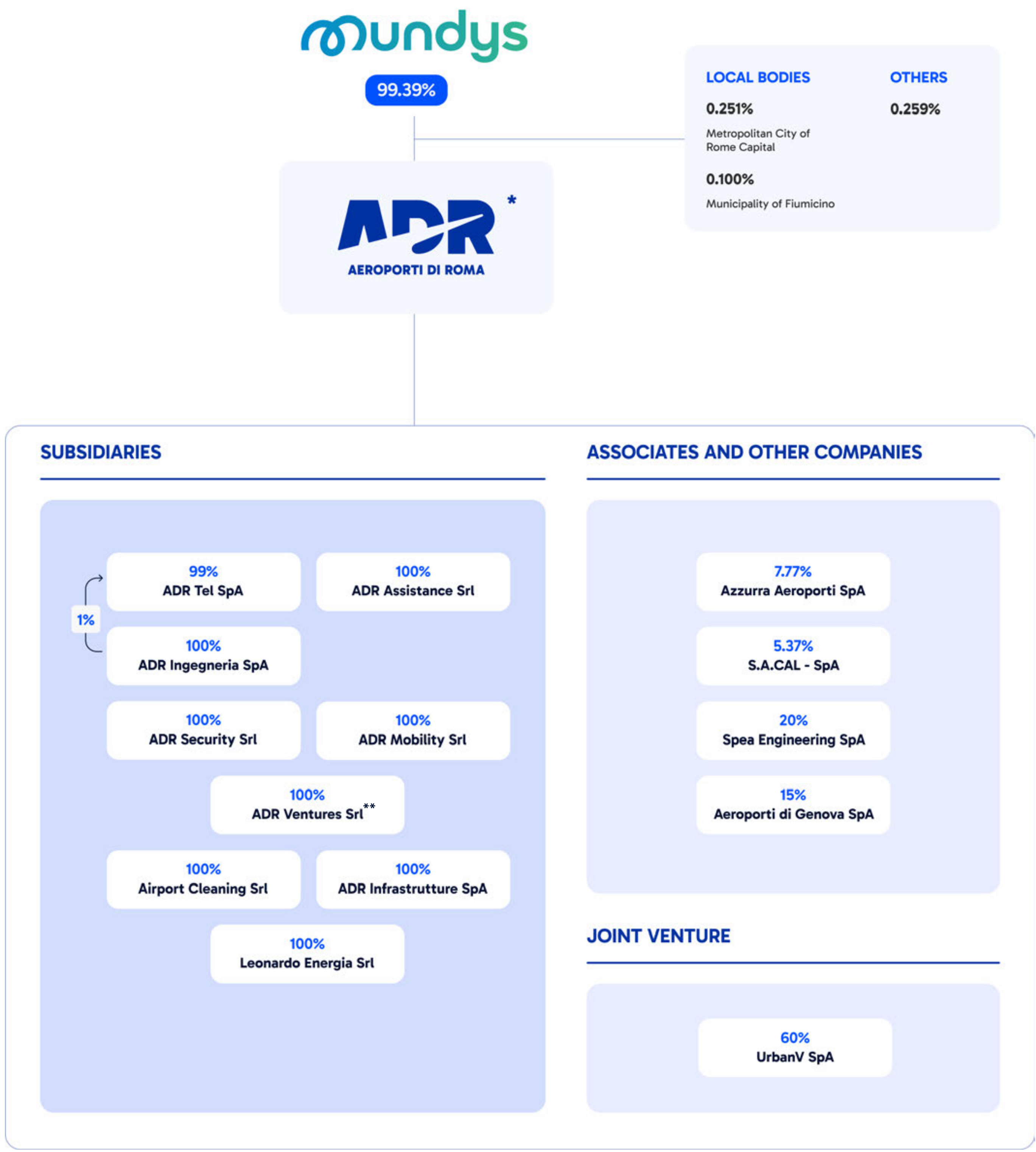
4.1
Group’s structure

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

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

The ADR Group is structured according to a matrix and interconnected logic through which it provides and manages the main operations connected to its business model (see section 2.3 The business model) through its subsidiaries.

INFOGRAPHIC 5 - The structure of the ADR Group at December 31, 2023



*ADR SpA also holds 1.13% share in Consorzio Autostrade Italiane Energia (CAIE) and a one thousand euro share in the capital of Convention Bureau Roma e Lazio S.c.r.l.

**ADR Ventures S.r.l. holds 1.7049% of Assaia Inc.

4.2
Governance Model

ADR's governance system is based on the traditional organisational model consisting of the General Shareholders' Meeting, the Board of Directors, and the Board of Statutory Auditors (in which three effective members are appointed by the Minister for the Economy and Finance (acting as Chairman), the Minister for Infrastructure and Sustainable Mobility and the Minister for Economic Development), the independent auditors, and the Supervisory Body (under Italian Legislative Decree 231/2001).

Article 16 of the Articles of Association requires Local Authorities that are members of the Company to jointly designate one of the members of the Board of Directors.

Board of Directors
The Board of Directors[5] was appointed by the Shareholders' Meeting of April 20, 2023, for the three financial years 2023-2025 (until approval of the financial statements at December 31, 2025).

TABLE 7 - Composition of the Board of Directors at December 31, 2023

NAME	APPOINTMENT	OFFICE
Vincenzo Nunziata	Mundys S.p.A.	Chairman
Marco Troncone	Mundys S.p.A.	Chief Executive Officer
Mattia Brentari	Mundys S.p.A.	Director
Elisabetta De Bernardi Di Valserra	Mundys S.p.A.	Director
Scott Schultz	Mundys S.p.A.	Director
Yannick Heyl	Mundys S.p.A.	Director
Andrea Valeri	Mundys S.p.A.	Director
Antonello Monti	Mundys S.p.A.	Director
Katia Riva	Mundys S.p.A.	Director

Board of Statutory Auditors
The Board of Statutory Auditors was appointed at the Shareholders' Meeting of April 28, 2022 for the years 2022-2024 (until approval of the financial statements at December 31, 2024).

TABLE 8 - Composition of the Board of Statutory Auditors at December 31, 2023

NAME	APPOINTMENT	OFFICE
Cosimo Giuseppe Tolone	Ministry of Economy and Finance	Chairman
Roberto Carducci	Ministry of Sustainable Infrastructure and Mobility	Statutory Auditor
Ugo Venanzio Gaspari	Ministry of Economic Development	Statutory Auditor
Roberto Capone	Mundys S.p.A.	Statutory Auditor
Benedetta Navarra	Mundys S.p.A.	Statutory Auditor
Fulvia Astolfi	Mundys S.p.A.	Alternate Auditor
Carlo Regoliosi	Mundys S.p.A.	Alternate Auditor

[5] *The ADR Shareholders' Meeting of April 20, 2023 determined the number of members of the Board of Directors to be 10, including the non-appointed Director designated by the local authorities.*

Independent Auditors

KPMG (nine-year period 2021-2029).

Committees

On May 10, 2023, three Board Committees were established, with advisory and propositional functions pursuant to Art. 22 of the Articles of Association. In detail:

- Sustainable Development Committee, with the task of supporting the assessments and decisions of the Board of Directors of ADR relating to the definition and implementation of sustainability plans and, consistently with these, the planning and implementation of investments to support development, maintenance and the management of airport infrastructure;
- Risk and Control Committee, tasked with supporting the assessments and decisions of the Board of Directors of ADR concerning the internal control and risk management system;
- Human Resources Committee, with the task of submitting proposals on the remuneration and annual and long-term incentive plans of the Chairman and the Chief Executive Officer, as well as on the performance targets related to the variable component of remuneration, and expressing opinions on the initiatives and programmes promoted by the Company in the area of strategic human capital development.

The composition of the Committees described above is shown below:

Sustainable Development Committee

The Sustainable Development Committee was appointed by the Board of Directors on May 10, 2023 for the three financial years 2023-2025 (until approval of the financial statements at December 31, 2025).

TABLE 9 - Composition of the Sustainable Development Committee at December 31, 2023

4 members	OFFICE
Elisabetta De Bernardi Di Valserra	Chairwoman
Katia Riva	Member
Scott Schultz	Member
Mattia Brentari	Member

Control and Risk Committee

The Control and Risk Committee was appointed by the Board of Directors on May 10, 2023 for the three financial years 2023-2025 (until approval of the financial statements at December 31, 2025).

TABLE 10 - Composition of the Control and Risk Committee at December 31, 2023

3 members	OFFICE
Elisabetta De Bernardi Di Valserra	Chairwoman
Mattia Brentari	Member
Yannick Heyl	Member

Human Resources Committee

The Human Resources Committee was appointed by the Board of Directors on May 10, 2023 for the three financial years 2023-2025 (until approval of the financial statements at December 31, 2025).

TABLE 11 - Composition of the Human Resources Committee at December 31, 2023

4 members	OFFICE
Katia Riva	Chairwoman
Andrea Valeri	Member
Antonello Monti	Member
Mattia Brentari	Member

Internal Committees

The two internal committees engaged in sustainability and sustainable finance are:

- the Sustainability Committee, with the task of encouraging coordination between the various company departments and the top management in defining the Sustainability Plan and in monitoring and achieving its objectives. Active since April 2021, it also promotes relations with local and non-local players and stakeholders, in order to integrate scientific and institutional requests, as well as ensuring constant comparison with other national and international best practices;
- the Sustainable Finance Committee, with the aim of

preparing updates to the Green Financing Framework and the Sustainability-linked Financing Framework. It also handles the selection and assessment of sustainable business investments and the allocation of financial resources deriving from green loans.

Both of these internal committees are responsible for contributing to the Group's sustainability-related strategies, guaranteeing verticality and constant control of the Group's activities that aim to achieve sustainability objectives.

Relations with the ultimate parent Mundys S.p.A.

On January 19, 2024, the Board of Directors of ADR, at the invitation of the majority shareholder Mundys S.p.A., acknowledged that, at present, there is nothing to suggest that Mundys S.p.A. does not manage and coordinate ADR pursuant to Art. 2497-sexies of the Italian Civil Code, which therefore remains ascertained.

As a consequence, the Board of Directors of ADR resolved to fulfil all the obligations envisaged by Article 2497-bis of the Italian Civil Code with regard to the related disclosure regime, both in public registers and in the deeds and correspondence in relation to Mundys' management and coordination of ADR S.p.A.. It also resolved to include in the draft financial statements to be submitted to the Board for approval, all the information required in connection with being subject to management and coordination by Mundys.

In turn, ADR manages and coordinates its subsidiaries, ADR Tel S.p.A., ADR Assistance S.r.l., ADR Mobility S.r.l., ADR Security S.r.l., Airport Cleaning S.r.l., ADR Infrastrutture S.p.A., ADR Ingegneria S.p.A., Leonardo Energia S.r.l., ADR Ventures S.r.l., excluding the Joint Venture UrbanV S.p.A.

Intragroup and related party transactions

All transactions with parents, subsidiaries and other related parties were carried out on an arm's length basis. With reference to intragroup and related party transactions, please see Note 10 to the Consolidated Financial Statements and Note 9 to the Separate Financial Statements.

4.3
Management

INFOGRAPHIC 6 - Organisational chart of ADR S.p.A.

The current company organisation, approved by the Company's Board of Directors on May 11, 2021, is characterised by the presence of three Business Units/Production Units featuring full accountability of the Business Critical company areas:

- the Aviation BU includes all activities and processes relating to the aviation world, as well as those directly and indirectly connected with air transport. In 2023, the organisation of the Aviation BU saw the shift of the control relating to Energy Management to Asset Operations & Maintenance;
- the Commercial BU includes all activities in the Retail, Food & Beverage, Core Category, Advertising and Real Estate sectors;
- the Infrastructures BU includes the management of the entire infrastructural development process. In 2023, the BU underwent a succession process for the Chief (Giorgio Gregori) who left the Company on 12/31/2023 on reaching retirement age. The succession process saw the appointment of a Deputy of the Chief in July. The organisation of the BU was also characterised by a separation of investment planning and governance areas.

In 2023, in the Staff area, ADR acquired the "development and operation of networks, infrastructures and IT systems" business unit from the subsidiary ADR Tel and the related activities were merged into the ICT area; the subsidiary ADR Tel - focused on commercial aspects - was therefore included in the Commercial BU.

With regard to the remuneration policies for executives, the remuneration policy in force envisages:

- short-term variable remuneration (MBO) and medium/long-term variable remuneration (LTI);
- a recommended range for the ratio between fixed and variable remuneration;
- a "minimum" weight for the sustainability/ESG objectives assigned;
- access thresholds and clawback clauses.

ADR has also set up projects or managerial committees, Task Forces and projects for the management of specific issues of interest to the Company. In particular, 2023 saw the creation of:

- Task Force Summer 2023, aimed at integrated monitoring and compliance with the release plans of critical infrastructures for the management of Summer 2023, as well as ensuring alignment between the need for operating personnel and those in force, identifying any corrective actions in good time;
- Global Asset Management Project, for the integrated and end-to-end management of physical assets;
- Noise Committee, for the management of issues related to noise.

4.4 Ethics and compliance

The companies of the ADR Group, which have always been committed to combining the needs of optimising economic growth with the fundamental principles of business ethics, have adopted and implement the Code of Ethics and the Anti-Corruption Policy of the Mundys Group.

The Code of Ethics[6] of the Mundys Group, adopted by ADR in 2016 and subsequently updated in 2019 and 2022, clearly and transparently defines the values on which the Mundys Group aspires to achieve its objectives and the relevant ethical and operating principles in its management of activities. The Code of Ethics identifies the essential core of the values that make up the corporate culture and that translate into the principles and management policies that guide daily action.

The Anti-Corruption Policy[7] of the Mundys Group, adopted by ADR in 2017 and subsequently updated in 2019 and 2021, summarises and integrates into an organised scheme the rules for preventing and combating corruption in force in the Group, with the aim of further reinforcing in employees and third parties an awareness of the rules and conduct that must be observed.

Being aware of the negative impact of corruption as an obstacle to the development and maintenance of a sustainable environment from an economic and, above all, social point of view, ADR is committed to not only combating but also preventing the occurrence of corrupt practices in the performance of its activities.

ADR operates in the conviction that compliance with current anti-corruption legislation is more than a legal obligation and represents a basic element of the Company's culture and way of operating. To this end, the Company has adopted a Management System for the prevention of corruption, in accordance with the international standard ISO 37001:2016 Anti-bribery Management Systems, with the aim of supporting the organisation in preventing, detecting and addressing corruption, in compliance with applicable laws on preventing and combating corruption. Compliance with this Management System, which is based on the Anti-Corruption Policy of the Mundys Group, in addition to representing an obligation for all ADR personnel, is an essential and fundamental condition of every relationship entertained by the Company in the performance of its activities.

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

As part of this system, ADR carries out the following activities:

- periodic updating and review of the System also by the Board of Directors;
- disclosure to all the members of governance bodies, employees and counterparties;
- classroom training of ADR Group Management;
- e-learning training for the rest of employees[8];
- training and raising the awareness of third parties on contractual mechanisms and information material published in a special section on the website.

In line with the applicable legislation and also in light of Italian Legislative Decree no. 24 of March 10, 2023, implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019 on the protection of persons who report breaches of Union law and laying down provisions concerning the protection of persons reporting violations of regulatory provisions the companies of the ADR Group have defined, in line with the organisational and governance structure of the Group, a process for the collection and management of reports (so-called [9] Whistleblowing), governed by the Report Management Policy, aimed at providing ample access to all those who wish to make a report and guaranteeing the confidentiality of the whistleblower's identity.

The main elements of the whistleblowing management system are:

- a multidisciplinary Whistleblowing Team in charge of receiving and managing reports; The Whistleblowing Team is composed of the following Deputy Chairs (i) Internal Audit (acting as Coordinator), (ii) Human Capital & Organisation, Health & Safety, (iii) Legal & Corporate Affairs, (iv) Finance & Administration and (v) Risk Governance & Compliance;
- whistleblowing channels dedicated to their receipt and management.

In order to guarantee the effectiveness of the reporting process and provide ample and indiscriminate access to all those who wish to make a report, ADR provides a number of alternative reporting channels, specifically:

- IT platform, accessible by all Whistleblowers (Employees, Third Parties, etc.) on the ADR website, which allows written and oral reports to be made;
- electronic mail;
- ordinary mail.

Pursuant to Italian Legislative Decree 24/2023, in addition to the aforementioned channels, oral reports may also be made through a direct meeting with the Whistleblowing Team or one or more members, at the request of the whistleblower.

In addition, during 2023, there were no cases of legal actions for anti-competitive behaviour, antitrust and monopoly practices.

[6] *For further details, please refer to https://www.adr.it/codice-etico*
[7] *For further details, please refer to http://www.ADR.it/policy-anticorruzione-di-gruppo*
[8] *136 employees trained in 2023 including executives, middle managers and white-collars.*
[9] *For further details, please refer to https://www.adr.it/whistleblowing-gruppo-adr.*

4.5
Organisational, Management and Control Model

The companies of the ADR Group, in addition to having adopted the Code of Ethics and the Anti-Corruption Policy of the Mundys Group, adopt and implement their own Organisational, Management and Control Model that is compliant with the requirements of Italian Legislative Decree 231/2001 and developed on the respective legal subjectivities and operational specificities.

The Models, respectively adopted by the Group companies, are constantly updated in light of organisational developments and/or regulatory changes.

The General Part of each Model describes:

- the guiding principles and operating procedures relating to the updating of the Model;
- the distinguishing features of the body responsible for supervising its operation and compliance pursuant to Art. 6 of Italian Legislative Decree no. 231/2001;
- the sanctioning system;
- the information and training methods for the dissemination of the Model.

At the same time, the Models contemplate the special parts - documents for internal use - based on company processes, which summarise protocols, control measures and principles of conduct deemed suitable to regulate the processes and sensitive activities identified for which a potential risk of committing crimes and administrative offences pursuant to Italian Legislative Decree 231/2001 has been found.

Pursuant to Art. 6 of Italian Legislative Decree 231/2001, each company of the ADR Group has assigned the task of “monitoring the operation and compliance of the Model and ensuring its updating” to a respective Supervisory Body (SB). The Supervisory Body must be informed of all the relevant circumstances for compliance with and the functioning of the Model as well as of any unlawful conduct or violations of the Model. Communications may be sent to the Supervisory Body.

4.6
The protection of human rights

In December 2022 the Human Rights Policy was approved which defines the reference framework for the ADR Group with the aim of increasing awareness and guaranteeing respect for human rights within the sphere of the ADR Group and its value chain.

To this end, the reference operational Framework, Governance and Due Diligence process, the latter with the aim of identifying, preventing, mitigating and addressing negative impacts on human rights, have been defined for the protection of human rights in the areas of operation of the organisation (employees in the workplace, supply chain/third parties).

The Due Diligence for human rights includes the following elements:

- identification and assessment of potential and current impacts on rights;
- identification of appropriate measures to prevent and mitigate potential impacts and to remedy actual impacts;
- periodic monitoring for:
  I. verifying the correct implementation of human rights policies;
  II. assessing the performance of the organisation;
  III. promoting continuous improvement;
- reporting of the methods and measures with which the organisation addresses or intends to address negative impacts on human rights;
- set of rules and mechanisms to guarantee towards third parties affected by a violation of human rights, measures to remedy any damage caused by the Company.

As regards reports of discrimination, no investigations were initiated in 2023.

Chapter 5

Performance 2023

5.1
Business activities

5.1.1 AVIATION

In 2023, the Roman airport system recorded a total of 44.4 million passengers. The consistent growth in volumes (passengers +35% and movements +21% compared to 2022) materialised starting from the second quarter thanks to a strong recovery in European short and medium-haul flows and, from the summer, to the growth in traffic from and to North America compared to 2019 volumes.

At system level, the summer season actually recorded a +27% increase in total traffic compared to 2022, while Rome Fiumicino +29% and a recovery of 94% compared to 2019.

Compared to 2022, the growth was mainly driven by the increase in EU (+28%) and non-EU[10] (+58%) traffic flows. For the domestic area, the growth rate is around +23%, a lower value than the other two international areas as it is more impacted by the network choices of the Hub carrier.

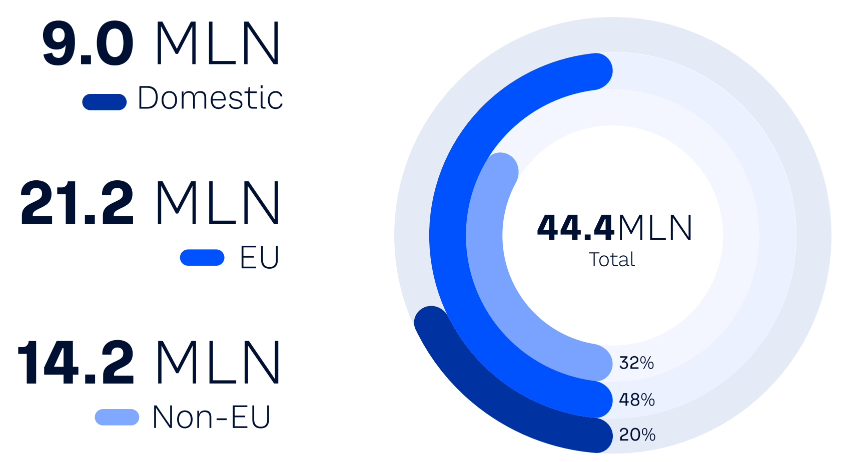
During 2023, the Aviation development of Fiumicino saw the activation of about 45 new routes, of which 15 to new destinations not previously operated and the operations of 7 new companies.

TABLE 12 - Main traffic data of the Roman airport system 2023

	UoM	2023	2022	2021	2019	Δ% (2023-2022)	Δ% (2023-2019)
Movements	**No.**	**309,234**	**254,820**	**151,191**	**362,036**	**+21%**	**-15%**
Fiumicino	No.	266,489	212,503	113,972	309,783	+25%	-14%
Ciampino	No.	42,745	42,317	37,219	52,253	+1%	-18%
Passengers	**No.**	**44,429,929**	**32,836,515**	**13,988,955**	**49,412,069**	**+35%**	**-10%**
Fiumicino	No.	40,545,240	29,360,613	11,662,842	43,532,573	+38%	-7%
Ciampino	No.	3,884,689	3,475,902	2,326,113	5,879,496	+12%	-34%
of which: boarded	No.	22,139,740	16,324,341	6,922,911	24,615,046	+36%	-10%
Fiumicino	No.	20,193,035	14,579,140	5,760,634	21,664,400	+39%	-7%
Ciampino	No.	1,946,705	1,745,201	1,162,277	2,950,646	+12%	-34%
Goods	**tons**	**197,913**	**149,168**	**111,254**	**204,900**	**+33%**	**-3%**
Fiumicino	tons	184,019	134,456	95,096	186,492	+37%	-1%
Ciampino	tons	13,894	14,712	16,158	18,408	-6%	-25%

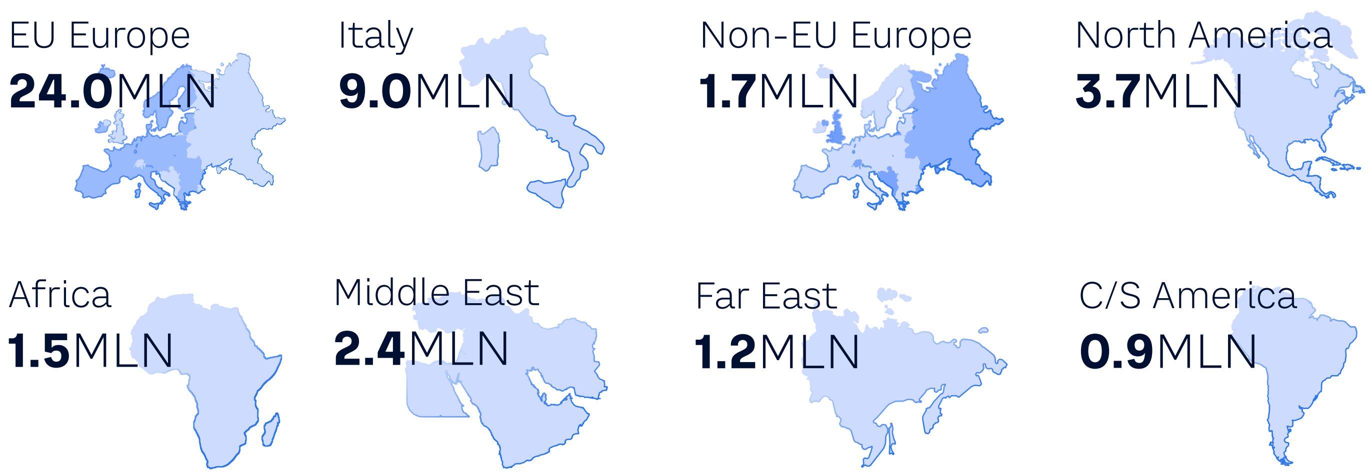
[10] *It should be noted that since January 2021, the United Kingdom has also been included in the Non-EU scope.*

GRAPH 3 - Air traffic composition in 2023 for the Roman airport system



GRAPH 4 - Monthly trend in passenger traffic in the Roman airport system and change compared to 2022

GRAPH 5 - Distribution of passenger traffic in the Roman airport system by geographical segment

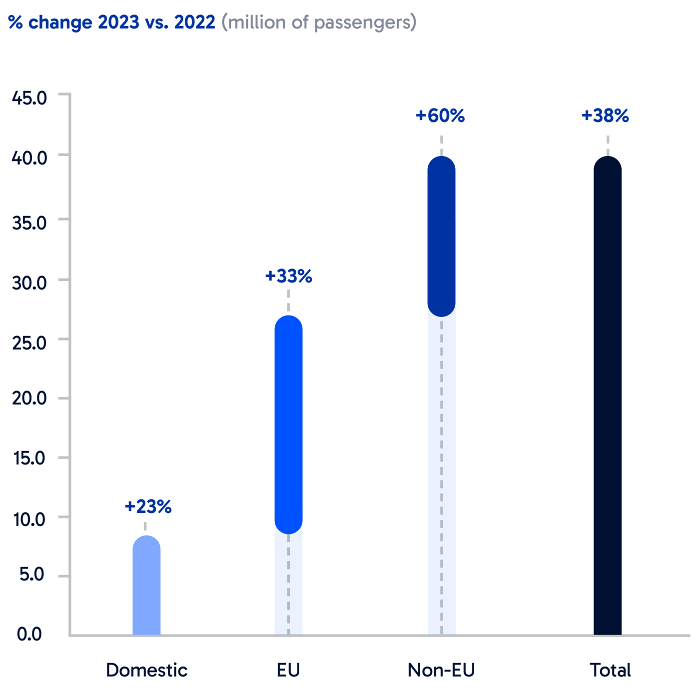


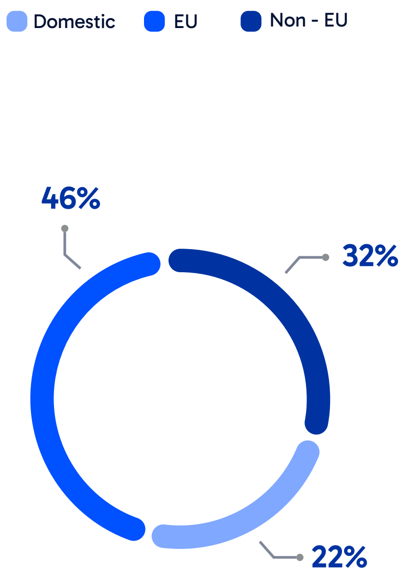
Fiumicino

Fiumicino airport saw 40.5 million passengers transit during 2023, with an increase compared to 2022 equal to +38% for passengers and +25% for movements. The decrease compared to 2019 is respectively -7% and -14%.

The EU market was the best performer with 18.7 million passengers, an increase of +33% and a market share of almost 46% on the airport. The non-EU market, with 13 million passengers, also achieved excellent performances with growth of +60% driven by the increase in flows on the North American market (+46% vs. 2022 and +12% vs. 2019). Good results were recorded also in the domestic area, where traffic exceeds 8.8 million passengers, with an increase of +23% compared to 2022.

GRAPH 6 - Air traffic composition in 2023 for Fiumicino airport



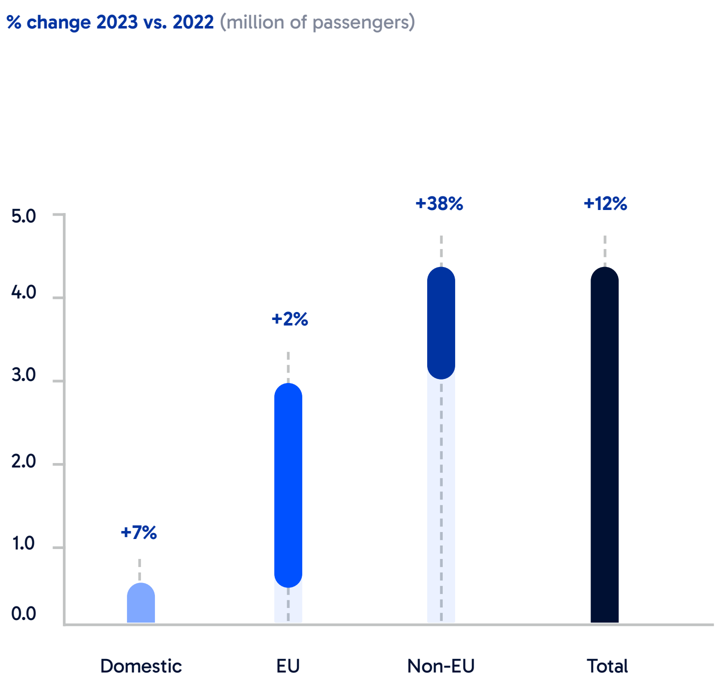


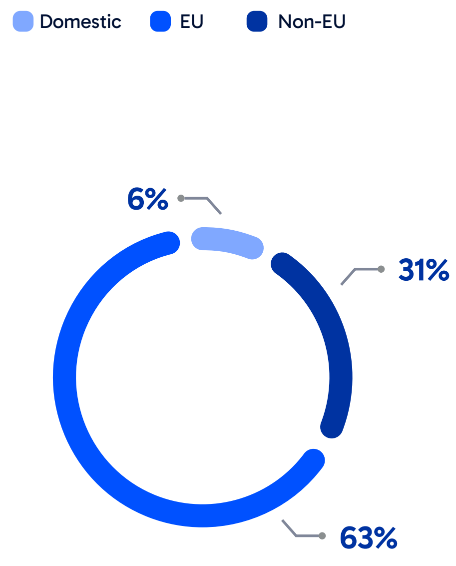
Ciampino

Ciampino airport handled approximately 3.9 million passengers in 2023, with an increase in volumes transported by +12% compared to 2022. The decrease in traffic compared to 2019 is equal to -34% and is linked to the entry into force of the Decree for the reduction of noise in the airport area, which imposed a reduction of commercial movements from 100 to 65 flights a day.

Europe-EU, with 2.4 million passengers, is the main market for the airport, accounting for 63% of total volumes and records growth of +2.4%. Non-EU traffic (1.2 million total passengers) also grew by +38%.

GRAPH 7 - Air traffic composition in 2023 for Ciampino airport





FOCUS ON: AVIATION SAFETY

Safety of airside operations

The safety of operations is ensured by complying with a complex system of reference standards, national and European regulations, as well as effective risk management that may involve the application of mitigation actions that go beyond regulatory obligations and requirements, using the best available technology and representing at international tables the best practices applied at the airports.

With regard to the occurrence at Fiumicino airport of aeronautical events ADR stands out for -20% of events, without significant consequences, compared to the average recorded in Europe.

The safety performance of the airport is periodically monitored with respect to a mix of 23 indicators, broken down by:

- Outcome-based SPI: indicators that measure safety events recorded at the airport;
- Process SPI: indicators that measure the effectiveness of the processes implemented by the organisation, to maintain or improve the Safety level.

Identified, in line with the company Safety Objectives, on the basis of the parameters used at international level, as well as the experience gained in the Safety Management System. These indicators, approved annually by the Safety Review Board, made it possible to promptly identify anomalous trends, which were therefore the subject of subsequent specific analyses.

2023 was characterised by the considerable recovery of air traffic after the negative period caused by the Covid-19 pandemic. In particular, the peak summer months highlighted some difficulties for handling companies mainly linked to the entry of new resources necessary for assistance to aircraft on the ground, not characterised by consolidated work experience. ADR was able to manage the operational change by mitigating the risk of the operations through the periodic analysis of the performance indicators, the implementation of precise and preventive activities carried out also in coordination with all the external stakeholders involved thanks to dedicated working groups as well as to a monitoring activity in the field which recorded, in the period between 06/01/2023 and 09/15/2023, an increase of 242 inspections (+1,424%) compared to the same reference period of the previous year, with daily presence focused on the most critical phases of the turnaround (e.g. entry of the aircraft and assistance activities by the reference handler). The work carried out to analyse the nature of this change and how this impacted the number of resources in the field and the human factor, made it possible to maintain the safety levels in line with the envisaged standards.

In addition to the objective of avoiding accidents or reducing their number, ADR is also committed to Safety promotion activities which, together with the Safety policy and the objectives of the organisation defined in it, represents an essential element for the continuous improvement of levels by suggesting a virtuous behavioural model for operators and organisations aimed at implementing the correct actions in response to both normal and emergency situations. The "Safety on the road" campaign was implemented on December 12 and 13, 2023 with the aim of informing airport operators of all stakeholders involved in airport operations at all levels of the risk linked to non-compliance with the rules of airside circulation. Airline pilots, medical personnel and direct witnesses of road accidents participated and, effectively, arousing strong emotions, stimulated the approximately 350 participants to adopt virtuous behaviours to protect themselves and others.

The Aviation Safety Management System

In line with the provisions of Regulation (EU) 2014/139, ADR has adopted a certified Safety Management System (SMS), one for Fiumicino airport and one for Ciampino airport. This system is suitable to guarantee that airport operations are carried out under preset aviation safety conditions.

The Safety Management System continuously monitors the safety levels of operations in the aircraft movement area, using the system for the collection and management of reports (reporting system) relating to aeronautical events occurring during airport operations. The risk assessment of all changes is also considered a strategic activity, and is aimed at analysing the impact that infrastructural, procedural and organisational changes generate on the safety of aircraft operations at airports.

In 2023, 46 change initiatives were activated at Fiumicino airport - 21 infrastructural, 23 procedural and 2 organisational - while 30 initiatives impacting the safety level of operations were evaluated until the end of the process with the application of appropriate mitigation measures (10 infrastructural, 18 procedural and 2 organisational). On the other hand, 21 change initiatives were activated at Ciampino airport (7 infrastructural, 12 procedural and 2 organisational). Of the 21 change initiatives, 2 required prior approval by the Aeronautical Authority.

Within the Call4ideas initiative, ADR has also activated some PoCs (Proof of Concept) aimed at assessing new technologies that are useful for improving safety levels at the airport as part of the Apron management and FOD (Foreign Object Damage) prevention processes.

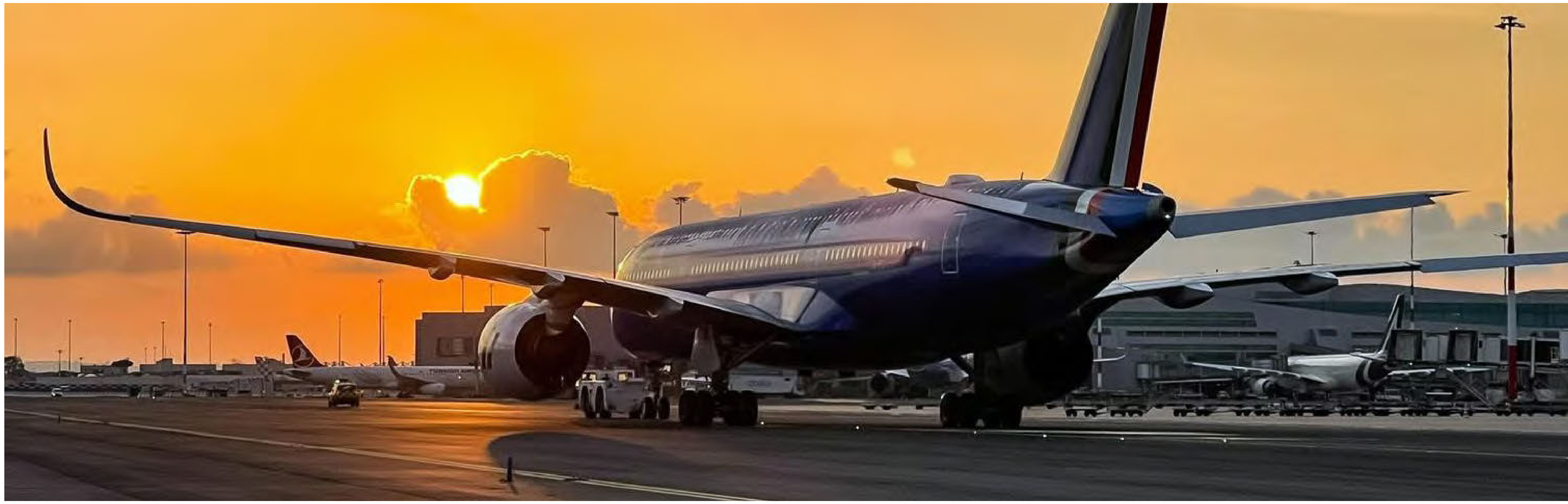
Medical aid

In 2023 the airport first aid centre at Fiumicino and Ciampino airports, managed by ADR, helped 3,042 passengers and 3,999 airport operators suffering from illness or victims of road accidents or injuries around the area of the airport.

Airport Emergency Plan

The two airports of Ciampino and Fiumicino are among the first in Italy to have an emergency plan in place that meets the requirements of the European Community through the regulatory requirements of the European Aviation Safety Agency (EASA) and includes the management procedures not only for plane crash emergency, but also for other risk scenarios which may have impacts on the safety levels expected for the operations that take place at the airport.

On October 25, 2023, revision 4 of the Airport Emergency Plan entered into force for Fiumicino airport as a result of the positive opinion of ENAC following the



relevant checks carried out with regard to the management of the changes made to the specific procedures.

Between the night of December 5 and 6, 2023, a full-scale exercise was carried out for the “plane crash within the airport grounds” scenario, which tested the rescue and management of the families of the victims of the plane crash. 35 ADR colleagues and 32 volunteers from the Italian Red Cross participated in the exercise as volunteers. Each area of the exercise was verified, through checklists, by 13 ADR observers and 22 external observers also represented by airline personnel who also actively participated by acting as a relative of a passenger or a member of the flight crew. All the elements collected during the exercise were analysed in an appropriate de-briefing in the Emergency Response Committee held in January 2024 with the aim of sharing possible suggestions for improvement to be implemented for the continuous enhancement of the procedures for managing the various emergency scenarios.

In addition, 3 partial exercises were carried out in coordination between ADR, Ente Nazionale di Assistenza al Volo and the Fire Brigade. The intervention times of the rescue vehicles at the site of the event and the correct application of the relative procedures in force were tested. Each partial exercise was preceded and followed by briefings and debriefings respectively with the personnel involved and their managers to identify any improvement actions also in consideration of undesired events that occurred in other international airports.

For the Ciampino airport, on October 23, 2023, revision 2 of the Airport Emergency Plan came into force following the implementation of the new Primary Alert System, which allows the activation and closure of all alert states managed by the various airport bodies and envisaged by the Airport Emergency Plan.

On January 26, 2023, the full scale exercise relating to the “Aircraft Alert Status - Red Level, Accident within grounds” scenario of the Airport Emergency Plan was carried out. The purpose of the simulation was to verify the activation of the alert status, the correct application of the actions under the responsibility of the entities involved, the effectiveness of the communication flows envisaged and the correct implementation of the corrective actions resulting from the previous exercises (partial and full scale). The simulation was carried out by involving around 150 people (101 participants, 12 internal organisers/observers, 4 external observers, 15 airport operators dedicated to operational functions, other participants belonging to the health organisation and State Bodies).

In addition, a plan of partial exercises with a fortnightly frequency was developed for a total of 6 exercises with the involvement of the First Aid PSO/ADR, the Fire Brigade and ENAV. Each exercise was preceded and followed by briefings and debriefings with the personnel involved.

A final partial exercise was carried out on October 12 with the Civil Defense Service and the Municipality of Rome (Aircraft outside the grounds alert status - Red Level, Accident outside the grounds) with the aim of testing the coordination between the Airport Emergency Plan of the Airport Operator and the Emergency Plan of the Municipality of Rome, and the intervention of the rescue and coordination agencies. For the exercise, in addition to the airport bodies, the Civil Defense Service of Rome and the Local Police of Rome Capital, the provincial vehicles of the Fire Brigade and Ares 118 were also involved.

The results of the exercises led to an Action Plan shared with all the entities belonging to the Emergency Response Committee.

Compliance Monitoring management (CM)

Both airports, which have a certified Compliance Monitoring Management in place, have carried out, in compliance with the requirements of the complex reference European regulations, all the control activities required to guarantee regulatory compliance and the maintenance of the airport certificate authorising the airport to manage air traffic to guarantee the safety of the operations of aircraft and their occupants.

At Fiumicino airport, 55 audits were carried out in 2023, broken down as follows:

- 33 audits on the Operator’s main processes;
- 16 audits directed at contracted companies;
- 6 handling companies operating airside or other companies operating airside.

The monitoring activities resulted in a total of 88 findings at December 31, 2023, broken down as follows:

TABLE 13 - Findings deriving from 2023 monitoring activities at Fiumicino airport

Process owner	UoM	Level 2	Level 3
ADR	No.	12	36
Contracted activities	No.	9	11
Handling companies and others	No.	9	11
Total	**No.**	**30**	**58**

In addition, in order to monitor the Safety provisions applicable in the Movement Area, an inspection campaign (380 total inspections) was carried out on the following airside activities:

- Aircraft Turn Around – Ground Handling (330);
- vehicular traffic (26);
- management of airside construction sites (24).

At Ciampino airport, 35 audits were carried out in 2023, broken down as follows:

- 12 audits on the Operator’s main processes;
- 9 audits directed at contracted companies;
- 11 handling companies operating airside;
- 3 extraordinary audits.

The monitoring activities resulted in a total of 42 findings, broken down as follows:

TABLE 14 - Findings deriving from 2023 monitoring activities at Ciampino airport

Process owner	UoM	Level 2	Level 3
ADR	No.	6	7
External parties	No.	19	10
Total	**No.**	**25**	**17**

In addition, in order to monitor the Safety provisions applicable in the Movement Area, an inspection campaign (33 total inspections) was carried out on the following airside activities:

- Aircraft Turn Around - Ground Handling;
- vehicular traffic;
- management of airside construction sites.

The Safety & Compliance Monitoring Management System is also periodically subject to surveillance audits carried out by the Italian Civil Aviation Authority. At Fiumicino airport, in 2023, the ENAC Surveillance Team carried out 5 audits on the following ADR processes related to the Airport Certificate:

- Wildlife Prevention;
- Audits on third parties;
- Management of dangerous goods;
- Maintenance plans;
- Construction Site Management.

For the Ciampino airport, 6 audits were carried out on the following processes in 2023:

- Safety Risk management and Management of change;
- Apron Management System and Surface Movement Ground Control System;
- Organisation of the Operator;
- Rescue and firefighting system.

Lastly, during the monitoring activities, no significant compliance issues were found, and therefore the ability of the organisation to comply with the requirements of the relevant European regulations was certified.

5.1.2 COMMERCIAL

Retail

The Retail segment includes all the space sub-concessions aimed at retail sales in the Retail and Food & Beverage sectors. Currently there are over 25,000 Sq m at Fiumicino airport dedicated to this type of activity, of which about 45% for Food & Beverage businesses and the remaining 55% for Retail businesses. In terms of revenue, the Retail segment generated around 65% of the total, Food & Beverage around 27% and Commercial Services around 8%.

During 2023, commercial activities recorded positive performances both in terms of volumes and spending per passenger, thanks to the recovery of passenger traffic, the new openings and the greater propensity to purchase by passengers, especially for the Luxury segment in the Non-Schengen Area.

With regard to new openings, it should also be noted that, with the opening of the new Pier A, the T1 Front Building, and the East square, the new commercial activities have been progressively opened both in the Retail and Food & Beverage sectors, operational since May, which contributed to improving the performance.

TABLE 15 - Main indicators of commercial activities for Fiumicino airport

	UoM	2023	2022	2019	Δ% (2023 vs 2022)
Average **Retail** Spending	€/departing pax	20.2	17.0	16.5	+18%
Average **Food & Beverage** Spending	€/departing pax	6.8	5.9	5.4	+14%

TABLE 16 - Main indicators of commercial activities for Ciampino airport

	UoM	2023	2022	2019	Δ% (2023 vs 2022)
Average **Retail** Spending	€/departing pax	6.2	7.4	5.0	-17%
Average **Food & Beverage** Spending	€/departing pax	5	3.9	3.5	+27%

Average spending per passenger recorded an impressive improvement at Fiumicino airport compared to the previous year, thanks to a change in the purchasing behaviour of passengers and the opening of new shops and areas of catering. There was a particularly positive performance in the luxury segment in the non-Schengen area where, despite the absence of some "high-spending" passenger segments, significant increases in spending per passenger on certain traffic routes have been recorded.

The average spending per passenger recorded positive values, even compared to 2019. Among the main factors that influenced, in the Retail area, was the improvement in the purchasing behaviour of some categories of passengers in the Luxury segment (e.g. passengers with destination USA, UK, etc.). In the Food & Beverage area, the new openings in the East area of the airport also had a positive impact.

Ciampino airport was positively influenced by the renewal of the Food & Beverage commercial offer, which saw the opening of all new formats during the year, generating an increase in spending per passenger of +27%.

Advertising

In 2023, the business line generated 9.9 million euros in revenue, with values recovering considerably compared to 2022 and now close to those of 2019 (when a different business model was in place), even though the reference market segment still recorded negative values compared to the pre-pandemic period. During the year, ADR strengthened its commercial proposal with the aim of improving its positioning on the advertising market: this resulted in the deployment of new digital assets in the Domestic - Schengen area of the Rome Fiumicino airport, and in particular in the new Pier A31-59, as well as in the total renovation of the

iconic asset located at the centre of the non-Schengen shopping arcade. In addition, an effective commercial activity was launched, both in Italy and abroad, aimed at increasing the international customer base supported by a renewed ability to build engagement projects, customised to customer needs, also in close contact with the retail, F&B, Mobility, etc. business lines.

Real Estate

The Commercial BU also manages revenue from real estate sub-concessions linked to aeronautical activities (hangars and maintenance), cargo, infrastructure maintenance and warehousing, office activities and in general for services to people (passengers and airport stakeholders). These sub-concessions are both from free-standing buildings or, more frequently, portions of them, and from land on which the sub-concessionaire develops its buildings according to its needs. 2023 was characterised by the full recovery in activities in support of aviation operations and real estate sub-concessions. Projects and initiatives were launched and partly completed, which are related to the development of new traffic, and to the increase in the offer for passenger services, as well as to increase the sustainability of the activities of airport stakeholders. These included the reorganisation of the Lounge system in the Schengen area with the opening of 4 new rooms (and the closure of 3 pre-existing rooms in the area impacted by the reorganisation works) directly accessible from the mezzanine floor of Terminal 1. The impact caused by the restructuring of significant portions of the terminal system was also confirmed, which generated numerous requests for movements, including multiple ones, to empty the areas subject to intervention, with repercussions both inside and outside the terminal.

Real Estate – Offices

The occupancy rate for the office segment is close to saturation (95%), also due to the major restructuring of the terminals that involves the relocation of operational offices and support spaces. Work has begun on the construction of the third office tower which will join the two existing office towers (12,650 square meters for office use) with an additional 9,500 square meters for office use.

Real Estate – Logistics

The logistics segment operators are concentrated in the north-east quadrant of Fiumicino airport and to a small extent at Ciampino airport. Due to the known limitation on the number of flights imposed at Ciampino airport, solutions have been studied to facilitate the movement of operators to Fiumicino airport, with the aim of guaranteeing full operations in harmony with the peculiarities of the industrial supply chain logistics. The approximately 35,000 square meters of buildings currently available at Fiumicino with this intended use are all under sub-concession. The construction of a second-line logistics unit is planned, for which the land preparation phase has been completed and significant progress has been made on obtaining permits for the construction of approximately 10,000 square meters that will be built and leased.

Real Estate - Aeronautical maintenance hub and Hangar

The Fiumicino and Ciampino airport system has a total of approximately 190,000 square meters of hangars dedicated to aeronautical maintenance activities in addition to approximately 130,000 square meters dedicated mainly to maintenance activities, workshops and warehouses.

Main KPIs — Commercial

RETAIL & FOOD	FEES	PARKING
27	**35,284**	**1,860,835**
Average retail and Food & Beverage spending (€/pax)	Total fees from the Group's Real Estate activities (€/000)	Total parking tickets (No.)

There are no significant changes from the year 2022 regarding these infrastructures, either in sub-concession or in occupancy. The process of reorganising the spaces following the transfer of the company branches by Alitalia SAI under special administration is essentially concluded: the impact on the technical and operational buildings formerly used for maintenance and handling activities, on which an assessment has been carried out for some improvements, remains high.

The demolition activity was completed and the reconstruction of a hangar for commercial use of approximately 4,000 square meters at Ciampino airport began.

TABLE 17 - Main revenue from the Group's Real Estate activities[11]

	UoM	2023	2022	2019	Δ% (2023 vs 2022)
Office fees[12]	€/000	2,173	1,687	2,794	32.6%
Logistics fees	€/000	5,646	3,938	4,279	40.2%
Maintenance hub fees	€/000	9,424	7,990	11,883	17.8%
Other fees	€/000	18,041	12,566	17,334	44.1%
TOTAL FEES	€/000	35,284	26,181	36,290	34.8%

Real Estate key figures

- 590,000 Sq m under management;
- 93% occupancy;
- Terminal works:
  - 60 initiatives completed during the year, for a total area of approximately 9,500 Sq m
  - 23 initiatives under way in December, for a total area of approximately 2,500 Sq m
- Off-terminal works:
  - 18 initiatives completed during the year, for a total area of approximately 25,000 Sq m
  - 45 initiatives under way in December, for a total area of approximately 140,000 Sq m
- Under development:
  - off-terminal 30,000 Sq m with 3 major initiatives (New office building in front of Terminal 1, Wizz Air Training Centre, New DHL Warehouse).

Parking

The purpose of the Mobility business is the management of parking and car parks in the airport area in its components of parking for passengers, airport operators, vehicle rental operators and the management of scheduled public transport operators (TPL - buses) and non-scheduled ones (TPNL - taxis and rental cars with driver).

The potential market of users of the Fiumicino and Ciampino car parks is represented by those who can reasonably reach or leave the Roman airport system by car or motorbike and therefore fall within the so-called "catchment area", populated by potential passengers originating from the Roman airports, corresponding today to an area with a radius of about 250 km on the roads around the city of Rome.

The number of equivalent parking spaces with tariffs is 19,750 divided into the following parking categories:

- for passengers (FCO): Short-Term, Multi-storey and Long-Term Parking for a total of 8,300 parking spaces;
- for operators (FCO) for a total of 6,900 parking spaces;
- for passengers (CIA) with 850 parking spaces;
- for operators (CIA) with 650 parking spaces;
- for sub-concession services for car rental companies for a total of 1,400 parking spaces;
- for scheduled public transport (TPL) with 150 bus seats;
- for Non-Scheduled Public Transport (TPNL) with 1,200 parking spaces.

[11] *The data refer to fees (no royalties and utilities) and exclude intragroup items*
[12] *The office category includes offices 1 and 2 of the Tower and FCO terminal*

During 2023, thanks to the operational and commercial actions implemented, including the full implementation of the Revenue Management System, car park transactions increased by +20.8% and revenue by +32.8% compared to 2022, while compared to 2019 they increased by +16%, therefore more than passenger traffic.

During 2023, the digitalisation of the parking service continued by improving the Easy Parking app and the booking website while paying special attention to system modernisation in order to improve the Customer Experience. The main initiatives included in the Development Plan aimed at improving activities and the quality of services, which began in 2014, continued in 2023. In detail:

- improved customer experience through more information on customer habits also thanks to Windtre's city analytics data, analysis of purchasing behaviour, customer journey and user experience, more effective communication of the features of the easy Parking branded ADR Mobility offer, adaptation of road signage, upgrading of parking areas and consolidation of improvements on the shuttle service;
- support for the expansion of revenue through the Revenue Management system, the revision of tariffs, the improvement of partnerships with carriers, the development of Value-Added Services and the relaunch of the Long-Term Parking and Premium services, the increase in parking spaces made available to car rental companies, which made it possible to facilitate the growth of this segment both in terms of fees and royalties;
- cost containment through a state of the art Parking Management system and investments aimed at increasing productivity and reducing micro-defects and above all closures made during the pandemic to reduce personnel and energy costs;
- launch of the first actions in the area of e-mobility with the definition for the subsidiary ADR Mobility of the roles of Charging Point Operator (CPO) and Mobility Service Provider (MSP) with the related registration to the Hubject e-roaming platform and the commissioning of 180 fast and ultra-fast charging points, the first phase of the plan, which envisages the installation of 5,000 charging points at the end of 2031;
- with regard to marketing activities in support of the easy Parking brand, the mobile website was improved and web marketing activities continued to support the booking-on-line service.

During 2023, the action to close new contracts for the "4Corporate" B2B portal and the launch of the new app for payments on mobile devices continued.

TABLE 18 - Data relating to ADR Business Parking for 2023

	UoM	2023	2022	2019	Δ% (2023 vs 2022)
Passenger revenue parking	€/000	24,682	18,067	23,836	+37%
Total Tickets	No.	1,860,835	1,539,325	2,271,846	+21%
Average ticket cost	€	13.3	11.7	10.5	+13%
Average parking duration	h	17.2	16.2	12.8	+6%

The increase in the average duration of the stops and consequently the average ticket seen in 2021 and 2022 has been maintained, with a shift in transactions towards longer stops for passengers to people accompanying passengers, from an average of 16 hours to an average of 17 hours, confirming the fact that air travel was made for more important reasons, with longer stays at the destination. This event, with the help of Revenue Management policies, contributed to a 27% increase in the average ticket compared to 2019 and a 12% increase compared to 2022.

5.1.3 INFRASTRUCTURE

In 2023, the intense campaign to renew the Terminal infrastructures at Fiumicino airport continued, with important infrastructural releases that supported the growing recovery in traffic volumes.

In particular, on April 12, 2023 the boarding area A31-59 (former Pier B) was reopened to traffic, after a profound functional, plant and regulatory renovation that affected the pier at all its levels. The new availability of twelve contact gates and ten remote boarding gates, in addition to guaranteeing the necessary capacity to cope with summer traffic peaks, has ensured the possibility of maximising the allocation of flights on gates equipped with piers, with the consequent positive effects in terms of operational efficiency and service quality.
On the same date, the completion of the "square" was inaugurated, the focal point of the new Schengen commercial area of 2,300 Sq m and equipped with 995 leisure-type seats (chaise longues towards the glass front on the aprons), ergonomic armchairs for work areas and standard seating with dedicated charging point. The area is the main stopping point for passengers waiting for the boarding gate to be announced, offering not only a wide range of food and shopping facilities, but also an extensive view of the aprons and flight runways. The new domestic-Schengen departure lounge was completed with the opening in the west, starting from November, of the commercial mall with a wide retail offer where the passenger waits for the "call forward" time before boarding. In addition, on April 21, the 3 new baggage reclaim belts were activated at Terminal 1, in addition to the 5 already operating in the Terminal, expanding the capacity by a further 3 million passengers per year.

At the start of the 2023 aviation season, given the upswing in traffic that had already occurred in the 2022 summer season, the area dedicated to security checks for so-called "sensitive" passengers (flights operated by American and Israeli airlines), requesting the segregation of passengers until the checks are carried out, was also reopened in a new configuration at Terminal 3, adequate from a plant and regulatory point of view first and foremost, but also from an aesthetic and functional perspective. The area, in addition to having been expanded (+1,300 Sq m), allowing for more suitable spaces to ensure the differentiation of the various functions (preparation area, queuing, post-control de-stress area, etc.), also boasts a greater number of access gates, more X-ray machines (+5 units) for "C3" type checks - a new technology that guarantees a very high standard of security for carry-on baggage check. At the same time, in terms of time and planimetrically adjacent to the area described above, additional passport control stations (+7 boxes) were released, which further implemented the operational emigration border at the "east finger of Terminal 3" in order to guarantee adequate service levels.

The upgrading of Terminal 3 continues, representing the largest and most complex regulatory and functional adjustment intervention on an operational infrastructure addressed by ADR. The initiative involves the implementation of two macro-phases, the first of which was completed in 2023. In the departures hall, architecturally renewed with more striking finishes and increased ventilation thanks to the added usable height due to the modification of the suspended ceilings, three reconfigured check-in islands were released with innovative design and new "double manifold" technology; island "L" with 19 desks (made operational again in May 2023), islands B (June 2023) and A (August 2023) with 24 desks each. Also at the arrivals level, belts 5 and 10 were released in June 2023, intended for non-Schengen traffic and installed, for the first time, with a new technology that allows the belt to be choked. They are therefore used for the total length (about 100 meters each) in the case of wide-body aircraft, or as individual 50 m belts in the case of narrow-body aircraft. With a view to pursuing the terminal modernisation and expansion campaign, the boarding area A1-10 (former Pier D) was closed to passenger traffic with the aim of carrying out a major functional and plant redevelopment project as well as for regulatory compliance purposes. It will allow for an increase in boarding capacity, through the inclusion of an additional 6 remote gates at apron level and the improvement of energy and maintenance efficiency as well as, for the first time, the possibility to use the infrastructure in hybrid mode (Schengen and non-Schengen). The redevelopment will also result in a significant increase in the perceived level of comfort, aligning the architectural concept with the most recent infrastructures and creating a new commercial area on the roof, accessible to both passengers and other users. The strip-out and demolition works are currently underway in preparation for the execution of the intervention described above, which will make it possible to start construction activities in an area already cleared and disconnected.

All the interventions carried out and in progress are inspired by the principles of sustainability and innovation that guide each phase of the design and implementation of the works. In fact, the implemented solutions make it possible to obtain certifications in the field of sustainable construction such as LEED (Leadership in Energy and Environmental Design) or BREAM (Building Research Establishment Environmental Assessment Method).

As regards the runway system, the upgrading of the Bravo taxiway was completed in May 2023, using high-performance bitumen that guarantee greater performance to aircraft loads and durability over time. The intervention also included the taxiway's system improvement with the complete renovation of the primary and secondary distribution of the flight assistance systems (AVL) using "Led" technology and the complete overhaul of the rainwater disposal networks to bring the system in line with those already present on the airport grounds, guaranteeing an adequate response to significant rainfall events.

In terms of environmental sustainability and decarbonisation, the construction of the conduit connecting the future solar farm of runway 3 and the electricity substation is being completed. This is one of the most ambitious initiatives of the sustainable development path, fundamental in the energy transition challenge, with a partnership between ADR and Enel X. This will be the largest self-consumption photovoltaic energy plant built in a European airport. The new plant, highly innovative and built with the best technologies available today, will consist of about 55,000 latest generation photovoltaic panels located on an area of 340,000 Sq m. The power supplied will be 22 MWp and will be able to produce around 32 GWh of renewable energy per year.

5.1.4 UPDATES AND CHANGES TO THE REFERENCE FRAMEWORK

TABLE 19 - Changes to the reference regulatory framework of the ADR Group

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
INFRASTRUCTURAL DEVELOPMENT	FCO	Single Deed - Planning Agreement.	Long-term infrastructural development at Fiumicino "L. da Vinci" Airport.

Notes: On June 19, 2023, at the outcome of the Municipal elections of Fiumicino, ENAC reiterated to the new administration the request to start the re-delimitation process of the perimeter of the Riserva del Litorale Romano (Roman Coast Natural Reserve), a request which had already been made to the previous municipal administration.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
INFRASTRUCTURAL DEVELOPMENT	FCO	Italian Prime Ministerial Decree of June 8, 2023.	Long-term infrastructural development at Fiumicino "L. da Vinci" Airport.

Notes: The Italian Prime Ministerial Decree contains the list of interventions related to the 2025 Jubilee celebrations considered essential and urgent (Annex 1 to the Italian Prime Ministerial Decree). In relation to this Italian Prime Ministerial Decree, the creation of cycle and pedestrian routes connecting the airport and the municipality of Fiumicino (to be carried out with ADR funds) on the airport grounds was approved at a service conference on October 25, 2023.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
AIRPORT SERVICES	FCO CIA	ENAC Regulation of May 5, 2023 (published on May 26, 2023).	Management of jet fuel storage services - purchase or construction of airport assets.

Notes: The Regulation establishes terms and procedures to ensure that the airport management companies own and are responsible for managing (subject to possible construction) of the aeronautical fuel depots located in the airport grounds.

ADR has launched an interdisciplinary study and has initiated discussions with ENAC to assume responsibility of the Fiumicino depot currently owned by SERAM and to draw plans for its future management and development.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
CONSULTATION WITH THE USERS	FCO CIA	Directive 2009/12/EC (Art. 6) periodic consultation of Users on updates of the regulated fees.	Updating of the regulated fees for 2023.

Notes: On December 22, 2022, ADR launched the annual consultation with users, calling for a meeting on January 31, 2023 with the Users of the Fiumicino and Ciampino airports to present and provide information on the tariff update for the year 2023.

At the conclusion of the meeting on January 31, ADR invited Users to send any comments and evaluations. A second and third in-depth meeting were held on March 9 and 27, respectively, with some minor changes made by ADR to the passenger boarding fee to respond to user requests.

The charges for the passenger boarding service envisaged in ADR's proposal at the start of the consultation took into account the update for passengers travelling to the UK following its exit from the European Union with the relative amendment of the differential between charges for passenger boarding by scope (EU/Non-EU) from 61% to 52%.

Following the indications provided by the users in the meetings of January 31 and March 9 (also by written communications), at the meeting of March 27 ADR presented users with a further reduction of the aforementioned differential to 42%, justifying the initiative with detailed cost analysis documentation.

Following the formal checks, ART agreed to the definition of the fees presented by ADR in the meeting of March 27.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
CONSULTATION WITH THE USERS	FCO CIA	Directive 2009/12/EC (Art. 6) periodic consultation of Users on updates of the regulated fees.	Updating of the regulated fees for 2024.

Notes: Following the signing, on November 10, 2023, of the IV Additional Deed to the ENAC-ADR Planning Agreement, on December 19, 2023, ADR carried out the annual consultation with the users, informing the Users of Fiumicino and Ciampino airports that in 2024 the fees for the regulated services will continue unchanged, except for subsequent adjustments, until the definition of the fees for the period 2024-2028, which will take place following the consultation with the users, which will be initiated after the checks by ART on the proposal sent by ADR.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
TRANSPORT REGULATION AUTHORITY - TARIFF SYSTEMS	FCO CIA	Resolution no. 118/2019 of August 1, 2019 Resolution no. 136/2020 of July 16, 2020 Resolution no. 68/2021 of May 20, 2021 Resolution no. 80/2022 of May 2022	ART taking over from ENAC in the procedures for the review of airport fees subject to financial regulation and amendment of the Planning Agreement in force with ENAC.

Notes: Following the publication of ART Resolution no. 38/2023 (which replaced the previous ART resolutions), the appeals against the resolutions under consideration were declared inadmissible.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
TRANSPORT REGULATION AUTHORITY - TARIFF SYSTEMS	FCO CIA	Resolution no. 38/2023 of March 9, 2023 Conclusion of the proceedings initiated with resolution no. 42/2022. Approval of airport fee regulation models.	ART taking over from ENAC in the procedures for the review of airport fees subject to financial regulation and amendment of the Planning Agreement in force with ENAC.

Notes: On March 9, 2023, the Transport Regulation Authority ("ART") published resolution 38/2023 which introduced new regulation models for the airport sector applicable from April 1, 2023, repealing resolution 136/2020 and the regulation models envisaged therein. With reference to airport operators regulated by Derogation Contracts, including ADR, the resolution provided that the new regulation models must be incorporated into new additional deeds stipulated between the grantor and the concessionaire.

ADR filed an appeal with the Regional Administrative Court of Piedmont against resolution 38/2023.

On November 10, 2023, ENAC and ADR signed the fourth Additional Deed to the ENAC/ADR planning agreement, envisaging that, pending the conclusion of the process of authorisation of the Airport Development Plan, which will define the long-term development scenario of the airport, ADR submits a proposal to revise the airport fees for the 2024 - 2028 regulatory period, to be submitted to users for consultation, in application of the Airport fee regulation models pursuant to ART Resolution no. 38/2023, which will take into account the offsetting and adjustments due to ADR in relation to the previous period.

With the signing of this Additional Deed, ADR and ENAC also reviewed the value of the historical net invested capital and put an end to certain disputes concerning the recognition of certain items. In addition, ADR has undertaken to waive, once the process of reviewing airport fees for the 2024-2028 regulatory period is definitively completed in application of the Additional Deed, the pending appeal against ART Resolution no. 38/2023, due to its effective application to this regulatory period.

The same Additional Deed envisaged that, following the issue of the technical authorisation by ENAC on the Airport Development Plan, ENAC initiates an investigation activity aimed at defining a new Additional Deed in relation to the airport fee regulation models subsequently applicable.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
GROUND HANDLING SERVICES - LIMITATIONS	FCO	ENAC Provision no. 37 of July 15, 2022 confirming the DG Measure which introduced a limitation on the access of ground handling service providers for the Leonardo da Vinci airport of Fiumicino no. 27/72014.	Limitation of the ramp handling services market at FCO airport.

Notes: The call for the selection tender for ground handling service providers was published on November 18, 2022 and in January 2023 the tender procedure for these operators was launched, while there were no bidders for the request for expressions of interest aimed at self-providers in January 2023.

The tender for providers was then suspended on March 30, 2023 following the challenge to the Lazio Regional Administrative Court of the ENAC limitation measure by some airlines.

With a ruling published on September 4, 2023, the Lazio Regional Administrative Court rejected the appeal, confirming the legitimacy of the ENAC limitation measure.

On October 9, 2023, ADR communicated the provisional award to the top three providers and the fourth was informed of the results of the procedure.

On November 29, 2023, upon successful completion of the necessary checks, the successful bidders were notified of the effectiveness of the tender.

The signing of the contract with the successful bidders and, therefore, the commencement of the new limitation cycle, was postponed, subject to the outcome of the ruling pending before the Lazio Regional Administrative Court, brought by Swissport Italia S.p.A., as non-winning bidder, in accordance with the discussion at the board hearing held on November 22. The hearing for the decision on the merits of this ruling was set for March 20, 2024.

In the meantime, on November 13, some of the former plaintiff airlines appealed for the annulment, subject to suspension of the effectiveness, of the Regional Administrative Court's ruling of September 4, 2023.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
PUBLIC GRANTS	FCO CIA	Italian Legislative Decree no. 36/2023 containing the new public contracts code (published on March 31, 2023) and ANAC implementing measures (published on June 30, 2023).	Provisions regarding public tenders.

Notes: The new Code, in force since April 1 and effective from July 1, with the exception of some provisions, reorganises the regulations in force on public grants and dedicates a special book (Book III) to the regulation of tenders in special sectors, operating an analytical identification of the provisions of Books I (on principles, digitalisation, planning and design) and II (on tenders in ordinary sectors) that also apply to special sectors.

With regard to the general regulations referred to in Books I and II, the main changes also applicable to special sectors include:

- the introduction of a more complete regulation on general principles, which includes, inter alia, the result principle and the contractual balance maintenance principle;
- an ad hoc regulation on digitalisation and BIM that will enter into force from January 1, 2024;
- the unification of design levels (from three to two, with the abandonment of the final project) and the possibility of using the integrated contract;
- the mandatory inclusion of price revision clauses;
- the elimination of percentage limits on subcontracting and the possibility of recourse to "cascade" subcontracting.

In light of this regulatory context, ADR is adjusting its internal regulations on the matter, its tender documentation models, above and below the European threshold and the standard contracts.

SCOPE	AIRPORT	REFERENCE REGULATION	IMPACT ON ADR BUSINESS
ADMINISTRATIVE LIABILITY OF BODIES AND LEGAL PERSONS PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231/2001	FCO CIA	Introduction by art. 55 of Italian Legislative Decree no. 19/2023 to art. 25-ter, paragraph 1, of Italian Legislative Decree 231/2001 of the offence of false or omitted declarations for the issue of the preliminary certificate. Amendments to Italian Legislative Decree no. 231/2001 by law no. 137/2023: • introduction to art. 24, paragraph 1, of the offences of "Bid rigging" (art. 353 of the Italian Criminal Code) and "Disruption of freedom in the procedure for choosing the contracting party" (353-bis of the Italian Criminal Code); • amendment of the offences of "Environmental pollution" and "Environmental disaster" in relation to the environmental offences referred to in art. 25-undecies; • introduction of the offence of "Fraudulent transfer of valuables" art. 512-bis of the Italian Criminal Code among the offences pursuant to art. 25-octies. Amendment of art. 171-ter of the law on "Protection of copyright and other rights connected with its exercise" no. 633/1941 by law no. 93/2023, in relation to the offences relating to the violation of copyright pursuant to art. 25-novies of Italian Legislative Decree 231/2001.	Update of the Organisational, Management and Control Model pursuant to Italian Legislative Decree 231/2001.
CERTIFICATION OF THE OPERATION OF THE DATA AND INFORMATION COMMUNICATION SYSTEM ON BENEFICIAL OWNERSHIP		Managerial Decree of September 29, 2023 of the Ministry of Enterprises and Made in Italy "Certification of the operation of the data and information communication system on beneficial ownership".	Communication of data and information relating to beneficial ownership to the register of companies and annual confirmation.

5.2
Financial position and financial performance

5.2.1 INTRODUCTION

The consolidation scope includes the new company, ADR Ventures S.r.l., incorporated on February 3, 2023, with a capital injection of 2 million euros (of which 10 thousand euros as quota capital), fully subscribed by the sole quotaholder ADR. The new company's purpose relates to Corporate Venture Capital activities in order to invest in the development of start-ups with high innovative potential, similar to their relevant sector.

5.2.2 FINANCIAL PERFORMANCE OF THE ADR GROUP

TABLE 20 - Reclassified consolidated income statement

(Thousands of euros)	2023	2022	Change	% Change
Revenue from airport management of which:	878,454	643,727	234,727	36.5%
Aviation	609,040	457,023	152,017	33.3%
Non-aviation	269,414	186,704	82,710	44.3%
Revenue from construction services	240,534	144,091	96,443	66.9%
Other operating income	10,953	20,019	(9,066)	(45.3%)
TOTAL REVENUE	**1,129,941**	**807,837**	**322,104**	**39.9%**
External operating costs	(194,267)	(173,583)	(20,684)	11.9%
Total costs for construction services	(228,288)	(136,454)	(91,834)	67.3%
Concession fees	(37,595)	(26,352)	(11,243)	42.7%
Net personnel expense	(198,748)	(173,572)	(25,176)	14.5%
(Accruals to) Re-absorption of provisions for risks and charges	(1,072)	1,770	(2,842)	(160.6%)
TOTAL NET OPERATING COSTS	**(659,970)**	**(508,191)**	**(151,779)**	**29.9%**
GROSS OPERATING PROFIT (EBITDA)	**469,971**	**299,646**	**170,325**	**56.8%**
Amortisation and depreciation, impairment losses and reversals	(120,677)	(111,643)	(9,034)	8.1%
Provision for renovation and other provisions	(32,473)	(56,098)	23,625	(42.1%)
OPERATING PROFIT (LOSS) (EBIT)	**316,821**	**131,905**	**184,916**	**140.2%**
Net financial expense	(34,917)	(63,944)	29,027	(45.4%)
Share of profit (loss) of equity-accounted investees	(871)	(1,398)	527	(37.7%)
PROFIT (LOSS) BEFORE TAXES	**281,033**	**66,563**	**214,470**	**322.2%**
Income taxes	(83,288)	(21,504)	(61,784)	287.3%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**197,745**	**45,059**	**152,686**	**338.9%**
Profit (loss) from discontinued operations/assets held for sale	(4,317)	0	(4,317)	100%
PROFIT (LOSS) FOR THE YEAR	**193,428**	**45,059**	**148,369**	**329.3%**
Profit (loss) for the year attributable to non-controlling interests	0	0	0	0
PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**193,428**	**45,059**	**148,369**	**329.3%**

Revenue

Revenue from airport management, equal to 878.5 million euros, increased by 36.5% compared to the previous year, mainly due to the growth in aviation activities (+33.3%), due to the considerable recovery in traffic volumes, despite the absence of tariff changes. The non-aviation segment, with revenue up by 44.3%, also benefited from the increase in passenger traffic, as well as the increase in passengers' propensity to spend promoted by the opening of new commercial spaces; more specifically, revenue from commercial and real estate sub-concessions as well as revenue from parking and advertisement increased.

Revenue from construction services amounted to 240.5 million euros, an increase of 96.4 million euros compared to 2022.

Other operating income amounted to 11.0 million euros and the decrease of 9.1 million euros, compared to the previous year, is mainly attributable to the company Leonardo Energia, which manages the cogeneration plant, which reduced the sale to the grid of the excess electricity produced by cogeneration in 2023.

Net operating costs

External operating costs amounted to 194.3 million euros and recorded an increase of 20.7 million euros compared to the previous year, attributable to the growing business and the opening of new infrastructures (May 2022 and April 2023), with the consequent increase in operating and maintenance costs, as well as the increase in the costs of energy supply.

Total costs for construction services, equal to 228.3 million euros, increased, consistently with the trend of the corresponding revenue, by 91.8 million euros compared to the previous year. This item includes both external costs and the personnel expense for employees dedicated to the works carried out in the year on infrastructures under concession.

Concession fees, directly attributable to traffic trends, amounted to 37.6 million euros, up by 11.2 million euros with respect to the previous year.

Net personnel expense[13] amounted to 198.7 million euros, with an increase of 14.5% (+25.2 million euros), related to the growth in the volume of managed activities, with a consequent elimination of the use of social safety nets (CIGS), still marginally present in the first part of 2022.

(Allocation to) Re-absorption of provisions for risks and charges amounted to -1.1 million euros (+1.8 million euros recorded in 2022) and reflect the updated valuation of the different types of probable contingent liabilities involving the Group.

Gross operating profit (EBITDA)

The gross operating profit (EBITDA) amounted to 470.0 million euros, up by 170.3 million euros compared to 2022.

Amortisation and depreciation

Amortisation of intangible assets and depreciation of property, plant and equipment stood at 120.7 million euros (+9.0 million euros compared to the previous year) and mainly represented amortisation of the airport concession owned by the Parent ADR The increase compared to 2022 is attributable to the commissioning of new infrastructures and systems.

Provision for renovation and other provisions

This item, totalling 32.5 million euros (56.1 million euros in the previous year), is broken down as follows:

- accrual to the provision for renovation of airport infrastructure, amounting to 31.6 million euros (57.0 million in the previous year), down 25.4 million euros, as a result of the updated estimate of the expenses for restoration and replacement work scheduled in the updated business plan. This effect

[13] *Net of the personnel expense for employees dedicated to construction services and airport infrastructure renovation works.*

was partially offset by the update of the interest rate used as a reference for discounting expected future cash flows, which decreased in 2023, with a negative impact on the accrual;

- accrual to the loss allowances, equal to 0.9 million euros (net re-absorption of 0.9 million euros in the previous year).

Operating profit

The operating profit (EBIT) is 316.8 million euros (131.9 million euros in 2022).

(Net financial expense)

Net financial expense, equal to 34.9 million euros, decreased by 29.0 million euros compared to 2022, mainly due to the increase in financial income (+28.3 million euros) as a result of the optimisation of on-demand and forward bank loans obtained also thanks to the increase in market interest rates, as well as for the net proceeds related to the transaction, finalised on July 14, 2023, of the partial repurchase, at a price lower than the carrying amount, of the 500-million-euro bonds maturing on June 8, 2027 (+2.0 million euros as the difference between the purchase price and the carrying amount). In addition, the decrease in financial expense resulted from the repayment on maturity of the onerous A4 bonds at the end of February. These effects were partially offset by the increase in financial expense from discounting of the provision for renovation of airport infrastructure and interest on the new 400-million-euro bonds issued by ADR in July.

Share of profit (loss) of equity-accounted investees

This item amounted to -0.9 million euros and includes 0.6 million euros for the impairment loss on the equity investment in the jointly controlled company UrbanV S.p.A. (-0.3 million euros in the previous year) and 0.2 million euros for the impairment loss on the equity investment (1.0% share) in the associate SPEA Engineering S.p.A. (-1.1 million euros in 2022). With reference to the latter, it should also be noted that the 19% share was reclassified under Assets held for sale and measured at fair value.

Profit (loss) from discontinued operations/assets held for sale

This item, amounting to -4.3 million euros, includes the effect of the measurement at fair value of a portion of the investment in Spea Engineering S.p.A., equal to 19% of the share capital, classified under Assets held for sale.

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

Net of current and deferred taxes of 83.3 million euros (21.5 million euros in 2022), the ADR Group achieved a profit of 193.4 million euros in 2023, compared to a profit of 45.1 million euros in 2022.

TABLE 21 - Consolidated statement of comprehensive income

(Thousands of euros)	2023	2022
PROFIT (LOSS) FOR THE YEAR	**193,428**	**45,059**
Fair value gains on cash flow hedges	(2,873)	100,982
Tax effect	689	(24,235)
Other comprehensive income (expense) from equity-accounted investees	0	(26)
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(2,184)**	**76,721**
Actuarial gains (losses) on employee benefits	(346)	1,624
Tax effect	83	(390)
Fair value gains (losses) on equity investments	(212)	0
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(475)**	**1,234**
RECLASSIFICATIONS OF OTHER COMPREHENSIVE INCOME FOR THE YEAR	**3,399**	**4,883**
OTHER COMPREHENSIVE INCOME, NET OF THE TAX EFFECT	**740**	**82,838**
COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR	**194,168**	**127,897**
of which:		
Attributable to the owners of the parent	194,168	127,897
Attributable to non-controlling interests	0	0

5.2.3 CONSOLIDATED FINANCIAL POSITION OF THE ADR GROUP

TABLE 22 - Reclassified consolidated statement of financial position

	(Thousands of euros)	12.31.2023	12.31.2022	Change
	Intangible assets	2,675,056	2,546,612	128,444
	Property, plant and equipment	62,552	52,687	9,865
	Financial assets	13,671	19,430	(5,759)
	Deferred tax assets	31,225	39,775	(8,550)
	Other non-current assets	519	461	58
A	**NON-CURRENT ASSETS**	**2,783,023**	**2,658,965**	**124,058**
	Trade assets	247,756	214,068	33,688
	Other current assets	31,415	36,658	(5,243)
	Current tax assets	36	23,061	(23,025)
	Non-financial assets held for sale	950	0	950
	Trade liabilities	(231,180)	(188,923)	(42,257)
	Other current liabilities	(210,904)	(186,833)	(24,071)
	Current tax liabilities	(47,067)	(13,486)	(33,581)
B	**WORKING CAPITAL**	**(208,994)**	**(115,455)**	**(93,539)**
	Employee benefits	(2,300)	(1,501)	(799)
	Provision for renovation of airport infrastructure	(52,473)	(76,548)	24,075
	Other provisions for risks and charges	(5,364)	(5,998)	634
C	**CURRENT PROVISIONS**	**(60,137)**	**(84,047)**	**23,910**
D=B+C	**WORKING CAPITAL NET OF CURRENT PROVISIONS**	**(269,131)**	**(199,502)**	**(69,629)**
	Non-current liabilities	(208,266)	(188,880)	(19,386)
E	**NON-CURRENT LIABILITIES**	**(208,266)**	**(188,880)**	**(19,386)**
F=A+D+E	**NET INVESTED CAPITAL**	**2,305,626**	**2,270,583**	**35,043**
	Equity attributable to the owners of the parent	1,208,830	1,096,177	112,653
	Equity attributable to non-controlling interests	0	0	0
G	**EQUITY**	**1,208,830**	**1,096,177**	**112,653**
	Non-current financial liabilities	1,985,650	1,892,036	93,614
	Other non-current financial assets	(38,210)	(17,429)	(20,781)
H	**NON-CURRENT NET FINANCIAL DEBT**	**1,947,440**	**1,874,607**	**72,833**
	Current financial liabilities	64,927	382,674	(317,747)
	Current financial assets	(915,571)	(1,082,875)	167,304
I	**CURRENT NET FINANCIAL POSITION**	**(850,644)**	**(700,201)**	**(150,443)**
L=H+I	**NET FINANCIAL DEBT**	**1,096,796**	**1,174,406**	**(77,610)**
G + L	**INVESTED CAPITAL COVERAGE**	**2,305,626**	**2,270,583**	**35,043**

Non-current assets

Non-current assets as at December 31, 2023 equalled 2,783.0 million euros, up 124.1 million euros compared to the end of 2022, mainly due to the combined effect of the following changes:

- increase in intangible assets (+128.4 million euros), mainly in relation to the investments for the year (259.5 million euros), partly offset by amortisation (108.9 million euros) and the reclassification, under Other non-current financial assets, of the amount relating to the "take-over right" equal to the residual carrying amount not yet amortised relating to the completed investments of the new Pier B with a useful life that exceeds the residual duration of the airport concession (19.7 million euros);
- increase in property, plant and equipment (+9.9 million euros), due to the effect of investments in the year (22.4 million euros), partly offset by depreciation (11.8 million euros);
- decrease in financial fixed assets (-5.8 million euros) due to the following transactions:
  - reclassification of a portion of the equity investment in Spea Engineering S.p.A., corresponding to 19% of the share capital, to "Assets held for sale" for 5.3 million euros; the remaining 1% (which remained classified under Non-current financial assets) was measured at fair value and impaired by 0.2 million euros;
  - impairment loss on the equity investment in the jointly controlled company UrbanV S.p.A. (-0.6 million euros) in relation to the losses recorded in 2023;
  - reduction in the value of the equity investment in Aeroporto di Genova S.p.A. (-0.2 million euros) due to the fair value measurement of the company based on the most recent information available at the date of preparation of the financial statements;
  - acquisition by the subsidiary ADR Ventures of 1.7049% of the start-up Assaia (+0.6 million euros);
- decrease in deferred tax assets (-8.6 million euros), essentially due to the cancellation of the residual portion of deferred tax assets allocated against previous tax losses transferred to the tax consolidation in 2023, in relation to the taxable income of the Mundys group.

Working capital

Working capital was a negative 209.0 million euros and showed a decrease of 93.5 million euros compared to December 31, 2022 due to the trends described below.

- Trade assets amounted to 247.8 million euros, up by 33.7 million euros compared to the end of 2022, essentially due to the significant increase in business volumes.
- Other current assets decreased by 5.2 million euros mainly due to the decrease in the VAT credit (-8.4 million euros) partially offset by the recognition of the asset for contributions on SESAR projects financed by the European Union as part of the Connecting European Facility (CEF) call 2016 and 2017 with reference only to the initiatives installed and in operation, the costs of which were reported in 2023 (+3.5 million euros).
- Current tax assets decreased by 23.0 million euros due to the effect of zeroing the consolidated tax credit from Mundys, corresponding to the IRES tax benefit (24%) on the tax losses transferred to the tax consolidation in previous years. This credit was collected for approximately 7.4 million euros and, for the residual portion, offset with liabilities deriving from the estimate of the IRES tax burden for the year.
- Non-financial assets (liabilities) held for sale include the 19% share of the equity investment in Spea Engineering S.p.A. reclassified in this item in relation to ADR's intention to proceed with its sale by the end of 2024.
- Trade liabilities increased by 42.3 million euros due to higher trade payables as a result of the growing volume of investments compared to the last portion of the previous year and the increase in advances received from customers.
- Other current liabilities increased by a total of 24.1 million euros, essentially as the combined effect of:
  - an increase in the surtax on passenger fees of 9.5 million euros due to the impact of the correlated trend in the year of this type of collections from carriers. For this type of charge, ADR is an intermediary in the collection of surtaxes, which it pays back to the end beneficiaries in the month after that of collection;
  - an increase in amounts due to personnel of 8.3

million euros and amounts due to social security institutions of 4.0 million euros attributable to the increase in short-term amounts due;

- an increase in the liability for concession fees of 2.8 million euros in relation to the portion accrued in the year, net of the payment of the second instalment of 2022 made in January 2023 and the payment of the balance of 2022 and the first instalment of 2023, made in July 2023.
- Current tax liabilities increased by 33.6 million euros substantially due to the portion of the IRES tax burden for the year exceeding the above-mentioned consolidated tax receivables. The tax burden for the year benefited, for approximately 8.7 million euros, from the transfer to the Mundys tax consolidation scheme of the residual previous tax losses.

TABLE 23 - Current provisions and non-current liabilities

(Thousands of euros)	12.31.2023	12.31.2022	Change
Employee benefits	13,762	13,519	243
Provision for renovation of airport infrastructure	229,865	233,978	(4,113)
Other provisions for risks and charges	21,761	22,479	(718)
TOTAL	**265,388**	**269,976**	**(4,588)**
of which:			
Current	60,137	84,047	(23,910)
Non current [14]	205,251	185,929	19,322

The provision for renovation of airport infrastructure, which includes the present value of the estimate of the charges to be incurred for the contractual obligation to restore and replace assets under concession, decreased by 4.1 million euros compared to the balance at the end of 2022 due to the operational uses partially offset by the accruals for the year, which reflect the amounts resulting from updating the scheduled replacement/renewal actions included in the business plan.

Other provisions for risks and charges decreased by 0.7 million euros due to the use of the year, partly offset by net accruals.

Net invested capital

Net invested capital, equal to 2,305.6 million euros as at December 31, 2023, showed an increase of 35.0 million euros compared to the end of the previous year.

Equity

Equity attributable to the owners of the parent amounted to 1,208.8 million euros, up by 112.7 million euros compared to December 31, 2022 due to the profit for the year (+194.2 million euros), net of the distribution of an advance on dividends for the financial year 2023 in the amount of 81.5 million euros.

Net financial debt

Net financial debt as December 31, 2023 amounted to 1,096.8 million euros, down by 77.6 million euros compared to the end of 2022, mainly due to the cash flows from operations, partially offset by the cash flows from investing activities and the distribution of the advance on dividends paid in December.

[14] *Non-current liabilities also include the item Other liabilities equal to 3,015 thousand euros at December 31, 2023 and 2,951 thousand euros at December 31, 2022.*

TABLE 24 - Consolidated net financial debt

(Thousands of euros)	12.31.2023	12.31.2022	Change
Non-current financial liabilities	**1,985,650**	**1,892,036**	**93,614**
Bonds	1,606,493	1,273,005	333,488
Medium/long-term loans	377,960	617,214	(239,254)
Other non-current financial liabilities	1,197	1,817	(620)
Other non-current financial assets	**(38,210)**	**(17,429)**	**(20,781)**
NON-CURRENT NET FINANCIAL DEBT	**1,947,440**	**1,874,607**	**72,833**
Current financial liabilities	**64,927**	**382,674**	**(317,747)**
Current portion of non-current financial liabilities	63,949	298,764	(234,815)
Derivatives	978	83,910	(82,932)
Current financial assets	**(915,571)**	**(1,082,875)**	**167,304**
Cash and cash equivalents	(909,306)	(1,024,985)	115,679
Other current financial assets	(6,265)	(57,890)	51,625
CURRENT NET FINANCIAL POSITION	**(850,644)**	**(700,201)**	**(150,443)**
NET FINANCIAL DEBT	**1,096,796**	**1,174,406**	**(77,610)**

Non-current net financial debt

The non-current net financial debt amounted to 1,947.4 million euros, up by 72.8 million euros as a result of the changes described below.

Bonds (1,606.5 million euros) recorded an increase of 333.5 million euros mainly due to the combined effect of the following transactions:

- placement, on July 3, 2023, by ADR of new bonds in Sustainability-Linked format issued under the Company's EMTN programme. With a nominal value of 400 million euros and a duration of 10 years, the issue was settled on July 10, 2023 and provides for repayment in a lump sum, on July 10, 2033, and the payment of an annual fixed-rate coupon equal to 4.875%;
- completion, on July 14, 2023 of a Tender Offer, simultaneous to the launch of the new bonds mentioned above aimed at the holders of the 500 million euros bonds maturing on June 8, 2027, issued by ADR in 2017 in relation to its EMTN Programme. Against participations for a notional value of 67.2 million euros, on July 14, paying the participants a total consideration of 63.1 million euros (including accrued interest), the Company finalised the repurchase of the securities and the simultaneous cancellation of the same securities. As a result of the transaction, the residual outstanding notional value thus came to 432.8 million euros.

Medium-/long-term loans, amounting to 378.0 million euros, decreased by 239.3 million euros as a result of the voluntary and full early repayment of the 200 million euro bank loan granted by Banca Nazionale del Lavoro in 2020, which had a contractual maturity of May 2026, and the reclassification of the short-term portion of the EIB and CDP loans falling due within twelve months.

Other non-current financial assets increased by 20.8 million euros mainly due to the recognition of the take-over right linked to the completed investments relating to boarding area B and the East hub (ET1) with a regulatory useful life exceeding the residual duration of the airport concession (+19.7 million euros).

Current net financial position

The current net financial position amounts to 850.6 million euros, up by 150.4 million euros compared to December 31, 2022 in relation to the following trends:

- decrease in the Current portion of non-current financial liabilities (-234.8 million euros), essentially due to the repayment on maturity, on February 20, 2023, of Tranche A4 of the bonds for a total of 242.3 million euros, partially offset by the increase in accrued expenses for interest accrued on financial liabilities (+7.2 million euros), in particular in relation to the new bonds issued in July 2023, the first coupon of which is due in July 2024;
- decrease of liabilities for derivatives for 82.9 million euros due to the closure at maturity of the Cross Currency Swap hedging of Tranche A4 in pounds sterling;
- lower cash and cash equivalents for 115.7 million euros, mainly due to the effect of the absorption of cash deriving from financing and investment activities, partially offset by the cash flow deriving from operating activities for the year;
- reduction in Other current financial assets for 51.6 million euros mainly in relation to the unwinding, which took place on July 3, 2023 at the same time as the launch of the new bonds referred to above, of the entire portfolio of Interest Rate Swap Forward Starting derivatives opened by ADR in 2018 and 2021, with the collection by ADR of the positive mark-to-market of 50.9 million euros.

As at December 31, 2023 the ADR Group had a liquidity reserve of 1,259.3 million euros, comprising:

- 909.3 million euros attributable to cash and cash equivalents and/or invested cash with a time frame not exceeding the short term;
- 350.0 million euros attributable to a committed revolving credit facility with a residual period of use of approximately 4 years and 6 months. On September 22, 2023, the expiry of the facility was extended by one year (until October 2028) with the possibility of requesting an extension for a further year.

As at December 31, 2023, approximately 65% of the Group's bonds and bank loans - also considering the contribution of the Revolving credit facility signed in October 2022 and not disbursed - are structured in a "Green" or "Sustainability-linked" format (44% as of December 31, 2022).

As at December 31, 2023:

- the weighted average residual life of the financial debt is six years and four months (5 years and two months as at December 31, 2022);
- 100% of the financial debt is at a fixed rate.

TABLE 25 - Consolidated statement of cash flows

(Thousands of euros)	2023	2022
PROFIT (LOSS) FOR THE YEAR	**193,428**	**45,059**
Adjusted by:		
Amortisation and depreciation	120,677	111,643
Accruals to the provision for renovation of airport infrastructure	31,593	56,964
Financial expense from discounting provisions	9,519	1,646
Change in other provisions	(1,156)	(2,598)
Share of profit (loss) of equity-accounted investees	871	1,398
Net change in deferred tax (assets) liabilities	8,248	24,508
Other non-monetary costs	13,325	13,586
Changes in working capital and other changes	98,869	352,598
CASH FLOWS FROM OPERATING ACTIVITIES (A)	**475,374**	**604,804**
Investments in property, plant and equipment (°)	(22,376)	(13,704)
Investments in intangible assets (°°)	(259,532)	(160,567)
Works for renovation of airport infrastructure	(44,890)	(41,080)
Equity investments and non-controlling interests in consolidated companies	(591)	(2,386)
Gains from disinvestments and other changes in property, plant and equipment and intangible assets and equity investments	3,258	1,012
Net change in other non-current assets	(58)	9
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(324,189)**	**(216,716)**
Issue of bonds	393,699	0
Repayments of bonds	(309,465)	0
Repayment of medium/long-term loans	(239,423)	(17,885)
Dividends paid	(81,513)	0
Net change in other current and non-current financial liabilities	(76,227)	(3,833)
Net change in current and non-current financial assets	46,065	(3,025)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**(266,864)**	**(24,743)**
CASH FLOWS FOR THE YEAR (A+B+C)	**(115,679)**	**363,345**
Opening cash and cash equivalents	1,024,985	661,640
Closing cash and cash equivalents	909,306	1,024,985

(°) including advances to suppliers for 348 thousand euros in 2022.
(°°) including advances to suppliers for 3,232 thousand euros in 2023 and 825 thousand euros in 2022.

TABLE 26 - Additional information to the statement of cash flows

(Thousands of euros)	2023	2022
Net income taxes paid (reimbursed)	17,111	(57,850)
Interest income collected	22,233	2,266
Interest expense and commissions paid	36,708	54,462

In 2023, cash flows from operating activities of the ADR Group amounted to 475.4 million euros, with a decrease of 129.4 million euros compared to the previous year, mainly due to the less favourable trend of the working capital, which in 2022 benefited from the collection of the Covid-19 relief (219.2 million euros), as well as higher receipts from consolidated taxation related to past tax losses; this was partially offset by the improvement in the profit for the year.

The net cash flows from operating activities were partially absorbed by investing activities, which recorded net cash outflows of 324.2 million euros (-216.7 in the previous year).

The net cash flows used in financing activities were 266.9 million euros due to the dynamics previously described in the section of net financial debt, as well as for the distribution of an advance on dividends for the year 2023 for 81.5 million euros.

As a result of the trends described above, the net cash outflows for the year, amounting to 115.7 million euros, decreased the closing cash and cash equivalents to 909.3 million euros compared to the opening balance of 1,025.0 million euros.

5.2.4 FINANCIAL POSITION AND FINANCIAL PERFORMANCE OF ADR S.P.A.

The income statement and statement of financial position figures of the Parent ADR were substantially characterised by the same factors that impacted the performance of the ADR Group. For more information, please refer to the previous sections of the document. From January 1, 2023, the effects started of the sale of the business unit "Development and operation of networks, infrastructures and IT systems" from ADR Tel S.p.A. to ADR, whose sale agreement had been formalised on December 20, 2022.

TABLE 27 - Reclassified income statement

(Thousands of euros)	2023	2022	Change	% change
Revenue from airport management of which:	876,200	640,739	235,461	36.7%
Aviation	609,083	457,026	152,057	33.3%
Non-aviation	267,117	183,713	83,404	45.4%
Revenue from construction services	237,226	149,099	88,127	59.1%
Other operating income	15,430	10,807	4,623	42.8%
TOTAL REVENUE	**1,128,856**	**800,645**	**328,211**	**41.0%**
External operating costs	(304,759)	(260,493)	(44,266)	17.0%
Total costs for construction services	(237,226)	(149,100)	(88,126)	59.1%
Concession fees	(37,595)	(26,352)	(11,243)	42.7%
Net personnel expense	(106,458)	(91,650)	(14,808)	16.2%
(Accruals to) Re-absorption of provisions for risks and charges	(1,159)	1,899	(3,058)	(161.0%)
TOTAL NET OPERATING COSTS	**(687,197)**	**(525,696)**	**(161,501)**	**30.7%**
GROSS OPERATING PROFIT (EBITDA)	**441,659**	**274,949**	**166,710**	**60.6%**
Amortisation and depreciation, impairment losses and reversals	(118,153)	(108,844)	(9,309)	8.6%
Provision for renovation and other provisions	(35,270)	(55,746)	20,476	(36.7%)
OPERATING PROFIT (LOSS) (EBIT)	**288,236**	**110,359**	**177,877**	**161.2%**
(Net financial expense)	(7,455)	(64,680)	57,225	(88.5%)
PROFIT (LOSS) BEFORE TAXES	**280,781**	**45,679**	**235,102**	**514.7%**
Income taxes	(74,335)	(14,938)	(59,397)	397.6%
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**206,446**	**30,741**	**175,705**	**571.6%**
Profit (loss) from discontinued operations/assets held for sale	(4,317)	0	(4,317)	100%
PROFIT (LOSS) FOR THE YEAR	**202,129**	**30,741**	**171,388**	**557.5%**

The revenue of ADR S.p.A. increased overall by 41.0% compared to the previous year. In particular, aviation activities recorded an increase of 33.3%, due to the consistent recovery in traffic volumes, as did the non-aviation segment (+45.4%), due to higher revenue from commercial and real estate sub-concessions, revenue from parking and advertising.

Revenue from construction services amounted to 237.2 million euros, an increase of 88.2 million euros compared to 2022.

Other operating income, amounting to 15.4 million euros, mainly include expense recoveries and are up by 4.6 million euros compared to the previous year.

Net operating costs increased by 30.7% compared to the previous year, with an increase essentially in all its components, linked to the growth in the managed activities.

The gross operating profit (EBITDA) amounted to 441.7 million euros, up by 166.7 million euros compared to 2022.

The provision for renovation and other provisions amounted to 35.3 million euros, down by 20.5 million euros compared to the previous year, mainly due to the performance of the provision for renovation of airport infrastructure.

The operating profit (EBIT) is 288.2 million euros (+177.9 million euros on 2022).

Net financial expense, equal to 7.5 million euros, recorded a decrease compared to 2022 of 57.2 million euros mainly due to the same changes illustrated for the Group, as well as dividends from subsidiaries for 28.5 million euros.

The Profit (loss) from discontinued operations/assets held for sale includes the impact of the fair value measurement of a portion of the equity investment in Spea Engineering S.p.A., equal to 19% of the capital, classified under Assets held for sale.

Net of income taxes, ADR Group reported a profit of 202.1 million euros in 2023 (+30.7 million euros in 2022).

TABLE 28 - Statement of comprehensive income

(Thousands of euros)	2023	2022
PROFIT (LOSS) FOR THE YEAR	**202,129**	**30,741**
Fair value gains on cash flow hedges	(2,069)	100,982
Tax effect	496	(24,235)
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(1,573)**	**76,747**
Actuarial gains (losses) on employee benefits	(192)	853
Tax effect	46	(205)
Fair value gains (losses) on equity investments	(213)	0
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(359)**	**648**
RECLASSIFICATIONS OF OTHER COMPREHENSIVE INCOME FOR THE YEAR	**3,399**	**4,883**
OTHER COMPREHENSIVE INCOME, NET OF THE TAX EFFECT	**1,467**	**82,278**
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR	**203,596**	**113,019**

TABLE 29 - Reclassified statement of financial position

	(Thousands of euros)	12.31.2023	12.31.2022	Change
	Intangible assets	2,680,991	2,557,622	123,369
	Property, plant and equipment	57,427	49,327	8,100
	Financial assets	50,405	54,178	(3,773)
	Deferred tax assets	35,139	43,185	(8,046)
	Other non-current assets	481	433	48
A	**NON-CURRENT ASSETS**	**2,824,443**	**2,704,745**	**119,698**
	Trade assets	264,003	218,228	45,775
	Other current assets	24,208	30,826	(6,618)
	Current tax assets	36	26,518	(26,482)
	Non-financial assets held for sale	950	0	950
	Trade liabilities	(279,306)	(232,219)	(47,087)
	Other current liabilities	(186,819)	(167,018)	(19,801)
	Current tax liabilities	(39,663)	(10,683)	(28,980)
B	**WORKING CAPITAL**	**(216,591)**	**(134,348)**	**(82,243)**
	Employee benefits	(1,932)	(992)	(940)
	Provision for renovation of airport infrastructure	(48,208)	(72,518)	24,310
	Other provisions for risks and charges	(5,015)	(4,704)	(311)
C	**CURRENT PROVISIONS**	**(55,155)**	**(78,214)**	**23,059**
D=B+C	**WORKING CAPITAL NET OF CURRENT PROVISIONS**	**(271,746)**	**(212,562)**	**(59,184)**
	Non-current liabilities	(198,702)	(179,459)	(19,243)
E	**NON-CURRENT LIABILITIES**	**(198,702)**	**(179,459)**	**(19,243)**
F=A+D+E	**NET INVESTED CAPITAL**	**2,353,995**	**2,312,724**	**41,271**
	Share capital	62,225	62,225	0
	Reserves and retained earnings (losses carried forward)	1,010,158	977,950	32,208
	Net income (loss) for the year, net of advance on dividends	120,615	30,741	89,874
G	**EQUITY**	**1,192,998**	**1,070,916**	**122,082**
	Non-current financial liabilities	1,985,450	1,891,771	93,679
	Other non-current financial assets	(37,580)	(17,429)	(20,151)
H	**NON-CURRENT NET FINANCIAL DEBT**	**1,947,870**	**1,874,342**	**73,528**
	Current financial liabilities	127,544	420,541	(292,997)
	Current financial assets	(914,417)	(1,053,075)	138,658
I	**CURRENT NET FINANCIAL POSITION**	**(786,873)**	**(632,534)**	**(154,339)**
L=H+I	**NET FINANCIAL DEBT**	**1,160,997**	**1,241,808**	**(80,811)**
G + L	**INVESTED CAPITAL COVERAGE**	**2,353,995**	**2,312,724**	**41,271**

Non-current assets as at December 31, 2023 amounted to 2,824.4 million euros, up by 119.7 million euros compared to the end of 2022, mainly due to the increase in intangible assets, equal to 123.4 million euros and the property, plant and equipment in the amount of 8.1 million euros, partially offset by the decrease in deferred tax assets in the amount of 8.0 million euros due to the elimination of the residual portion of deferred tax assets allocated against previous tax losses for the portion transferred to the tax consolidation in 2023, and the decrease in financial assets in the amount of 3.8 million euros, mainly due to the same changes illustrated for the ADR Group.

Working capital was negative for 216.6 million euros and showed a decrease of 82.2 million euros compared to December 31, 2022 due to the trends described below.

- trade assets amounted to 264.0 million euros, up by 45.8 million euros compared to the end of 2022, essentially due to the increase in business volumes;
- other current assets decreased by 6.6 million euros, mainly due to the decrease in the VAT credit (-6.8 million euros);
- current tax assets decreased by 26.5 million euros due to the effect of zeroing the consolidated tax credit from Mundys, corresponding to the IRES tax benefit (24%) on the tax losses transferred to the tax consolidation in previous years;
- non-financial assets held for sale include a 19% equity investment in Spea Engineering S.p.A. classified in this item in relation to ADR's intention to proceed with its sale by the end of 2024; the remaining 1% share was classified under Financial Fixed Assets;
- trade liabilities increased by 47.1 million euros due to higher trade payables as a result of the growing volume of investments compared to the last portion of the previous year and the increase in advances received from customers;
- other current liabilities increased by 19.8 million euros, substantially due to the higher concession fees and surcharges on passenger boarding fees and the increase in amounts due to personnel and social security institutions attributable to the increase in short-term amounts due;
- current tax liabilities increased by 29.0 million euros, substantially due to the portion of the IRES tax burden for the year exceeding the consolidated tax assets.

The net invested capital, equal to 2,354.0 million euros as at December 31, 2023, showed an increase of 41.3 million euros compared to the end of the previous year.

TABLE 30 - Net financial debt

(Thousands of euros)	12.31.2023	12.31.2022	Change
Non-current financial liabilities	**1,985,450**	**1,891,771**	**93,679**
Bonds	1,606,493	1,273,005	333,488
Medium/long-term loans	377,960	617,214	(239,254)
Other non-current financial liabilities	997	1,552	(555)
Other non-current financial assets	**(37,580)**	**(17,429)**	**(20,151)**
NON-CURRENT NET FINANCIAL DEBT	**1,947,870**	**1,874,342**	**73,528**
Current financial liabilities	**127,544**	**420,541**	**(292,997)**
Current portion of non-current financial liabilities	63,738	298,600	(234,862)
Derivatives	0	83,910	(83,910)
Other current financial liabilities	63,806	38,031	25,775
Current financial assets	**(914,418)**	**(1,053,075)**	**138,657**
Cash and cash equivalents	(908,153)	(995,185)	87,032
Other current financial assets	(6,265)	(57,890)	51,625
CURRENT NET FINANCIAL POSITION	**(786,874)**	**(632,534)**	**(154,340)**
NET FINANCIAL DEBT	**1,160,996**	**1,241,808**	**(80,812)**

Net financial debt as at December 31, 2023 amounted to 1,161.0 million euros, down by 80.8 million euros due to the cash flows from operations, partially offset by the cash flows from investing activities and the distribution of the advance on dividends paid in December.

TABLE 31 - Statement of cash flows

(Thousands of euros)	2023	2022
PROFIT (LOSS) FOR THE YEAR	**202,129**	**30,741**
Adjusted by:		
Amortisation and depreciation	118,152	108,844
Accruals to the provision for renovation of airport infrastructure	34,377	56,637
Financial expense from discounting provisions	9,158	1,459
Change in other provisions	178	(2,333)
Impairment losses (gains) on non-current financial assets and equity investments	1,127	1,156
Net change in deferred tax (assets) liabilities	7,516	22,517
Other non-monetary costs	13,325	13,581
Changes in working capital and other changes	85,082	355,313
CASH FLOWS FROM OPERATING ACTIVITIES (A)	**471,044**	**587,915**
Investments in property, plant and equipment (*)	(19,074)	(12,822)
Investments in intangible assets (**)	(274,090)	(190,208)
Works for renovation of airport infrastructure	(48,380)	(41,657)
Equity investments	(2,033)	(2,385)
Gains from disinvestments and other changes in property, plant and equipment and intangible assets and equity investments	26,165	16,028
Net change in other non-current assets	(48)	12
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(317,460)**	**(231,032)**
Issue of bonds	393,699	0
Repayments of bonds	(309,465)	0
Repayment of medium/long-term loans	(239,423)	(17,885)
Dividends paid	(81,514)	0
Net change in other current and non-current financial liabilities	(76,383)	(3,800)
Net change in current and non-current financial assets	46,694	(3,025)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**(266,392)**	**(24,710)**
CASH FLOWS FOR THE YEAR (A+B+C)	**(112,808)**	**332,173**
Opening cash and cash equivalents	957,154	624,981
Closing cash and cash equivalents	844,346	957,154

(*) including advances to suppliers for 246 thousand euros in 2022.
(**) including advances to suppliers for 21,993 thousand euros in 2023 and 27,102 thousand euros in 2022.

TABLE 32 - Additional information to the statement of cash flows

(Thousands of euros)	2023	2022
Net income taxes paid (reimbursed)	11,400	(60,058)
Interest income collected	22,102	2,423
Interest expense and commissions paid	36,707	54,462

5.2.5 ALTERNATIVE PERFORMANCE INDICATORS

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

These reclassified statements contain alternative performance indicators to those included in the Consolidated Financial Statements that management deem useful for monitoring the Group's performance and representing the financial position and financial performance of the business.

These alternative performance indicators ("API") are:

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

Reference is made to the next paragraph for a reconciliation of the above-mentioned indicators with the Consolidated Financial Statements.

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

TABLE 33 - Alternative performance indicators (APIs)

API	SOURCE/CALCULATION METHOD
Investments	Are determined as follows: +investments in property, plant and equipment net of advances paid to suppliers in the year (see Note 6.1 of the Notes) +investments in intangible assets net of advances paid to suppliers in the year (see Note 6.2 of the Notes) +revenue from construction services (see Note 7.1 of the Notes) +operating uses of the Provision for renovation of airport infrastructure (see Note 6.14 of the Notes)
Liquidity	Cash and cash equivalents as inferred from the consolidated financial statements

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

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

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

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

TABLE 34 - Reclassified consolidated income statement

	SOURCE/CALCULATION METHOD
Revenue from airport management of which:	inferred from the consolidated financial statements
Aviation	see Note 7.1 of the Notes
Non-aviation	see Note 7.1 of the Notes
Revenue from construction services	inferred from the consolidated financial statements
Other operating income	inferred from the consolidated financial statements
TOTAL REVENUE	
External operating costs	Calculated as follows
	+Consumption of raw materials and consumables (inferred from the consolidated financial statements)
	+Service costs (inferred from the consolidated financial statements)
	- Costs for construction services (see Note 7.3 of the Notes)
	- Costs for renovation of airport infrastructures (see Note 7.3 of the Notes)
	+Lease payments (inferred from the consolidated financial statements)
	+Other costs (inferred from the consolidated financial statements)
	- Accruals to the loss allowance (see Note 7.5 of the Notes)
Total costs for construction services	+Costs for construction services (see Note 7.3 of the Notes) +Personnel expense for employees dedicated to construction services (see Note 7.4 of the Notes)
Concession fees	inferred from the consolidated financial statements
Net personnel expense	+Personnel expense (inferred from the consolidated financial statements) - Personnel expense for employees dedicated to construction services (see Note 7.4 of the Notes) - Personnel expense for employees dedicated to airport infrastructure renovation works (see Note 7.4 of the Notes)
(Accruals to) Re-absorption of provisions for risks and charges	inferred from the consolidated financial statements
TOTAL NET OPERATING COSTS	
GROSS OPERATING PROFIT (EBITDA)	
Amortisation and depreciation	inferred from the consolidated financial statements
Provision for renovation and other provisions	Calculated as follows
	+Accruals to the loss allowance (see note 7.5 of the Notes)
	+Accruals to (use of) the provision for renovation of airport infrastructure (inferred from the consolidated financial statements)
	- operating uses of the provision for renovation of airport infrastructure (see Note 6.14 of the Notes)
OPERATING PROFIT (LOSS) (EBIT)	
Net financial expense	inferred from the consolidated financial statements
Share of profit (loss) of equity-accounted investees	inferred from the consolidated financial statements
PROFIT (LOSS) BEFORE TAXES	inferred from the consolidated financial statements
Income taxes	inferred from the consolidated financial statements
PROFIT (LOSS) FROM CONTINUING OPERATIONS	inferred from the consolidated financial statements
Profit (loss) from discontinued operations/assets held for sale	inferred from the consolidated financial statements
PROFIT (LOSS) FOR THE YEAR	inferred from the consolidated financial statements
Profit (loss) for the year attributable to non-controlling interests	inferred from the consolidated financial statements
PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE PARENT	inferred from the consolidated financial statements

Reconciliation between the Reclassified statement of financial position and the statement of financial position contained in the consolidated financial statements

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

TABLE 35 - Reclassified consolidated statement of financial position

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

5.3 Asset and investments

5.3.1 ADR GROUP INVESTMENTS

TABLE 36 - ADR Group investments in 2023, 2022 and 2021

(Millions of euros)	2023	2022	2021
Airport concession investments	240.5	144.1	105.1
Other investments in property, plant and equipment and intangible assets	38.2	29.9	24.6
TOTAL INVESTMENTS	**278.7**	**173.1**	**129.7**
Renovation works [15]	44.9	41.1	47.6
TOTAL	**323.6**	**214.2**	**177.3**

Investments in 2023 totalled 323.6 million euros (214.2 million euros in 2022), broken down as follows:

- 201.3 million euros targeted to the expansion of capacity; in particular, 91.5 million euros for the restructuring of Terminal 3, 45.5 million euros for the restructuring of Pier B and 42.7 million euros for construction of the East Airport Terminal System;
- 77.4 million euros for the development of computing and technological equipment and systems to support the airports of Fiumicino and Ciampino and other minor works;
- 44.9 million euros for restoration works, extraordinary maintenance and renovation of the existing infrastructure.

TABLE 37 - Breakdown of investments for the year

(Millions of euros)	2023	
WORKS ON TERMINALS AND PIERS		**197.8**
of which the main ones are:		
Terminal 3 - restructuring	91.5	
Restructuring of Pier B	45.5	
East Airport Terminal System	42.7	
WORKS ON RUNWAYS AND APRONS		**3.5**
DEVELOPMENT OF SYSTEMS, ICT SYSTEMS AND OTHER MINOR SYSTEMS		**77.4**
of which the main ones are:		
Information systems	25.9	
Property developments (Business District I, Epua 3, III Hotel)	17.8	
TOTAL INVESTMENTS		**278.7**
of which:		
Finished	110.6	
In progress	168.1	
RENOVATION WORKS		**44.9**
TOTAL		**323.6**

[15] *These amounts are for the use of the provision for renovation of airport infrastructure.*

5.4
Sustainable Finance instruments

As at December 31, 2023, approximately 65% of the Group's bonds and bank loans - also considering the contribution of the Revolving credit facility signed in October 2022 and not disbursed - are structured in a "Green" or "Sustainability-linked" format (44% as at December 31, 2022). In particular:

- in November 2020, ADR issued its inaugural 300 million euros Green Bonds maturing in 2029;
- in April 2021, the first airport in the world to launch a public instrument with these characteristics, ADR issued Sustainability-Linked bonds of 500 million euros maturing in 2031, which directly link the cost of debt to the achievement of specific Sustainability objectives;
- in October 2022, ADR signed a 350-million-euro Revolving credit facility in sustainability-linked format with a banking syndicate, with current maturity in 2028 and with the possibility of an additional extension until 2029;
- in July 2023, ADR issued its second Sustainability - Linked bonds of 400 million euros maturing in 2033.

All the financing transactions finalised starting from November 2020 were activated in a "sustainable" format, reflecting ADR's determination to place Sustainability among the strategic priorities, together with Innovation, excellence in Quality and Safety, pursuing the objective of position itself as a leader in airport development and management with reduced environmental impact.

5.4.1 GREEN BONDS

The Green Financing Framework

The Green Financing Framework[16], published in November 2020, is the platform based on which the Company used the Green Debt to finance and/or refinance projects with a positive environmental impact (known as the so-called Eligible Green Project).

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

ADR periodically assesses the Green Financing Framework to ensure its alignment with market expectations, voluntary standards and regulatory developments.

In line with the fundamental components of GBP and GLP, the Green Financing Framework is composed of the following sections:

- Use of proceeds;
- Project assessment and selection process;
- Revenue management;
- Reporting;
- External audit.

Issue of the Green Bonds

In November 2020, ADR issued its first Green Bonds for an amount of 300 million euros. The response of investors, characterised by significant geographical diversification, was extremely positive: demand exceeded supply by about 12 times (with orders exceeding 3.6 billion euros). ADR's Green Financing Framework was examined by DNV-GL, which also provided an assessment of the eligibility of the Green Bond ("SPO") transaction[17].

Main KPIs — Bonds

BONDS	SUSTAINABLE FINANCE
3	65%
Bonds issued relating to environmental and social issues (No.)	Bonds and bank loans in "Green" or "Sustainability-linked" format

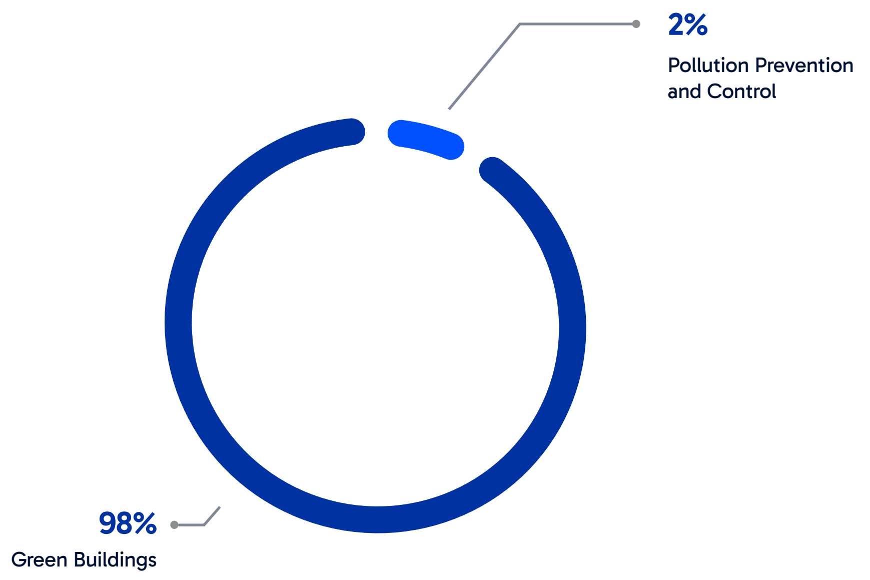
ADR's Green Bonds provide for the redemption, in a lump sum, maturing on February 2, 2029, and a fixed-rate coupon of 1.625%. The issue price was set at 99.672% and the effective yield at maturity is 1.668%.

Green Bond Impact Report

In line with the reporting requirements of the Green Financing Framework, ADR prepared and published, 12 months after their issue, the first Green Bond Report[18] including the Allocation Report and the Impact Report. Since the Green Bond Allocation Report, already subject to limited assurance by independent auditors, confirmed the full use of the proceeds of the bond issue, it will not be subject to new disclosure. Therefore, this paragraph represents the Green Bond Impact Report, providing an update - where relevant - on the selected KPIs.

The Green Bond Impact Report includes case studies of specific Eligible Green Projects as well as data on environmental KPIs relevant to this category of projects. Since approximately 98% of the proceeds were allocated to Green Buildings (see the graph below), disclosure is mainly concentrated on this Eligible Green Project category.

GRAPH 8 - Allocation of proceeds by Eligible Green Project category



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

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

[18] The Green Bond Report published in November 2021 is available at the following link https://www.adr.it/web/aeroporti-di-roma-en/sustainable-financing

Main Eligible Green Projects

57% of the proceeds were allocated to the "Pier E and T3 Front Building" project, completed at the end of 2016. For this reason, the performance of the KPIs of the Impact Report benefits from the completion of this project started in 2017. On the other hand, the project for the development to the east (to which 36% of the proceeds was allocated) began to generate an impact on KPIs only after the inauguration of the new Pier A, in May 2022.

TABLE 38 - Description of the progress of eligible projects

Project	Description	State	Total Project Cost[19] (millions of euros)	Allocated Amount (millions of euros)	% of 300 million euros allocated proceeds
DEPARTURE PIER AND T3 FRONT BUILDING	The works led to the completion of these new infrastructures: • departure Pier E; • extension of Terminal 3; • HBS-BHS system dedicated to the west terminal system. The new buildings contribute to offering passengers a seamless airport experience through 14 contact gates and 8 gates for buses, within an innovative structure equipped with technologically advanced systems, implemented in line with the best energy and management practices construction.	Completed	341.0	170.5	57%
EAST SIDE DEVELOPMENT	The works are aimed at completing these new infrastructures: • new departure Pier A and related aprons; • extension of Terminal 1 and commercial hall; • restructuring of boarding area C, to improve the airside commercial area; • new immigration process area. The objective of these interventions is to offer passengers a seamless airport experience, through 30 new gates (13 contact and 17 for buses) and 3 new baggage reclaim belts. All plants have been designed in line with the highest standards in terms of construction and energy measures. Pier A has been LEED certified - Gold level.	**Completed** • New departure pier A and related aprons - completed in May 2022; • new immigration process area - completed in May 2022 • Extension of Terminal 1 and commercial hall - partially inaugurated between August 2021 and May 2022, completed in April 2023; • restructuring of the boarding area C, boarding gates released in June 2023 and first part of the commercial gallery in October 2023. **Being completed** • Restructuring of boarding area C, completion of the commercial gallery by July 2024.	386.3	106.7	36%
TOTAL			727.3	277.2	92%

ENVIRONMENTAL KPIs

In Chapter 8. Appendix of the Green Financing Framework, the main impact indicators for each individual category of the Eligible Green Project have been identified. The KPIs in the table below were selected in continuity with the Green Bond Impact Report of the previous years, from the indicators proposed for Green Buildings as the most relevant to measure the environmental benefits deriving from the Eligible Green Projects.

For energy consumption and CO2 emissions, the average performance of 2014, 2015 and 2016 was selected as the baseline. This makes it possible to highlight the performance prior to the completion of the project, at the end of 2016, of pier E and the T3 front building. With regard to the so-called "observation year", in addition to infrastructural releases, account was taken of the COVID-19 pandemic crisis, which affected both traffic and operations, including changes in the management of heating and cooling systems of buildings, which led to a temporary, non-recurring and unpredictable worsening of KPIs. For this reason, 2019 (last full year before the pandemic crisis) and 2023 were selected.

TABLE 39 - Associated environmental KPIs

KPI	Description, methodology and assumptions	Impact[20]
REDUCTION OF ELECTRICITY CONSUMPTION	Energy consumption of the FCO Terminals (Kwh) / (#passengers) * (total net area of the Terminals in square meters).	2019: -28% 2023: -42%
REDUCTION OF CO2 EMISSIONS	CO2 equivalent emissions of the FCO Terminals (Kg) / (#passengers) * (total net area of the Terminals in Sq m). • CO2 emissions calculated according to the location-based methodology, generated by the electricity purchased for the FCO Terminals; • the emission factor per kWh calculated according to Italian ISPRA standards[21]; • electricity consumption does not include in-house production and the purchase of renewable energy (approximately 8% and 24% of the total electricity consumed in the terminals in 2019 and 2023, respectively).	2019: -42% 2023: -67%

CERTIFICATIONS AND SUSTAINABLE LABELS FOR GREEN BUILDINGS	Certification of eligible buildings according to international environmental protocols, such as:
	• LEED®[22] Gold;
	• BREEAM®[23] Very Good;
	• EPBD[24] A.
		ADR's Sustainable Certification Agenda
		• >60% of terminals built or renovated in line with LEED or BREEAM certifications by 2030 (reaching 30% in 2024);
		• >80% by the expiry of the concession in 2046 (LEED, BREEAM or ENVISION).
		LEED "Gold" certifications achieved
		• Ciampino General Aviation Terminal (completed);
		• "Baby gate" company nursery (obtained on 10/18/2022);
		• New Pier A (obtained on 05/23/2023).
		BREEAM certifications obtained:
		• Pier E and Front Building of Terminal 3: "Excellent" level achieved on 3/9/2022 (better than the previous "Very Good" target);
		• Terminal 1, T1 Extension, T1 Front Building: BREEAM certification "Very Good" level obtained on 01/4/2024.
		Future projects:
		• LEED certification "Gold" target on:
		  • restructuring of Pier B in progress (submission on 10/5/2023, Design Review phase in progress);
		  • restructuring of Pier D, objective to finalise design in 2024, target entry into operation and obtaining certification 2027.
		• BREEAM certification on Satellite expected in 2024.

[19] *The total cost of the project includes, in addition to the amount allocated, i) the investments financed through other capex credit facilities of ADR and therefore not financed by Green Bonds and ii) the balance of the so-called Eligible Green Project not allocated on any credit facility*

[20] *Source: ADR internal processing*

[21] *Istituto Superiore per la Protezione e la Ricerca Ambientale, an independent public research body that mainly deals with environmental research.*

[22] *LEED - Leadership in Energy and Environmental Design.*

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

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

5.4.2 SUSTAINABILITY-LINKED BONDS

The Sustainability-Linked Financing Framework

The Sustainability-Linked Financing Framework [25] is the document complementary to ADR's Green Financing Framework in support of the "Sustainability-Linked" type financing programme.

The Framework, published in April 2021 and updated in April 2022, was prepared in accordance with the Sustainability-Linked Bond Principles (SLBP) published in 2020 by the International Capital Markets Association (ICMA) and the Sustainability-Linked Loan Principles (SLLP) published by the Loan Markets Association (LMA) in 2020 and 2022, respectively.

The Framework, in line with the provisions contained in the Principles, consists of the following sections:

I. selection of Key Performance Indicators (KPIs);
II. Sustainability Performance Target (SPT);
III. financial characteristics;
IV. reporting;
V. external audit.

The April 2022 update introduced a revision of the Scope 3 CO_2 emission reduction targets (excluding sources from aircraft) per passenger, as follows:

- to 2027, envisaging a reduction of 10% compared to 2019, replacing the previous target which envisaged a reduction of 7%;
- to 2030, envisaging a 30% reduction compared to 2019, replacing the previous target which envisaged a reduction of 10%.

The improvement of this target reflects the changes in the regulatory context (e.g. Fit for 55 European Package) and the updating of sector studies on mobility that took place in the months prior to the update of the Framework, on the basis of which a more rapid transition to sustainable mobility is expected, with benefits also on the CO_2 emissions generated by the passenger mobility in travel to and from the airport, which is the main Scope 3 emission source of Fiumicino, excluding sources from aircraft.

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

Issue of the 2021 Sustainability-Linked bonds

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

The issue calls for the repayment in a single payment due on July 30, 2031 and the payment of a fixed rate coupon equal to 1.750%, payable each year in arrears in July. The issue price was set at 98.839 and the effective yield at maturity is 1.875%.

Listed on the Irish Stock Exchange, the issue provides for the application of a potential step-up on the interest to 25 basis points that can be activated from the first coupon payable from 2028 until maturity in the event of failure to achieve, at the date of verification for 2027, one or more Sustainability Targets (SPTs) reported and described in the Sustainability-Linked Financing Framework - 2021 edition.

Issue of the 2023 Sustainability-Linked bonds

The placement of the second Sustainability-Linked bonds of ADR in July 2023, for a value of 400 million euros and with a duration of 10 years, received requests for almost 5 times the offer, totalling orders for an amount equal to approximately 1.9 billion euros, more than 95% attributable to foreign investors.

The issue calls for the repayment in a single payment due on July 10, 2033 and the payment of a fixed rate coupon equal to 4.875%, payable each year in arrears in July. The issue price was set at 99.119 and the effective yield at maturity is 4.989%.

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

Listed on the Irish Stock Exchange, the issue provides for the application of a potential step-up on the interest to 40 basis points that can be activated from the first coupon payable from 2031 until maturity in the event of failure to achieve, at the date of verification for 2030, one or more Sustainability Targets (SPTs) reported and described in the Sustainability-Linked Financing Framework - 2022 edition.

Progress report

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

KPI 1 - SCOPE 1 AND SCOPE 2 CO2 EMISSIONS (TONS)

Definition of the metric: Scope 1 and 2 CO_2 emissions generated by ADR's operating activities. The unit of measurement is tons/year.

Unit: percentage of reduction in tons of carbon dioxide equivalent (tCO_2).

Scope: Fiumicino airport (FCO).

Methodology: total Scope 1 and 2 CO_2 emissions are calculated according to the ACA rules for Level 4+ defined by ACI Europe, in line with the indications provided by the ISO 14064-1 certification. This scheme provides for the accounting of direct and indirect emissions, distinguishing them into three types or Scope: (i) Scope 1: direct emissions; (ii) Scope 2: indirect emissions associated with energy consumption; (iii) Scope 3: other indirect emissions. In particular, this KPI focuses on the first two types:

- direct CO_2 emissions (Scope 1): "fixed sources", "mobile sources", "process emissions", and "others". The emission factors for Scope 1 were identified in line with the GHG Protocol;
- indirect CO_2 emissions (Scope 2) associated with energy consumption: emissions from purchased electricity, heating and cooling. The emission factors associated with electricity consumption are those published by ISPRA.

Baseline:

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

Progress:

- total value for the year 2023 Scope 1 and 2 [26] : 57,009 tons of CO_2 (Scope 1 = 4,341 and Scope 2 = 52,668);
- track progress compared to the Baseline: -4%.

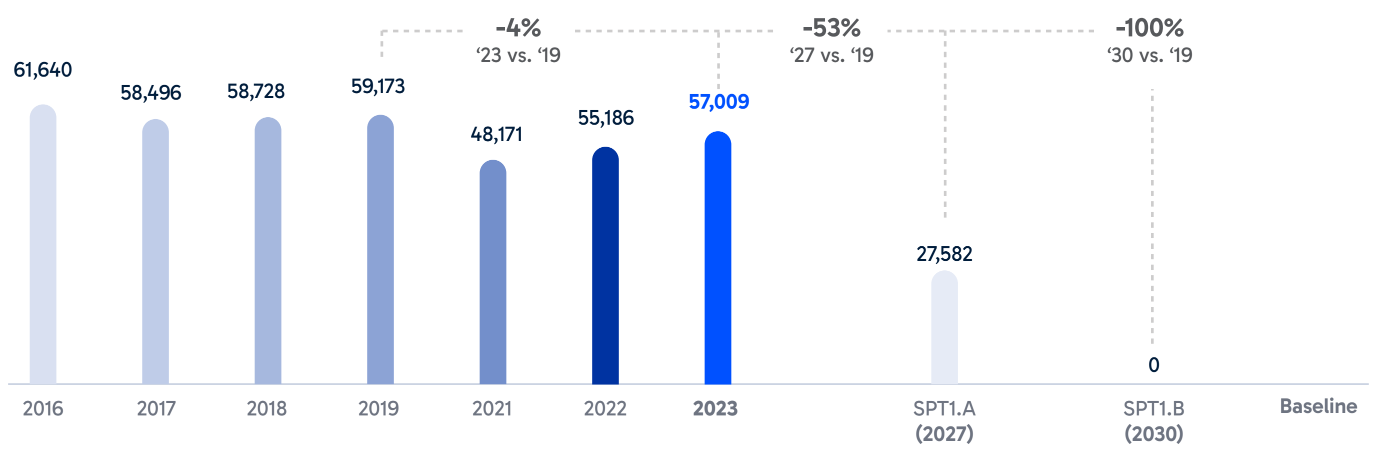
Following the acquisitions by ADR, which took place in 2021, of 100% of ADR Infrastrutture S.p.A. and ADR Ingegneria S.p.A., the perimeter of Scope 1 has been subject to a change compared to 2019. This led to an increase in emissions of +1,439 tons of CO_2 (33% of total Scope 1 emissions) as regards ADR Infrastrutture and +8 tons of CO_2 (0.2% of Scope 1 emissions) as regards ADR Ingegneria. At the same time, the use of HVO was started for the company ADR Assistance starting from the second half of 2023, resulting in a decrease in emissions of 106 tons of CO_2 (2.4% of Scope 1 emissions) compared to those that they would generally be using Diesel.

Scope 2 emissions are linked to electricity and thermal energy consumption, which has remained low thanks to implementing a broad plan of energy saving measures, despite:

- an increase in passengers of around 36% compared to 2022;
- a significant increase in the total air-conditioned surface area compared to 2019. In May 2022, the new boarding area A and the new Front Building of Terminal 1 of the airport were inaugurated (+3,787 tons of CO_2, 7% of the Scope 2 emissions).

[26] *The values of scope 1 and 2 reported are calculated, as required by the ACA guidelines, with the same baseline of the previous year. Starting in 2023, the year following ADR's acquisition of 100% ownership of Leonardo Energia, a calculation is also performed to create a baseline that considers Leonardo Energia in Scope 1. According to this new baseline, Scope 1 emissions in 2023 are 68,823 tCO_2 and Scope 2 emissions are 0 tCO_2. The Action Plan envisaged in the Sustainability-Linked Financing Framework for the reduction of Scope 1 & Scope 2 emissions remains suitable for achieving the target by 2027.*

GRAPH 9 - Scope 1 & 2 emissions (tons of CO2)



KPI 2 - MAINTENANCE OF ACA CERTIFICATION LEVEL 4+

Definition of the metric: ACA Level 4+ is the certification for active carbon management with measurable results in the airport sector that aims to achieve the reduction of emissions, including Scope 3 emissions.

Scope: Fiumicino airport (FCO).

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

- submission of the carbon footprint verified according to level 4 requirements;
- Revised Carbon Management Plan: the Plan must demonstrate that the airport has achieved in a timely manner any relevant long-term objective or intermediate milestone envisaged;
- update of the Stakeholder Partnership Plan with information on the progress regarding the reduction of Stakeholder emissions compared to the general objective;
- annual submission of a non-verified carbon footprint in the intervening years;
- every two renewals (i.e. every six years), the airport must demonstrate that it is in line with the expected trajectory towards its long-term goal or intermediate milestone.

Progress:

- certification maintained;
- since 2011 ADR has joined the ACA certification system of ACI Europe (Airports Council International) with the aim of reducing direct and indirect CO_2 emissions. When, at the end of 2020, ACI Europe introduced two other accreditation levels (4 and 4+), ADR reached the ACA 4+ (Transition) certification level at both Fiumicino and Ciampino airports, ranking first in Europe and third worldwide to achieve this important recognition;
- ADR is committed to achieving the Net Zero Carbon goal by 2030. The main areas of action on which ADR is working are reported below:
  - construction of several multi-megawatt photovoltaic energy plants at the airport, which will allow the production, storage and use of green energy. In particular, in 2022 ADR launched and obtained the single authorisation for the construction and operation of a photovoltaic energy plant with a power of 22 MW, located next to runway 3 of Fiumicino, whose implementation is now underway;
  - creation of a 10 MWh storage by using Second Life Batteries. This is the so-called Pioneer project, born from the collaboration between Enel X and ADR and co-financed by the European Commission. For the optimal and integrated management of these energy assets, an artificial intelligence system will be implemented, which will improve their management both from an economic and environmental point of view;
  - use of bio-methane and low-carbon transport in-

frastructure. In particular, great attention is paid to the research and development of sustainable fuels, both for the future conversion of the Cogeneration Plant from natural gas to bio-methane, and for the procurement of sustainable fuels for aviation to be made available to airlines that will request it;

- provision and installation of around 500 charging points (by 2025) for electric vehicles, with the aim of ensuring adequate support infrastructures for sustainable mobility;
- agreement between ADR and the Ferrovie dello Stato Italiane Group, signed in the first months of 2022, to kick-start the development of an increasingly integrated and sustainable intermodality, which contributes to the reduction of airport emissions and promotes the transition of the Fiumicino airport to a smart Hub;
- use of smart and green energy at airports, also through the participation in the European ALIGHT project won in 2020;
- strategic partnership with Eni, signed at the end of 2021, for the implementation and dissemination of sustainable aviation fuels (SAF) and for ground handling (HVO - Hydrotreated Vegetable Oil), which reduce CO2 emissions by around 90% compared to fossil fuels;
- gradual transition of operating fleets (e.g. service cars, operating vehicles or passenger shuttles) to low-emission vehicles, through electrification or the use of biofuels;
- awareness-raising and support initiatives for all airport Stakeholders involved in emission activities, such as airlines, handling service operators, sub-concessionaires and retailers, airport employees and passengers.

KPI 3- SCOPE 3 CO2 EMISSIONS (EXCLUDING AIRCRAFT SOURCES) PER PASSENGER (KG CO2/PASSENGER)

Definition of the metric: Scope 3 CO2 emissions per passenger (excluding emissions resulting from Cruise, Landing and Take-off Cycle (LTO) and taxiing of aircraft).

Scope: Fiumicino airport (FCO).

Methodology: the total amount of Scope 3 CO2 emissions is calculated according to the ACA rules for Level 4+ defined by ACI Europe, in line with the guidance provided by ISO 14064-1. The overall calculation of Scope 3 emissions includes the following sources:

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

Baseline:

- 623,357 tons of CO2 in 2019, equal to 14.3 kg CO2 per passenger;
- the 2019 baseline was verified by RINA and WSP according to the ACA rules.

Progress:

- Total Scope 3 value: 544,659 tons of CO2, track progress compared to the Baseline: -78,698 tons of CO2;
- Scope 3 value per passenger: 13.4 kg CO2, track progress compared to the Baseline: -6%.

94% of Scope 3 emissions included in the baseline are related to the means of transport used by passengers to travel to and from the airport. This issue, therefore, has a significant impact on the trend of the kg CO2 per passenger indicator. In particular, compared to 2022, in 2023 there was:

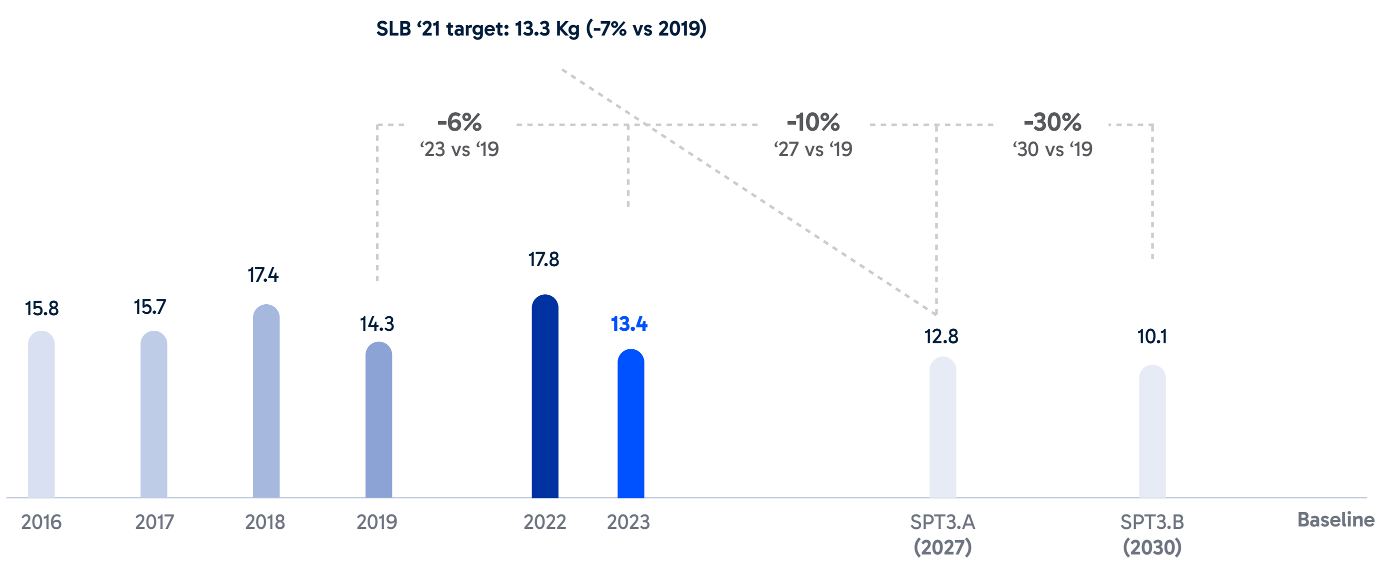
- an increase in passengers of around 36%;
- a recovery in the use of public transport (habits that in the past were affected by the pandemic).

The following table highlights the differences between the year 2019 and the year 2023 regarding the preferred means of transport for passengers to travel to the airport.

TABLE 40 - Distribution of road transport vehicles for 2023

Means of transport	% passengers 2019	% passengers 2021	% passengers 2022	% passengers 2023
Own car with accompanying person	18.2%	41.9%	42.7%	41.8%
Own car/motorcycle	27.7%	12.0%	17.5%	**19.7%**
Train	20.1%	18.9%	16.5%	**21.7%**
Taxi	9.9%	15.8%	14.4%	**6.1%**
Bus	18.1%	7.8%	7.3%	**8.9%**
Rental car with driver	2.7%	0.8%	0.7%	**0.9%**
Rental car	2.7%	2.7%	0.7%	**0.5%**
Car Sharing	0.6%	0.1%	0.2%	**0.4%**

GRAPH 10 - Scope 3 emissions (excluding aircraft sources) per passenger (Kg of CO2) [27]



[27] *The Sustainability Performance Target for the year 2027 relevant for the 2021 SLB issue is that of the 2021 Sustainability-Linked Financing Framework, i.e. 13.3 kg per passenger, or -7% compared to the 2019 baseline*

5.4.3 INDEPENDENT AUDITORS' REPORT ON THE SUSTAINABILITY - LINKED BOND PROGRESS REPORT

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

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

We have been engaged to perform a limited assurance engagement on the 2023 progress report (the "progress report") relating to the two sustainability-linked bonds issued in 2021 and 2023, respectively, by Aeroporti di Roma S.p.A. (the "company"). The directors prepared the SLL progress report in accordance with the Sustainability-Linked Financing Framework (the "framework"), which is based on the Sustainability-Linked Bond Principles published by the International Capital Markets Association and the Sustainability-Linked Loan Principles issued by the Loan Market Association.

The progress report is included in paragraph 5.4.2 of the company's 2023 integrated annual report (the "IAR").

Responsibilities of the company's directors for the progress report

The directors are responsible for the preparation of the progress report in accordance the framework described in paragraph 5.4.2 of the IAR.

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

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

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. During the year covered by this engagement, our company applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, on the progress report prepared in accordance with the framework described in paragraph 5.4.2 of the IAR. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the progress report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

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

Specifically, we performed the following main procedures:

1 obtaining and reading the second party opinion;

2 holding interviews with management and personnel responsible for the preparation of the progress report in order to gain an understanding of the existing processes, systems and controls;

3 obtaining a breakdown of the 2023 scope 1, 2 and 3 CO_2 emissions per passenger (excluding scope 3 emissions from flights, aircraft taxiing, landing and taking off) for the Fiumicino airport;

4 understanding the processes underlying the generation, recording and management of the information on the 2023 scope 1, 2 and 3 CO_2 emissions per passenger (excluding scope 3 emissions from flights, aircraft taxiing, landing and taking off) for the Fiumicino airport;

5 performing selected procedures on documentation to gather information on the processes and procedures used to gather, combine and process the information on the 2023 scope 1, 2 and 3 CO_2 emissions per passenger (excluding scope 3 emissions from flights, aircraft taxiing, landing and taking off) for the Fiumicino airport;

6 performing selected procedures, on a sample basis, to check the correct combination of the data used to process the information on the 2023 scope 1, 2 and 3 CO_2 emissions per passenger (excluding scope 3 emissions from flights, aircraft taxiing, landing and taking off) for the Fiumicino airport;

7 checking the ACA (airport carbon accreditation) level 4+ certification at 31 December 2023.

KPMG

Aeroporti di Roma S.p.A.
Independent auditors' report
31 December 2023

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 progress report of Aeroporti di Roma S.p.A. has not been prepared, in all material respects, in accordance with the framework, which is based on the Sustainability-Linked Bond Principles published by the International Capital Markets Association and the Sustainability-Linked Loan Principles issued by the Loan Market Association.

Rome, 27 March 2024

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

5.4.4 REVOLVING CREDIT FACILITY

Subscription of the sustainability-linked Revolving Credit Facility

On October 4, 2022, ADR signed a new Revolving Credit Facility of a maximum amount of 350 million euros in sustainability-linked format with a pool of 8 banks and in continuity with the previous one.

On September 22, 2023, the credit facility was extended by one year: the current maturity is October 2028, with possible extension for a further year.

The sustainability-linked format envisages the application of a potential adjustment on the interest rate, up or down, up to a maximum of 5 bps depending on the achievement or otherwise of certain sustainability objectives during the previous year, which can be activated starting from 2024, in relation to the final sustainability results for the year 2023. The two environmental KPIs have targets consistent with what is stated in the Sustainability-Linked Financing Framework (see Chapter 5.4.2 for further details). The third KPI is instead of a social nature and linked to gender equality objectives.

TABLE 41 - KPIs defined for the ADR Revolving Credit Facility

KPI	UoM	Baseline[28]	2023	Δ%
CO2 EMISSIONS - SCOPE 1 AND 2	tCO_2	59,173	**57,009**	- 4%
CO2 EMISSIONS - SCOPE 3 (EXCLUDING AIRCRAFT SOURCES) PER PASSENGER	Kg CO_2/passenger	14.3	**13.4**	- 6%
PERCENTAGE OF WOMEN IN A MANAGERIAL POSITION[29] (in relation to the total number of employees with a managerial position)	%	28.1%	**32.1%**	4.0%

GRAPH 11 - Percentage of women in a managerial position(in relation to the total number of employees with a managerial position)

[28] *The baselines for the two environmental KPIs relate to 2019. For the gender equality KPI, the baseline refers to 2021.*
[29] *The figure relating to personnel does not include the company UrbanV, a joint venture company subject to joint control.*

5.5 Innovation

5.5.1 OPEN INNOVATION MODEL

In 2021, ADR adopted a new innovation model for the management of ideas throughout their life cycle (Idea Management): from the identification of a need to the implementation of a completed project. The solutions implemented can in turn be improved with new ideas in a process of ongoing refinement: the principle behind the model is the idea of innovation as a widespread and shared working method.

Therefore, an open ecosystem (Open Innovation) was created in order to involve start-ups and SMEs, universities and other Corporates that share the principles underlying ADR's digital and environmental transformation. In particular, in 2022:

- the "Innovation HUB" was inaugurated, an innovative co-working space dedicated to start-ups that are part of the ADR acceleration programmes - over 650 square meters of space - at Terminal 1 of Fiumicino airport and which is the first "corporate vertical accelerator" in Italy's aeronautical sector;
- in order to accelerate the energy and digital transition process and achieve the goal of NetZero Carbon in 2030, collaboration agreements were signed in 2021 with Enel, Eni, Terna and Gruppo FS and Leonardo, major Italian companies in the electricity, gas, oil, chemical and technology sectors, in order to launch joint initiatives with a focus on Sustainability and Innovation;
- in collaboration with AENA, ADR launched "Airports For Innovation", an international network aimed at strengthening collaboration between airports, whose primary objective is to contribute to developing new solutions to make airports increasingly digital and improve the passenger experience. During the year, AENA, Athens and Nice joined the Airports for Innovation network;
- in December, the second "Call 4 Ideas" was launched, in search of new projects (Proof of Concept) that can help us in the decarbonisation process and enhance passenger services. The call focuses on eight areas of interest: Enhance Terminal Processes, Improve Airside Operations, Predictive Maintenance, Environmental Impact, Community & Sustainability, Passenger Experience, Commercial Opportunities, and Disruptive Solutions. For the first time, the Call 4 Ideas will be supported by national and international partners who will help start-ups in the creation of use cases.

In addition, in 2023:

- as part of the second "Call 4 Ideas", 13 selected international projects are being completed (Proof of Concept) out of 158 proposals received from start-ups from all over the world (China, India, USA, Canada, United Kingdom, Israel, Middle East, etc.);
- in order to guarantee start-ups the necessary resources for growth, ADR created a newco ADR Ventures at the beginning of 2023 with the aim of investing in travel, aviation & sustainability start-ups;
- the airports of Dubai and Oman (the last ones in September and November 2023, respectively) joined the Airports for Innovation network, in addition to AENA, Athens, Nice, Monaco, Vancouver and Dallas Fort Worth. Approximately 0.7 billion passengers are handled by the network and consequently can be potentially involved in common innovative solutions. This initiative aims to achieve three main objectives:
  - design innovative solutions, testing effective models that could be extended to other airports;
  - support the industry in developing and implementing solutions that could help redefine airport processes and facilitate defining standards;
  - promote innovation and joint solutions to improve the passenger experience.
- the international ecosystem of partnerships was expanded, by signing a Memorandum of Understanding (MoU) with players belonging to the aviation sector, specifically:
  - IAG and Vueling: the goal is to promote joint innovative solutions for sustainable growth and further improve the passenger experience. Specifically, identifying solutions within the scope of sustainability, strengthening the digital transformation process and working on "Open Innovation" initiatives with external stakeholders (such as start-ups);
  - Intelak: the first partnership for ADR with another acceleration programme within the aviation sector in order to define coordination activities in the implementation of joint Proof of Concepts (PoCs).

5.5.2 INNOVATIVE PROJECTS

As part of the first "Call 4 Ideas", 10 innovative projects were carried out, and in particular:

- in the Sustainability and Energy area, the artificial intelligence system of a start-up was tested, making it possible to carry out predictive maintenance on photovoltaic energy plants to maximise productivity;
- in the field of Data-Driven Systems, a system for managing queues at security checks is up and running and in the test phase, using sensors and artificial intelligence to minimise queues and improve the passenger experience during checks;
- in the area of Airport Efficiency, an ApronAI platform is being tested, which optimises aircraft turnaround times to allow efficient operations in terms of time and sustainability;
- in the field of Automation of operational processes, three projects were carried out: the first concerns a "biometric" baggage recognition system through AI; the second concerns an innovative device to improve safety between aircraft during ground movements of aircraft and turnaround operations, on the stand or inside the hangar; the third proposes the installation of a smart bench coupled with two autonomous mobile robots which, thanks to AI algorithms, are able to navigate complex spaces by performing automatic cleaning operations; in the Passenger Experience area, a chatbot was rolled out for real-time assistance to passengers and a smart mapping & wayfinding solution;
- in the E-commerce & Phygital area, a robot that allows automated deliveries of food and retail products in both indoor and outdoor environments and an omni-channel commerce platform were tested.

As part of the second "Call 4 Ideas", 13 innovative projects are being carried out, and in particular:

- in the Sustainability area, sensors are being tested to be applied to existing bins to monitor separate collection through artificial intelligence, in order to optimise waste management operations and use a dedicated monitor to increase passenger awareness;
- in the predictive maintenance area, a self-driving robot was tested to monitor the road paving, with a view to predictive maintenance, and to optimise maintenance plans;
- in the improve Airside Operations and Enhance Terminal Processes area, eight different innovative solutions are being tested and specifically:
  - dashboard for real-time monitoring of airside operations (e.g. runway journey time, use of taxiways,) using aircraft positioning data, and the timelines of the A-CDM turnaround process;
  - computer vision software for passenger flow analysis;
  - testing of self-driving chairs for PRM passengers;
  - testing of self-driving robot capable of sweeping and collecting FODs;
  - use of high-definition cameras that, through AI and computer vision, make it possible to detect and classify the FOD, according to EASA regulations;
  - development of an ultra-flexible APIDS solution that enables the automatic recognition of prohibited items in carry-on baggage, with the aim of further improving the performance at security points in terms of safety and service quality;
  - testing of an exoskeleton in baggage handling and cargo operations with the aim of reducing the risks related to accidents;

Main KPIs — Innovative projects

13	Innovative projects carried out in 2023 (No.)

- solution for real-time monitoring of the status progress of boarding operations on the Terminal side;
- in the Passenger Experience area, a solution for monitoring passenger waiting status is being tested;
- Finally, in the Commercial Opportunities area, two solutions are being tested:
  - a device based on biometric technology to offer the Comprehensive Canteen service to ADR employees;
  - implementation of a solution based on Virtual Try-On technology for make-up and eyewear products, to allow passengers to carry out a virtual make-up and eyewear test.

FOCUS ON: ADVANCED AIR MOBILITY

In 2022 ADR, SAVE, Aéroports de la Côte d'Azur and Aeroporto Marconi di Bologna established the company UrbanV, active in the Advanced Air Mobility sector and in particular in the construction and management of the infrastructures used by operators for landing and take-off operations ("Vertiport").

During 2023, UrbanV continued to study vertical networks in the areas of Rome, Venice, Cote d'Azur and Bologna together with its founding partners. The progress of all the main projects is in line with forecasts, with continuous positive developments during the year in the creation of relations with the main parties involved, public and private, in order to start operations. From a regulatory point of view, UrbanV continues to collaborate with ENAC and ENAV in drafting the first Italian regulation for Advanced Air Mobility.

The "Rome Project" is the most advanced and a first commercial route is expected to be launched in the fourth quarter of 2024. Starting operations will require building a vertiport at Fiumicino airport and one in the Vatican area, for which the authorisation process with the Municipality of Rome has already started.

5.5.3 LAUNCH OF CORPORATE VENTURE CAPITAL (ADR VENTURE)

Lastly, ADR formalised the creation - in February 2023 - of the Corporate Venture Capital company ADR Ventures. ADR Ventures aims to make investments in Seed and Series A start-ups that develop deep tech and software solutions in the aerospace, automation and robotics, future of travel, and sustainability sectors. ADR's objective is to offer additional support to start-ups, investing in their ideas developed within the Fiumicino Innovation HUB not only in economic terms but also in terms of know-how and skills, favouring the development and growth of new companies and entrepreneurs to accompany the digital transformation of Fiumicino and Ciampino airports.

ADR Ventures announced its first investment on June 1, 2023, in Ottonomy start-up, which develops autonomous robots capable of contactless deliveries in both indoor and outdoor environments. In addition, Ottonomy was recognised by the Robotics Business Review as "the most innovative robotics company for robotics and market Innovation" in 2023 and 2020. In December 2023, ADR Ventures also finalised the investment in Assaia, a start-up that developed an AI-based "situational awareness" tool for monitoring aircraft turnarounds.

5.6
People

In continuity with 2023, the People Strategy was guided by the corporate pillars of Inclusion, Innovation & Sustainability, increasingly involving management in the handling and care of people.

The main initiatives were:

I. enhancing diversity as a wealth with a view to fusion and exchange, through a process to raise awareness of the issues and a gender equality certification process;
II. create people care initiatives that are increasingly suited to the needs of the individual;
III. developing creative and "out of the box" thinking through the relaunch of the Innovation Cabin Crew, which has allowed us to generate new ideas and digitalisation processes, to facilitate the experience of our colleagues and "streamline" the search for information/processes;
IV. encourage the entry of new colleagues through a structured onboarding process, cultivate talent with training and coaching courses and enhance the experience of individuals to support new recruits;
V. support managers with assessment, training and development routes on new skills, on the co-construction of growth plans for the team and on the development of learning agility.

The number of employees, as at December 31, 2023 stood at 4,092 (compared to 3,767 in 2022; +7.9%). In terms of full-time equivalent (FTE), the Group's average workforce in 2023 was 3,689.7, up +11.3% compared to 2022.

During 2023, discussions between the ADR Group companies (Air Transport, Multiservice and Construction National Collective Labour Agreement) and the Social Partners focused mainly on:

- the stabilisation of operating personnel with fixed-term contracts; the negotiations, which took place during the year in two phases, defined the hiring of personnel (of which 123 units in ADR) and the increase in the CTI resource hourly schemes (of which 267 in ADR), in addition to envisage measures for a more flexible and efficient management of the service;
- finalising the 2022 Result Bonus;
- the three-year renewal of the Result Bonus with the introduction of new calculation parameters and disbursement criteria, also through welfare mechanisms;
- the strengthening and improvement of some operational processes of ADR Security and ADR Assistance, also with the definition of interventions related to logistics and infrastructure;
- the development of remote Working as part of initiatives aimed at making company needs compatible with the opportunity to promote a better work/life balance of people;
- the disbursement of a one-off Welfare Bonus of 500 euros based on the results and international awards achieved by the Company, also thanks to the competence, commitment and professionalism shown by the employees of the ADR Group;
- the video surveillance system at Fiumicino and Ciampino airports;
- increasing the professional level of employees, also by means of agreements for funded training;
- the discussions also involved the First Aid, Electromechanical and Air Side Sweeping sectors.

Topics of further agreements concerned the funded training promoted by Fondimpresa on "basic and transversal skills".

The objective of the 2023 plan with regard to Welfare and People Care was to consolidate proximity with our people and providing concrete answers to individual and family needs to increase well-being, stimulate engagement and promote a better work/life balance.

The opening of the "People Care Hub", the new portal dedicated to ADR people and their loved ones, has made it possible to bring together all the services and initiatives proposed during 2023 in a single, easy-to-use suite, subdividing them into thematic areas:

TABLE 42 - Initiatives targeting ADR Group employees by subject area

ADR HEALTH	ADR WELLBEING	ADR FAMILY	ADR FACILITIES
Initiatives dedicated to prevention and promotion of health.	Programmes to improve well-being and keeping fit.	Solutions for the family and for the care-assistance of loved ones.	Tools to improve work-life balance and income support initiatives.
• Health policy • Accident and life insurance policy • Psychological support and interviews with external specialists • 24-hour telemedicine • Specialist screening (breast, skin, hearing, stroke, hepatitis C) • Flu vaccination campaign • Nutrition consultancy • "Race for the Cure" campaign	• Corporate gym - ADR Fitness Freaks • Gym agreements (Fitprime circuit) • Foot reflexology • Face training • Stress management courses • Videos on healthy lifestyles: nutrition, posture, sports and well-being	• Baby Gate" Corporate Childhood Centre • Baby Gate extra-curricular activities (take-away dinners, baby parking and Christmas musical) • Agreement with nurseries • Parenting seminars • ADR Camp: contributions to summer holidays for children • Scholarships for the most deserving graduate children • Service platform: baby-sitting, elderly care, domestic support, pet-sitting	• Evolution of remote working • Amazon Locker • Christmas gift package • Christmas vouchers (shopping vouchers worth 500 euros) • Car purchase and rental agreements • Purchase agreements through the corporate benefit portal • Luiss Business School agreement • Enjoy agreement • Musical moments at Auditorium Santa Cecilia • Lunch box delivery service at NPU

In 2023, ADR also encouraged an evolution of the current remote working model, expanding the number of days available on an annual basis and assigning employees additional IT equipment for remote working. This is to protect individual and family needs and for reasons related to sustainability/energy savings.

With regard to Employer Branding activities, in 2023 ADR continued to build collaborative relationships with universities and schools in the area both through career days and by participating in ad hoc events to present activities, projects and opportunities for inclusion within the group. It also launched the "Boarding with us" project which, through a site visit to seven different universities in Central and Southern Italy, made it possible to meet around 200 engineering graduates to talk about the complexity of the infrastructures and answer the many questions posed and share the many growth opportunities. The students interested in continuing, took part in a selection that included a game selection and English test and 30 were subsequently hosted in a 3-day bootcamp at Fiumicino airport where they were able to experience everyday working life in a complex infrastructural and plant engineering area, visiting the plants and meeting the operating lines. Sixteen were included in the ADR group with an internship.

Main KPIs — Employees

WOMEN	WOMEN	CONTRACTS	EMPLOYEES
40%	**32.3%**	**84%**	**130**
Female staff	Women in managerial positions	Employees with permanent contracts	Employees hired (No.):

The following universities were involved:

I. La Sapienza University of Rome;
II. Tor Vergata Rome University;
III. Roma Tre University;
IV. University of Salerno;
V. Polytechnic of Bari;
VI. University of Palermo;
VII. University of L'Aquila.

5.6.1 PERSONNEL GROWTH AND DEVELOPMENT

In line with the priorities identified in the People Strategy, new projects were launched in 2023 aimed at developing the skills and enhancing the capabilities of the human resources of the ADR Group.

In this sense, an "engagement survey" was designed and carried out for all Group employees, aimed at collecting their opinions and suggestions in relation to the work environment, organisational culture, climate, relationship with the team. The survey made it possible to collect feedback from employees on different matters, with a focus on Employee Engagement. Following the findings, an action plan will be defined with initiatives aimed at improving the most critical areas and increasing the level of engagement of the areas with the most critical results.

As part of the ADR Group's talent management, the new "Greenfield Programme" was activated. This is a development initiative for young talents who have recently graduated, which intends to structure their professional growth process for the first 5 years in the company, envisaging contractual and salary advancement steps defined over time, training plans on soft skills, differentiated by year and aimed at developing leadership skills, and potential assessment sessions with business game/individual assessment at the beginning, middle and end of the process.

As part of the individual development plans, various empowerment initiatives have been activated with a view to strengthening leadership skills (Leadership Competency Model), including:

- Leadership Assessment & Development for the Middle Management of the ADR Group with the aim of consolidating the effectiveness of the current Leadership and strengthening the managerial skills necessary to face future challenges;
- individual executive coaching courses to support some managers to face new challenges and/or enhance the effective interpretation of the assigned role;
- "Leadership Journey", a training course aimed at strengthening the leadership skills of the Group's Leaders and Middle Management;
- live & digital coaching pathways through the innovative Talent Development Platform tool that enables not only remote sessions but also the online assessment of the level of skills owned, the construction of an Individual Development Plan focused on one's own areas of improvement, and weekly in-depth resources to also stimulate the empowerment of resources in terms of proactively determining their own self-development

In 2023, a new edition of the Performance Management was launched, with the assessment of Skills and Results in order to:

- strengthen the culture of feedback by creating greater awareness among employees on the overall performance assessment, activating structured, open and transparent communication between Manager and employee aimed at defining a Development/Improvement Plan;
- empowering everyone, according to their own style, to provide effective and direct feedback;
- developing the skills of the Leadership Competency Model to spread a new style of inclusive, sustainable, innovative and widespread Leadership at all levels of the Organisation.

The process involved 1,131 resources and was carried out through the use of a new platform.

In agreement with the priorities identified in the People Strategy, ADR has invested in the training of its People to allow them to acquire the new capabilities necessary for the evolution of the Organisation and ADR's business. In 2023, 104,077 hours of training were provided, involving 4,481 colleagues. The main areas of intervention are summarised in the following table:

TABLE 43 - Initiatives for the qualification of ADR personnel and their training

Personnel qualification and training
• Training for the maintenance of airport certificates of Fiumicino and Ciampino airports pursuant to Regulation (EU) 2018/1139; • Training on the new ADR 2030 Customer Experience Model for the entire operating population; • Training on the new Leadership Competency Model for all ADR Management; • Greenfield programme for new hires and talents; • Innovation Engagement & Digital Transformation training; • 2nd Edition of the Innovation Master for ICC; • Training and certifications in the field of Sustainability and the Environment; • Upskilling of language skills; • Regulatory update of the new Procurement Code; • Individual coaching courses for managerial figures.

As part of Customer Service-oriented training, training on the new Customer Experience Model was provided to the entire airport population in 2023. All front-line operational resources, from Managers to employees, were involved in a training course with a focus on Emotional Intelligence, taking part in workshops dedicated to expressing their professionalism to the fullest and aimed at offering passengers a "unique" and attentive experience to their implicit needs.

An onboarding programme was launched for the development and growth of new hires and young talents.

"Innovation Engagement" was launched in support of the various initiatives and projects in the field of Innovation. This is a training course aimed at developing and spreading the culture of innovation at all levels of the organisation.

The training project saw the delivery of the Fundamental Education Engagement in 2023, concerning a literacy of the entire ADR Group population on innovation issues and knowledge of the Innovation Plan initiatives.

Among the Environmental and Sustainability initiatives aimed at spreading the culture of sustainability, ADR has launched the "Act Now for ADR" project, with the support of an innovative and engaging App designed to take advantage of Informational-Training courses dedicated to Sustainability Goals.

A more technical-specialist environmental training session was dedicated to updating and developing role skills, through the provision of courses aimed at certifications, such as training on the LEED Certification Protocol and Envision SP.

A decision was made to continue upskilling language proficiency through modular training using innovative and engaging digital platforms that provide one-to-one lessons with native speakers and access to customisable language training content and tools.

Again on the subject of specialist training, ADR has launched an extensive training plan on the New Public Contract Code pursuant to Legislative Decree no. 36/2023. Through four separate modules, this training activity emphasised the changes in the code with respect to the various stages of contracting, the subjects involved, the tasks and responsibilities.

With regard to airport safety, a "Human Factor" training programme for supervisors and operating resources of the ADR group was launched in 2023 to highlight the relevance of individual behaviour in improving safety performance. In addition, the aeronautical English programme to achieve the language proficiency requirement (ICAO lev.4) for ADR resources operating autonomously in the manoeuvring area continued. Finally, it should be noted that in 2023, the use of Safety training on the ADR e-learning platform by Airport Operators and Bodies at Fiumicino and Ciampino airports exceeded 50,000 total hours/participant.

Training	Injuries
25h	0%
Average hours of training	Rate of workplace injuries with serious consequences

5.6.2 HEALTH AND SAFETY OF PEOPLE

The ADR Group's commitment to preventing the risk of accidents and occupational diseases was further strengthened by the inclusion of the Accident Frequency Index across all the performance indicators of the occupational health and safety management system.

In terms of accidents, in 2023 there were 86 accidents at work and 46 accidents while travelling between home and work. The significant reduction in accidents compared to previous years was achieved thanks to the improvement initiatives implemented.

TABLE 44 - Occupational health and safety initiatives

Health and Safety
• Second edition of the INAIL training course for ADR First Aid doctors; • Interviews with injured workers to investigate the dynamics of the events that occurred and identify any additional prevention measures (72 interviews carried out); • Raising awareness among workers through operational briefings, the Health & Safety desk, accident prevention clubs, operational Safety walk-ins; • Specific training on the manual handling of loads in collaboration with the ANGLAT Association; • Automation of the PRM assistance process with the increase of motorised chairs at the Terminals.

With regard to risk assessment, specific environmental assessments (electromagnetic fields, illuminance, microclimate, microbiological and vibration) were updated in 2023, in addition to implementing the action plan of the work-related stress assessment.

With regard to the Health and Safety Task Force, initiatives aimed at strengthening the internal control and risk management system in the area of occupational health and safety continued; specifically, following an in-depth examination of the fatal accident that occurred at the Bologna airport, a decision was made to install camera and alert systems on ADR Infrastructure's construction site vehicles for reversing manoeuvres; furthermore, the H&S inspection plan was refocused by taking into account the criteria of relevance of the occupied spaces and the criticality of the sub-concessionaire/supplier; finally, the Customer Supervision Model is being developed with the contribution of an external consultant.

In order to increasingly develop the culture of safety within the airport system, a plan of "Cultural and technological evolution" initiatives has been defined, which will be implemented in the coming years.

As part of the Memorandum of Understanding between our Company, INAIL and the national secretariats of the trade unions, the following specific initiatives aimed at reducing accidents and occupational diseases and developing a prevention culture were taken during 2023:

- study of the gradients in the security control area of Terminal 1 and impact on the ergonomic aspects and manual handling of trays and carry-on baggage by security operators according to experimental and innovative methodologies;
- specific training course on confined spaces using the INAIL simulator;
- analysis of the manual handling of loads with particular reference to the process of assistance to passengers with reduced mobility and the methods for lifting PRMs inside the aircraft according to new methods.

With regard to the airport system, the meetings of the health and safety committee continued in order to monitor improvement initiatives. In addition, the handlers were involved in the experimentation of an active exoskeleton model by the start-up Proteso.

Finally, in 2023, the supplier assessment model on occupational health and safety requirements was made operational.

5.6.3 DIVERSITY, EQUITY & INCLUSION

While continuing to fulfil the commitments and objectives defined in the DE&I Roadmap, ADR has undertaken numerous initiatives with different phases and objectives:

- awareness to create culture, knowledge and understanding on all DE&I issues;
- listening to identify the actual needs of employees and the "Diversity Gap" on which to intervene;
- updating the DE&I Roadmap with an Action Plan consistent with the actual needs collected by ADR's people.

In this context, a communication and awareness-raising plan was implemented for all employees, built with different tools:

- an emotional teaser video to draw the attention of employees to all aspects of Diversity and Inclusion;
- mini-video call to action teasers to engage employees to use web pills on issues related to cognitive bias, gender bias, multi-generationality, inclusive leadership, disability and the working environment, the relationship with visible and invisible disabilities, inclusive vocabulary;
- the online course "Diversity, Equality & Inclusion: sign for your commitment", intended for all new hires with fixed-term and permanent contracts, which explains the principles and objectives of the DE&I Policy adopted by the ADR Group and requires each employee to sign a commitment to create and maintain an inclusive working environment.

In order to broaden the commitment and empowerment of resource managers, 100 People Managers of the ADR Group were involved in an immersive training experience on "Inclusive Leadership", structured on a live and interactive web story session, which was preceded by the individual completion of the Bias Meter questionnaire with individual reports being returned to each participant.

As part of the Engagement Survey of the ADR Group, particular attention was paid to DE&I issues and the detection of any critical elements related to the inclusion, respect and enhancement of the diversity existing in the work environment.

With the aim of exploring the issues detected through the engagement survey, a cycle of listening focus groups was carried out with the involvement of a significant sample of ADR Group employees (#150), representative of all "Diversity" (Gender, Aging, Staff, Operations) to detect the most significant Diversity Gaps and collect ideas to define an Action Plan in order to feed and update the DE&I Roadmap on a rolling basis.

Moreover, an important milestone reached by ADR in 2023 was the achievement of the Gender Equality Certification for individual Group companies in accordance with the UNI/PdR 125:2022 reference standard and within the Group's Integrated Management System. The certification process, carried out with the TUV certifying body, proved to be instrumental in developing the culture of the different organisational entities while respecting the different complexities, enhancing the commitment and effectiveness of the DE&I actions already undertaken, and defining priorities for future management and project actions aimed at reducing gender gaps.

5.7 Environment

For ADR, attention to environmental issues and to minimising the impacts generated by airport activities is a priority.

Reducing greenhouse gas emissions, optimising energy consumption and adopting renewable energy are among the priority actions being developed by ADR: the goal of achieving Net Zero Carbon by 2030 is an expression of a vision that considers sustainability not only as an ethical obligation but also as a strategic lever for future development.

Furthermore, the protection of natural resources and the promotion of the circular economy are central aspects of ADR's sustainability strategy: the company adopts measures aimed at water conservation, sustainable waste management and the protection of biodiversity, which reflect the importance of taking a holistic approach to sustainability, with the aim of creating a balance between operational needs and responsibility towards the environment.

ADR has adopted state-of-the-art management tools to enable the proper management of these issues, such as ISO 14001, relating to the environmental management system through which ADR systematically identifies, monitors and controls the impact of its activities, thanks to an approach based on continuous improvement; or ISO 50001, relating to the energy management system, through which ADR monitors and improves its energy performance.

5.7.1 CLIMATE CHANGE AND ENERGY EFFICIENCY

Consistently with its strategy of achieving Net Zero in 2030, ADR constantly monitors the emissions of climate-altering gases emitted directly by ADR and its subsidiaries as well as by other operators in the sector, such as airlines and other companies operating at airports in the capital.

Section 9.2.2 GRI Performance Indicators - Environment provides a table with an indication of the scope of analysis relating to the GHG Protocol. A significant result achieved by ADR was the achievement of the level of certification, ACA - Level Transition 4+, in March 2021, for Fiumicino and Ciampino airports. In addition, during 2023, the ultimate parent Mundys received validation from the Science Based Targets Initiative (SBTi) of its decarbonisation targets, which also include the airport sector.

In order to promote a rapid reduction in climate-altering emissions and to reach the important "Net Zero Carbon" goal by 2030, 20 years ahead of the European objectives, ADR is carrying out numerous initiatives and investments in the direction of gradually making the Rome airports independent from fossil fuels, thus developing the Smart Energy Airport concept of the future, which maximises the production of energy from renewable sources while reducing both direct and indirect carbon emissions.

In fact, for the next few years, the plan is to construct several multi-megawatt photovoltaic energy plants, which will allow the production and use of green energy: in 2023 ADR launched the construction of a 22 MW plant, located near runway 3 of Fiumicino.
In addition, also in 2023, the tender was awarded for the construction of a 5.6 MW plant on shelters that will be built, together with the shelters themselves, at the "Long stay" car park.
A further 25 MW are currently being planned, of which 2.7 MW at Ciampino airport and the remaining at Fiumicino airport.

Furthermore, the installation of a storage system is planned, which will make it possible to optimise the airport network's energy flows. For the optimal and integrated management of these energy assets, an artificial intelligence system will be implemented, which will optimise their management from both an economic and environmental point of view.

In this context, the European project "PIONEER" (airport sustainability second life battery storage) is part of the collaboration between ADR and Enel X- and is co-financed by the European Commission. This project involves the design, construction, commissioning and operation of a 10 MWh energy storage system, consisting of second-life batteries already used on vehicles, which will be used to store part of the excess energy produced by the photovoltaic energy plants in order to meet the airport's energy needs at off-peak times of the day, thus reducing the purchase of energy from the national grid.

During 2023, the preparation and installation of recharging points for electric vehicles also continued with the aim of ensuring adequate support infrastructures for sustainable mobility - by 2025, approx. 500 charging points will be installed.

Finally, great attention is paid to the research and development of sustainable fuels, both for use in the cogeneration plant (e.g. bio-methane), and for the procurement of sustainable fuels for aviation to be made available to airlines that will request it.

On this front, the partnership signed by ADR with ENI at the end of 2021 is of strategic importance, for the implementation and dissemination of sustainable aviation fuels (SAF) and for ground handling (HVO - Hydrotreated Vegetable Oil) which reduce CO2 emissions by around 90% compared to fossil fuels. Thanks to the partnership with ENI and ITA, Fiumicino was the first Italian airport to use SAF transported both by land and by ship.

During 2023, HVO continued to be used to power ADR's vehicles, including those used by ADR Assistance for support operations for passengers with reduced mobility.

In 2023, also based on the company procedure relating to Energy Efficiency Control, various reports for areas of efficiency were made, allowing to optimise the operation of the plants with ensuing energy savings.

As a result of ADR's commitment to increasing energy efficiency and in line with ISO 50001:2018, 159.3 GWh were consumed by Fiumicino airport in 2023.

The kWh/(Mpax*Sq m) indicator was approximately 6.0 kWh/(Mpax*Sq m) in Fiumicino in 2023, 22% lower than in 2019. Although new infrastructures were opened, this decrease was achieved thanks to the numerous energy-saving actions implemented at plants and in systems. From 2007 to 2023 (excluding the years 2020 and 2021 as they are neither significant nor comparable), the indicator went from 16.3 to 6.0, a 63.2% decrease.

Fiumicino airport was also the first airport in the world to have joined The Climate Group's EP100 initiative, a global energy efficiency initiative that brings together over 125 ambitious companies committed to improving their energy efficiency.

As regards Ciampino airport, approximately 7.7 GWh was consumed in 2023.

Main KPIs — Emissions

EMISSIONS	ACA CERTIFICATION	CONSUMPTION INTENSITY
1,006,594	**Level Transition 4+**	**19.2**
Tot. Scope 1, 2 and 3 Co2 emissions without aircraft cruise (tCO2)	ACA certification level	Energy consumption intensity (MJ / Pax)

5.7.2 PROTECTION OF WATER RESOURCES

Fiumicino airport has a dual water network. Therefore, it is possible to separately manage the consumption of drinking water and the usage of water treated for reuse.

The drinking water at Fiumicino airport is supplied by the public operator and distributed by ADR throughout the airport grounds, with consumption concentrated mainly in the terminals and the boarding areas. ADR makes a significant annual investment in the optimisation of drinking water consumption with constant extraordinary maintenance on plants and on the distribution network, according to the principles of regulation and control of pressures and flow rates.

In particular, during 2023, the connection activities continued, through new conduits on the ADR network, of important users, previously served by the Acea network, and the circulating flow monitoring system was further implemented with the installation of meters placed on the main nodes of the network.

In addition, in continuity with what has already been done in previous years with the aim of protecting the water resource, collaboration was launched with Hera S.p.A., an important operator that offers environmental services, for the optimisation and implementation of a system for monitoring the drinking water network which, through the districtualisation of the airport water network and the subsequent installation of "remote-reported" flow meters, will allow greater and timely control of water consumption with a resulting optimisation of the consumption. In recent years, despite the increase in passengers and airport infrastructure surfaces, there has been a constant reduction in drinking water consumption. The years linked to the Covid-19 pandemic instead saw a drastic reduction in the number of passengers with consistently lower consumption of water.

The airport's system for the supply of water treated for reuse has two distinct sources of water supply: water drawn from the Tiber River, and water from the organic treatment plant, which converge in a storage basin called "pond" with a nominal capacity of approximately 10,000 cubic metres.

The water then undergoes a complex treatment and sanitisation process before being fed into distribution networks for specific industrial uses, such as heating systems, fire-fighting systems, irrigation systems, and toilet drains.

In 2021, a new treatment plant was activated through clarification and flocculation of water from the Tiber River, thus improving water quality. A new monitoring system was also installed for continuous control of the most significant parameters of the supply water, which allows for better management of the supply sources in terms of the quality of water distributed.

With regard to the management of water resources, ADR undertakes to guarantee:

I. compliance with the requirements of the environmental legislation in force for all discharges present on the airport grounds of Fiumicino airport. These are all authorised by the competent Authorities and are subject to periodic inspections by the Control Bodies;

II. an increasingly widespread use of the water treated for reuse, in order to preserve drinking water as a precious asset, with a view to the circularity of industrial processes. In order to achieve this objective, it is essential not only to ensure suitable supply rates consistent with airport demand, but also ensure quality standards for reuse that are higher than those required by current regulatory limits. In this regard, ADR has adopted a monitoring system based on warning "alerts", which are more restrictive than required by current legislation in order to minimise and prevent critical events that could occur in wastewater discharges; these standards were determined, for the main analytes, on the basis of historical analysis of recorded data and statistical trends. This is compounded by the construction of the reverse osmosis plant dedicated to the treatment of water collected from the Tiber River or from the treatment plant. This plant consists of subsequent filtration and disinfection units and ensures very high-quality standards, so that this water will be perfectly compatible with the constructional characteristics of the cooling towers and all the industrial equipment supplied.

Between 2022 and 2023, the connection was also developed for the supply of the drains of the buildings already equipped with a dual network, with the network of treated water for reuse in order to further preserve the consumption of drinking water.

Thanks to all these interventions and the approach aimed at continuous improvement, in 2023 there was a 28% use of drinking water at Fiumicino airport, a decrease of 6% compared to the previous year.

In parallel with the construction of the reverse osmosis plant, ADR is preparing, with the support of Hera S.p.A. and the IRSA - CNR, a study on the optimisation of the quality diagnostics of drinking water and water treated for reuse at Fiumicino airport, in order to promote its reuse and efficient use. The purpose of this study is to provide internal guidelines focused on the frequency of monitoring, types of parameters monitored, development of suitable indicators for monitoring potentially abnormal situations, possible corrective actions to be taken in the event of outliers, optimising the current ADR Monitoring and Control Plan.

In particular, Phase 1 of the study was developed in the first few months of 2023 with the collaboration of Hera S.p.A. and was focused on the analysis of the monitoring activities currently in place at Fiumicino airport in the context of water intended for human consumption and industrial water. Since June 2023, IRSA-CNR has been implementing Phase 2 of the study, updating, in accordance with the infrastructural and management changes that have taken place at Fiumicino airport, what had already been carried out in 2016 for the hydropotable network and, at the same time, developing a risk-based methodology aimed at minimising and anticipating possible criticalities and anomalies relating to the industrial network.

Main KPIs — Drinking water

28% Drinking water out of total water withdrawn FCO

5.7.3 WASTE MANAGEMENT AND CIRCULAR ECONOMY

Waste management

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

In 2023, 11,139 tons of waste were produced at Fiumicino airport, broken down as follows:

- 7,367 tons of non-hazardous waste dispatched for "other recovery operations";
- 1,588 tons of non-hazardous waste dispatched for "recycling".

99.8%[30] of the waste produced was dispatched for recovery or recycling. This a result was achieved thanks to the effective door-to-door separate collection system, now consolidated.

At Ciampino airport, the production of waste in 2023 amounted to 1,146 tons of waste, broken down as follows:

- 1,019 tons of non-hazardous waste dispatched for "other recovery operations";
- 123 tons of non-hazardous waste dispatched for "recycling".

99.6% of this production was dispatched for recovery/recycling, with a significant improvement compared to the previous year (80% recovery).

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

- reconfiguration of the waste collection points, all delimited so as to make objectively identifiable the party responsible for the disposal;
- constant updating of the tariff system with constant development of the tariff component that encourages the correct separation of waste;
- development of dialogue with sub-concessionaires, through systematic meetings, to identify in a coordinated manner the actions to optimise the waste collection system to be implemented;
- strengthening of the internal control system with the execution of audits on the transfer methods.

Also at Ciampino airport, the table in section 9.2.2 GRI performance indicators - Environment shows a significant improvement process in the waste disposal methods. The tools used to obtain these results trace the pattern followed at Fiumicino.

Circular economy

ADR's commitment to reducing its environmental footprint is also reflected in the development of an increasingly "circular" approach to the management of its activities. ADR is committed to the progressive reduction of waste produced, with the ambition of maximising the recovery, separation and recycling of all waste generated in its activities.

These programmes can be applied in various environmental sectors: from waste management, to water resource management, to the management of soil, rocks and milled material - produced in the context of airport construction sites - up to the reuse of assets destined for a second life through the activation of donations.

[30] *The percentages of waste sent for recovery were calculated without taking into account the waste produced by the maintenance of networks, degreasers, de-oilers, septic tanks, which by their nature cannot undergo recovery operations*

In order to ensure the recycling of food waste produced, ADR has built a large self-composting plant with a capacity of 1,000 tons of organic waste and on-site reuse of the compost obtained in the airport's green areas. There are also plans to purchase a new composting plant for the treatment of food waste produced in the landside area.

In the airport sector, the concept of circular economy can also be extended to sustainable management of construction sites. During the demolition and subsequent reconstruction phases, ADR has always pursued a strategy of recovery and reuse of excavated materials and demolished building materials. For the management of materials generated by demolition activities, within Fiumicino airport grounds there is an aggregate crushing plant and one for the processing of bituminous aggregates, which over time have made it possible to recycle large quantities of materials which, otherwise, would have been sent to landfill. This approach, increasingly geared towards combining the requirements of sustainability, maximum efficiency in the use of resources and environmental protection, has allowed the reuse of a total of 3,545.08 tons of material, reused within the airport grounds for the maintenance of runways and taxiways and for the construction of new pavements, divided as follows:

- 1,905.3 tons of recycled granular mix;
- 252.8 tons of recycled asphalt granules;
- 1,386.9 tons of cemented mix.

This operating method is also reflected in the compliance with the international standards of the LEED® protocols on the basis of which, in compliance with a series of increasingly stringent and effective restrictions and prescriptions in recent years, the new airport infrastructures were designed, built and put into operation: the new T1 front building and the renewed boarding area A, the totally refurbished former Pier B, opened to the public in April 2023, have both been built by combining modern design and technology with state-of-the-art environmental and energy performance and represent the latest milestones in this field.

Some of the requirements called for by the Leed certification are: the obligation to outline preventive measures to be applied on-site to mitigate and combat soil erosion phenomena by atmospheric agents, the objective of recycling almost all the waste produced by the demolition activity and their reuse in the production/construction

process. Furthermore, in a perspective of assuming a responsible design, the new infrastructures are built preferentially using material derived from recycling processes, thereby reducing the consumption of raw material and the impacts made by the extraction and machining processes. Another requirement set out by the protocol is to encourage the use of locally (regionally) sourced material, to reduce the impact induced on the ecosystem by transport.

There were numerous collaborations with various non-profit organisations and other associations aimed at combating waste: ADR works by directly contacting and offering local schools, study and research institutes and the units of the voluntary and Civil Defense Service associations active in the area, company assets that are

Main KPIs — Waste

0.28 kg/pax Waste produced per passenger no longer necessary, but still in good condition, which would otherwise be dispatched to landfill. With this in mind, for example, in March 2023, a donation initiative was completed for the "Associazione Romana Pro Juventute Tetto ONLUS", an association engaged in re-education and training processes for women, minors and young people in disadvantaged conditions. The association benefited free of charge from the transfer of 13 pallets of wooden planks from display boards no longer needed by ADR, to be used in the carpentry, workshop and laboratory activities promoted by the non-profit organisation, one of whose objectives is to promote, through the use of recycled materials, the development of an ecological awareness and a culture of reuse and recycling.

5.7.4 ACOUSTIC IMPACT

ADR is systematically committed to mitigating the noise impact of airport operations on the communities adjacent to the Roman airports. In particular, in the management of airport operations a systematic effort is made to utilise, as far as possible, airport infrastructure located close to less populated areas: an example of this is the closure of runway one at night.

In 2023, acoustic climate pollution monitoring activities continued at both airports, in compliance with legal obligations, and those for dialogue with ARPA Lazio, which is responsible for controlling monitoring systems. At Fiumicino airport, all the measurement points comply fully with the acoustic limits laid down by the regulations. At Ciampino airport, 11 of the 12 measurement stations installed comply with the acoustic limits, while the twelfth station, located in an acoustically anomalous point (at ARPA's request, the twelfth station is located in an area where the isophonic curves are "folded", which by their very nature should have a linear shape), exceeded the limits laid down.

With regard to the Ciampino airport, on which Italian Ministerial Decree 345/2018 is in force, ADR has worked diligently to ensure full compliance with the regulations and the 10 provisions of the Decree. The monitoring of the implementation status of the Plan is ensured through the annual reporting of traffic data and indicators necessary for the verification of the obligations by the control bodies. ADR has carried out the noise reduction project for the Ciampino school complexes (between 2022 and 2023, 23 schools were renovated, while for 4 schools the noise insulation works are being completed and for a further 3 schools the planning of noise abatement interventions is underway).

At the end of 2022, an additional acoustic monitoring station was installed; with this latest installation, Ciampino airport currently has 12 ADR-owned survey stations.

5.7.5 PROTECTION OF BIODIVERSITY

Fiumicino airport is located entirely within the territory of the Municipality of Fiumicino, in the area south-west of the capital, from which it is about 32 km away and borders:

- to the north and east, with agricultural land, mainly belonging to the "Tenuta Maccarese";
- to the west, beyond the Via Coccia di Morto road, with the towns of Fiumicino, Focene and Fregene;
- to the south, beyond the Rome-Fiumicino Airport motorway, with the L23 Industrial Area, the "Porto di Traiano" archaeological area and the town of Fiumicino.

Therefore the territory is a highly urbanised area in which there are still areas characterised by undoubted environmental value and large agricultural lands, the result of the reclamation works of what was the Pontine plain.

Fiumicino airport is located within the Litorale Romano nature reserve, even if it is not an integral part of it, which includes areas of high naturalistic and archaeological value.

The following table shows the areas considered environmental heritage to be protected, which concern four Natura 2000 sites in the vicinity.

Type	Natura 2000 Network Code	Name	Minimum distance from the airport area
SIC/ZPS	IT6030026	Trajan Lake	100 m.
SIC	IT6030023	Macchia Grande di Focene and Macchia dello Stagneto	50 m.
SIC	IT6030024	Isola Sacra	~ 2.5 km.
SIC	IT6030025	Macchia Grande of Ponte Galeria	3.5 km.

The Rome-Ciampino airport, named after Giovanni Battista Pastine, is located within the territory of the Municipalities of Ciampino (for about one quarter of the total area) and Rome (for the remaining three quarters), in the southern area of the Capital along the Via Appia, a short distance from the Grande Raccordo Anulare (GRA) motorway and just 15 km from the centre of Rome. The current area of the airport is 228 hectares, and is bordered:

- to the east, by mixed housing settlements, with a population density ranging between 26 and 123 inhabitants per building, for a total of about 12,000 inhabitants within a radius of about 1.5 km from the airport grounds;
- to the north, by the Capannelle racecourse;
- to the west, by mixed settlements, including some quarries and areas for agricultural use, which have filled the narrow strip of land between the airport and the Via Appia;
- to the south, by the SP 127 - Strada dei Laghi.

The area on which the Ciampino airport is located is part of the Ager Romanus, a vast rural area partly flat and partly hilly that extends around the city of Rome. Therefore, the area on which the airport is located is in a highly urbanised territory, in which there are still areas characterised by undoubted environmental value, by virtue of a residual presence of original characteristics and potential to be enhanced and protected both from the naturalistic and historical, landscape and socio-cultural points of view.

The location of the airport grounds and the activities carried out therefore make it possible to interact with some areas of naturalistic value, included in the Natura 2000 protection network. These sites are shown in the following table.

Type	Natura 2000 Network Code	Name	Minimum distance from the airport area
SIC/ZPS	IT6030038	Albano Lake	8.5 km
SIC	IT6030039	Albano (Località Miralago)	9.4 km

Within the Environmental Monitoring Plan (PMA) of Fiumicino airport, ADR carries out birdlife monitoring activities in order to:

I. describe the bird community present in the areas around the airport, investigating the presence, abundance and monthly trend of bird species, with particular regard to species potentially dangerous for aviation safety;
II. investigate the situation of the herring gull (Larus michahellis), assessed as the most dangerous species, in terms of size and type of gregarious behaviour, for aviation safety at Fiumicino airport and among the most dangerous species of all for air travel.

Considering the specific objectives of the monitoring, the area around the airport grounds included within a buffer of 6.5 km radius from the airport perimeter fences is studied.
This area has characteristics of high environmental heterogeneity, including different vegetation categories, in particular, three of the most represented: agricultural areas, areas with shrub vegetation, forests and pine forests, wetland and coastal areas, urbanised areas.

Within this territorial context, 10 survey stations were identified to study the birdlife. For the characterisation of the bird community, the descriptive parameters of its breakdown and structure were calculated.
It was noted that among the environmental types investigated, the wetland area corresponding to the "Vasche di Maccarese" shows the highest number of species, in addition to the highest number of species included in Annex I of the Habitats Directive and in the red list of nesting birds in Italy.

In addition to waders, in this area there are some ducks that fall into the IUCN threat categories and therefore of particular conservation interest.
In addition, some species (Anas crecca, Anas clypeata, Circus aeruginus, Passer montanus, Passer Italiae, Platalea leucorodia) observed during the monitoring work fall within the threat categories of the current National Red List 2011 of nesting birds in Italy.

Lastly, ADR has launched preparatory activities to implement interventions aimed at the conservation of entomological diversity, in particular of pollinating insects. Considering that insects play a fundamental role in plant reproduction and are an integral part of food chains, preserving entomological diversity is a fundamental condition for maintaining plant diversity and the integrity of the ecosystem as a whole.
The interventions will include the creation of scrub compositions in the green areas and the Beehotels dedicated to attracting pollinating insects. In addition to contributing to the conservation of biodiversity, these interventions aim to stimulate greater awareness and knowledge in citizens and airport personnel on the importance that these green interventions can play in the development of greater biodiversity.

5.8 Customer Experience

5.8.1 SERVICE QUALITY

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

ADR's Quality policy represents our commitment to ensure the quality of the services we provide and to constantly check the satisfaction of our customers.

Our Quality policy is based on the following key elements:

- Customer-centric approach;
- Pursuit of excellence;
- Innovation;
- Process improvement;
- Transparency;
- Focus on human resources.

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

In particular, ADR carries out the following:

- passenger surveys to assess their level of satisfaction and analyse their needs and expectations;
- objective checks to verify the performance actually delivered to passengers and compare it with Italian/international standards, past performance or indicators;
- participation in international benchmarking and rating programmes to learn about ADR's positioning with respect to "competitor" airports and identify "best in class" airports across service indicators that affect the passenger experience;
- continuous adjustment and upgrading of airport facilities to meet customers' evolving needs;
- "Quality plans" for the identification and implementation of new initiatives aimed at maintaining excellent service levels and improving the customer experience, in line with the evolution of passenger needs identified through the monitoring of KPIs, listening to the customer, benchmarking with international airports, scouting for innovative solutions made available by the market.

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

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

Passenger satisfaction and service levels provided

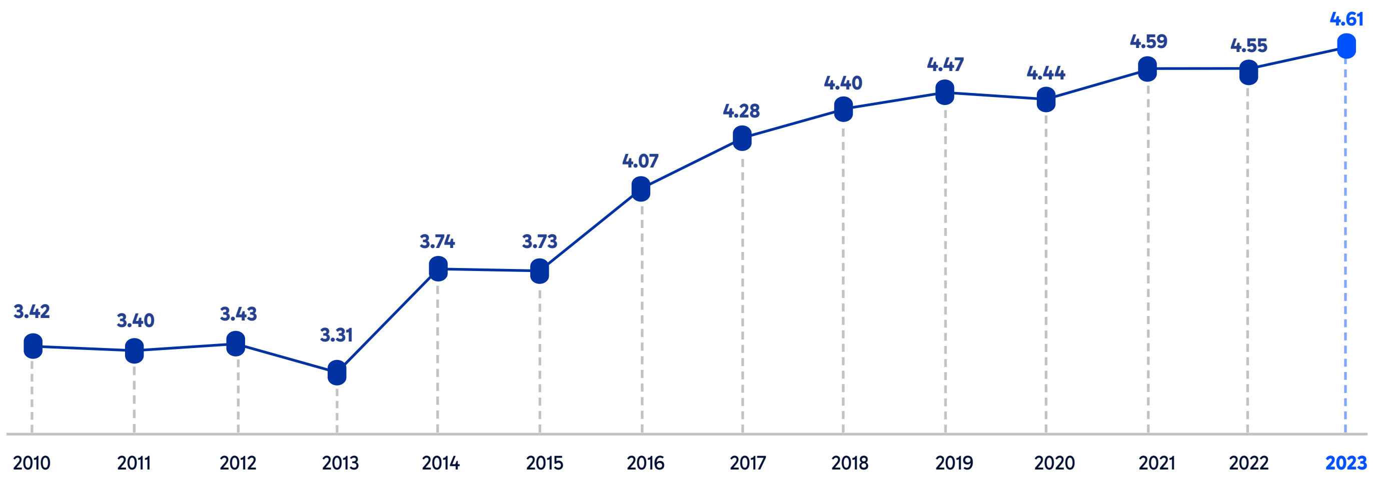
ADR adopts the main internationally recognised customer experience survey tools to monitor the quality offered and the degree of passenger satisfaction in order to identify possible areas for improvement and translate them into concrete actions. These tools take the form of:

- operational performance measurements;
- surveys;
- listening channels;
- measurement of the NET Promoter Score (NPS);
- international benchmarking and rating (see chart below).

Main KPIs — Passenger satisfaction

4.6 Most recent Overall Satisfaction (FCO) score

GRAPH 12 - ACI World Survey - Airport Service Quality. Overall Satisfaction Index 2010-2023 (FCO) [31] Evaluation scale: from 1 (Poor) to 5 (Excellent)



The following tables show the results, for the year 2023, relating to the main service quality indicators contained in the Fiumicino and Ciampino Service Charter:

TABLE 45 - Main Fiumicino service quality indicators

FIUMICINO	UoM [32]	2023
Waiting in line at the common check-in desk for non-sensitive flights	Time in 90% of cases	9.6
Waiting time for carry-on baggage security checks	Time in 90% of cases	4.3
Reclaim of the last baggage from the block-on at national level	Time in 90% of cases	23.5
Reclaim of the last baggage from the Schengen block-on	Time in 90% of cases	28.3
Reclaim of the last baggage from the block-on in the non-Schengen area (narrow body)	Time in 90% of cases	29.3
Reclaim of the last baggage from the block-on in the non-Schengen area (wide body)	Time in 90% of cases	45.5
Punctuality at departure (flights departed with delays of less than 15 minutes)	% punctual flights over total departing flights	67.5
Overall perception of the regularity of the services received at the airport	% passengers satisfied	97.4
Perception of the overall comfort of the airport	% passengers satisfied	96.1
Perception of the level of cleanliness in the terminal	% passengers satisfied	97.2
Perception of the cleanliness level and proper operation of the restrooms	% passengers satisfied	95.1
Perception of waiting time at check-in	% passengers satisfied	93.8
Overall perception of the security check service	% passengers satisfied	96.8

[31] *Source: ACI World - Airports Council International: Airport Service Quality - Survey Report. ACI World measures the quality perceived by passengers in over 300 airports worldwide. 32 different parameters of the perceived quality of the service are continuously monitored, regarding: Overall Satisfaction, Arrival at the airport, Check-In, Security, Border Control, Shopping/Dining, Gate Areas; Throughout the Airport; Airport Atmosphere. Founded in 1991, ACI is a non-profit organisation of airport authorities based in Montreal.*

[32] *In line with that defined by ENAC regarding the indicators to be published in the Service Charter, the time in 90% of cases is calculated considering the population expansion coefficients.*

TABLE 46 - Main Ciampino service quality indicators

CIAMPINO	UoM [2]	2023
Waiting in line at the check-in desk	Time in 90% of cases	10.3
Waiting time for carry-on baggage security checks	Time in 90% of cases	4.3
Reclaim of the last baggage from block-on	Time in 90% of cases	20.3
Punctuality at departure (flights departed with delays of less than 15 minutes)	% punctual flights over total departing flights	75.1
Overall perception of the regularity of the services received at the airport	% passengers satisfied	93.4
Perception of the overall comfort of the airport	% passengers satisfied	90.4
Perception of the level of cleanliness in the terminal	% passengers satisfied	93.9
Perception of the cleanliness level and proper operation of the restrooms	% passengers satisfied	93.9
Perception of waiting time at check-in	% passengers satisfied	96.4
Overall perception of the security check service	% passengers satisfied	94.0

Control of the quality of services on spaces under sub-concession

The strengthening of the process of management and control of spaces under sub-concession, with a view to sustainability, passes, as regards the continuous improvement system, through the active quarterly control plan to verify compliance of the behaviour of sub-concessionaires in their spaces and the state of conservation of the spaces (carried out through a planned system of inspections). In addition, specific controls are also carried out with reference to environmental issues on aspects shared with the specialist company department.

In 2023, the Commercial BU carried out four quarterly inspection campaigns on its sub-concessions, with the execution of 3,928 field inspections to verify aspects related mainly to the behaviour of the sub-concessionaire's personnel, safety in the workplace and environmental issues. No significant problems emerged and all the various "minor" non-conformities are managed as part of the continuous improvement process aimed at closing them definitively.

In 2023, the Health & Safety body carried out 196 inspections on the scope of commercial sub-concessions.

With reference to environmental issues, on the other hand, in 2023, 25 in-depth second-level audits were carried out within the commercial and real estate spaces under sub-concession, of which 14 audits relating to Retail and F&B activities.

In order to stimulate virtuous environmental behaviour by sub-concessionaires, ADR has developed an "Environmental Vademecum", which summarises the guidelines and good practices to be implemented in the spaces under sub-concession with reference to the environmental issues identified in the "Environmental Information Note", and shared it, in 2021, with all sub-concessionaires. Since 2022, the Environmental Vademecum is also attached to new F&B and Retail contracts.

On the other hand, as regards the quality of the service perceived by the passenger within the Retail and F&B

Main KPIs — Waiting time

WAITING TIME - FCO

4.26 min

Waiting time for carry-on baggage security checks

WAITING TIME - CIA

4.61 min

Waiting time for carry-on baggage security checks shops, this is measured through periodic visits carried out through Mystery Client companies that judge all aspects that influence the customer experience.

On a monthly basis, the results of the Mystery visits are shared with the Retailers to identify any corrective actions relating to visits that have received a negative rating. Together with the results of the individual visit, the Retailer also receives the ranking of the trend of the Mystery visits to all shops of the shopping gallery.

Service quality also involves monitoring compliance with contractual SLAs. In the food & beverage area, four parameters were included:

I. cash register time;
II. counter waiting time;
III. desk clearing time;
IV. table clearing time.

5.8.2 THE INITIATIVES

In line with past years and taking into account the new passenger needs, also in 2023 ADR is committed to identifying actions aimed at both improving the passenger experience at both of Rome's airports, made increasingly innovative and safe, and to maintain high levels of quality, with increasingly innovative and sustainable structures and services aimed at providing passengers with an excellent experience.

ADR's strategic line is focused on creating an increasingly smart and resilient airport that, thanks to the introduction of cutting-edge technologies, allows not only to reduce environmental impacts and to manage large volumes of passengers in a fluid, rapid and safe way through the automation of operating processes and the optimisation of resources, but also allows the passenger to enjoy a high-level Travel Experience, hyper-personalised based on needs and preferences and without interruption, from departure to arrival at destination.

FIUMICINO

Infrastructure works

In 2023, several infrastructure works were carried out at Fiumicino aimed at improving the passenger experience, which are shown below:

In the Airside area, in 2023 new spaces were released for passengers, in particular:

- the expansion of the Schengen area (known as "Piazza") with an additional portion equipped with iconic double-height LED wall columns with the aim of receiving in the central portion pages with information on flights and in the upper and lower portions communications to the passenger, seats equipped with charging sockets and work stations;
- pier A31-52 (former Pier B), inaugurated on 04/13 and operational from the following day, is an area of 22,000 m2, on two levels, equipped with 12 contact gates and 10 remote gates completely renovated and in line with the new and most modern aesthetic and design standards. All gates are equipped with LED wall monitors showing flight and destination information. The structure is Leed Gold certified [33].
  The area is also equipped with: seats with charging sockets; work areas; kids' corner, and smoking cabin; as well as additional passenger services and F&B points;
- the boarding area A21-27 (formerly AIC qt.2), completed in June and operational from 10/3 with 7 remote gates also equipped with LED walls on each gate showing flight and destination details;
- the expansion of the shopping arcade of the central section of boarding area "A" in the direction of boarding area A21-27. The commercial gallery culminates with a LED wall that shows updated flight information, designed to be equipped with an info desk for subsequent installation;
- the extension of the mezzanine floor of T1, inaugurated on 07/5, with the expansion of the F&B offer, and with the centralisation of the T1 lounges with respect to boarding area A;
- the additional portion of the baggage reclaim hall of T1 (05/3) with simultaneous provision to passengers of an additional 3 baggage reclaim belts, and subsequent expansion of the circulation area.

  In addition, the following airside installations were carried out:

- in the emigration passport control area (departures), the final border structure was released with the installation of an additional 12 new Egates dedicated to Third Country Nationals (TCN) passengers and 4 customs booths;
- in the T3 baggage reclaim area, 4 belts were made operational with a new configuration that facilitates the recovery of baggage by passengers. A pet area dedicated to arriving passengers has also been created in the reclaim room of Terminal 3;
- new F&B points have been made available in boarding area E31-44.

In the landside area, the following interventions were carried out in 2023 to provide service to passengers:

- in the check-in hall of T1, the passenger arrival gate dedicated to direct flights to the United States was expanded, both in terms of floor area and the number of X-ray machines available (increase of an additional control line);
- in the security check area for T3 direct flights to the United States and Israel, 11 lines with X-ray machines were released;
- in the arrivals area of T1, the so-called "Newton Room" is being installed, an area designed to welcome students and promote education on technical issues;
- In the check-in hall of T1 all the devices at the security checks are replaced with the innovative standard Eds C3, which allows tablets and computers, as well as liquids, even over 100ml, to be kept in the suitcase during checks, while in the T3 check-in hall, the replacement of security check machines has begun with the introduction of the innovative Eds C3 devices. In addition, starting from 03/26, two additional X-ray lines were installed;
- in the check-in hall of T3 the check-in desks have been released as follows:
  - release of the semi-island L (left side) with an increase of 19 desks (05.5);
  - release of island B with an increase of 24 desks (07/1);
  - release of island A with an increase of 24 desks (08/1);
- on the mezzanine floor of T3, the area of the airline ticket offices and the flight ID card office was renovated.

In the areas outside the terminals, the following interventions were carried out in 2023:

- creation of a Kiss & Go T1 departures car park, with a capacity of over 100 parking spaces, which provides free parking for 45 minutes, for the benefit of those accompanying passengers;
- renovation of the area dedicated to the bus terminal, in order to make it more identifiable and comfortable. To this end, further modernisation is underway through the construction of a new additional bathroom unit in the area.

Passenger and information services

In relation to the services offered to passengers with a view to improving their stay at the airport, small play corners were installed in the boarding areas A21-27 and E1-8 with diversified seats, in continuity with what was created for larger playgrounds in the 2022. 4 additional football tables were integrated: (i) in baggage reclaim T3; (ii) in the central airside area of boarding E; (iii) in boarding area A31-52; (iv) in boarding area A61-83; and were equipped with floor stickers in line with what has already been done at the baggage reclaim area of T1.

In order to make it easier for families with children to stay at the airport, pushchairs were purchased and made available to passengers free of charge. In addition, baggage carts were also introduced in the airside areas.

With a view to improving the passenger experience, some outdoor smoking areas have been introduced to limit the areas where passengers can smoke, in order to reduce unpleasant odours caused by smoking near the entrances of the terminals and improve the cleanliness and decorum of the common areas by circumscribing specific areas. Moreover, these areas are designed not only to offer comfort to smokers, but also to be sustain-

[33] The LEED® is a voluntary certification program that can be applied to any type of building (both commercial and residential) and concerns the entire life cycle of the building itself, from design to construction. LEED promotes a sustainability-oriented approach, recognising the performance of buildings in key sectors, such as energy and water saving, the reduction of CO2 emissions, the improvement of the ecological quality of the interiors, the materials and resources used, the design and the choice of site. Developed by the U.S. Green Building Council (USGBC), the system is based on assigning "credits" for each requirement. The sum of the credits constitutes the 4 levels of certification: basic, gold, silver, platinum.

able, thanks to installing small photovoltaic panels on the relative roofs for the departure areas exposed to sunlight.

Consistent with ADR's commitment to innovation, the usability perimeter of the indoor navigation web-app was expanded, mapping the arrivals and external areas, including the station, as well as the transit and terminating flows.

With a view to sustainability and with regard to passengers, 2 ITA Airways check-in desks were activated at the Fiumicino station ("FCO Connect" service) to encourage train-air intermodality. In addition, charging stations for electric cars located along the arrivals and departures roads were made available, at the Kiss & Go stalls, as well as inside the multi-storey car park B. Finally, the installation of drinking fountains inside Fiumicino airport was started.

Among the additional sources of entertainment, as well as cultural promotion, for passengers passing through Fiumicino airport, we can mention the exhibitions of various works of art that have been added to the installations already present. Specifically, the following were exhibited at the terminal:

- "Salvator Mundi" by Gian Lorenzo Bernini, from 04/12 to 08/31;
- Marcantonio's Whale, first 4 months of 2023;
- Marcantonio's "Rhino" from 09/12;
- "Vertigine" by Manuel Felisi, from December.

To improve the passenger experience of flights with non-Schengen destinations, in collaboration with the Ministry of the Interior and the State Police, it was possible to integrate the reading of the Italian Electronic Identity Cards (EIC) on the E-gates at the borders, in emigration to selected destinations, and in immigration (arrivals) without restrictions on the country of origin.

In addition, in order to facilitate transit passengers with short connections, a last call lane has been implemented at the emigration border (departures), which can be used by passengers with flights about to take off, which reduces waiting times during emigration.

PRM Passengers

Great attention and care are dedicated in particular to passengers with reduced mobility (PRM) so as to guarantee maximum comfort and use of the services offered in the terminals, for whom ADR Assistance has provided its staff with motorised wheelchairs and is currently testing a service for the provision of wheelchairs for free use by passengers in the Schengen area. With a view to continuous innovation, ADR and ADR Assistance are testing self-driving motorised wheelchairs. In addition, the layouts of the PRM reception areas were redesigned, in order to make them more pleasant, comfortable and recognisable.

CIAMPINO

For the Ciampino airport, a series of activities were implemented aimed at increasing the level of passenger services and aligning the airport with ADR's best practices. Among these activities, the enabling of e-gates to read electronic identity cards for Italian citizens both in emigration (only to selected destinations) and in immigration for all flights arriving from 11/22, with the simultaneous integration of both horizontal and vertical signage, the harmonisation of content on digital assets.

In addition, in order to improve the passenger experience: the installation of fragrance systems at the terminal bathroom units was completed; work has been carried out to replace the flooring in the check-in area and work is underway to replace the flooring in the additional landside terminal areas.

5.9 Ecosystem

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

In responding to this need, the ADR Group, through its business, significantly contributes to the Italian System, generating wealth directly and stimulating the productivity of third parties, directly or indirectly linked to the Group's operations, together with the protection and development of the territory and the numerous cultural initiatives launched.

5.9.1 SOCIO-ECONOMIC IMPACT OF ADR

The value generated and distributed to Stakeholders

ADR shares the economic value generated with its Stakeholders. The quantification of the value generated, distributed and withheld is made possible by the reclassification of the income statement [34].

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

- operating costs for the consumption of raw materials and consumables, costs for services and costs for the use of third-party assets represent the wealth distributed to suppliers;
- wages and benefits for employees correspond to the remuneration of employees;
- taxes, duties and penalties are value for the State and the Public Administration, as are the concession fees distributed to the Grantor;
- donations to charities, NGOs and research institutes bring wealth to the community;
- financial expense, net of exchange gains, constitute the remuneration of lenders.

Compared to the previous year, the value generated and distributed increased (by 38% and 49%, respectively), also with reference to the recovery of passenger traffic volumes.

TABLE 47 - Economic value generated and distributed by the ADR Group

VALUE COMPONENT	UoM	2023	2022	2021
Economic value generated	€/000	921,996	666,959	529,240
Economic value distributed	€/000	644,462	432,895	264,810
Remuneration of suppliers [35]	€/000	182,694	163,097	123,301
Employee remuneration	€/000	198,748	173,572	121,434
Remuneration of lenders [36]	€/000	147,511	68,201	62,923
Remuneration of the public administration	€/000	115,126	27,992	-42,856
Remuneration of the community	€/000	382	33	8
Economic value retained	€/000	277,534	234,064	264,430

[34] *It should be noted that the "Economic Value Generated" does not include revenue from construction services. This revenue, according to the IFRIC 12 accounting model, represents the consideration for the construction services of self-financed works and are measured at fair value, determined on the basis of the total costs incurred (essentially external costs). For the sake of consistency, the related costs for construction services were not included in the "Economic Value Distributed", also with reference to labour costs. The economic value retained is calculated as the difference between the value generated and the value distributed.*

[35] *Note that this remuneration refers only to supplies for the financial year. Capital account investments are therefore excluded.*

[36] *Includes the distribution of an advance on dividends for 2023 to shareholders.*

The direct, indirect and induced impact of ADR

Airports are essential elements of national, regional and local economic development policy as they represent an important competitive advantage to promote an area. An airport is certainly a development engine for the economy of the surrounding area, not only in terms related to transport activities, but above all for the entire economic system.

In 2023, ADR carried out an impact analysis to assess, in economic and employment terms, the effects produced by the presence of Fiumicino and Ciampino airports on the territorial, local and national system.

Two aspects were focused on:

- Measurement of the effects currently produced by the set of services present at Fiumicino and Ciampino airports, considering all private companies and public activities present in the grounds and, if external, directly connected with the activities of the airports;
- Analysis of the effects generated by tourism due to the presence of airports.

The analysis focused on sectoral interdependencies to assess the economic impacts linked to the presence of Rome's airports at local and national level, using the Input-Output model. By applying this approach and using ISTAT Input-Output tables relating to the Italian economy, the analysis examines the production interactions between the various sectors related to airport activities. Three types of impact are identified - direct, indirect and induced - generated by the activities of Fiumicino and Ciampino airports. The direct impacts derive from direct purchases linked to managing airports and air transport services. Indirect impacts are generated through the supply chain upstream of direct activities. The impacts induced are determined by the income-consumption circuit triggered by direct and indirect impacts. In addition to these "core" effects, the study includes an analysis of the catalytic impact, focused on the quantitative assessment of the effects in the tourism and trade sector associated with the presence of Rome's airports.

The study is based on an "impact vector", which was constructed starting from estimating the job positions directly associated with the presence of Rome's airports. It was possible to carry out various sector-specific analyses, for example by verifying the dynamics linked to the productivity of the air transport sector in light of the crisis caused by the COVID-19 pandemic, with the consequent employment repercussions.

Overall, the effects related to the core activities translate into more than 30 billion euros of production and 13 billion euros of added value generated by related activities at airports (direct, indirect and induced impacts). The set of On-Site and Off-Site activities, but functionally connected to the presence of the Fiumicino and Ciampino airports, activates a total of more than 160,000 job positions (direct, indirect, induced).

As for the core business, it was possible to measure the effects produced by tourism generated thanks to the presence of the airports, obtaining an added value of approximately 12 billion euros in 2023, of which 32% activated directly, 22.7% indirectly and 45.3% induced. In total, over 225 thousand jobs are generated by foreign tourists using Fiumicino and Ciampino to visit Italy, most of which are related to the tourism and catering sector (over 92 thousand employees).

Overall, the effects deriving from the core business and tourism generate a total production value in Italy of 55 billion euros and an added value of 24.5 billion euros, of which 32.3% of the direct type, 24.2% indirect, and 43.5% induced. Given the core functions of airports, the main sectors activated are transport and tourism, which together account for more than 34% of the total added value. It is estimated that the direct added value activated by the presence of Rome's airports, equal to 7.9 billion euros, is worth 4.1% of the Added Value of the Lazio Region's GDP.

Main KPIs — Impact

24,509,328	Total Added Value generated (€/000)
388,183	Total employment generated by ADR (No.)

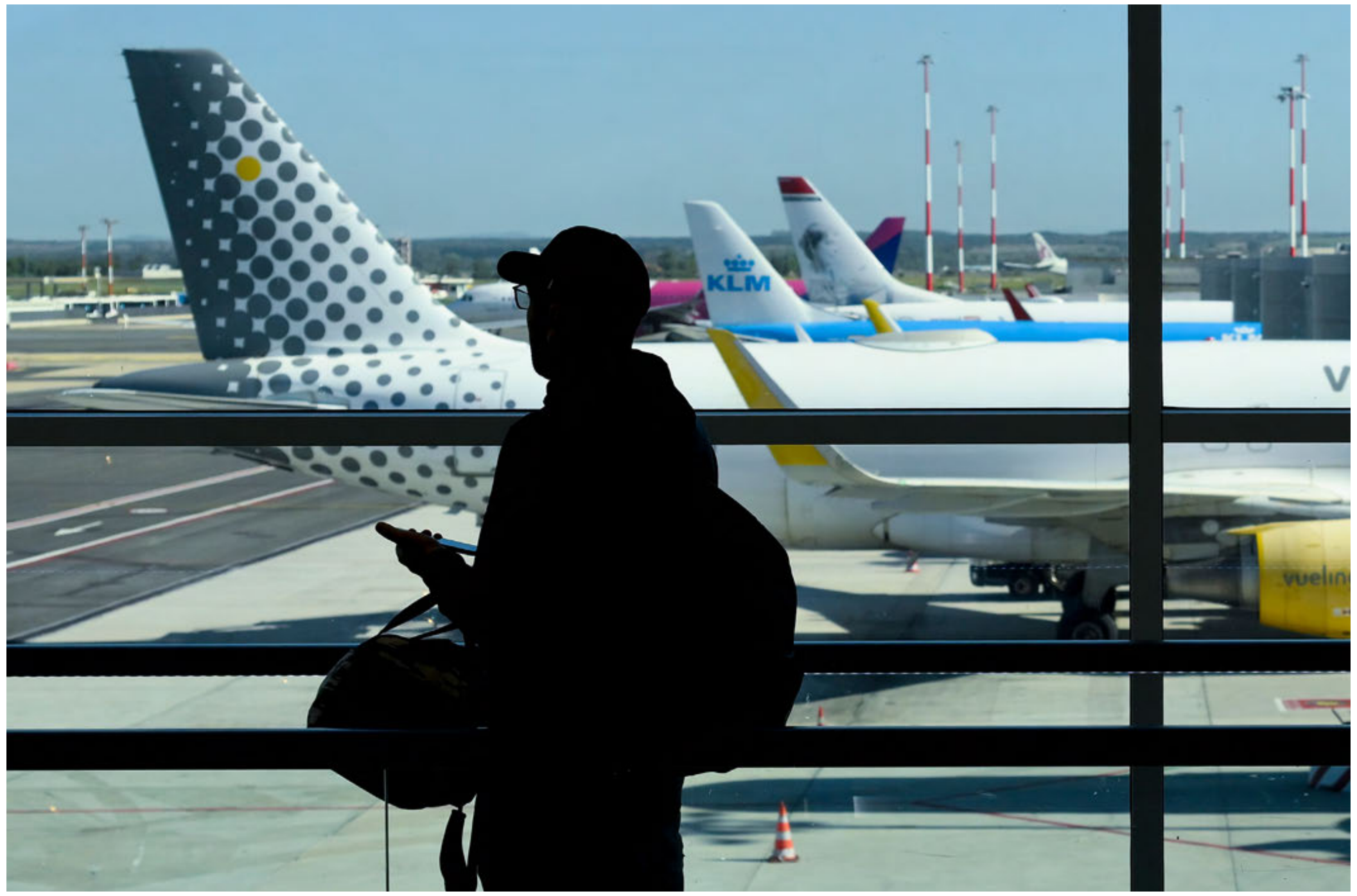
TABLE 48 - Total Added Value generated by Rome's airports in 2023

(Thousands of euros)	Direct	Indirect	Induced	Total	% weight
Agriculture	0	256,634	316,774	**573,407**	2.3%
Industry	76,058	1,203,151	1,426,564	**2,705,773**	11.0%
Construction	7,222	124,361	146,547	**278,130**	1.1%
Trade	705,792	592,938	1,728,992	**3,027,722**	12.4%
Transport-logistics	3,519,093	467,052	618,291	**4,604,436**	18.8%
Tourism-catering	2,670,303	427,376	790,171	**3,887,851**	15.9%
Business services	101,758	1,722,177	1,594,803	**3,418,738**	14%
Residential services	10,676	628,563	2,812,405	**3,451,643**	14.1%
Personal services	823,781	516,953	1,220,895	**2,561,629**	10.5%
Total	**7,914,684**	**5,939,204**	**10,655,440**	**24,509,328**	**100.0%**

The presence of Roman airports also makes it possible to activate more than 388 thousand job positions, of which 32.4% directly and 24% indirectly through the supply chain and the remainder by activating the income-consumption circuit. These values are also the result of a return to pre-Covid employment at Fiumicino airport, while for Ciampino airport it is affected by Ministerial Decree 345/2018 for the noise abatement in the airport area, which imposed a reduction in commercial movements, from 100 movements per day to 65.

TABLE 49 - Employment generated by Aeroporti di Roma in 2023 (positions)

(Positions — headcount)	Direct	Indirect	Induced	Total	% weight
Agriculture	0	10,624	13,148	**23,772**	6.1%
Industry	917	12,788	13,842	**27,548**	7.1%
Construction	150	2,583	3,044	**5,777**	1.5%
Trade	16,731	9,419	33,345	**59,496**	15.3%
Transport-logistics	16,505	6,857	9,259	**32,620**	8.4%
Tourism-catering	80,445	11,687	23,700	**115,832**	29.8%
Business services	2,439	30,063	23,493	**55,995**	14.4%
Residential services	15	883	3,951	**4,850**	1.3%
Personal services	8,501	9,502	44,290	**62,294**	16.1%
Total	**125,703**	**94,407**	**168,073**	**388,183**	**100.0%**



5.9.2 SUPPLY CHAIN

The centrality of ESG and Service Quality issues ensures that ADR is constantly engaged in proactive and profitable management of its suppliers, with the aim of supporting and guiding them along the path of improving their ESG footprint, without prejudice to strict compliance with the Group's quality and ethical standards.

In this regard, ADR's guiding principles and the basic values expected from suppliers are:

- selection procedures, conducted on the basis of clear elements related to the key aspects of supply (e.g. technical specifications, price, quality, delivery times, etc.) and aimed at encouraging free competition as well as compliance with transparency and advertising;
- the alignment of the conditions or restrictions of access to the selection procedures, as well as any contractual penalties to the non-discrimination and proportionality criteria, with respect to the value of the contract and the specific company interest;
- the construction of relationships based on the principles of integrity, ethics and honesty: rules and procedures are applied in line with best practices, whose objective is full compliance with applicable regulations;
- sustainability, through the periodic assessment of supplier performance and the incentive for virtuous behaviour, with a clear communication of company priorities in this regard. Where possible, the development of the local community is encouraged, while assessing and managing the supply chain risks;
- the expectation of the highest standards in terms of occupational health and safety, communicating all useful information to ensure adequate management. ADR's contractual standards provide for specific penalties to punish any non-compliance in this regard, if identified;
- the incentive for innovation, both by stimulating the evolution and improvement of the current products and services provided to ADR and through constant market scouting, aimed at identifying the best solutions and innovative companies.

Reference context

As a "Contracting Entity", ADR is required to comply with public procedures for the conclusion of contracts that are instrumental from a functional point of view to the activities referred to in Article 150 of the Public Contract Code (Italian Legislative Decree 36/2023, hereinafter "Contract Code"). On the other hand, all contracts that are not instrumental from a functional point of view to the activity of exploitation of geographical areas for making them available to airports are excluded from public tender procedures and can be freely assigned, without any formality or constraint.

This context determines the need to adopt a line of conduct towards its suppliers and a rigorous selection standard in line with current regulations and industry best practices. Therefore, to manage both purchases (tenders for goods, services and works) and the supplier registration and qualification process, ADR adopts an e-procurement platform, which allows suppliers to manage the qualification process to enroll with the Register of Suppliers, ensuring advantages for both parties in terms of transparency and efficiency of the process. In 2023, among the innovation projects in the Supply Chain, ADR launched the design of a support and development programme, in the ESG field, of its supplier pool in order to provide an incentive and support system to improve the performance on these aspects.

Procurement process

ADR's procurement process is divided into 4 macro-phases:

1. Scouting
Together with the usual Scouting activities, in 2023 ADR continued along the path undertaken in 2022, of assessing the ESG rating of its supplier pool. In 2024, both the continuous monitoring process and the assessment of additional standards to be adopted will continue.

2. Negotiation and credit facilities
During the negotiation of the credit facilities, ADR introduced, in each supply contract, specific acceptance clauses from the Code of Ethics and the Anti-Corruption Policy, non-compliance with which constitutes a serious breach of contractual obligations, and specific penalties related to environmental sustainability and Health & Safety issues.

In continuity with 2022, in the tenders awarded on the basis of the most economically advantageous bid (EPV), evaluation criteria are included on Sustainability issues (e.g.: 1) gender equality (Women's Empowerment Principles); 2) Decarbonisation), which constitute a distinctive reward element for the best-performing competitors.

During 2023, the tender award criteria were updated in line with the double materiality analysis. Therefore, from 2024, in the tenders awarded on the basis of the most economically advantageous bid (EPV), new criteria will be used to evaluate competitors in the Environmental (Decarbonisation, Waste and Circular Economy), Social (H&S, DE&I, welfare, and local communities) and Governance (Organisation, Reporting, Communication and Sustainable Procurement).

3. Execution of the contract
ADR uses the "Performance Vendor Rating" tool to assess the commercial (prompt responses, competitiveness) and technical aspects (quality, reliability, punctuality) of the suppliers assigned an order. This tool, together with the "Qualification Vendor Rating", is one of the fundamental elements for identifying the best suppliers to be invited to tenders (Vendor List).

In 2021 ADR also launched a study aimed at increasing the information set relating to the Group's suppliers, integrating the assessments deriving from the audits and checks carried out by the various company departments. Following this study, in 2022 ADR introduced a specific control of the legal compliance of the supplier and its level of supervision with regard to environmental, social and ethical issues.

Main KPIs — Supply

340	ADR Group suppliers assessed/qualified according to sustainability criteria (No.)
96%	Italy supply expenses

In addition, in 2023 experimentation with the "Patente a punti" (point-based licence) project continued which, based on the Health & Safety audits carried out, integrates the results into the assessment of the supplier's performance during the contract.

4. Follow up
The follow-up stems from the desire to constantly improve the supply chain and is structured through Sustainability Audits across a range of suppliers identified on the basis of the following criteria:

- product category;
- economic value of orders in the previous year;
- assessment of the certifications obtained by the supplier;
- assessment by means of a Supplier Register questionnaire.

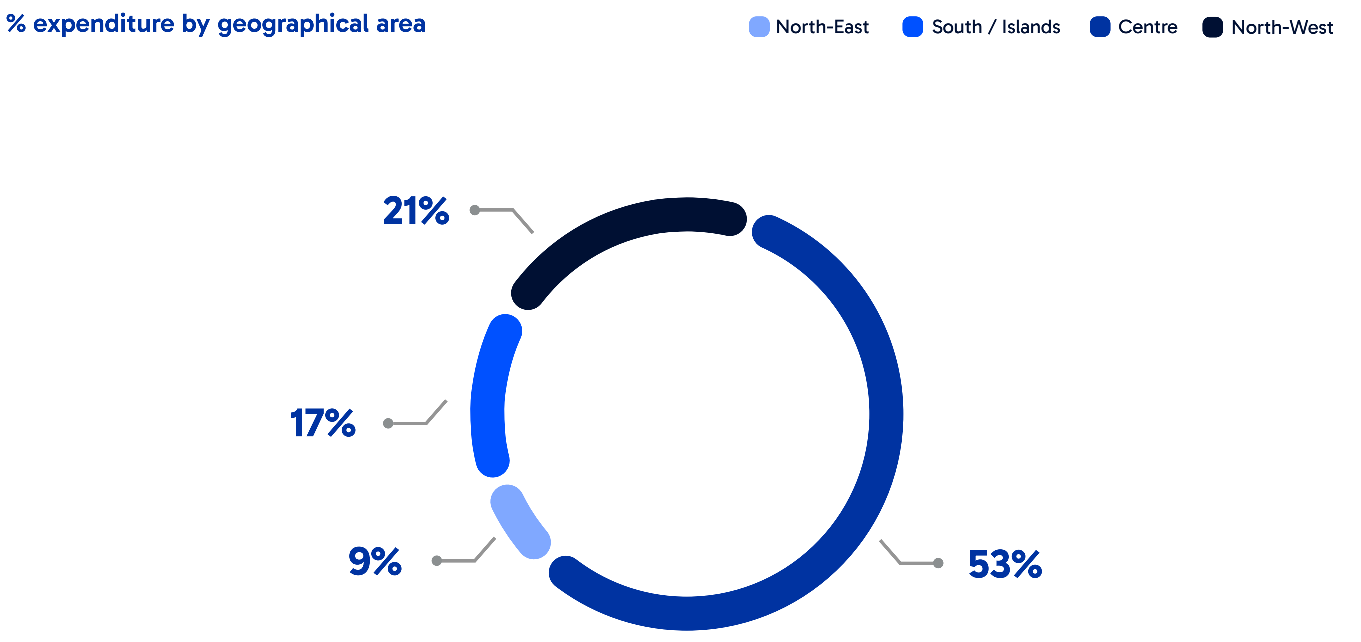
During 2023, 26 ESG assessments were carried out on the sustainability of critical suppliers. For 2024 ADR aims to involve a cluster of suppliers in the support and development programme on ESG issues.

Impact generated on the supply chain

During 2023, ADR analysed the socio-economic impacts generated through its activities on suppliers located in the national territory. The impact assessments are based on the analysis of the ADR Group's supply chain, activated by orders from Italian suppliers.

The operating and capital expenditure of the ADR Group, excluding infragroup items, amounted to 540 million euros in 2023 and was 88% incurred by ADR S.p.A. and 12% by the subsidiaries that fall within the scope of the study[37]. In particular, 289 million euros of the orders were spent[38] in Central Italy (of which 94% in Lazio), 112 million euros in the North-West (of which 86% in Lombardy), 90 million euros in the South and on the Islands (of which 40% in Abruzzo) and 49 million euros in the North-East (of which 48% in Veneto).

GRAPH 13 - Distribution of spending on suppliers of the ADR Group broken down by Italian region



The ADR Group, through its 540 million euros in operating and capital expenditure, involved 1,079 suppliers in Italy. More specifically, as evidence of how the business of the Group companies promotes the economic fabric of small and medium-sized enterprises, around 80% of suppliers can be classified in this category.

5.9.3 PROTECTION AND DEVELOPMENT OF THE TERRITORY AND LOCAL COMMUNITIES

ADR aims to protect and support the territory, contributing to safeguarding its environmental integrity and promoting the social and environmental development of the areas in which the airports of the capital are located. The table below shows the most significant activities in 2023.

TABLE 50 - Initiatives of the ADR Group for the protection and development of the territory

SOCIAL AND ENVIRONMENTAL PROTECTION AND DEVELOPMENT
• development of projects related to redevelopment and environmental protection; • definition of projects related to accessibility and local roads; • launch of projects with local schools; • launch of campaigns dedicated to the inclusion and enhancement of the uniqueness of people; • initiatives focused on art, culture and environmental awareness; • development and launch of listening activities for the relevant local communities (Fiumicino and Ciampino) through digital tools (surveys/adv) and grassroots campaigns in the area.

The ADR Group's commitment to local businesses and to Rome, Fiumicino and Ciampino, the cities where the airports are located and with which ADR maintains an active and constant dialogue, is demonstrated by significant initiatives carried out in various areas.

With regard to the fruitful dialogue between ADR and the local institutions, following the election at the end of May, a positive discussion was established with the new mayor and the main councillors of the new council of the Municipality of Fiumicino, on issues of particular interest to the territory, while the positive interaction with the Municipality of Ciampino continued regarding the numerous actions carried out by ADR as part of implementing the Airport Noise Containment and Abatement Plan and on the development of joint activities dedicated to young people and the territory, as well as in the context of social and environmental sustainability.

[37] The subsidiaries considered are the following: ADR Infrastrutture S.p.A., ADR Tel S.p.A., Leonardo Energia S.r.l., ADR Mobility S.r.l., ADR Security S.r.l., Airport Cleaning S.r.l., ADR Ingegneria S.p.A., ADR Assistance S.r.l.

[38] The breakdown of ADR Group expenditure by region is based on the geographical location of the operating headquarters of the suppliers activated by the Group companies or, if not available, on the legal headquarters.

TABLE 51 - Initiatives of the ADR Group for the protection and development of local communities

PROTECTION AND DEVELOPMENT OF LOCAL COMMUNITIES

- Development of the project linked to the creation of the new cycle path, which will bring benefits to the area both in terms of accessibility and sustainability;
- drafting of specific planting and environmental redevelopment projects relating to two public parks, located respectively in the Municipalities of Fiumicino and Ciampino, identified in close collaboration with the administrations, in which, thanks to the collaboration between ADR and LS Travel Retail Roma S.r.l., these interventions will be carried out to the full benefit of local communities;
- collaboration with the Administration of the Municipality of Fiumicino to launch projects aimed at local schools: among these, the active participation of ADR in the "Science of the Sky" thematic section, the first aeronautical section for a middle school class, to which ADR offered the possibility of thematic visits to the airport and introductory lessons on the world of air transport;
- further initiatives dedicated to young people and the local area: among these, the "Outdoor Educational" project in collaboration with Fondazione Benetton and Maccarese S.p.A., which saw the total participation of around 2,250 children and young people, receiving positive feedback from schools; organisation of a visit to the Ciampino "G.B. Pastine" airport of a local primary school; meeting for the aeronautical institute "Salvo D'Acquisto" in Bracciano, with a tour of the APOC hall of Fiumicino "Leonardo da Vinci" airport; organisation and implementation in favour of local citizens of numerous guided tours at the "Leonardo Da Vinci" airport on the occasion of the exhibition of the Salvator Mundi work by Bernini;
- dissemination of the values of sport and inclusion: in 2023 ADR started a collaboration with A.S.D. FUTSAL 1926 Fiumicino, sponsoring the football team and giving the opportunity to less well-off families to register their children for free. Again in the football field, ADR sponsored the A.S.D. FUTSAL Ciampino team;
- ADR supported the launch in the port of Fiumicino of the waste recovery campaigns from the sea organised by OGYRE, called "Fishing For Litter" through which the fishermen go out to sea and collect everything that remains entangled in their nets or that they find during their journey. Subsequently, they return to land and, thanks to local partners, the waste they have collected is properly disposed of;
- donations to the benefit of the territory (e.g. interventions to support the activity carried out by a local non-profit organisation for people with disabilities and/or subjects with social adaptation problems and donation of uncollected Christmas gifts by employees);
- fruitful continuation of the relationship with a local non-profit organisation, previously recipient of donations, through a visit to the airport dedicated to the disabled and their families;
- strengthening dialogue with local institutions to contribute to or initiate new projects related to equality and gender equality issues;
- "Vite in Transito" project, a collaboration between ADR, the Parish of Santa Maria degli Angeli at Fiumicino Airport and Caritas Diocesana di Roma-Porto Santa Rufina. This is an assistance service for homeless people present at the airport. The agreement allows the "homeless" stationing at the airport to receive support aimed at welcoming them and integrating them into society, restoring their self-respect, improving their living conditions and facilitating, when possible, the re-establishment of family and social relations. Since 2016, just under 400 homeless people have benefited from the effectiveness of the project, receiving the necessary assistance.

Inclusion

During 2023, ADR implemented a series of actions aimed at strengthening the communication of its vision with respect to inclusion and gender equality issues.

TABLE 52 - Initiatives of the ADR Group for inclusion and gender equality

INCLUSION AND GENDER EQUALITY

- Enhancement of the "ad hoc" logo for Pride month, dedicated to social inclusion, in June 2023;
- As part of its strategy to promote the values of inclusion and equality and respect for diversity, on September 20, Fiumicino airport hosted, in the boarding area A of Terminal 1, the Compagnia Stabile del Teatro Patologico, which brought to the stage 10 artists with mental disabilities who performed Euripides' "Medea", in ancient Greek. The collaboration with the Association also includes the organisation of new exhibitions at Fiumicino airport and activities involving local schools to stimulate reflection among young people, bringing them closer to these issues and promoting a greater understanding of the challenges faced by people with mental and physical disabilities;
- "#RedSuitcase è per tutti!" campaign. With the aim of implementing concrete actions on the occasion of the International Day for the elimination of violence against women, ADR launched the "#RedSuitcase è per tutti!" campaign on its social channels. A collective invitation that ADR wanted to address to passengers and air transport staff.

ADR for culture

With the aim of measuring the positive externalities generated by the cultural initiatives proposed at the airport, the Company launched a pilot project to assess the impact of the main projects carried out in 2023 and mentioned below. To do this, the Culture|2030 Indicators, the UNESCO indicators whose purpose is to measure and monitor the progress of culture's contribution to the national and local implementation of the 2030 Agenda Goals and Targets, were taken as a reference. In particular, the framework assesses both the role of culture as a sector of activity, and the transversal contribution of culture to the different SDGs, in a conceptual framework of four transversal areas Environment and resilience, impacts on Economic well-being, contribution to Knowledge and skills, culture as a lever for Inclusion and participation.

By examining the main initiatives carried out in 2023, inspired by the UNESCO framework, summary indicators were developed that encapsulate the enhancement of the economic, social and environmental impacts of the cultural projects supported by Aeroporti di Roma and whose most important results are illustrated below.

MAIN INDICATORS OF CULTURAL IMPACT

• 8 Cultural Partners/Sponsors • 17 Suppliers involved for the projects analysed	• Approximately 3,000 hours of project organisation • Around 570 thousand impressions on Social Media and over 220 press/media releases	• Around 26.6 million participants/visitors • 47% Tourists/visitors from other countries • 8 visits dedicated to schools and groups

TABLE 53 - ADR Group initiatives for the promotion and enhancement of cultural heritage

Ostia Antica Archaeological Park

For several years, ADR has been committed to promoting and enhancing the internationally recognised artistic heritage of the Ostia Antica Archaeological Park, strategically located nearby Fiumicino Airport. The airport spaces host exhibitions of original artifacts from the Park and the last exhibition, entitled "Men and Gods in Ancient Ostia" was inaugurated at the opening of the new Pier A. In addition, exhibits from "The images of Time. Roman art and the flow of the seasons" are still on display in boarding area E.

Colosseum Archaeological Park

For the promotion of the immense archaeological heritage of the Colosseum Park, collaboration was also confirmed for 2023, in particular for the promotion of the summer initiative "Venus in music".

Religious Buildings Fund - Ministry of the Interior

Thanks to the collaboration with the Religious Buildings Fund - Ministry of the Interior, it was possible to host, between April and August 2023, at the Rome Fiumicino airport, the Salvator Mundi (1679), the last work signed by Giovan Lorenzo Bernini. During the exhibition period, over 6 million visitors were able to admire the work created by the baroque master. ADR also ensured visibility of the project "In Voyage with Bernini" promoted on its spaces dedicated to institutional communication.

Santa Cecilia National Academy

With the sponsorship agreement entered into with ANSC (Santa Cecilia National Academy), ADR intends to support the artistic activities of the Foundation for the year 2023, acquiring the status of Sponsor, to promote the culture and values of art and music, in line with its principles and values companies. To enrich the experience of travellers and make the airport an increasingly evocative place and a space of fusion, as part of the partnership, ADR has promoted 5 exhibitions at the Fiumicino airport of ANSC artists. Furthermore, on November 30, ADR organised an institutional event at the Auditorium Parco della Musica.

“Deti” by Marco Lodola

The thousands of passengers who pass through Fiumicino airport every day can admire the work Deti, donated in 2022 by artist Marco Lodola on the occasion of the inauguration of the new boarding area A, installed near the “Piazza” of T1. The light installation is also a tribute to Pablo Picasso’s famous dove and the colours of the peace flag. This is a project that ADR has embraced, reserving a central place for this work, with the intention of inviting each of us to accept others, to share our journey and expand our horizons, overcoming our own limits.

Rome Opera House

ADR supported the artistic activities of the Opera and Ballet Season and the 2023 Summer Season of the Rome Opera House in order to promote the culture and values of art and music.
As part of the agreement, in view of the visibility given to the artistic calendar of the season, an institutional networking event was organised on the occasion of the performance of “Cinderella”, a ballet in three acts choreographed and directed by Rudolf Nureyev, hosted at the Baths of Caracalla. In addition, within the spaces of Fiumicino airport, the Foundation organised four concerts involving the Fabbrica Young Artist Programme, the Cantoria and the Choir of White Voices attached to the Rome Opera House.

Cinema per Roma Foundation

ADR, which has always been attentive to appreciate Italy’s film heritage, decided to support the Cinema per Roma Foundation for the Rome International Film Festival, now in its 18th edition as a technical sponsor in barter mode.

RAI Cinema

ADR renews its partnership with RAI Cinema also for the year 2023, so as to be able to offer the Italian film cultural heritage an opportunity for visibility and dissemination of its content. On November 14, ADR hosted the private screening of the movie “Diabolik - Chi sei” at Terminal 5 exclusively.

Science Festival - Fondazione Musica per Roma

ADR participated as a partner in the activity produced by the Fondazione Musica per Roma “Festival delle Scienze di Roma 2023”. During this 18th edition dedicated to the importance of imagination and science to achieve new goals in the field of innovation, in front of an audience of high school students, the Chief Executive Officer presented the main innovations and progress achieved by ADR in the field of innovation.

“Natural Reaction” and “La Grande Anima” by Marcantonio Malerba

Ancient and contemporary world find space and merge in the spaces of Leonardo da Vinci. Several contemporary works and installations were exhibited at the Rome Fiumicino airport during 2023, able to draw attention and raise awareness among the general public on crucial issues for ADR’s development strategy such as sustainability and environmental protection: this is the case of the two works created by the artist and designer Marcantonio Malerba, “Natural Reaction” and “La Grande Anima”; the first, depicting a life-sized white rhinoceros, is a clear cry of alarm with respect to animal species in danger of extinction, but also evidence of ADR’s commitment to the fight against the illegal trafficking of wild animals; the second, exhibited between January and April 2023, through the reproduction of the skeleton of a whale in original size invites observers to reflect on the responsibility of human beings for the fate of the natural world.

“Vertigine” by Manuel Felisi

Travel and nature are at the centre of the two installations, Vertigine, designed by the Milanese artist Manuel Felisi, and exhibited at the new boarding area A of Terminal 1. The works, positioned opposite each other, are composed of many small canvases, worked with mixed media, on which images of trees, portraits without leaves and reaching towards the sky are reproduced at two different times, in the morning and in the evening.

“Moving Data” by Davide Asker & WOA Creative Company

Pier A of Terminal 1 of Fiumicino airport hosted the interactive Data Art installation “Moving Data” aimed at raising awareness on sustainable travel. It is an interactive cube that the ultimate Parent, Mundys, wanted to create and make available to travellers to communicate data and targets of the Group in terms of sustainability, transforming them into an engaging visual experience for passengers.

During 2023, ADR supported numerous campaigns promoted by Institutions, Bodies, Associations, National Sports Federations and its international partner organisations on its channels dedicated to institutional communication, aimed at raising awareness among the general public in support of enhancing Italy’s cultural and artistic heritage, as well as in encouraging the dissemination of social values and sport. These include:

TABLE 54 - ADR Group initiatives for the promotion of cultural, social and institutional initiatives

Roma Europa Festival

Now in its 38th edition and organised by the Romaeuropa Foundation, one of the most prestigious institutions in Italy and Europe, for the promotion and dissemination of art, theatre, dance and contemporary music.

Privacy Authority: “Finally some privacy”

In line with its corporate values, ADR hosted on its institutional channels the awareness campaign of the Garante per la Protezione dei dati personali (Italian Data Protection Authority), for the protection of data and the risks associated with the misuse of online devices, and in particular to promote greater awareness of issues such as cyberbullying.

Ministry of Tourism

Support for the “Italia. Open to Meraviglia” campaign of the Ministry of Tourism aimed at promoting Italian tourist destinations on its institutional communication channels.

World Food Programme

“SharetheMeal” Support for the campaign to raise awareness of the fight against hunger in the world through the “ShareTheMeal” app, the United Nations Agency’s crowdfunding system to donate meals to the poorest populations.

INDA Foundation - Syracuse Theatre

ADR supported the great artistic and cultural heritage of the Inda Foundation of the Theatre of Syracuse, disseminating, through the digital circuit “Digiwelcome”, the calendar of the 58th Season of classical performances scheduled at the Greek Theatre of Syracuse.

Rome Expo 2030 Candidacy Promoter Committee

ADR, committed to promoting Italian cultural and artistic heritage and excellence, as well as supporting the country, has supported the Candidacy of Rome for the 2030 Universal Exposition, through its own communication media.

Customs and Monopoly Office of Sardinia

Campaign to protect the environment and aimed at raising awareness among travellers on the issue of safeguarding and, in particular, on combating a phenomenon, that of removing sand, pebbles, shells and other natural materials from the beaches of Sardinia and their places of origin.

Italian Multiple Sclerosis Association

During 2023, ADR supported the campaigns launched by AISM “Portraits” and “La Mela” aimed at informing and raising public awareness on the symptoms of multiple sclerosis.

Lastly, ADR is committed to disseminating cultural/institutional messages free of charge on its digital systems in favour of institutions and law enforcement agencies, non-profit organisations and international organisations with humanitarian purposes including, for example, the FAO for the World Day of nutrition and Komen for the campaign dedicated to the prevention of breast cancer.

ADR for sports culture

In order to promote the culture and values of sport, ADR worked to strengthen and expand the network of synergies also in the field of sports with the following collaboration:

TABLE 55 - ADR Group initiatives for the promotion of sports culture

Federugby

With a view to promoting sport and social values, in 2023 ADR and the Italian Rugby Federation renewed their partnership aimed at supporting the most important “6 Nations” rugby championship, which also involves the Italian national team.

5.9.4 PARTNERSHIP PROGRAMMES

TABLE 56 - ADR Group's 2023 industrial partnerships

Enel

The agreement continues between Enel Italia and ADR, signed in 2021, with the aim of identifying innovative digital solutions, and developing a network based on shared projects and ideas. In this context, ADR and Enel act as a reference player in the field of "open innovation", making use not only of international partnerships, but also of the skills developed internally. Both ADR and Enel are committed to promoting the use of digital technologies to enable smart and sustainable growth and to make innovation and technology instruments for the country's economic and social growth.

Leonardo

Leonardo and ADR signed a partnership for the development of joint initiatives to promote the transition of the airport assets managed by ADR into a "smart hub". The guidelines of the agreement concern the creation of solutions and services in the field of cybersecurity, surveillance, monitoring, communication and decision support systems dedicated to critical infrastructures, with particular reference to the development requirements of ground infrastructures and air traffic control.

Eni

Eni and ADR signed a strategic agreement in 2021, which was renewed in 2023, to promote decarbonisation initiatives in the aviation sector and accelerate the environmental transition process of airports. The agreement provides for the development of decarbonisation and digitalisation projects to facilitate the transition to a "smart hub" of the airports managed by ADR. In particular, the agreement has allowed the introduction of sustainable aviation fuels (SAF) and for ground handling (HVO - Hydrotreated Vegetable Oil), which allow for a reduction in CO2 emissions compared to fossil fuels.

PwC

The agreement, which is part of ADR's Sustainability and Innovation strategy, is aimed at enhancing, on the one hand, the skills and capabilities in the operations and commercial area that the ADR Group has developed over the years - certified by the international awards achieved - and, on the other, the technical-professional skills of PwC in Italy and its specialist network at the international level. The Partnership takes up several successful cases at the international level and is mainly characterised by three distinguishing features:

- development of ADR's Innovation Hub and innovation ecosystem;
- entry into the capital of the start-up by ADR in a unique strategic Corporate Venture Capital model;
- an alliance between an industrial leader and a global player in management consulting to promote the commercial development of the extensive industrial know-how ADR has gained over the years.

Hera

The protocol signed with the Hera Group, one of the main multi-utilities in Italy, was created to evaluate joint initiatives targeting sustainability and a circular approach to the management of Fiumicino and Ciampino airports. The areas of intervention of the agreement concern the management of waste, treatment of waste water in the airport purification plant and optimisation of the management of water networks.

Terna

The focus of the agreement between Terna and ADR is the sharing of skills and know-how in the fields of electric mobility, energy management systems, energy efficiency and maintenance of electrical systems. This discussion could lead to operational agreements to accelerate the transformation of Fiumicino and Ciampino airports into smart energy hubs, thanks to the experiences proposed by Terna and the optimisation of airport processes implemented by ADR.

Ferrovie dello Stato (National Railways)

The agreement signed with Ferrovie dello Stato Italiane aims to develop sustainable intermodality and the integration between train and plane and aims to strengthen direct high-speed connection services between Fiumicino Airport with the main Italian cities (Naples/Florence/Bologna/Pisa, etc.). In particular, there is a desire to develop integrated train+air products through the implementation of commercial agreements with air carriers at Fiumicino to integrate sales and distribution systems, also with the possibility of carrying out baggage check-in and drop-off operations directly at the station. The agreement also includes, as part of the Urban Air Mobility, the design and construction of a vertiport on the parking area of the Termini Station in Rome, also providing for the identification of additional suitable spaces for the future expansion of this network.

European Space Agency

The agreement signed with the European Space Agency consists of a Memorandum of Intent to support the development and validation of innovative solutions and services in the aerospace sector and for sustainability and land/air mobility.

IAG + Vueling

The agreement signed between ADR, IAG and Vueling falls within the scope of an MoU whose objective is to promote joint innovative solutions for sustainable growth and further improve the passenger experience.

This initiative aims to design solutions, as well as to propose and test effective models that could be standardised and extended to other airports and adopted by the wider aviation community in the long term, supporting the sector in the development and implementation of solutions that could contribute to redefining business growth with a more sustainable approach.

Specifically, the parties will undertake to:

- Identify solutions within the scope of sustainability;
- Strengthen the digital transformation process;
- Working on the concept of "Open Innovation" with external stakeholders (such as start-ups).

Intelak

The agreement signed with Intelak in 2023 marked the first partnership for ADR with another accelerator programme within the aviation sector. Specifically, the MoU regulates a collaboration relationship that focuses on: i) regular exchange of information on the main Key Performance Indicators, ii) coordination in start-up scouting activities, iii) coordination in implementing joint Proof of Concepts.

Airports For Innovation

In 2022, in collaboration with AENA, ADR launched "Airports For Innovation", an international network aimed at strengthening collaboration between airports, whose primary objective is to contribute to developing new solutions to make airports increasingly digital and improve the passenger experience. Over the last few months, the airports of Dubai and Oman (the last ones in September and November 2023, respectively) joined the Airports for Innovation network, in addition to AENA, Athens, Nice, Monaco, Vancouver and Dallas Fort Worth.

To date, around 0.7 billion passengers are handled by the network and consequently can be potentially involved in common innovative solutions. This initiative aims to achieve three main objectives:

- design innovative solutions, testing effective models that could be extended to other airports;
- support the industry in developing and implementing solutions that could help redefine airport processes and facilitate defining standards;
- promote innovation and joint solutions to improve the passenger experience.

Main KPIs — Partnerships

11	Partnerships in 2023 (No.)

5.9.5 PACT FOR DECARBONISATION

In April 2022, the Pact for the Decarbonisation of Air Transport was presented, an observatory promoted by ADR that brings together industrial players, Institutional Stakeholders, associations, and representatives of the academic world to define a roadmap that makes the development of air connectivity compatible with environmental protection, supporting the transition and decarbonisation of the sector by 2050.

The Pact was created to support the achievement of sustainability objectives within the air transport sector in the context of the SDGs and the 2030 Agenda and in this context the goal of Net Zero Emissions by 2050.

The Pact features a Steering Committee which is joined by representatives of institutions, trade associations, large Italian companies and sustainability associations.

Following a series of working groups with the members of the Steering Committee, the results of the research "Sustainability in the air transport sector" were presented during the first Annual Pact Convention which was held on September 21, 2022 at Terminal 5 of Fiumicino airport, promoted by ADR and with the scientific support of Milan's Polytechnic, with the patronage of the Ministry of Environmental Transition, the Ministry of Infrastructure and Sustainable Mobility and with the support of the National Civil Aviation Authority (ENAC). On this occasion, a study by the Energy & Strategy Group Department of the Polytechnic of Milan was presented and ADR made some policy proposals to achieve the climate neutrality objectives, in order to allow the necessary expansion and development of air transport by defining certain rules and clear and binding objectives, concretely achievable through intermediate targets.

One year after its launch, in 2023, the Pact for the Decarbonisation of Air Transport acquired new and qualified members that enriched the Pact's activities with projects and operations.

In January 2023, the Parliament and the European Commission hosted the event "Decarbonizing the Aviation Sector: Aeroporti di Roma presents an Italian best practice", with the aim of illustrating the Pact initiative also at European level.

Subsequently, three different working groups met in which the members of the Steering Committee, the institutions, the companies interested in the activities of the Pact, the Universities and the research bodies were involved, in order to explore the issues respectively on Airport Infrastructures, Aircrafts and Intermodality.

The discussion in the first two round tables focused on measures and strategies to improve the sustainability of airport infrastructures and aircrafts with the aim of implementing the roadmap of the green transition of the aviation sector. While the work of the third table focused on interventions to make the transport system intermodal and sustainable, such as Advanced Air Mobility and the integrated rail-air ticket. At the end of the round tables, the contents useful for drafting the Policies were defined, which were then presented at the second Annual Congress, held in October 2023, which highlighted the need for a regulatory context aimed at promoting the growth of air transport by pursuing the decarbonisation of the sector.

The "Achieving 2030 ReFuelEU targets" study was also presented on the introduction of the SAF at national level, as the first driver for the decarbonisation process, while also underlining the role of Rome Fiumicino airport as the main airport and national hub with a strategic position near the sea and the port of Civitavecchia.

Thanks to a joint initiative of ADR and Eni, the Pact for the Decarbonisation of Air Transport was selected by the Ministry of the Environment and Energy Safety to participate, through a side event, in the 28th Conference of the Parties to the United Nations Convention on Climate Change (COP28) held at the beginning of December in Dubai. The event was an opportunity to discuss development prospects relating to the decarbonisation process of air transport with the main international stakeholders in the sector.

As also announced during the second Congress, on December 12, 2023 the "Pact for the Decarbonisation of Air Transport" Foundation was established, created to capitalise on a wealth of knowledge of extreme importance, recognised for various reasons by national and international stakeholders, and to strengthen the activity of the Pact itself, in line with the growing complexity of the context addressed, thus giving legal personality to the initiative.

PATTO PER LA
DECARBONIZZAZIONE
DEL TRASPORTO AEREO

Chapter 6

Subsequent events

Subsequent events

TRAFFIC DATA

The traffic trend of Rome's airport system is represented for a longer period (up to February 29, 2024), in order to provide an update on the recovery of air traffic. Since the beginning of the year, at Fiumicino and Ciampino airports passengers transported increased by 28% compared to 2023, while air traffic was up 21.5%. Compared to 2019, there was a growth of +3% in passengers and a decrease in movements of -9%.

Main traffic data of Rome's Airport System of up to February 29, 2024 [39]

	January 1 – February 29, 2024	January 1 – February 28, 2023	% Change
Movements (no.)	**47,156**	**38,825**	**21.5%**
Fiumicino	40,836	32,767	24.6%
Ciampino	6,320	6,058	4.3%
Passengers (no.)	**6,517,025**	**5,090,410**	**28.0%**
Fiumicino	5,908,083	4,481,866	31.8%
Ciampino	608,942	608,544	0.1%
Cargo (tons)	**34,573**	**20,626**	**67.6%**
Fiumicino	32,240	18,487	74.4%
Ciampino	2,333	2,139	9.1%

Below is the trend by individual airport:

Fiumicino

Between January 1 and February 29, 2024, Fiumicino airport recorded a traffic volume of just under 6 million passengers, reporting a +31.8% growth compared to the same period of 2023, and an +8% growth compared to 2019. Aircraft traffic posted an increase of 25% towards 2023.

Over this period of time, an average of almost 100,000 passengers per day passed through the airport, compared to approximately 76,000 in the same period of 2023.

Domestic traffic, equal to almost 1.3 million passengers, is up +25% compared to the same period of 2023. International traffic recorded a percentage growth of +34%, over 4.5 million passengers.

[39] *Provisional data. Compared to 2023, the 2024 data are better also due to the leap year.*

Ciampino

Rome's Ciampino Airport recorded, in the period January 1 - February 29, 2024, traffic just above the figures of 2023 (+0.1%), with a number of passengers passing through equal to approximately 609,000. More specifically, commercial movements recorded an increase of +1.2%, compared to an increase in total movements equal to +4.3% in the period considered. Compared to 2019, there was a decrease in movements of -16% following the limitation of capacity at the airport from October 2021, with daily operations of 64 commercial flights.

OTHER SUBSEQUENT EVENTS

- On February 13, 2024, the Transport Regulation Authority ("ART") sent ADR Resolution no. 22/2024, of the same date, concerning "*Proposal to revise the airport fees of the Rome airport system (Fiumicino and Ciampino airports) for the 2024-2028 tariff period. Launch of the procedure for verifying compliance with the Regulation models approved with resolution no. 38/2023*". With this deed, ART approved the launch of the procedure for verifying compliance with the Models for the regulation of airport fees, approved with resolution no. 38/2023 for the Rome airport system on the basis of the proposal to review the fees for the period 2024-2028 presented by the airport operator ADR, and which provides for starting the consultation procedure between the operator itself and the airport users on February 16, 2024. The deadline to complete the procedure is set, without prejudice to the outcome of the consultation between the airport operator and the airport users, at 120 days from the date of starting the consultation procedure.
- Following the recapitalisation approved by the Extraordinary Shareholders' Meeting of UrbanV S.p.A. for a total of 4.0 million euros (to be allocated to the nominal reserve for 0.1 million euros and to the share premium reserve for 3.9 million euros, with the issue of 100,000 ordinary shares) and the partial exercise of the pre-emption right by the shareholder SAVE, ADR - which subscribed 60,000 shares, paying in 2.4 million euro, of which 60,000 euro as capital and 2,340,000 euro as share premium - holds a 66.66% stake in UrbanV's share capital (currently equal to 90,000 euros).
- On 11 March 2024, Rome Fiumicino Airport received the "Best Airport in Europe" award for the airport panel with more than 40 million passengers for the seventh consecutive year, while the Ciampino airport has obtained for the first time this recognition in the category from 5 to 15 million passengers in Europe.

Chapter 7

Business Outlook

Business Outlook

From the first weeks of activity, 2024 promises to be the year of full recovery, and in various components also of exceeding the traffic performance achieved in 2019, the last pre-Covid year. As a result, both aeronautical and commercial revenue may benefit.

In this expansive framework, the Group is in any case preparing to face the operational commitment required by the increasing volumes of traffic with the aim of consolidating its leadership in the quality of services, for which it has held the record for several years at European level.

The year also began benefiting from a solid financial position with which the Group closed 2023 and from which both the relevant ongoing investment programme for the modernisation and development of the airport infrastructure and the activation of the numerous initiatives linked to the sustainability and innovation programmes will benefit.

In this context, the definition of a stable and predictable outlook for the regulatory framework and the related tariff dynamics constitutes an essential element to confirm the supremacy of the excellence achieved by Fiumicino airport in recent years and lay the foundations for the medium-to-long-term development plan according to economic and social, as well as environmental, sustainability logics.

Although global economic growth is confirmed, albeit down according to the most recent estimates, the instability factors that have occurred in recent months and in particular inflation, energy price volatility, interest rate trends and, last but not least, the conflict scenarios still present in geographic areas close to or otherwise relevant to the air traffic flow pattern of interest, suggest the maintenance of a prudent management approach and a careful and continuous monitoring of the performance of the reference context.

Chapter 8

Proposal to the Shareholders' Meeting

Proposal to the Shareholders' Meeting

Dear Shareholders,

the separate Financial Statements as at and for the year ended December 31, 2023 show a profit for the year of 202,129,311.88 euros. We propose, having acknowledged the above considerations, to:

1. approve the separate Financial Statements as at and for the year ended December 31, 2023, as in the records, with all the documents accompanying them;

2. allocate the portion of the profit for the year, equal to 120,614,898.55 euros, which remains after the interim dividend of 81,514,413.33 euros (i.e. 1.31 euros per share) paid in 2023, as follows:
    - pay a dividend of 1.93 euros for each of the 62,224,743 shares making up the share capital, for a total of 120,093,753.99 euros;
    - allocate the residual portion of the profit for the year of 521,144.56 euros to retained earnings.

3. establish the payment date of the dividend with a value date of May 22, 2024, with detachment of coupon no. 17 on May 20, 2024.

The Board of Directors

Chapter 9

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

9.1 Methodological Note

The Consolidated Non-Financial Statement (hereinafter also "Statement", "NFS", "Sustainability Report") of ADR S.p.A. (also "the Parent" or "the Company") is prepared on a voluntary basis as the Company, being consolidated by the ultimate Parent Mundys S.p.A., would be exempt from drawing it up. This document, in compliance with Article 4 of Italian Legislative Decree 254/2016 (hereinafter "Decree"), represents the activities of the Company, its performance, results and the impact generated by said results. It also addresses both environmental and social issues, relating to personnel, respect for human rights, the fight against active and passive corruption, all relevant topics, taking into account the activities and characteristics of the Company.

The scope of reporting of this report includes ADR S.p.A. and its subsidiaries, in line with the consolidation scope in terms of financial information for the same reporting year.

In order to provide an overall view that reflects the effectiveness of the management and the trend of the results achieved with a view to environmental, economic and social sustainability, both qualitative and quantitative information was presented with a time reference of at least two years, except where otherwise stated.

The NFS, included in the Integrated Annual Report, is prepared in accordance with the GRI Sustainability Reporting Standards published in 2016 and subsequently supplemented and updated in 2021, according to the formula "in accordance with". The reporting standard adopted complies with the disclosure requirements of Legislative Decree 254/2016 art. 1 letter "f" and art. 3, c. 3, which the directors deemed to adopt organically in order to fully represent social, environmental and governance issues in accordance with the aforementioned decree, relevant to the Group. This document was also prepared by taking into account the contents of the Framework of the International Integrated Reporting Standard.

The 2023 NFS also reports the evidence that arose from the analyses conducted by the Company pursuant to Article 8 of Regulation (EU) 2020/852, of June 18, 2020, (EU Taxonomy) and Delegated Regulations 2021/2178 and 2021/2139. The findings as well as the description of the methodological definition process are reported in section 10 of this document.

The topics and indicators covered were selected on the basis of the Double Materiality analysis, as detailed in section 2.1 of this document, and aimed at identifying the relevant topics for the Group based on their impact on the business as well as their importance for the Stakeholders and the probability and magnitude of the risks/opportunities and related impacts. Furthermore, the process has developed consistently with the materiality principle and in consideration of the reporting principles adopted that define their content and quality (Stakeholder inclusiveness, completeness of information, Sustainability context, balance, comparability, clarity, timeliness, reliability, and accuracy).

The integration of the Non-Financial Statement, within this Report, was carried out through a transversal process coordinated by the Administration & Finance Department, in close connection with the External Relations & Sustainability Department and the involvement of all departments and ADR business units.

The Integrated Annual Report, and its contents, which constitute the NFS for the year ended December 31, 2023, was approved by the Board of Directors of ADR S.p.A. on March 13, 2024. The NFS was subject to a limited review (limited assurance engagement, according to the criteria indicated by the ISAE 3000 Revised standard) by the independent auditors KPMG, and is published in Italian and English on the ADR website https://www.adr.it/azn-archivio-bilanci.

9.2 GRI performance indicators

9.2.1 GRI PERFORMANCE INDICATORS – PEOPLE [40]

TABLE 57 - ADR Group workforce by gender

GENDER	UoM	2023	2022	2021	2019
Women	%	40	38	37	40
Men	%	60	62	63	60

TABLE 58 - Employees by employment contract and gender

EMPLOYMENT CONTRACT AND GENDER	UoM	2023	2022	2021	2019
PERMANENT CONTRACT	**No.**	**3,431**	**3,299**	**3,191**	**3,104**
Men	No.	2,135	2,093	2,046	1,957
Women	No.	1,296	1,206	1,145	1,147
FIXED-TERM CONTRACT	**No.**	**661**	**468**	**154**	**455**
Men	No.	310	235	60	188
Women	No.	351	233	94	267
TOTAL EMPLOYEES	**No.**	**4,092**	**3,767**	**3,345**	**3,559**
Total men	No.	2,445	2,328	2,106	2,145
Total women	No.	1,647	1,439	1,239	1,414

TABLE 59 - Number of staff broken down by contract type

CONTRACT TYPE	UoM	2023	2022	2021	2019
Contract type: FULL TIME	**No.**	**2,640**	**2,370**	**2,292**	**2,213**
Male	No.	1,880	1,738	1,704	1,621
Female	No.	760	632	588	592
Contract type: PART TIME	**No.**	**1,452**	**1,397**	**1,053**	**1,346**
Male	No.	565	590	402	524
Female	No.	887	807	651	822

[40] *In the following section, the data reported for 2022 also include Urban V personnel.*

TABLE 60 - Employees by contract type and area (FCO and CIA)

CONTRACT TYPE AND AREA	UoM	2023	2022	2021	2019
PERMANENT CONTRACT	**No.**	**3,431**	**3,299**	**3,191**	**3,104**
FCO	No.	3,144	3,025	2,908	2,835
CIA	No.	287	274	283	269
FIXED-TERM CONTRACT	**No.**	**661**	**468**	**154**	**455**
FCO	No.	624	445	138	411
CIA	No.	37	23	16	44
TOTAL EMPLOYEES	**No.**	**4,092**	**3,767**	**3,345**	**3,559**
Total men	No.	2,445	3,470	3,046	3,246
Total women	No.	1,647	297	299	313

TABLE 61 - Total recruits by gender and age group

TOTAL RECRUITS *	UoM	2023	2022	2021	2019
RECRUIT PERCENTAGE *	**%**	**3.8**	**3.2**	**0.4**	**1.1**
Men	No.	79	63	10	18
Men	%	2.3	2	0.3	0.6
Women	No.	51	39	4	15
Women	%	1.5	1.2	0.1	0.5
NUMBER AND PERCENTAGE OF RECRUITS BY AGE GROUP		**3.8**	**3.2**	**0.4**	**1.1**
< 30 years	No.	28	7	2	3
< 30 years	%	0.8	0.2	0.1	0.1
30-50 years	No.	91	82	8	32
30-50 years	%	2.7	2.6	0.3	1
> 50 years	No.	11	13	4	0
> 50 years	%	0.3	0.4	0.1	0

TABLE 62 - Total terminations by gender and age group

TOTAL TERMINATIONS *	UoM	2023	2022	2021	2019
TURNOVER RATE	**%**	**2.6**	**3.1**	**4.2**	**3.7**
Men	No.	67	60	98	81
Men	%	2	1.9	3.1	2.8
Women	No.	22	38	33	26
Women	%	0.6	1.2	1.1	0.9
NUMBER AND PERCENTAGE OF TERMINATIONS BY AGE GROUP	**%**	**2.6**	**3.1**	**4.2**	**3.7**
< 30 years	No.	4	0	1	0
< 30 years	%	0.1	0	0.1	0
30-50 years	No.	52	51	36	37
30-50 years	%	1.5	1.6	1.1	1.3
> 50 years	No.	33	47	94	70
> 50 years	%	1	1.5	3	2.4

TABLE 63 - Percentage of protected categories by contract type out of the total number of employees

PROFESSIONAL CATEGORY	UoM	2023	2022	2021	2019
Executives	%	0	0	0	0
Middle managers	%	7	5	5	5
White-collar	%	2	2	3	3
Blue-collar	%	1	1	1	1

TABLE 64 - Employees belonging to protected categories out of total employees

RATIO	UoM	2023	2022	2021	2019
Total protected categories/Total employees	%	1.8	1.8	2.4	-

** Given the seasonal nature of the business and the related fixed-term support staff, the analysis of recruits and terminations relates only to permanent staff*

TABLE 65 - Employees by professional category and gender

GENDER	UoM	2023	2022	2021	2019
EXECUTIVES	**%**	**1.6**	**1.7**	**1.7**	**1.4**
Women	%	0.4	0.4	0.3	0.2
Men	%	1.2	1.3	1.4	1.2
MIDDLE MANAGERS	**%**	**8.5**	**8.2**	**8.9**	**7.6**
Women	%	2.9	2.5	2.7	2.4
Men	%	5.6	5.7	6.2	5.2
WHITE-COLLAR	**%**	**56.9**	**55.2**	**55.4**	**56.6**
Women	%	26.2	25.1	24.5	26.1
Men	%	30.7	30.1	30.9	30.5
BLUE-COLLAR	**%**	**33**	**34.9**	**34**	**34.4**
Women	%	10.8	10.2	9.5	11
Men	%	22.2	24.7	24.5	23.4

TABLE 66 - Employees by professional category and age group

AGE GROUP	UoM	2023	2022	2021	2019
EXECUTIVE	**%**	**1.6**	**1.7**	**1.8**	**1.4**
< 30 years	%	0	0	0	0
30-50 years	%	0.8	0.8	0.9	0.6
> 50 years	%	0.8	0.9	0.9	0.8
MIDDLE MANAGERS	**%**	**8.5**	**8.2**	**8.9**	**7.5**
< 30 years	%	0.1	0	0	0
30-50 years	%	5.1	5	5.5	4.4
> 50 years	%	3.3	3.2	3.4	3.1
WHITE-COLLAR	**%**	**56.9**	**55.2**	**55.3**	**56.6**
< 30 years	%	6.4	35.3	2.8	5.6
30-50 years	%	35.5	4.4	36.5	37.9
> 50 years	%	15	15.5	16	13.1
BLUE-COLLAR	**%**	**33**	**34.9**	**34**	**34.4**
< 30 years	%	1.8	20.4	0.8	2.8
30-50 years	%	19	2.6	20.5	22.5
> 50 years	%	12.2	11.9	12.7	9.2

TABLE 67 - Average hours of employee training by gender

AVERAGE HOURS OF TRAINING	UoM	2023	2022	2021	2019
Male	No.	**26**	20	21	30
Female	No.	**24**	17	16	25

TABLE 68 - Average hours of training by contract type

AVERAGE HOURS OF TRAINING	UoM	2023	2022	2021	2019
Executives	No.	**33**	16	23	15
Middle managers	No.	**31**	19	41	28
White-collar	No.	**25**	19	19	34
Blue-collar	No.	**25**	19	12	18

TABLE 69 - Injury rates of the ADR Group

INJURY RATES	UoM	2023	2022	2021	2019
Number of workplace injuries to log	No.	**86**	97	126	212
Rate of workplace injuries to log	i	**13.9**	18.2	32.7	38.3
Number of workplace injuries with serious consequences	No.	**0**	0	1 [41]	0
Rate of workplace injuries with serious consequences	i	**0**	0	0.3	0
Number of deaths resulting from workplace injuries	No.	**0**	0	0	0
Number of commuting injuries [42]	No.	**46**	43	29 [43]	58

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

[42] *Travelling to and from work*

[43] *Injuries while travelling (to and from work) of which none with transport organised by the organisation. The figure is consistent with that provided in previous years.*

9.2.2 GRI PERFORMANCE INDICATORS - ENVIRONMENT

TABLE 70 - CO_2 emissions of the ADR Group

CO2 EMISSIONS	UoM	2023			2022	2021	2019
		FCO	CIA	Total	Total	Total	Total
Total CO2 emissions (without aircraft cruise)	**tCO2**	**944,685**	**61,909**	**1,006,594**	**945,782**	**427,175**	**1,271,565**
Scope 1 & scope 2 emissions	tCO2	57.009	1,256	58.265	56,386	51,680	63,005
Of which: direct emissions - scope 1 [44]	*tCO2*	*4,341*	*1,256*	*5,597*	*8,301*	*3,275*	*5,603*
Of which: indirect emissions - scope 2 [45]	*tCO2*	*52,668* [46]	*0* [47]	*52,668*	*48,085*	*48,405*	*57,402*
Indirect emissions - scope 3 without aircraft cruise	tCO2	887,676	60,653	948,329	889,396	375,496	1,208,559
Of which: items included in the KPI 3 scope of the Sustainability-Linked Financing Framework [48]	*tCO2*	*544,659*	*N/A*	*544,659*	*521,573*	*217,206*	*623,357*
Of which: items not included in the KPI 3 scope of the Sustainability-Linked Financing Framework	*tCO2*	*343,017*	*60,653*	*403,670*	*367,823*	*158,290*	*585,202*
Indirect emissions - scope 3 with aircraft cruise	tCO2	5,112,010	259,632	5,371,642	3,722,019	1,693,271	6,467,632

TABLE 71 - Scope 3 CO_2 emissions of the ADR Group (FCO + CIA)

GHG Protocol	UoM	2023	2022	2021	2019
Waste generated in operations	tCO2	**242**	504	691	410
Business travel Input	tCO2	**294**	208	51	65
Employee commuting	tCO2	**4,871**	5,791	5,723	6,465
Use of services and sold products	tCO2	**5,345,376**	3,687,949	1,653,161	6,429,892
Downstream leased assets	tCO2	**20,860**	27,567	33,645	30,800

[44] *The values of scope 1 and 2 shown in the Table are calculated, as required by the ACA guidelines, with the same baseline of the previous year. Starting in 2023, the year following ADR's acquisition of 100% ownership of Leonardo Energia, a double calculation was performed to create a baseline that considers Leonardo Energia in Scope 1. According to this new baseline, Scope 1 emissions in 2023 are 68,823 tCO2 and Scope 2 emissions are 0 tCO2.*

[45] *As above.*

[46] *The indirect emissions - scope 2 of FCO were calculated with the Location Based approach.*

[47] *The indirect emissions - scope 2 of CIA were calculated with the Market Based approach. By virtue of the green supply certified with GO, they are therefore void.*

[48] *See section 5.4.2.*

TABLE 72 - Energy consumption of the ADR Group (GJ)

ADR GROUP	UoM	2023	2022	2021	2019
Energy consumed within the organisation for the two airports [49]	GJ	**852,041**	822,419	719,195	902,323
From renewable energy sources [50]	*GJ*	***131,935***	*71,437*	*67,859*	*29,729*
Electricity	GJ	**601,588**	551,984	468,640	596,205
Natural gas and heat from co-generation [51]	GJ	**250,453**	270,435	249,390	303,062
of which for heating	*GJ*	***163,516***	*172,717*	*177,513*	*167,308*
of which for cooling	*GJ*	**-**	-	-	-
Diesel fuel for emergency generators	GJ	**3,862**	3,756	1,165	3,055

TABLE 73 - Percentage of electricity consumption in GJ

	UoM	2023	2022	2021	2019
Fiumicino	%	**95.4**	94.6	93.9	93.8
Ciampino	%	**4.6**	5.4	6.1	6.2

TABLE 74 - Energy sold and fed into the grid

	UoM	2023	2022	2021	2019
Total energy sold and fed into the grid	GJ	**10,973**	81,698	8,789	4,781

TABLE 75 - ADR Group's water consumption

	UoM	2023	2022	2021	2019
Fiumicino					
Drinking water	cu m	**530,246**	621,797	518,247	883,526
Treated water for reuse	cu m	**1,358,302**	1,230,884	1,068,769	1,237,000
Ciampino					
Drinking water	cu m	**160,775**	185,214	191,451	101,300

[49] *The data in the table show ADR's overall consumption and differ from the production data of Leonardo Energia SCARL in that the latter also includes energy sold to the grid and purchased from the grid for Leonardo Energia's own use. Total energy excludes consumption from the company fleet.*

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

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

TABLE 76 - Waste produced and recycling percentage

	UoM	2023	2022	2021	2019
Fiumicino					
Total tons of waste	tons	**11,139**	8,035	4,834	12,775
Waste destined for recovery [52]	%	**99**	99	99	98
Ciampino					
Total tons of waste	tons	**1,146**	988	627	1,132
Waste destined for recovery	%	**99**	98	80	74

TABLE 77 - Waste not sent to landfill

	UoM	2023	2022	2021	2019
Fiumicino					
Hazardous waste	**tons**	**2**	**7**	**22**	**13**
Recycling	tons	0	0	0	0
Other recovery operations [53]	tons	2	7	22	13
Non-hazardous waste	**tons**	**8,953**	**6,984**	**4,110**	**10,454**
Recycling	tons	1,588	128	642	3,077
Other recovery operations [54]	tons	7,365	6,856	3,468	7,377
Ciampino					
Hazardous waste	**tons**	**0.4**	**1.3**	**0.6**	**8.9**
Recycling	tons	0	0	0	0
Other recovery operations [55]	tons	0.4	1.3	0.6	8.9
Non-hazardous waste	**tons**	**1,142**	**966**	**626**	**1,131**
Recycling	tons	123	57	24	98
Other recovery operations [56]	tons	1,019	909	602	1,033
Total hazardous waste not sent to landfill	**tons**	**2.4**	**8.3**	**22.6**	**21.9**
Total non-hazardous waste not sent to landfill	**tons**	**10,095**	**7,950**	**4,736**	**10,585**

[52] *For Fiumicino airport, the percentages of waste sent for recovery were calculated without taking into account the waste produced by the maintenance of networks, degreasers, de-oilers, septic tanks, which by their nature cannot undergo recovery operations*

[53] *Waste accounted for under this entry are accepted by facilities under R12-R13.*

[54] *As above.*

[55] *As above.*

[56] *As above.*

9.2.2 GRI PERFORMANCE INDICATORS - ECOSYSTEM

TABLE 78 - Economic value generated and distributed by the ADR Group

VALUE COMPONENT	UoM	2023	2022	2021
Economic value generated	€/000	**921,996**	666,959	529,240
Economic value distributed	€/000	**644,462**	432,895	264,810
Remuneration of suppliers [57]	*€/000*	**182,694**	*163,097*	*123,301*
Employee remuneration	*€/000*	**198,748**	*173,572*	*121,434*
Remuneration of lenders [58]	*€/000*	**147,511**	*68,201*	*62,923*
Remuneration of the public administration	*€/000*	**115,126**	*27,992*	*-42,856*
Remuneration of the community	*€/000*	**382**	*33*	*8*
Economic value retained	€/000	**277,534**	234,064	264,430

TABLE 79 - ADR Group suppliers assessed/qualified according to sustainability criteria

	UoM	2023	2022	2021	2019
Number of active suppliers assessed/qualified according to sustainability criteria [59]	No.	**340**	311	361	436
Number of active suppliers assessed according to environmental criteria	No.	**340**	311	361	436
Number of active suppliers assessed according to social criteria	No.	**340**	311	360	436
Number of active suppliers assessed according to anti-corruption criteria	No.	**340**	311	348	436

TABLE 80 - Breakdown of supply expenses, %

	UoM	2023	2022	2021	2019
Breakdown of foreign supply expenses	%	**4**	8	14	5
Breakdown of supply expenses Italy	%	**96**	92	86	95

[57] *Note that this remuneration refers only to supplies for the financial year. Capital account investments are therefore excluded.*

[58] *Includes the distribution of an advance on dividends for 2023 to shareholders.*

[59] *The term "active suppliers assessed/qualified" refers to suppliers that enrolled in the register and confirmed their possession of social, environmental and anti-corruption certifications, such as ISO 14000, ISO 37001, SA 8000 Ethical and Social, etc.*

9.3

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

The table above links the material topics identified by ADR Group to the GRI Standards issues and the related specific indicators that were presented in this Integrated Annual Report. For each aspect of the GRI Standards related to the material topics we identified, we took into account the related impacts, current or potential, internal and external to the Group.

TABLE 81 - Reconciliation table Italian as per Legislative Decree 254/16 - Material topics

MATERIAL TOPIC	SCOPE OF IMPACT	ADR'S INVOLVEMENT	TOPIC-SPECIFIC GRI ISSUE	
FIGHT AGAINST CLIMATE CHANGE	ADR Group Stakeholders of the Group and Country System Community and environment	Direct Related to business relationships	Energy	302-1
			Emissions	305-1 305-2 305-3
AIR QUALITY	ADR Group community and environment	Direct Related to business relationships	N/A	N/A
NOISE POLLUTION	ADR Group Community	Direct Related to business relationships	N/A	N/A
PROTECTION OF WATER RESOURCES	ADR Group community and environment	Direct Related to business relationships	Water	303-1 303-2 303-5
CIRCULAR ECONOMY AND WASTE MANAGEMENT	ADR Group community and environment	Direct Related to business relationships	Waste	306-1 306-2 306-3 306-4
PROTECTION OF BIODIVERSITY	ADR Group community and environment	Direct Related to business relationships	Biodiversity	304-1
HEALTH AND SAFETY OF PEOPLE	ADR Group Customers Supply chain	Direct Related to business relationships	Occupational Health and Safety	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-9
PROTECTION OF HUMAN RIGHTS	ADR Group Stakeholders and Italian Country System Community and environment	Direct Related to business relationships	N/A	N/A
DIVERSITY, EQUITY & INCLUSION	ADR Group Community and environment	Direct	Diversity and equal opportunities	405-1
PERSONNEL GROWTH AND DEVELOPMENT	ADR Group	Direct	Employment Training and education	401-1 404-1
PROTECTION AND DEVELOPMENT OF TERRITORIES AND LOCAL COMMUNITIES	ADR Group Community	Direct Related to business relationships	Local communities	413-2
GOVERNANCE, ETHICS AND BUSINESS INTEGRITY	ADR Group Investors, financial community and institutions	Direct Related to business relationships	Anti-corruption Anti-competitive behaviour	205-2 206-1
CONTRIBUTION TO THE DEVELOPMENT OF THE COUNTRY AND TO THE LOCAL AND GLOBAL CONNECTION	ADR Group Investors, financial community and institutions	Direct Related to business relationships	Economic performance Indirect economic impacts	201-1 203-2
AIRPORT SECURITY AND BUSINESS CONTINUITY	ADR Group Stakeholders and Italian Country System Customers	Direct Related to business relationships	N/A	N/A
SUSTAINABLE VALUE CHAIN MANAGEMENT	ADR Group Supply chain	Direct Related to business relationships	Procurement practices Anti-competitive behaviour Supplier environmental assessment Supplier social assessment	204-1 206-1 308-1 414-1
DEVELOPMENT OF SUSTAINABLE INFRASTRUCTURE	ADR Group Investors, financial community and institutions Community and environment	Direct Related to business relationships	N/A	N/A
QUALITY OF SERVICE AND MANAGEMENT OF THE AIRPORT EXPERIENCE	ADR Group Customers	Direct Related to business relationships	N/A	N/A

9.4
GRI Content Index

Declaration of use	GRI 1 Used	GRI Sector Standards application
ADR S.p.A. reported in compliance with the GRI Standards for the period from 01/01/2023 to 12/31/2023	GRI 1: Foundation 2021	No applicable GRI Sector standard is available to the date of publication of this report

GRI CONTENT INDEX

GRI STANDARDS		REFERENCE /NOTES/ OMISSIONS
The organization and its reporting practices		
2-1	Organizational details	Aeroporti di Roma S.p.A., Via Pier Paolo Racchetti 1 - 00054 Fiumicino (RM), Italy
2-2	Entities included in the organization's sustainability reporting	2.3 The business model 4.1 Group structure
2-3	Reporting period, frequency and contact point	Reporting period: 01/01/2023 – 12/31/2023 Frequency: Annual Contact: sustainability@adr.it 9.1. Methodological Note
2-4	Restatements of information	NA
2-5	External assurance	5.4.3 Independent Auditors' Report 9.5 Independent Auditors' Report on the Non-Financial Statement
Activities and workers		
2-6	Activities, value chain and other business relationships	1.2. Rome's Airport System 1.4 The value creation model 2.3 The business model
2-7	Employees	5.6 People 9.2 GRI performance indicators
2-8	Workers who are not employees	Information not available.
Governance		
2-9	Governance structure and composition	4.2Governance model 4.3 Management
2-10	Nomination and selection of the highest governance body	4.2 Governance model 4.3 Management
2-11	Chair of the highest governance body	4.3 Management
2-12	Role of the highest governance body in overseeing the management of impacts	3.1 Risk management system 3.2 Mapping of risks and related control measures 4.2 Governance model

GRI STANDARD		REFERENCE /NOTES/ OMISSIONS
2-13	Delegation of responsibility for managing impacts	3.1 Risk management system 3.2 Mapping of risks and related control measures 4.3 Management
2-14	Role of the highest governance body in sustainability reporting	2.1 Double materiality analysis 9.1. Methodological Note
2-15	Conflicts of interest	4.4 Ethics and compliance 4.5 Organisational, management and control model
2-16	Communication of critical concerns	4.4 Ethics and compliance
2-17	Collective knowledge of the highest governance body	4.2 Governance model
2-18	Evaluation of the performance of the highest governance body	Information not available.
2-19	Remuneration policies	4.3 Management 5.6 People
2-20	Process to determine remuneration	4.2 Governance model 4.3 Management 5.6 People
2-21	Annual total remuneration rate	This issue is not included in this disclosure for reasons of confidentiality of the information.
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	2.2 Strategy and objectives
2-23	Policy commitments	4.4 Ethics and compliance 5.6 People 5.9 Ecosystem
2-24	Embedding policy commitments	4.2 Governance Model 4.4 Ethics and compliance 4.5 Organisational, management and control model 5.9 Ecosystem
2-25	Processes to remediate negative impacts	3.1 Risk management system 3.2 Mapping of risks and related control measures
2-26	Mechanisms for seeking advice and raising concerns	4.4 Ethics and compliance 4.5 Organisational, management and control model
2-27	Compliance with laws and regulations	5.7 Environment (Environmental Compliance) 10.4 Minimum safeguards (compliance with labour, human rights, anti-corruption and taxation laws)
2-28	Membership associations	5.9 Ecosystem
Stakeholder engagement		
2-29	Approach to stakeholder engagement	2.1 Double materiality analysis
2-30	Collective bargaining agreements	All employees are covered by Italian national employment agreements.

MATERIAL TOPICS

GRI STANDARDS		PARAGRAPH - NOTES / OMISSIONS
3-1	Process to determine material topics	2.1 Double materiality analysis
3-2	List of material topics	2.1 Double materiality analysis
Fight against Climate Change		
3-3	Management of material topics	2.1 Double materiality analysis
302-1	Energy	5.7 Environment 9.2 GRI performance indicators
305-1 305-3 305-2	Emissions	
Protection of water resources		
3-3	Management of material topics	2.1 Double materiality analysis
303-1 303-5 303-2	Water	5.7 Environment 9.2 GRI performance indicators
Circular economy and waste management		
3-3	Management of material topics	2.1 Double materiality analysis
306-1 306-3 306-2 306-4	Waste	5.7 Environment 9.2 GRI performance indicators
Noise pollution		
3-3	Management of material topics	2.1 Double materiality analysis
N/A		5.7 Environment
Protection of biodiversity		
3-3	Management of material topics	2.1 Double materiality analysis
304-1	Biodiversity	5.7 Environment
Air quality		
3-3	Management of material topics	2.1 Double materiality analysis
N/A		5.7 Environment
Protection of human rights		
3-1	Management of material topics	2.1 Double materiality analysis
N/A		4.6 The protection of human rights
Occupational Health and Safety		
3-3	Management of material topics	2.1 Double materiality analysis
403-1 403-5 403-2 403-6 403-3 403-7 403-4 403-9	Occupational Health and Safety	5.6 People 9.2 GRI performance indicators

GRI STANDARDS		PARAGRAPH - NOTES / OMISSIONS
Personnel growth and development		
3-3	Management of material topics	2.1 Double materiality analysis
401-1	Employment	5.6 People 9.2 GRI performance indicators
404-1	Training and education	
Diversity, Equity & Inclusion		
3-3	Management of material topics	2.1 Double materiality analysis
405-1	Diversity and equal opportunity	5.6 People 9.2 GRI performance indicators
Protection and development of territories and local communities		
3-3	Management of material topics	2.1 Double materiality analysis
413-2	Local communities	5.9 Ecosystem
Governance, ethics and business integrity		
3-3	Management of material topics	2.1 Double materiality analysis
205-2	Anti-corruption	4.4 Ethics and compliance
206-1	Anti-competitive behavior	
Contribution to the development of the country and to the local and global connection		
3-3	Management of material topics	2.1 Double materiality analysis
201-1	Economic performance	5.9 Ecosystem
203-2	Indirect economic impacts	
Airport Security e Business Continuity		
3-3	Management of material topics	2.1 Double materiality analysis
N/A		3.1 The risk management system 5.1.1 Aviation
Sustainable value chain management		
3-3	Management of material topics	2.1 Double materiality analysis
204-1	Procurement practices	5.9 Ecosystem
206-1	Anti-competitive behaviour	
308-1	Supplier environmental assessment	
414-1	Supplier social assessment	
Development of sustainable infrastructure		
3-3	Management of material topics	2.1 Double materiality analysis
N/A		5.1.3 Infrastructures 5.7 Environment
Quality of service and management of the airport experience		
3-3	Management of material topics	2.1 Double materiality analysis
N/A		5.8 Customer Experience

9.5
Independent Auditors’ Report on the Non-Financial Statement

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

Independent auditors’ report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

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

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the “decree”) and article 5.1.g) of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2023 consolidated non-financial statement of the Aeroporti di Roma (the “group”) prepared in accordance with article 4 of the decree and approved by the board of directors on 13 March 2024 (the “NFS”).

Our procedures did not cover the information set out in section “10. EU taxonomy” of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Responsibilities of the directors and board of statutory auditors (“Collegio Sindacale”) of Aeroporti di Roma S.p.A. (the “parent”) for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the “Global Reporting Initiative Sustainability Reporting Standards” issued by GRI - Global Reporting Initiative (the “GRI Standards”), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group’s business and characteristics, to the extent necessary to enable an understanding of the group’s business, performance, results and the impacts it generates.

The directors’ responsibility also includes the design of an internal model for the management and organisation of the group’s activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group’s policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree’s provisions.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. During the year covered by this engagement, our company applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

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

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

Specifically, we performed the following procedures:

1 Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.

2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.

3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.

4 Gaining an understanding of the following:

   - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
   - the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
   - the main risks generated or borne in connection with the aspects set out in article 3 of the decree;

   Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

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5 Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

   Specifically, we held interviews and discussions with the parent's management personnel and personnel of Leonardo Energia S.r.l. and ADR Mobility S.r.l.. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

   Furthermore, with respect to significant information, considering the group's business and characteristics:

   - at parent level,
     a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
     b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
   - with reference to Aeroporti di Roma S.p.A., Leonardo Energia S.r.l. and the Fiumicino airport, which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to meet their management and obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 consolidated non-financial statement of the Aeroporti di Roma Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

Our conclusion does not extend to the information set out in section "10 - EU Taxonomy" of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Rome, 27 March 2024

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

Chapter 10

EU taxonomy

This chapter is an excerpt from the document "Statement of the Proportion of Environmentally Sustainable Activities (Art.8 EU Regulation 2020/852)", which has undergone a limited assurance and has been published contextually with this Integrated Annual Report.

10.1
Introduction to European Taxonomy

The European Taxonomy, introduced by Regulation (EU) 852/2020 and in force since January 1, 2022 (hereinafter also Taxonomy), is a classification system for sustainable economic activities from an environmental standpoint and was created with the aim of increasing the development of sustainable investments and promoting the achievement of the objectives established by the European Green Deal.

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

Regulation (EU) 852/2020 (hereinafter also the Regulation) laid down six objectives for the identification of sustainable economic activities:

- climate change mitigation;
- adaptation to climate change;
- 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.

During 2021, the Delegated Act on climate change was published, together with the related Annexes I and II, in which the eligible economic activities (i.e. included in the scope identified by the EU Taxonomy) are identified and the related technical screening and impact assessment criteria are defined (the so-called DNSH - Do No Significant Harm principle), with respect to which it is possible to establish whether an economic activity is sustainable, i.e. aligned with the objectives of mitigation and adaptation to climate change.

With the publication of the new Environmental Delegated Act, in 2023, the technical screening and impact assessment criteria were defined (the so-called DNSH - Do Not Significant Harm principle), with respect to which it is possible to establish whether an economic activity is sustainable, i.e. aligned with the remaining four objectives.

Regulation 852/2020, in Article 8, provides in particular that companies subject to the obligation to publish non-financial information pursuant to Article 19 bis or Article 29 bis of Directive 2013/34/EU (and therefore, of Directive 2014/95/EU - NFRD and its implementation in Italy through Italian Legislative Decree no. 254 of December 30, 2016) include, in their Non-Financial Statement, starting from January 1, 2022, information on how and to what extent its activities are environmentally sustainable. This measure must be expressed in terms of turnover, capital expenditure (CapEx) and operating expenses (OpEx).

Sustainability is one of the strategic priorities of the ADR Group. Integration of the ESG paradigm in the business model is essential today in order to guide the Group on the path towards a low-carbon economy and thus contribute to the fight against climate change. The Group also formalised this commitment through the definition of the new 2023-2027 Strategic Plan which, as detailed in section 2.2 Strategy and Objectives, summarises the objectives and programmes for each company department and ensures the coordination of programmes and activities to make the airport an inclusive, sustainable place, oriented towards the development of people and the territory.

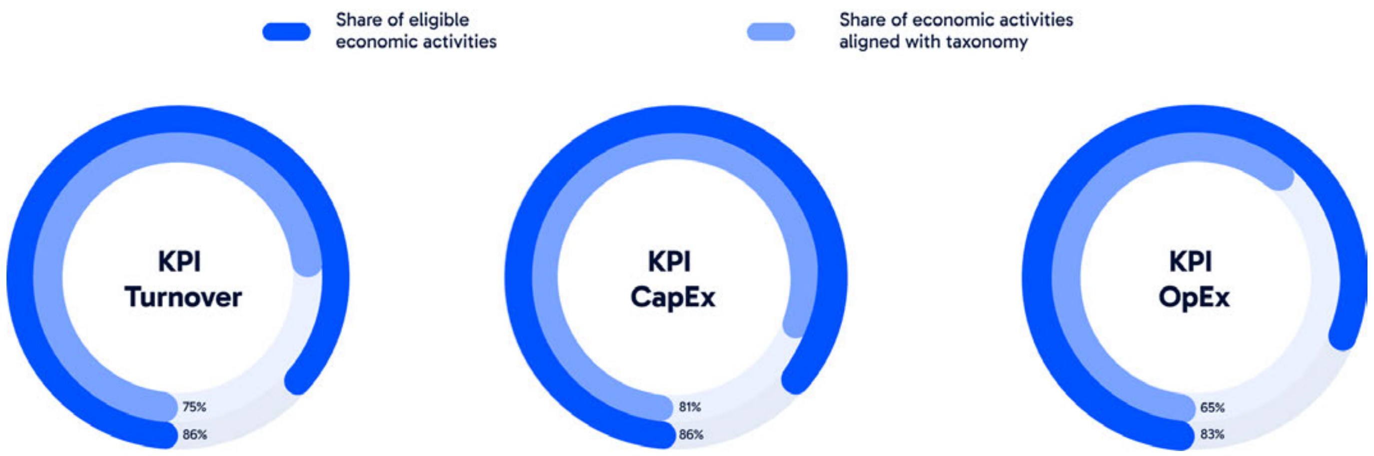
In light of this scenario, the ADR Group welcomes the Taxonomy, not only as an exercise of compliance and transparency, but as a further frame of reference to its strategy and sustainable investments. Therefore, the Group continues to carefully analyse the principles and regulatory requirements to assess their impacts and interests with the Group's activities and strategies. It also continuously monitors and evaluates the interpretative approaches of the Regulation and the FAQs from other major European players in the sector. The ADR Group then presents information on the extent to which its activities are considered to be aligned with the Taxonomy, reporting this data in terms of turnover, CapEx and OpEx.

10.2
The main results

With reference to the climate change mitigation objective, the main indicators that represent the level of alignment of the ADR Group's activities with the EU Taxonomy for 2023 are shown below:

- 75% of the turnover generated by ADR, equal to 670,858 thousand euros refers to activities aligned with the Taxonomy;
- 81% of total capital expenditure, equal to 226,544 thousand euros, refers to business activities aligned with the Taxonomy;
- 65% of operating expenses is aligned with respect to the total for the type of costs requested, equal to 48,277 thousand euros.

TABLE 82 - Summary of the results of the main KPIs



Baseline: **889.4 €/mln**
Eligibility: **765.7 €/mln**
Alignment: **670.9 €/mln**

Baseline: **278.7 €€/mln**
Eligibility: **239.5 €/mln**
Alignment: **226.5 €/mln**

Baseline: **74.2€/mln**
Eligibility: **61.9 €/mln**
Alignment: **48.3 €/mln**

10.3
Eligible economic activities

An economic activity is defined as eligible when it is described in annexes of the Delegated European Taxonomy Acts, regardless of whether or not that activity meets the technical screening criteria, does not cause significant harm to other environmental objectives and complies with the minimum safeguards, as established by the delegated acts.

The mapping of eligible economic activities carried out for the 2022 financial year was updated according to the business activities carried out during 2023 and in the light of some regulatory clarifications published during the year. With reference to Annex I relating to the climate change mitigation objective, the only Delegated Act identified as relevant for ADR business, the eligibility scope includes eighteen economic activities envisaged by the regulations relating to energy, water supply, sewerage and waste treatment, transport and finally, property management[60].

TABLE 83 - List of eligible economic activities and related description of the activities carried out by ADR

Delegated Act	Economic activities	Description of the activities carried out by ADR
Climate change mitigation	4.9 Transmission and distribution of electricity.	Management of transmission and distribution systems that transport electricity within the buildings owned by the Group.
Climate change mitigation	4.15 District heating/cooling distribution.	Management of the infrastructure for the distribution of district heating and cooling in the buildings owned by the Group.
Climate change mitigation	5.1 Construction, extension and operation of water collection, treatment and supply systems.	Management of the drinking water collection, treatment and supply system of the buildings owned by the Group.
Climate change mitigation	5.3 Construction, extension and operation of waste water collection and treatment.	Management and treatment of the waste water system of buildings owned by the Group.
Climate change mitigation	5.5 Collection and transport of non-hazardous waste in source segregated fractions.	Management of the separate waste collection system connected to the buildings owned by the Group.
Climate change mitigation	6.3 Urban and suburban transport, road passenger transport.	Management of the shuttle service that connects Ciampino airport with services adjacent to the airport.
Climate change mitigation	6.4 Operation of personal mobility devices, cycle logistics.	Purchase of devices for the personal mobility of PRMs (Passengers with reduced mobility) within the airport.
Climate change mitigation	6.13 Infrastructure for personal mobility, cycle logistic.	Development of cycling infrastructure to connect Fiumicino airport with the surrounding local communities.
Climate change mitigation	6.14 Infrastructure for rail transport.	Management of the “People Mover” infrastructure, a train that connects the Fiumicino Airport Terminal to the so-called “Satellite” structure used for boarding.
Climate change mitigation	6.15 Infrastructure enabling low-carbon road transport and public transport.	Management of the infrastructure used for road transport with zero CO2 emissions, in which taxi, rental car with driver, car rental and electric car sharing services are considered; the infrastructure necessary for the public transport of buses that connect the airport with the city.
Climate change mitigation	6.17 Low-carbon airport infrastructure.	Maintenance and management of the infrastructure that allows electricity and preconditioned air to be supplied to parked aircraft where CO2 emissions are zero. Activities deriving from airport infrastructures are excluded as they do not have zero CO2 emissions. Management and maintenance of the infrastructure for the loading, unloading and transshipment of goods.
Climate change mitigation	7.2 Renovation of existing buildings.	Extraordinary maintenance activities on some buildings not intended for sub-concession.
Climate change mitigation	7.3 Installation, maintenance and repair of energy efficiency equipment.	Various energy efficiency activities on the grounds of the two airports. This mainly involves the purchase and maintenance of energy-efficient lighting equipment.
Climate change mitigation	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings.	Installation of infrastructure for charging hybrid/electric vehicles for employee use.
Climate change mitigation	7.6 Installation, maintenance and repair of renewable energy technologies.	Installation and maintenance of technologies for the production and storage of renewable energy, such as photovoltaic panels and electrical storage.
Climate change mitigation	7.7 Acquisition and ownership of buildings.	Exercise of ownership of buildings in which Retail and Real Estate commercial spaces are rented and management of airport operations [61].
Climate change mitigation	8.1 Data processing, hosting and related activities.	Management of the Data Processing Centre (CED) infrastructure on the grounds of Fiumicino airport.
Climate change mitigation	8.2 Data-driven solutions for GHG emissions reductions.	Purchase and development of hardware/software solutions for monitoring CO2 emissions and for energy efficiency.

[60] With reference to the information pursuant to art. 8, paragraphs 6 and 7 of Delegated Regulation (EU) 2021/2178 providing for the use of the models provided in Annex XII for the communication of activities related to nuclear and fossil gases, please note that all models have been omitted as they are not representative of the activities of the ADR Group.

[61] For more details, please refer to FAQ no. 158 published in December 2022.

10.4 Aligned economic activities

An economic activity is defined as aligned with the European Taxonomy if:

- contributes substantially to the achievement of one or more environmental objectives;
- does not cause significant damage to any of the environmental objectives;
- complies with the minimum safeguards, as defined in the OECD guidelines for multinational companies and in line with the guiding principles of the United Nations on business, human and labour rights.

With reference to the eligible economic activities, specific analyses were carried out to verify the alignment of each of the economic activities with the climate change mitigation objective, as outlined in greater detail in the following sections.

For activities 5.1, 5.3, 7.2, 8.1 and 8.2 (Climate change mitigation) identified within the eligibility scope, following an initial analysis of the requirements, it was not possible to proceed with the verification, due to the difficulties encountered in obtaining the necessary information.

ADR undertakes to start a data collection process to be able to report what is required in future reporting periods.

SUBSTANTIAL CONTRIBUTION TO THE CLIMATE CHANGE MITIGATION OBJECTIVE

Activity 4.9 Transmission and distribution of electricity

In line with the requirements of the criterion, the characteristics of the electricity transmission and distribution networks managed by the ADR Group were analysed.

Specifically, the infrastructure for energy transmission and distribution is located within Italy and therefore belongs to the interconnected European system, i.e. the interconnected control areas of the Member States, Norway, Switzerland and the United Kingdom, and its subordinate systems. The criterion is deemed to have been met.

Activity 4.15 District heating/cooling distribution

The Group analysed, as indicated in point 1) a) the substantial contribution criterion, the definition of district heating and cooling as reported in Article 2, point 41 of Directive 2012/27/EU: "efficient district heating and cooling means a district heating or cooling system using at least 50% renewable energy, 50% waste heat, 75% cogenerated heat or 50% of a combination of such energy and heat", and verified its applicability to the technologies adopted. The Group's district heating/cooling system, using 75% cogenerated heat, complies with the requirements of the criterion.

Activity 5.5 Collection and transport of non-hazardous waste in source segregated fractions

ADR has a plan for optimal management of waste, which is collected separately and entirely slated for reuse or recycling. In addition, the Group is committed to systematically reducing its environmental footprint, ensuring a rational and sustainable use of resources, creating infrastructures aligned with the best international sustainability standards and developing a circular use of resources. It is believed that the actions adopted comply with the requirements of the criterion.

Activity 6.3 Urban and suburban transport, road passenger transport

The vehicles used for airport transport (airport shuttles), which belong to the M2/M3 category, comply with the most recent EURO VI standard and are deemed to comply with the substantial contribution criterion.

Activity 6.4 Operation of personal mobility devices, cycle logistics

The vehicles purchased for the personal mobility of passengers with reduced mobility (PRM) are both electrically powered and physically propelled vehicles by operators in support of PRMs. Therefore, they are deemed to comply with the substantial contribution criterion.

Activity 6.13 Infrastructure for personal mobility, cycle logistics

The investments reported under this activity are aimed at the construction of cycle paths and infrastructures for bicycle mobility, therefore they comply with the substantial contribution criterion.

Activity 6.14 Infrastructure for rail transport

The "People Mover" infrastructure is one of the cases mentioned in the regulation as "ground-based electrified infrastructure and associated subsystems". Furthermore, as it is used exclusively for the transport of passengers, it complies with the criterion that the infrastructure must not be used for the transport or storage of fossil fuels.

Activity 6.15 Infrastructure enabling low-carbon road transport and public transport

The activity's substantial contribution criterion refers to the 3 macro areas of application: vehicles with zero tailpipe CO2 emissions, loading, road transport infrastructure and urban and suburban public transport.

Since the Group manages the entire infrastructure dedicated to passenger mobility inside and partly outside the airport, as a first point it identified a clear definition of public transport, so as to proceed with the analyses with the utmost transparency. Based on the assessments carried out, urban and suburban public transport is defined as transport with fixed stops and pre-established schedules.

Following this analysis, the following are considered compliant with the criterion:

- vehicles not dedicated to public transport as defined above, with zero CO2 emissions;
- buses as they comply with the criterion regardless of the type of power supply.

It should be noted that none of the infrastructures analysed are used for the transport or storage of fossil fuels.

Activity 6.17 Low-carbon airport infrastructure

The aircraft parking areas of the Fiumicino Terminal used exclusively for the supply of electricity and preconditioned air are considered to be aligned. Furthermore, the infrastructure is not used for the transport or storage of fossil fuels, and therefore compliance with the substantial contribution criterion is ensured.

The aircraft parking areas at Ciampino airport do not comply with the criterion because they use mobile electric GPUs (ground power equipment) to recharge air vehicles, and there are no dedicated fixed infrastructures.

The infrastructure and superstructure of the terminals prepared for the loading, unloading and transshipment of goods, used for the transshipment of goods (Cargo City Area) also meet the criterion.

Activity 7.3 Installation, maintenance and repair of energy efficiency equipment

The activity consists of the installation and maintenance of energy-efficient light sources (LED). The technical screening criterion is therefore verified.

Activity 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings

The activity consists of installing, maintaining and repairing charging stations for electric vehicles. The technical screening criterion is therefore verified.

Activity 7.6 Installation, maintenance and repair of renewable energy technologies

The activity consists of installing photovoltaic solar systems, electricity storage units and other accessory systems. The technical screening criterion is therefore verified.

Activity 7.7 Acquisition and ownership of buildings

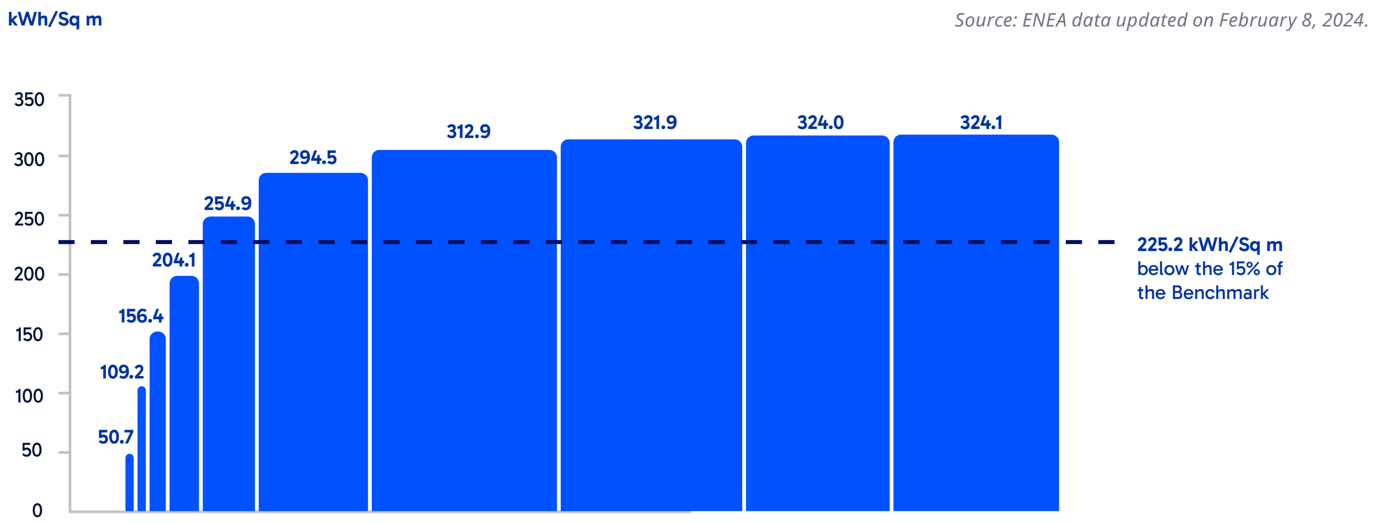
With reference to activity 7.7, the ADR Group firstly defined the date of construction of the properties under analysis, to understand which of the first two alternative points of the substantial contribution criterion to apply. In compliance with the provisions of the European Commission in the FAQs published in December 2020, for the application of the criterion, the construction date is the date of receipt of the building permit (FAQ no. 143). Based on the above considerations, the buildings subject to analysis are classified as "buildings built before December 31, 2020".

Subsequently, an analysis was carried out to determine which buildings were included in the top 15% of the national real estate stock in terms of primary operational energy requirements.

With reference to the available data relating to the average national consumption of buildings with EPC certification within the Information System on Energy Performance Certificates (ISEPC) prepared by ENEA (https://siape.enea.it/), the data were analysed across approximately 700,000 non-residential buildings. In light of the sampling of buildings with APE and the relative average consumption per square meter, the threshold of 254.9 kWh/square meter was identified as the threshold for the alignment check. On the basis of this threshold, the final energy consumption per square metre of the Group's buildings was compared.

The analyses conducted show that the Fiumicino Terminal, which is the largest in terms of the weight of eligible activities, is considered as compliant with the criterion as it falls within the threshold identified, with a 2023 consumption of 225.5 kWh/Sq m.

GRAPH 14 - Non-residential buildings EPC distribution ITALY



For the Ciampino Terminal, on the other hand, the criterion is not exceeded as the value of the actual average energy consumption per square meter, which can only be calculated as a whole with reference to the entire airport grounds, does not allow unambiguous evaluations of individual buildings.
On the other hand, as regards the considerations on the rest of the Aeroporti di Roma property portfolio, the following buildings were also identified for the purposes of this analysis:

Building	Consumption	Alignment
Cargo City	65.97 kWh/Sq m	Yes
Office Tower 1	145.21 kWh/Sq m	Yes
Office Tower 2	326.03 kWh/Sq m	No

Finally, with reference to the third requirement "In the case of a large non-residential building [..] it is efficiently managed through the monitoring and assessment of energy performance", the Group adopts an energy performance monitoring and evaluation system, which enables the efficient energy management of the real estate buildings.

DO NO SIGNIFICANT HARM (DNSH) CRITERIA

The DNSH criteria applicable to the economic activities under analysis are presented below. The assessments are carried out in compliance with the two sites of interest, Fiumicino airport and Ciampino airport, where the eligible activities are performed.

Adaptation to climate change

All the activities analysed, which contribute to the climate change mitigation objective, require that a physical climate risk assessment be carried out pursuant to Appendix A of the Delegated Regulation on climate.

In 2023, the ADR Group carried out a Climate Change Risk Assessment on significant physical risks for each of the sites under analysis, also with reference to the risks mapped in Appendix A.

A Climate Change Risk Analysis (CCRA) methodology was developed consistent with the reference best practices (i.e. ICAO and ISO 14091 "Adaptation to climate change - Guidelines on vulnerability, impacts and risk assessment") and integrated into the Enterprise Risk Model (ERM), which identifies and assesses the climatic risks (physical and transitional) that concretely affect the economic activity and the vulnerability of the assets.

Thanks to this analysis, the risks impacting both airports were identified, their potential impact was quantified and adaptation and mitigation solutions were outlined, including those already in place, thus allowing the DNSH criterion to be considered as verified.

More information on this analysis can be found in section 3.3 of this document.

For future reporting periods the Group undertakes to consolidate the analyses and enrich the plans to mitigate the impacts of the climate risks identified.

Sustainable use and protection of water and marine resources

The DNSH criterion was verified with reference to activities 4.15, 6.13, 6.14, 6.15, and 6.17, since the activities all refer to what is stated in Appendix B of the Delegated Regulation on climate.

The ADR Group carried out an Environmental Impact Assessment (EIA) in accordance with EU Directives on the Ciampino and Fiumicino sites, both envisaged in correlation with the airport development plans. The assessment also took into consideration the risks and management of water bodies and the environmental impact in terms of protecting biodiversity and ecosystems.

The activities carried out by the Group are considered sufficient to verify compliance with the requirements of the DNSH criterion.

Transition to a circular economy

Activities 4.9, 4.15
The Group presents a waste management plan that ensures maximum reuse or recycling at the end of the life cycle in accordance with the waste hierarchy that guarantees compliance with the DNSH criterion.

Activity 5.5
In the waste collection and management process, waste is collected separately and is not mixed in the storage and transfer plants with other waste or materials with different properties, in line with the requirements of the relevant criterion.

Activity 6.3
Both in the use phase and at the end of the life of the vehicles, the waste hierarchies are respected and waste is recovered according to current regulations.

Activities 6.13, 6.14, 6.15 and 6.17
Since activities 6.14, 6.15 and 6.17 do not envisage the presence of construction and demolition waste, the DNSH criterion relating to the Transition towards a circular economy objective is considered not applicable.

For activity 6.13, all recoverable waste is prepared for recovery. The regulations in force regarding the management of construction and demolition waste are also respected.

For activity 6.14 it is not applicable; as the infrastructure is located only within the airport grounds, without inhabited areas, the forecast regarding the population affected by noise and vibration is not relevant.

Pollution prevention and control

Activity 4.9
The DNSH criterion on pollution relating to activity 4.9 refers specifically to above-ground high voltage lines and requires that no polychlorinated biphenyls be used. Since the infrastructure managed by the ADR Group for the transmission and distribution of electricity has only underground lines, the criterion is not applicable. Furthermore, as no polychlorinated biphenyls are used, the criterion is deemed to have been met.

Activity 4.15
Part of the ancillary systems used by the Group predates, in terms of installation, the period of application of Directive 2009/125/EC, net of basic co-generation plants. During the purchase process, the presence of the best technologies available on the market for all new plants is taken into consideration. Following the above considerations, it is believed that the plant engineering complies with the requirements and that the choices for new technologies are in line with the requirements of the criterion.

Activities 6.13, 6.14, 6.15 and 6.17
For activities related to the transport sector, measures are taken to mitigate noise and vibrations, if necessary. In addition, as measures are also adopted to reduce

noise, vibrations and dust during maintenance work, the criterion is deemed to have been met.

Activity 7.3
Since this is only efficient lighting equipment (LED), the criterion is not applicable.

Protection and restoration of biodiversity and ecosystems

The activities 4.9, 4.15, 6.13, 6.14, 6.15 and 6.17 present the DNSH criterion that refers to Appendix D, therefore a cross-check analysis was carried out. Please refer to the criteria relating to the sustainable use and protection of water and marine resources outlined above.

In addition, for activity 6.15, the plans for vegetation maintenance services and road weeding were verified, which envisage measures for the management of invasive species and the protection of any wildlife on the sites, which comply with the provisions in part two of the criterion.

MINIMUM SAFEGUARDS

The ADR Group verified compliance with the minimum social protection safeguards, with particular reference to the alignment of its processes with the OECD guidelines for multinational companies, the Guiding Principles of the United Nations on businesses and human rights and the International Charter of human rights.

The verification of its compliance with the issues relating to human rights and workers' rights, corruption, taxation and fair competition, is to be understood as applicable to all of ADR's business activities. The analysis was conducted considering the adequacy of the Group's processes in identifying and preventing possible negative impacts on the four areas, also considering the possible effectiveness of mitigation actions:

- **Respect for human rights (including workers' rights)**

  In line with the Principles relating to Human Rights of the United Nations Global Compact to which it adheres, ADR undertakes to promote and respect human rights and to ensure that it is not complicit in any abuses.

ADR considers compliance with minimum safeguards according to the application of the Code of Ethics, the Anti-Bribery Policies and other processes in place throughout its value chain.
Specifically:

- the Code of Ethics sets the compliance with sustainability and human rights issues by both subsidiaries and counterparties as essential;
- the tender specifications explicitly envisage acceptance of the Code of Ethics in contracts with suppliers and the commitment of suppliers to apply the guidelines in relations with other subcontractors;
- a specific Human Rights Policy was enacted in 2022, which aims to raise awareness and ensure respect for human rights within the sphere of the ADR Group and its value chain. To this end, we intend to integrate a due diligence model that makes it possible to identify, prevent, mitigate and address negative impacts on human rights in a timelier manner. Within this framework, please note that the website www.adr.it features the "ADR Group Whistleblowing" channel that directs to the dedicated platform for collecting reports. This is the main tool for employees or third parties interested in reporting and making requests on possible risks or violations also in the field of human rights;
- an assessment and qualification programme for active suppliers was launched in 2022, which includes ESG parameters and specifically the issue of human rights.

- **Anti-corruption**

  The Group adopted policies, management systems, measures and programmes to ensure ethics and compliance in the fight against corruption, with main reference to the Anti-Corruption Policy, the Management System for the prevention of corruption in accordance with the international standard ISO 37001:2016 and the Code of Ethics. For more information, please refer to section 4.4 Ethics and Compliance with regard to the internal management of the issue, and to section 5.9.3 Supply Chain for the verification of anti-corruption criteria towards suppliers.

- **Taxation**

  The ADR Group, which adheres to a collaborative compliance regime, carries out its business activities in compliance with tax laws and regulations, adhering to the collaborative compliance tax regime. The ADR Group's Tax Strategy, approved in 2019, defines the objectives and principles adopted in the management of taxation and is aimed at implementing an internal control system for tax risk (Tax Control Framework), which is fully compliant with international standards, shared within the OECD and endorsed by the Italian Tax Authorities.

- **Fair competition**

  ADR, which operates in a particularly regulated and non-competitive market, carries out its activities in compliance with all applicable laws on fair competition and requires all employees to comply with the procedures to safeguard competition. Furthermore, the supplier selection procedure encourages the company to encourage free competition.

  Finally, it should be noted that ADR was not convicted of any violation of labour law or human rights, corruption and taxation and was not involved in any case dealt with by a National Contact Point (NCP) of the OECD, nor was it questioned by the Business & Human Rights Resource Centre (BHRRC).

10.5 Process for measuring indicators and contextual information

The analyses carried out regarded the entire consolidation scope of the ADR Group, currently composed of the following subsidiaries: ADR Ingegneria S.p.A.; ADR Infrastrutture S.p.A.; ADR Tel S.p.A.; ADR Assistance S.r.l., ADR Mobility S.r.l.; ADR Security S.r.l.; Airport Cleaning S.r.l.; Leonardo Energia S.r.l.; ADR Ventures S.r.l..

For contextual information on changes in eligibility and alignment KPIs, please refer to sections 5.2 (Financial position and financial performance) and 5.3 (Assets and Investments) of this document.

Turnover

The eligible/taxonomy-aligned turnover is calculated as the part of the net turnover derived from products and services associated with the eligible economic activities or economic activities aligned to the taxonomy (numerator) divided by the net turnover (denominator) of the Group for 2023. The data were prepared starting from the Group's income statement for the year ended December 31, 2023, in compliance with IAS 1.82 (a).

The numerator of the turnover KPI is made up of the net revenue associated with the Group's activities related to eligible/aligned activities. In general, where possible, the individual economic activities have been traced back to the related revenue, in order to ensure a high level of clarity and transparency in the information reported and to avoid double counting.

In some cases, it was not possible to carry out this reconciliation, and therefore recourse was made to approximations, applying a conservative and prudential approach.

Specifically:

- for activity 6.15 relating to parking infrastructures, the aligned share of turnover was estimated considering the % of parking spaces equipped with charging infrastructures out of the total number of parking spaces;
- for activity 6.17 relating to low-carbon airport infrastructures, the aligned share of turnover was estimated considering only the stands used for the

supply of electricity and preconditioned air to parked aircrafts.

- For activity 7.7 relating to the acquisition and ownership of buildings, the percentage of revenue derived from real estate activities was estimated considering the square meters of the aligned buildings as described in the previous section, in relation to the square meters of the total real estate portfolio and the airport.

Capital expenditure (CapEx)
The KPI relating to capital expenditure aligned with the taxonomy (CapEx) was measured as the proportion of CapEx related to the eligible/aligned activities (numerator) with respect to the Group's total CapEx (denominator) [62] . The CapEx KPI denominator consists of increases in property, plant and equipment and intangible assets that occurred during the year and considered before amortisation, depreciation, impairment losses and revaluations and increases in property, plant and equipment and intangible assets derived from business combinations.

The eligible/aligned portion of CapEx includes:

- capital expenditure relating to assets or processes associated with eligible/taxonomy-aligned economic activities (point 1.1.2.2. Annex I Article 8 of the Delegated Act);
- capital expenditure relating to the purchase of products derived from business activities eligible for the taxonomy and to individual measures that allow the Group's activities to achieve low carbon emissions or to achieve greenhouse gas reductions (point 1.1.2.2. Annex I Article 8 of the Delegated Act).

Reconciliation of the business activities eligible/aligned with the Group's investments was carried out starting from the consolidated Capex Database as of December 31, 2023. The prudential approximations applied to the calculation of investments reflect the analyses conducted on Turnover.

Operating expenses (OpEx)
Taxonomy-aligned operating expenses (OpEx) are measured as the ratio of non-capitalised direct eligible/aligned costs for research and development, building renovation, short-term lease, maintenance and repair and any other direct expense related to the maintenance of property, plant and equipment (numerator) with respect to the total OpEx relating to the above categories (denominator) of the Group[63]. The data were prepared starting from the Group's income statement for the year ended December 31, 2023, in compliance with IAS 1.82 (a).

Operating expenses directly related to eligible economic activities/economic activities aligned with the taxonomy were deemed to be aligned/eligible.

The prudential approximations applied to the calculation of opex reflect the analyses conducted on Turnover.

Most of the operating expenses considered refer to the area of maintenance and repair, while in 2023 no research and development operating expenses and costs relating to building renovation and short-term lease measures were incurred, in consideration of the Group's business.

The change in the KPI compared to the previous year is due solely to the nature of the costs incurred during 2023, as the scope of eligibility remained the same as that of the previous year.

TABLE 84 - Quantitative breakdown of the OpEx KPI aligned numerator

Type of expenditure	OpEx (€/000)
Maintenance and repair	30,101
Other direct expenses related to the daily maintenance of property, plant and equipment	18,176
TOTAL	**48,277**

[62] *Compared to the total CapEx, therefore, so-called 'renovation interventions' are excluded, cf. section 5.3.1*

[63] *The personnel expense component of the above was, for these purposes, estimated using a proxy based on standard personnel expense and full time equivalent (FTE) of the business structures considered in the analysis. The use of this proxy proved necessary because of the type of accounting aggregations present in the group's income Statement.*

10.6
Future developments

The activities not included in the analysis to date are not covered by the EU Taxonomy, but the scope of eligible activities may change in future reporting periods. Therefore, the ADR Group closely monitors the regulatory updates relating to Regulation 852/2020 that will be implemented in future reporting periods.

The Group undertakes to integrate and improve the process of reconciling business activities with accounting items, enhancing resources and calculation models to allow analytical reporting of specific turnover, capital expenditure and operating expenses, and to ensure maximum transparency in the process of calculating KPIs.

With a view to guaranteeing a correct and truthful representation of the information relating to the analysis of eligibility and alignment of its economic activities with the European Taxonomy, the ADR Group decided, one year in advance of the regulatory obligations, to submit this year the European Taxonomy report under review by an auditor, through limited assurance. In fact, the Group is committed to producing and conveying reliable and accurate information, with the ultimate aim of averting the threat of greenwashing and providing the markets and the public with truthful reports that can demonstrate ADR's commitment to pursuing the sustainable development of its airport infrastructures.

ADR also undertakes to further integrate the analyses conducted on the alignment criteria, in order to have the information necessary for the verification of the criteria for each economic activity and to obtain more detailed checks along the entire supply chain, where necessary.

10.7
Quantitative disclosure

TABLE 85 - Turnover KPIs

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	Taxonomy Code	Absolute turnover	Proportion of Turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Turnover, Year N -1	Category (enabling activity)	Category (transitional activity)
		(€/000)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
Transmission and distribution of electricity	CCM 4.9	1,033	0.1%	100%	0%	0%	0%	0%	0%		Y		Y	Y	Y	Y	0.1%	E	
Distribution of district heating/cooling	CCM 4.15	0	0.0%	100%	0%	0%	0%	0%	0%		Y	Y	Y		Y	Y	0.4%		
Collection and transport of non-hazardous waste in source segregated fashion	CCM 5.5	1,095	0.1%	100%	0%	0%	0%	0%	0%		Y			Y		Y	0.2%		
Urban and suburban transport, road passenger transport	CCM 6.3	110	0.0%	100%	0%	0%	0%	0%	0%		Y		Y	Y		Y	0.0%	E	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	386	0.0%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0.4%	E	
Low carbon airport infrastructure	CCM 6.17	5,180	0.6%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0.4%		T
Acquisition and ownership of buildings	CCM 7.7	663,054	74.6%	100%	0%	0%	0%	0%	0%		Y					Y	69.4%		
Turnover of environmentally sustainable activities (Taxonomy-aligned)		**670,858**	**75.4%**	**75.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**70.9%**	**0.2%**	**0.6%**
Of which enabling		**1,529**	**0.2%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.5%**	**E**	
Of which transitional		**5,180**	**0.6%**	**100%**							**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.4%**		**T**
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)																			
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	439	0.0%	100%	0%	0%	0%	0%	0%								0.1%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	278	0.0%	100%	0%	0%	0%	0%	0%								0.1%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	47,053	5.3%	100%	0%	0%	0%	0%	0%								n/a		
Low carbon airport infrastructure	CCM 6.17	1,627	0.2%	100%	0%	0%	0%	0%	0%								0.2%		
Acquisition and ownership of buildings	CCM 7.7	45,430	5.1%	100%	0%	0%	0%	0%	0%								6.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)		**94,827**	**10.7%**	**0.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**6.4%**		
A. Turnover of Taxonomy eligible activities Total (A.1+A.2)		**765,685**	**86.1%**	**75.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**77.3%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**123,721**	**13.9%**																
TOTAL (A+B)		**889,407**	**100.0%**																

TABLE 86 - CapEx KPIs

Economic Activities	Taxonomy Code	Absolute CapEx	Proportion of CapEx	Substantial Contribution Criteria: Climate Change Mitigation	Substantial Contribution Criteria: Climate Change Adaptation	Substantial Contribution Criteria: Water	Substantial Contribution Criteria: Pollution	Substantial Contribution Criteria: Circular Economy	Substantial Contribution Criteria: Biodiversity and ecosystems	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation	DNSH: Climate Change Adaptation	DNSH: Water	DNSH: Pollution	DNSH: Circular Economy	DNSH: Biodiversity	Minimum Safeguards	Proportion of CapEx, Year N -1	Category (enabling activity)	Category (transitional activity)
		(€/000)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
Transmission and distribution of electricity	CCM 4.9	499	0.2%	100%	0%	0%	0%	0%	0%		Y		Y	Y	Y	Y	1.4%	E	
Distribution of district heating/cooling	CCM 4.15	2,216	0.8%	100%	0%	0%	0%	0%	0%		Y	Y	Y		Y	Y	1.5%		
Collection and transport of non-hazardous waste in source segregated fashion	CCM 5.5	50	0.0%	100%	0%	0%	0%	0%	0%		Y			Y		Y	n/a		
Urban and suburban transport, road passenger transport	CCM 6.3	1,912	0.7%	100%	0%	0%	0%	0%	0%		Y		Y	Y		Y	n/a		T
Operation of personal mobility devices, cycle logistics	CCM 6.4	401	0.1%	100%	0%	0%	0%	0%	0%		Y			Y		Y	0.0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	41	0.0%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	n/a	E	
Infrastructure for rail transport	CCM 6.14	234	0.0%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0.7%	E	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	413	0.1%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	1.4%	E	
Low carbon airport infrastructure	CCM 6.17	1,618	0.6%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	0.2%	E	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	505	0.2%	100%	0%	0%	0%	0%	0%		Y		Y			Y	0.1%	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	908	0.3%	100%	0%	0%	0%	0%	0%		Y					Y	0.0%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	18,685	6.7%	100%	0%	0%	0%	0%	0%		Y					Y	1.0%	E	
Acquisition and ownership of buildings	CCM 7.7	199,062	71.4%	100%	0%	0%	0%	0%	0%		Y					Y	66.1%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**226,544**	**81.3%**	**81.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**72.4%**	**8.2%**	**0.7%**
Of which enabling		**22,902**	**8.2%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**4.8%**	**E**	
Of which transitional		**1,912**	**0.7%**	**100%**							**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		**T**
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)																			
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	247	0.1%	100%													n/a		
Construction, expansion and management of waste water collection and treatment systems	CCM 5.3	285	0.1%	100%													1%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	4,819	1.7%	100%													n/a		
Low carbon airport infrastructure	CCM 6.17	1,913	0.7%	100%													0%		
Renovation of existing buildings	CCM 7.2	-198,099	-71.1%	100%													0%		
Acquisition and ownership of buildings	CCM 7.7	203,361	73.0%	100%													3%		
Data processing, hosting and related activities	CCM 8.1	243	0.1%	100%													1%		
Data processing, hosting and related activities	CCM 8.2	233	0.1%	100%													0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**13,002**	**4.7%**	**4.7%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**5%**		
Total (A.1+A.2)		**239,545**	**86.0%**	**86.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**77.6%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**39,132**	**14.0%**																
TOTAL (A+B)		**278,677**	**100%**																

TABLE 87 - OpEx KPIs

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities	Taxonomy Code	Absolute OpEx	Proportion of OpEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of OpEx, Year N -1	Category (enabling activity)	Category (enabling activity)
		(€/000)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)																			
Transmission and distribution of electricity	CCM 4.9	9,350	12.6%	100%	0%	0%	0%	0%	0%		Y		Y	Y	Y	Y	11.5%	E	
Distribution of district heating/cooling	CCM 4.15	10,454	14.1%	100%	0%	0%	0%	0%	0%		Y	Y	Y		Y	Y	12.6%		
Rail transport infrastructure	CCM 6.14	0	0.0%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	2.0%	E	
Low carbon airport infrastructure	CCM 6.17	1,370	1.8%	100%	0%	0%	0%	0%	0%		Y	Y	Y	Y	Y	Y	1.5%	E	
Acquisition and ownership of buildings	CCM 7.7	27,103	36.5%	100%	0%	0%	0%	0%	0%		Y					Y	33.8%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**48,277**	**65.1%**	**65.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**61.4%**	**14.4%**	**0.0%**
Of which enabling		**10,720**	**14.4%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**15.0%**	**E**	
Of which transitional		**0**	**0.0%**	**100%**													**0.0%**		**T**
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)																			
Construction, expansion and management of waste water collection and treatment systems	CCM 5.3	3,211	4.3%	100%	0%	0%	0%	0%	0%								3.8%		
Low carbon airport infrastructure	CCM 6.17	250	0.3%	100%	0%	0%	0%	0%	0%								0.2%		
Acquisition and ownership of buildings	CCM 7.7	10,164	13.7%	100%	0%	0%	0%	0%	0%								20.0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**13,625**	**18.4%**	**18.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**24.0%**		
Total (A.1+A.2)		**61,903**	**83.4%**	**83.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**85.4%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**12,293**	**16.6%**																
TOTAL (A+B)		**74,196**	**100%**																

TABLE 88 - KPI Turnover Breakdown

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	75%	86%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

TABLE 89 - KPI CapEx Breakdown

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	81%	86%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

TABLE 90 - KPI OpEx Breakdown

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	65%	83%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Consolidated financial statements

at December 31, 2023

Consolidated financial statements of the Aeroporti di Roma Group

Consolidated statement of financial position

ASSETS

(Thousands of euros)	Notes	12.31.2023	of which related	12.31.2022	of which related
NON-CURRENT ASSETS					
Property, plant and equipment	6.1	62,552		52,687	
Concession rights		*2,633,574*		*2,510,482*	
Other intangible assets		*41,482*		*36,130*	
Intangible assets	6.2	2,675,056		2,546,612	
Equity investments	6.3	13,671		19,430	
Other non-current financial assets	6.4	38,210		17,429	
Deferred tax assets	6.5	31,225		39,775	
Other non-current assets	6.6	519		461	
TOTAL NON-CURRENT ASSETS		**2,821,233**		**2,676,394**	
CURRENT ASSETS					
Inventories		*5,598*		*5,801*	
Contract assets		*425*		*322*	
Trade receivables		*241,735*	*5,141*	*207,945*	*7,059*
Trade assets	6.7	247,758	5,141	214,068	7,059
Other current financial assets	6.4	6,265		57,890	1,350
Current tax assets	6.8	36		23,061	22,981
Other current assets	6.9	31,415	154	36,658	560
Cash and cash equivalents	6.10	909,306		1,024,985	
Assets held for sale	6.11	950		0	
TOTAL CURRENT ASSETS		**1,195,730**	**5,295**	**1,356,662**	**31,950**
TOTAL ASSETS		**4,016,963**	**5,295**	**4,033,056**	**31,950**

EQUITY AND LIABILITIES

(Thousands of euros)	Notes	12.31.2023	of which related parties	12.31.2022	of which related parties
EQUITY					
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT					
Share capital		62,225		62,225	
Reserves and retained earnings		1,034,692		988,893	
Profit (loss) for the year, net of advance on dividends		111,914		45,059	
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**1,208,831**		**1,096,177**	
		0		**0**	
TOTAL EQUITY	6.12	**1,208,831**		**1,096,177**	
LIABILITIES					
NON-CURRENT LIABILITIES					
Employee benefits	*6.13*	*11,462*		*12,018*	
Provision for renovation of airport infrastructure	*6.14*	*177,392*		*157,430*	
Other provisions for risks and charges	*6.15*	*16,397*		*16,481*	
Non-current provisions		205,251		185,929	
Bonds		*1,606,493*		*1,273,005*	
Medium/long-term loans		*377,960*		*617,214*	
Derivatives		*0*		*0*	
Other financial liabilities		*1,197*	*23*	*1,817*	*155*
Non-current financial liabilities	6.16	1,985,650	23	1,892,036	155
Other non-current liabilities	6.17	3,015	530	2,951	358
TOTAL NON-CURRENT LIABILITIES		**2,193,916**	**553**	**2,080,916**	**513**
CURRENT LIABILITIES					
Employee benefits	*6.13*	*2,300*		*1,501*	
Provision for renovation of airport infrastructure	*6.14*	*52,473*		*76,548*	
Other provisions for risks and charges	*6.15*	*5,364*		*5,998*	
Current provisions		60,137		84,047	
Trade payables	*6.18*	*231,180*	*2,245*	*188,923*	*3,165*
Trade liabilities		231,180	2,245	188,923	3,165
Current portion of non-current financial liabilities		*63,949*	*132*	*298,764*	*131*
Derivatives		*978*		*83,910*	
Current financial liabilities	6.16	64,927	132	382,674	131
Current tax liabilities	6.8	47,068	37,654	13,486	
Other current liabilities	6.19	210,904	1,562	186,833	959
TOTAL CURRENT LIABILITIES		**614,216**	**41,593**	**855,963**	**4,255**
TOTAL EQUITY AND LIABILITIES		**4,016,963**	**42,146**	**4,033,056**	**4,768**

Consolidated Income Statement

(Thousands of euros)	Notes	2023	of which related parties	2022	of which related parties
REVENUE					
Revenue from airport management		878,454	21,077	643,727	13,226
Revenue from construction services		240,534		144,091	
Other operating income		10,953	270	20,019	1,167
TOTAL REVENUE	**7.1**	**1,129,941**	**21,347**	**807,837**	**14,393**
COSTS					
Consumption of raw materials and consumables	7.2	(39,423)		(35,753)	
Service costs	7.3	(386,317)	(3,626)	(280,454)	(2,271)
Personnel expense	7.4	(225,997)	(1,386)	(195,412)	(1,303)
Concession fees		*(37,595)*		*(26,352)*	
Lease payments		*(2,884)*		*(2,584)*	
(Accruals to)/uses of the provision for renovation of airport infrastructure	*6.14*	*13,297*		*(15,884)*	
(Accruals to) re-absorption of provisions for risks and charges	*6.15*	*(1,072)*		*1,770*	
Other costs		*(12,452)*		*(9,620)*	*(10)*
Other operating costs	7.5	(40,706)		(52,670)	(10)
Depreciation of property, plant and equipment	*6.1*	*(11,824)*		*(11,037)*	
Amortisation of concession rights	*6.2*	*(97,559)*		*(91,220)*	
Amortisation of other intangible assets	*6.2*	*(11,294)*		*(9,386)*	
Amortisation and depreciation		(120,677)		(111,643)	
TOTAL COSTS		**(813,120)**	**(5,012)**	**(675,932)**	**(3,584)**
OPERATING PROFIT (LOSS)		**316,821**		**131,905**	
Financial income		32,589		4,259	
Financial expense		(67,628)		(81,659)	
Net exchange gains		123		13,456	
NET FINANCIAL EXPENSE	**7.6**	**(34,916)**		**(63,944)**	
Share of profit (loss) of equity-accounted investees	7.7	(871)		(1,398)	
PROFIT (LOSS) BEFORE TAXES		**281,034**		**66,563**	
Income taxes	7.8	(83,289)		(21,504)	
PROFIT (LOSS) FROM CONTINUING OPERATIONS		**197,745**		**45,059**	
Profit (loss) from discontinued operations/assets held for sale	7.9	(4,317)		-	
PROFIT (LOSS) FOR THE YEAR		**193,428**		**45,059**	
of which:					
Attributable to the owners of the parent		193,428		45,059	
Attributable to non-controlling interests		0		0	

Consolidated Statement of Comprehensive Income

(Thousands of euros)	2023	2022
PROFIT (LOSS) FOR THE YEAR	**193,428**	**45,059**
Fair value gains (losses) on cash flow hedges	(2,873)	100,982
Tax effect	689	(24,235)
Other comprehensive income (expense) from equity-accounted investees	0	(26)
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(2,184)**	**76,721**
Actuarial gains (losses) on employee benefits	(346)	1,624
Tax effect	83	(390)
Fair value gains (losses) on equity investments	(212)	0
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT	**(475)**	**1,234**
RECLASSIFICATIONS OF OTHER COMPREHENSIVE INCOME FOR THE YEAR	**3,399**	**4,883**
OTHER COMPREHENSIVE INCOME, NET OF THE TAX EFFECT	**740**	**82,838**
COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR	**194,168**	**127,897**
Of which:		
Attributable to the owners of the parent	194,168	127,897
Attributable to non-controlling interests	0	0

Consolidated Statement of Changes in Equity

(Thousands of euros)	Share capital	Legal reserve	Share Premium reserve	Hedging Reserve	Equity Accounting Reserve	Fair value reserve	Other reserves and retained earnings	Profit (loss) for the year, net of advance on dividends	Total	Equity attributable to non-controlling interests	Total Equity
BALANCE AT DECEMBER 31, 2021	**62,225**	**12,462**	**667,389**	**(76,487)**	**230**	**(40,611)**	**379,798**	**(38,035)**	**966,971**	**2,795**	**969,766**
Profit for the year								45,059	45,059	0	45,059
Other comprehensive income:				81,630	(26)		1,234		82,838		82,838
Fair value gains (losses) on cash flow hedges, net of the tax effect				81,630					81,630		81,630
Actuarial gains (losses) on employee benefits, net of the tax effect							1,234		1,234		1,234
Other comprehensive income (expense) from equity-accounted investees					(26)				(26)		(26)
Fair value gains (losses) on equity investments											
Comprehensive income (expense) for the year				81,630	(26)		1,234	45,059	127,897	0	127,897
Allocation of loss for the previous year							(38,035)	38,035	0		0
Transactions relating to subsidiaries							1,309		1,309	(2,795)	(1,486)
Other changes											
BALANCE AT DECEMBER 31, 2022	**62,225**	**12,462**	**667,389**	**5,143**	**204**	**(40,611)**	**344,306**	**45,059**	**1,096,177**	**0**	**1,096,177**
Profit (loss) for the year								193,428	193,428	0	193,428
Other comprehensive income:	0	0	0	1,215	0	(212)	(263)	0	740	0	740
Fair value gains (losses) on cash flow hedges, net of the tax effect	0	0	0	1,215	0	0	0	0	1,215	0	1,215
Actuarial gains (losses) on employee benefits, net of the tax effect	0	0	0	0	0	0	(263)	0	(263)	0	(263)
Other comprehensive income (expense) from equity-accounted investees									0		0
Fair value gains (losses) on equity investments	0	0	0	0	0	(212)	0	0	(212)	0	(212)
Comprehensive income (expense) for the year	0	0	0	1,215	0	(212)	(263)	193,428	194,168	0	194,168
Allocation of profit of the previous year							45,059	(45,059)	0		0
Distribution of advance on dividends								(81,514)	(81,514)		(81,514)
BALANCE AT DECEMBER 31, 2023	**62,225**	**12,462**	**667,389**	**6,358**	**204**	**(40,823)**	**389,102**	**111,914**	**1,208,831**	**0**	**1,208,831**

Consolidated Statement of Cash Flows

(Thousands of euros)	2023	2022
PROFIT (LOSS) FOR THE YEAR	**193,428**	**45,059**
Adjusted by:		
Amortisation and depreciation	120,677	111,643
Accruals to the provision for renovation of airport infrastructure	31,593	56,964
Financial expense from discounting provisions	9,519	1,646
Change in other provisions	(1,156)	(2,598)
Share of profit (loss) of equity-accounted investees	871	1,398
Net change in deferred tax (assets) liabilities	8,248	24,508
Other non-monetary costs (revenue)	13,325	13,586
Changes in working capital and other changes	98,869	352,598
CASH FLOWS FROM OPERATING ACTIVITIES (A)	**475,374**	**604,804**
Investments in property, plant and equipment (*)	(22,376)	(13,704)
Investments in intangible assets (**)	(259,532)	(160,567)
Works for renovation of airport infrastructure	(44,890)	(41,080)
Equity investments and non-controlling interests in consolidated companies	(591)	(2,386)
Gains from disinvestments and other changes in property, plant and equipment and intangible assets and equity investments	3,258	1,012
Net change in other non-current assets	(58)	9
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(324,189)**	**(216,716)**
Dividends paid	(81,513)	0
Issue of bonds	393,699	0
Repayments of bonds	(309,465)	0
Repayment of medium/long-term loans	(239,423)	(17,885)
Net change in other current and non-current financial liabilities	(76,227)	(3,833)
Net change in current and non-current financial assets	46,065	(3,025)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**(266,864)**	**(24,743)**
CASH FLOWS FOR THE YEAR (A+B+C)	**(115,679)**	**363,345**
Opening cash and cash equivalents	1,024,985	661,640
Closing cash and cash equivalents	909,306	1,024,985

(*) including advances to suppliers for 348 thousand euros in 2022.
(**) including advances to suppliers for 3,232 thousand euros in 2023 and 825 thousand euros in 2022.

Additional information to the statement of cash flows

(Thousands of euros)	2023	2022
Net income taxes paid (reimbursed)	17,111	(57,850)
Interest income collected	22,233	2,266
Interest expense and commissions paid	36,708	54,462

Notes to the Consolidated Financial Statements of the Aeroporti di Roma Group

1. General information

Aeroporti di Roma S.p.A. (hereafter the "Company" or "ADR" or "the Parent") manages the Roman airport system on an exclusive basis under the concession signed between the Italian Civil Aviation Authority ("ENAC") and ADR. On December 21, 2012, the Prime Minister approved the new Planning Agreement signed between ADR and ENAC on October 25, 2012, based on which ADR is entrusted with managing the airport system directly and indirectly through the subsidiaries, to which specific activities are assigned. The concession expires on June 30, 2046.
The registered office of the Parent is in Fiumicino, Via Pier Paolo Racchetti 1, while the secondary office is in Ciampino, Via Appia Nuova 1651. The duration of the Company is currently set until December 31, 2050, unless extended.
At the date of these Consolidated Financial Statements, Mundys S.p.A. ("Mundys") is the shareholder who directly holds the majority of ADR's shares (61,844,628, equal to 99.389% of the share capital). Mundys manages and coordinates the Company.

These Consolidated Financial Statements of ADR and its subsidiaries (the "ADR Group") were approved by the Board of Directors of the Company at the meeting of March 13, 2024 and audited by KPMG S.p.A.
The Consolidated Financial Statements were prepared on the basis of the going concern assumption.

2. Basis of presentation

The Consolidated financial statements as at and for the year ended December 31, 2023 have been prepared in accordance with art. 2 of Italian Legislative Decree no. 38/2005, in compliance with the international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Committee (IFRIC) and by the Standing Interpretations Committee (SIC), recognised in the European Union pursuant to Regulation (EC) no. 1606/2002 and in force at the reporting date.
Consideration was also given to the measures issued by Consob (Commissione Nazionale per le Società e la Borsa) in implementing paragraph 3 of Article 9 of Italian Legislative Decree no. 38/2005 on the preparation of the financial schedules.
The Consolidated financial statements comprise a statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and these notes, applying the provisions of IAS 1 "Presentation of Financial Statements" and the general criterion of the historical cost, with the exception of the financial statement items that under IFRS are recognised at their fair value, as stated in the measurement criteria of the individual items.
The statement of financial position is presented on the basis of the statement that provides for a distinction between current and non-current assets and liabilities, while costs are classified on the basis of their nature in the income statement. The statement of cash flows was prepared using the indirect method. IFRS were applied consistently with the indications of the "Framework for the Preparation and Presentation of Financial Statements" and no issues emerged that required exceptions pursuant to IAS 1. The statement of changes in equity was defined in compliance with IAS 1, obviously taking into account the overall results.
All amounts are expressed in thousands of euros, unless otherwise indicated. Euro is the functional currency of the Parent and the subsidiaries and the currency of presentation of the financial statements.
Each item in the consolidated financial statements is compared with the corresponding balance of the previous financial year.

3. Basis of consolidation

The Consolidated financial statements include the financial statements as at and for the year ended December 31, 2023 of ADR and its subsidiaries, directly or indirectly controlled by ADR, both by virtue of the shares held corresponding to the majority of votes in the Shareholders' Meeting (also when considering the potential voting rights deriving from options that can be exercised immediately) and due to other events or circumstances that (also when excluding the related shares) assign power over the relevant activities of the company, the exposure or the right to variable returns on the investment in the company and the ability to influence the returns on the investment.
The subsidiaries are included in the consolidation scope as of the date when control is acquired by the Group and are excluded from the scope as of the date when control is lost by the Group. The list of companies included in the consolidation scope is shown in Attachment 1 "List of equity investments".
With respect to December 31, 2022, please note the inclusion in the consolidation scope of the new company, ADR Ventures S.r.l., incorporated on February 3, 2023, with a capital injection of 2 million euros (of which 10 thousand euros as quota capital), fully subscribed by the sole quotaholder ADR. The new company's purpose relates to Corporate Venture Capital activities in order to invest in the development of start-ups with high innovative potential, similar to their relevant sector.
In addition, with effect from November 1, 2023, the reverse Merger of Fiumicino Energia S.r.l. into Leonardo Energia S.r.l. (change from limited liability consortium to limited liability company on October 24, 2023) took effect, pursuant to articles 2501-ter and 2505 of the Italian Civil Code. From November 1, 2023, ADR directly holds the entire quota capital of Leonardo Energia S.r.l., as the company resulting from the merger.

The comprehensive income or expense relating to a subsidiary is attributed to non-controlling interests, even if this implies a negative balance for the latter. The variations in the interest of the parent in a subsidiary that do not imply the loss of control are recorded as capital transactions. If the parent loses the control of a subsidiary, it:

- eliminates the assets (including goodwill) and the liabilities of the subsidiary;
- eliminates the carrying amounts of all the non-controlling interests in the former subsidiary;
- eliminates the accumulated exchange rate differences recognised in equity;
- recognises the fair value of the payment received;
- recognises the fair value of all the shareholdings in the former subsidiary;
- recognises the profit or loss in the income statement;
- reclassifies the portion attributable to the Parent of the items previously recognised in the statement of comprehensive income in the income statement or under retained earnings, as the case may be.

For consolidation purposes, the financial statements of the subsidiaries, approved by the relevant Boards of Directors, were used and adjusted to comply with the IFRS adopted by the Group.
The main consolidation principles are described below:

- the assets and liabilities, income and expense of companies consolidated using the line-by-line method are fully included in the Consolidated financial statements;
- the carrying amount of the equity investments is offset against the corresponding share of equity in the investees, attributing to the individual asset and liability items their present value at the date of acquisition of control;
- where necessary, adjustments have been made to the financial statements of subsidiaries to bring their accounting policies in line with those adopted by the Group;
- non-controlling interests in the net assets of subsidiaries are indicated separately from the equity attributable to the owners of the parent;
- profits and losses not yet realised for the Group, as they derive from transactions between Group companies, are eliminated, as are the items of a significant amount that give rise to assets and liabilities, costs and revenue between the consolidated companies;
- consolidation adjustments, take account, where applicable, of the related deferred taxation;
- dividends received by subsidiaries during the year and recorded in the Parent's income statement as income from equity investments are eliminated against retained earnings.

Business combinations
Business combinations are recorded using the acquisition method. The cost of an acquisition is valued as the sum of the transferred consideration, measured at fair value on the acquisition date, and the amount of the non-controlling interest in the acquired company. For each business combination, the Group defines whether to measure the non-controlling interest in the acquired company at fair value or in proportion to the share of the non-controlling interest in the net assets that can be identified in the acquired company. The acquisition costs are expensed in the year and classified under administrative expenses.
When the Group acquires a business, it classifies or designates the financial assets acquired or the liabilities assumed in accordance with the contractual terms, the economic conditions and the other relevant conditions in place on the acquisition date. This includes the check to establish whether an embedded derivative must be separated from the host contract.
If the business combination is created in several phases, the equity investment previously held is measured at the fair value on the acquisition date and any resulting profit or loss is recorded in the income statement.
Any contingent consideration due is recorded by the purchaser at fair value on the acquisition date. The change in fair value of the contingent consideration classified as asset or liability, as a financial instrument contemplated by IFRS 9, must be recorded in the income statement or in the statement of comprehensive income. In the cases where the contingent consideration is not within the scope of IFRS 9, it is measured at fair value with the fair value changes recognised in the income statement. If the contingent consideration is classified in equity, its value is not recalculated and its subsequent settlement is recorded in equity.
In the event that the fair values of the assets, liabilities and contingent liabilities can be determined only provisionally, the business combination is recognised using these provisional values. Any adjustments, deriving from the completion of the valuation process, are recognised within twelve months from the date of acquisition, restating the comparative data.
The transactions for the acquisition or sale of companies and/or business units under common control are treated, in accordance with IAS 1 and IAS 8, on the basis of their economic substance, making reference to both the (i) methods to determine the amount of the sale and the (ii) check of the added value generated for all the parties concerned, resulting in significant changes that can be measured in the cash flows before and after the transaction of the transferred assets. In this context:

- if both requirements being checked are met, these transactions for the purchase of companies and/or business units are recognised in accordance with IFRS 3, following the same criteria illustrated previously for similar transactions with third parties. In these cases, the transferor company posts in the income statement the possible difference between these carrying amounts of the assets and liabilities and the related amount;
- in the other cases, the transferred assets and liabilities are posted by the transferee at the same amount as they were recorded in the financial statements of the transferor company before the transactions, with the recognition in equity of any difference compared to the acquisition cost. Consistently with this, the transferor company records in equity the difference between the carrying amount of the assets and liabilities sold and the amount agreed.

4. Accounting policies

Described below are the most important accounting policies applied in preparing the Consolidated financial statements as at and for the year ended December 31, 2023. These policies comply with those used to prepare the consolidated financial statements for the previous year.

Property, plant and equipment
Property, plant and equipment are measured at purchase or production cost, net of accumulated depreciation and any impairment losses. The cost includes any expenses directly incurred to prepare the assets for their use as well as any dismantling and removal charges that will be incurred to restore the site to its original condition.

The charges incurred for maintenance and repairs of an ordinary and/or cyclical nature are recognised directly in the income statement for the year in which they are incurred.
The cost of property, plant and equipment whose use is limited over time is systematically depreciated each year on a straight-line basis in relation to the residual possibility of use of the asset on the basis of its useful life. If significant parts of these property, plant and equipment have different useful lives, these components are recorded separately. Depreciation is recorded from the time the asset is available for use, or is potentially capable of providing the economic benefits associated therewith. The annual depreciation rates applied are:

- land: 0%;
- buildings: 4% and 33.3%;
- plant and machinery: from 10% to 25%;
- equipment: from 10% to 25%;
- other assets: from 10% to 25%.

Assets held under a lease are recorded as property, plant and equipment, initially as a balancing entry to the related liability, at a value equal to the relative fair value or, if lower, to the present value of the minimum payments due contractually. The lease payment is broken down into its components of financial expense, recorded in the income statement, and repayment of capital, recorded as a reduction of the financial debt.
The Group applies the exemption for the recognition of short-term leases relating to machinery and equipment (i.e., leases that last 12 months or less from the inception date and do not contain a purchase option). The Group has also applied the exemption for leases relating to assets of modest value in reference to leases relating to office equipment whose value is considered low. The instalments relating to short-term leases and leases of low-value assets are recognised as costs on a straight-line basis over the lease term.
In the presence of specific indicators regarding the risk of failed recovery of the carrying amount of property, plant and equipment, these undergo an impairment test, as described in the specific paragraph.
Property, plant and equipment are no longer shown in the financial statements after their transfer or if no future economic benefit exists expected from their use; any deriving profit or loss (calculated as the difference between the transfer value, net of sale costs, and the carrying amount) is recorded in the income statement of the year of sale.
Any ordinary maintenance costs are charged to the income statement.

Intangible assets
Intangible assets are assets without physical substance, controlled by the group and able to produce future economic benefits and goodwill acquired in business combinations.
An asset is classified as intangible when there is the possibility of distinguishing it from the goodwill. This condition is normally met when: (i) the intangible asset arises from contractual or legal rights, or (ii) the asset is separable, i.e. can be sold, transferred, rented or exchanged autonomously or as an integral part of other assets. The group controls an asset if it has the power to obtain future economic benefits generated by the underlying assets and to restrict the access of others.
A peculiar element of those companies that, like ADR, operate under a concession agreement lies in the recognition of the so-called “Concession rights”, which, on the basis of the applicable accounting standards, and IFRIC 12 in particular, represent the value attributed to the right to use the assets (infrastructure, plants, etc.) held under a concession agreement and with respect to which the company cannot exercise any right of ownership. Therefore, for this intangible asset, the carrying amount is the cost and may include: a) the fair value of the consideration for the construction and/or improvement services provided to the grantor (measured as illustrated in the standard regarding “construction contracts and services being executed”), net of the parts represented as financial assets, consisting of the amount relating to the so-called “take-over rights” equal to the residual carrying amount not yet amortised, as of the expiry of the concession, of the assets subject to tariff regulation, recognisable from the certified regulatory analytic accounts that will be collected at the expiry of the airport concession b) the rights acquired by third parties, in case costs are incurred to obtain concessions from the Grantor or third parties.

Intangible assets are stated at cost as determined by the methods indicated for property, plant and equipment, only when the latter can be reliably measured and when these assets can be identified, are controlled by the group and can generate future economic benefits.
Intangible assets with a finite useful life are amortised starting from the time when they are available for use, based on their residual possibility of use with respect to the residual useful life. On the other hand, concession rights are amortised throughout the entire concession, with a criterion that reflects the methods with which the economic benefits will be received by the group, with the use of constant rates determined with reference to the expiry of the concession on June 30, 2046. The amortisation starts from the time when the rights in question start to generate the relevant economic benefits. The other intangible assets are amortised over three years.
The gain or loss deriving from the sale of an intangible asset is the difference between the sale price, net of costs to sell and the carrying amount, and is recorded in the income statement in the year of sale.

Equity investments in associates, joint ventures and other companies
Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the equity investment is increased or decreased to recognise in the income statement the share of profits or losses for the year attributable to the owners of the parent, except for the effects related to other changes in the equity of the investment, reflected directly in the statement of comprehensive income of the Group. The risk deriving from possible losses that exceed the carrying amount of the equity investment is recorded in a specific liability provision proportionally to the investor's commitment to fulfilling the legal or constructive obligations towards the investee or in any case covering its losses. When they have no significant effects on the statement of financial position and on the results of operations, the equity investments in associates are recorded at cost, adjusted to reflect any loss in value.
When the reasons for the impairment loss cease, an impairment gain is recognised within the limits of the impairment loss. Dividends received from an investee reduce the carrying amount of the equity investment.
Equity investments in other companies, which can be classified in the category of equity instruments as defined in IFRS 9, are initially recorded at cost, as determined on the settlement date as they represent the fair value, inclusive of the directly attributable transaction costs.
Following initial recognition, these equity investments are measured at fair value, recognising the effects in the income statement, with the exception of those that are not held for trading purposes and where, as permitted by IFRS 9, the option was exercised, upon acquisition, to designate them at fair value through other comprehensive income, and therefore in a specific equity reserve. Non-controlling interests can be measured at cost in limited cases where the cost represents an adequate estimate of the fair value.
Dividends are recognised when the right of the Shareholders to receive their payment arises.

Construction contracts and services in progress
The construction contracts in progress are measured on the basis of the contractual consideration accrued with reasonable certainty in connection with the work progress using the percentage of completion method determined with the methodology of physical measurement of the works executed in order to attribute the contract revenue and costs in proportion to the stage of completion of the contract. The positive or negative difference between the value of the contracts performed and the value of the advances received is posted as an asset or liability in the statement of financial position, respectively, in consideration also of possible impairment losses recognised for risks related to the failed recognition of the works executed for the customers.
The revenue from the contract, in addition to the contractual consideration, includes the variations, the price reviews and any claims to the extent these are likely to represent actual revenue that can be determined reliably. In case a loss is expected from the execution of the contract activities, this is immediately recorded in full, regardless of the progress made in the contract.
The construction services in favour of the grantor pertaining to the concession agreement held by ADR are specifically recorded in the income statement based on the progress of the works. Revenue for construction and/or improvement services in particular, which represents the consideration due for the activity performed, is measured at their fair value, calculated on the basis of the total costs incurred, which mainly comprise the costs of external services and the costs of benefits for the employees devoted to these activities. This revenue from construction services is offset against a financial asset or the airport management concession recognised among Concession rights as intangible assets as shown in the relevant paragraph.

Inventories
Inventories are measured at the lower of acquisition or production cost and the net realisable value that can be obtained from their sale during normal operations. The acquisition cost is determined by applying the weighted average cost method.

Financial instruments
The financial instruments include cash and cash equivalents, derivative financial instruments and financial assets and liabilities (as defined by IFRS 9 which includes, inter alia, trade payables and receivables).

Cash and cash equivalents
Cash and cash equivalents are recognised at fair value, which normally coincides with the nominal value, and include the values that meet the requirements of high liquidity, availability on demand or in a very short term, good outcome and negligible risks of change in their value.

Derivatives
All derivatives are recognised at their fair value, determined at the reporting date. Derivatives are classified as hedging instruments, in accordance with IFRS 9, when the relationship between the derivative and the hedged position is formally recorded and the effectiveness of the hedge, checked initially and periodically, is high.
For the instruments that hedge against the risk of changes in the cash flows of the assets and the liabilities (also with reference to prospective and highly probable assets and liabilities) being hedged (cash flow hedges), the changes in fair value are recognised in the statement of comprehensive income and any ineffective part of the hedge is recognised in the income statement. The accumulated changes in fair value allocated to the hedging reserve are reclassified from the statement of comprehensive income to the income statement for the year when the hedging relationship comes to an end.

Financial assets
The classification of the financial assets and relevant measurement consider both the model for the management of the financial assets and the contractual characteristics of the cash flows that can be obtained from the assets. The financial asset is measured with the amortised cost method if both conditions below are met:

- the management model for the financial asset implies the holding of the same with the aim of collecting the related cash flows; and
- the financial asset contractually generates, on pre-set dates, the cash flows only representing the return of said financial asset (principal and interest).

A financial asset that meets the requirements for classification and measurement at amortised cost may, at the date of the initial recognition, be designated as a financial asset measured at fair value through profit or loss, if this measurement allows the measurement or recognition inconsistency ("accounting mismatch") to be eliminated or reduced significantly, which would otherwise result in the measurement of assets or liabilities or the recognition of the related profits or losses according to a different base.
The financial assets measured at amortised cost are initially recognised at the fair value of the underlying asset, net of any directly attributable transaction proceeds; the amortised cost is measured by using the effective interest rate method, net of any impairment losses related to the sum considered uncollectable. The Group records an impairment loss for expected credit losses ("ECL") for all the financial assets represented by debt instruments not held at fair value through profit or loss. The estimate of the amounts considered to be uncollectable is made on the basis of the future expected cash flows. These flows consider the expected recovery terms, the likely realisable value, any

guarantees as well as the costs that are estimated to be incurred to recover the financial assets. The original value of the financial asset is reinstated in the next years as the reasons for its impairment cease to apply. In this case the impairment gain is recorded in the income statement and cannot exceed the value of the amortised cost that the financial asset would have had in the absence of previous impairment loss.
Financial assets include "take-over rights" equal to the residual carrying amount not yet amortised, as of the expiry of the concession, of the assets subject to tariff regulation, as stated in the certified analytical regulatory accounts, which will be collected at the expiry of the airport concession. These rights are also recognised with reference to assets intended for commercial activities, provided that, due to the fact they are conducive to airport operations, their need has been expressly declared by ENAC, and therefore the construction has been authorised.
Trade receivables, whose expiration falls within normal commercial terms or those where there are no significant financial components, are not discounted.

Financial liabilities
The financial liabilities are initially recognised at fair value, net of any directly attributable transaction costs. After initial recognition, the financial liabilities are measured with the amortised cost criterion by using the effective interest rate method.
Trade payables, whose expiration falls within the normal commercial terms, or those where there are no significant financial components, are not discounted.
If there is a change to one or more elements of a financial liability in place (including through replacement with another instrument) a qualitative and quantitative analysis will be made to check whether that change is substantial compared to the contractual terms already in place. In the absence of substantial changes, the difference between the present value of cash flows as modified (calculated using the effective interest rate of the existing instrument at the date of the change) and the carrying amount of the instrument is recognised in the income statement, with consequent adjustment to the carrying amount of the financial liability and recalculation of the effective interest rate of the instrument; if there are substantial changes, the instrument in place will be derecognised with simultaneous recognition of the fair value of the new instrument, allocating the difference to the income statement.

Derecognition of financial instruments
Financial instruments are no longer recognised when, due to their sale or redemption, the Group is no longer involved in their management and does not hold the risks or benefits related to these sold/redeemed instruments.

Fair value measurements
Fair value is the price that would be obtained from the sale of an asset or that would be paid for the transfer of a liability in a regular market transaction (i.e. forced liquidation or distress sale) on the measurement date (exit price). The fair value of an asset or liability is determined by adopting the valuations that market operators would use to determine the price of the asset or liability. The fair value measurement also supposes that the asset or liability is exchanged in the main market or, in its absence, in the most advantageous market the group has access to.
The calculation of the fair value of a financial asset requires the inclusion of a fair value adjustment factor referred to the counterparty risk called CVA - Credit Valuation Adjustment. This credit risk must be quantified in the same way in which a market operator would determine it to define the purchase price of a financial asset. The termination of the fair value of a financial liability, as explicitly provided for by IFRS 13, also requires the quantification of a fair value adjustment factor referred to the own credit risk, i.e. DVA (Debit Valuation Adjustment).
In determining the fair value, a hierarchy of criteria is defined which is based on the origin, type and quality of the information used for the calculation. Such classification is aimed at establishing a hierarchy in terms of reliability of the fair value, with precedence given to the use of parameters that can be observed in the market and reflect the assumptions that the market participants would use to value the assets/liabilities. The fair value hierarchy includes the following levels: (i) level 1: inputs represented by quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date; (ii) level 2: inputs other than the quoted prices included within level 1, which can be observed, directly or indirectly, for the assets or liabilities to be measured; (iii) level 3: inputs that cannot be observed for assets or liabilities.

In the absence of available market prices, the fair value is determined by using the measurement techniques that suit the specific case and maximize the use of important observable inputs, minimizing the use of non-observable inputs.

Employee benefits
The liabilities relating to short-term benefits granted to employees, disbursed during the employment relationship, are recognised for the amount accrued at year end.
The liabilities related to benefits granted to employees and paid during or after the termination of the employment relationship through defined benefit plans, mainly consisting of the post-employment benefits of the Group companies accrued until December 31, 2006 (or, where applicable, until the next date of adhesion to the complementary pension fund), are recognised in the year when the right arises, net of any advances paid. These are calculated on the basis of actuarial assumptions and measured on an accrual basis in line with the services needed to obtain the benefits; the liabilities are valued by independent actuaries.
The actuarial gains and losses relating to defined benefit plans are recognised in the statement of comprehensive income and are not subsequently recognised in the income statement; the interest cost is recognised in the income statement under financial income (expense).

Provision for renovation of airport infrastructure
One of the main obligations that the concession agreement imposes on the concessionaire is that of guaranteeing that, for the entire duration of the concession, the requirements of operation and safety of the assets under concession continue to be met (see paragraph Intangible assets - concession rights). To this end the concessionaire, in addition to routine maintenance activities, must systematically plan the necessary extraordinary and replacement maintenance interventions so that it fulfils this important concession obligation. The list of restoration/replacement measures is an integral part of the group's investment plan, which is drawn up by the relevant technical structures and included in the Group's business plan.
The Provision for renovation of airport infrastructure thus represents the present value of the estimate of the charges to be incurred over time for the contractual obligation imposed on the group by the concession agreement, for the execution of the necessary maintenance interventions of an extraordinary nature and to restore and replace the assets under concession. Since these charges cannot be posted as an increase in the value of the assets at the time when they are incurred from time to time, in the absence of the necessary accounting requirement (intangible assets) of the assets these are destined for, they are allocated to a provision under IAS 37, based on the degree of use of the infrastructure, as they represent the charge that the group is likely to incur to guarantee, over time, the correct fulfilment of the obligation to meet the requirements of operation and safety of the assets under concession.
As these are cyclical interventions, the carrying amount of the provisions in the consolidated financial statements reflects the estimate of the charges that shall be incurred in the timeframe of the first cycle of interventions planned, after the reporting date, calculated by taking into account the necessary discounting factors, analytically for each individual intervention.
The classification of the interventions among those that constitute the carrying amount of the provision and those for building/improvement purposes in favour of the grantor, is based on a corporate assessment made by its technicians based on the essential contents of the projects included in the investment plan approved.

Other provisions for risks and charges
The Other provisions for risks and charges include the provisions arising from current obligations of a legal or constructive nature, deriving from past events, and the fulfilment of which will probably require the outflow of resources, of which the amount can be reliably estimated.
Provisions are accrued based on a best estimate of the costs required for fulfilling the obligation at the reporting date or to transfer it to third parties.
If the effect of the time value of money is material, provisions are determined by discounting the future expected cash flows at a discount rate that reflects the current market assessment of the time value of money, and the specific risks related to the liability. When discounting, the increase in the provision due to the passage of time is recognised as financial expense.

Assets held for sale and liabilities associated with assets held for sale

Assets held for sale and liabilities associated with assets held for sale, whose carrying amount will be recovered mainly through the sale rather than through their continuous use, are presented separately from the other assets and liabilities in the Statement of financial position. Immediately before being classified as held for sale, they are recognised on the basis of the specific reference IFRS applicable to each asset and liability and subsequently recognised at the lower between the carrying amount and the estimated fair value, less costs to sell. Any loss is immediately recognised in the income statement.
Regarding their presentation in the income statement, discontinued operations or operations being discontinued are classifiable as "discontinued operations" when they meet the requirements below:

- they represent an important independent operational branch or geographical area of operation;
- they are part of a single coordinated plan to discontinue an important branch or geographical area;
- they are subsidiaries acquired exclusively in order to be sold at a later stage.

The economic effects of these transactions, net of the related tax effects, are recognised under a single item in the income statement, also with reference to the figures in the year of comparison.

Impairment of assets (impairment test)

At the reporting date, the carrying amount of property, plant and equipment, intangible and financial assets and of equity investments is tested to find any indication of impairment of these assets.
If these indications exist, the recoverable amount of these assets is estimated to determine the amount of any impairment loss to be recognised. The Group has no goodwill or intangible assets with an indefinite useful life to be subject to impairment test every year.
If the recoverable amount of an asset cannot be estimated individually, the estimate of the recoverable amount is included within the cash generating unit the asset belongs to.
This test estimates the recoverable amount of the asset (represented by the higher of its fair value less costs to sell and the value in use) and compares it with the relevant carrying amount. If the latter is higher, the asset is impaired until reaching the recoverable amount. In determining the value in use, the future expected post-tax cash flows are discounted by using a post-tax discount rate, which reflects the current market assessment of the time value of money and risks specific to the asset.
Impairment losses are recognised in the income statement and classified differently depending on the nature of the impaired asset. These impairment losses are reversed, within the limits of the impairment made, if the reasons that generated them ceased to apply, except for goodwill.

Revenue from contracts with customers

The recognition of revenue from contracts with customers is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligation, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the price of the transaction; (iv) allocation of the transaction price to the performance obligation identified on the basis of the standalone sales price of the individual goods or service; (v) recognition of the revenue when (or as) the performance obligation has been fulfilled, i.e. upon transfer to the customer of the goods or service promised; the transfer is considered to be complete when the customer obtains the control of the goods or services that may occur over time or at a specific point in time.
The revenue recognised amounts to the fair value of the consideration that the group believes it has the right to in exchange for the goods and/or services promised to the customer, not including the amounts collected on behalf of third parties. When calculating the transaction price, the amount of the consideration is adjusted to take account of the time value of money, if the timing of the payments agreed between the parties attributes a significant financial benefit to one of them. The consideration is not adjusted to take account of the time value of money if, at the start of the contract, it is expected that the payment delay will be a year or less.
If the consideration is variable, the Group will estimate the amount of the consideration that it will have the right to in exchange for the transfer of goods and/or services promised to the customer; the amount of the consideration may vary in accordance with discounts, refunds, bonuses or concessions on the price, performance bonuses, penalties or whether the price itself depends on the occurrence or not of certain future events.

Lease revenue

Lease contracts that essentially leave all the risks and benefits of ownership of the goods to the Group, are classified as operating leases. For the Group, lease revenue refers to the fees and royalties owed and is recognised over the period of accrual on the basis of the contractual agreements signed. This revenue includes that from the sub-concessions to third parties of trading areas and offices in the airport infrastructures managed by the Group, and since it essentially relates to leases of parts of the infrastructure, it is governed by IFRS 16. In relation to the contractual agreements in place, this revenue is partly determined on the basis of the revenue obtained from the sub-concessionaire; therefore, the amount varies over time.

Public grants

Public grants are recognised at fair value when their amount can be reliably determined and there is a reasonable certainty that they will be received and that the conditions for obtaining them will be met.
Operating grants are recognised in the income statement in the relevant year, consistently with the costs on which they are based. If the grant offsets costs or losses already incurred in previous years, it is recognised in the year in which the relative right to obtain it arises.
Capital grants are recognised as deferred revenue recognised systematically in the income statement for the year during the useful life of the asset to which the grant received is directly attributable.

Costs

Costs are measured at the fair value of the amount paid or to be paid, and are recognised in the income statement on an accruals basis and in correlation with any related revenue. Any expense related to capital injections is recognised as a reduction in equity.

Income taxes

The current income taxes are calculated based on the tax expenses to be paid, in compliance with current legislation. Current taxes relating to items recognised directly in equity are also recognised in equity and not in the income statement.
Deferred tax assets and liabilities resulting from temporary differences between the carrying amount of assets and liabilities, calculated by applying the criteria described in this section, and their tax base, deriving from the application of current legislation, are recognised: a) the former, only if sufficient taxable income is likely to allow the recovery; b) the latter, if any, in any case. Deferred tax assets and liabilities are measured based on the tax rates that are expected to be applied in the year when these assets will be created or these liabilities will be settled, considering the rates in force and those already issued, or substantially in force, at the reporting date.
Deferred tax assets and liabilities are recognised in the income statement, with the exception of those relating to items that are directly recognised in equity. In that case, also deferred tax assets and/or liabilities are charged to equity. Deferred tax assets and liabilities are offset where there is a legal right that allows current tax assets to be offset against current tax liabilities, and the deferred taxes refer to the same taxable entity and to the same tax authority.
It should be noted that, also for 2023, the tax consolidation agreement in place with the ultimate Parent Mundys is in force, to which ADR and all the companies belonging to the ADR Group adhere.

Estimates and judgments

Under IFRS, the preparation of the financial statements requires estimates and judgments to be made, which affect the determination of the carrying amount of assets and liabilities as well as the information provided in the Notes, also with reference to the contingent assets and liabilities existing at the end of the year. These estimates and judgments are used in particular for the measurement of loans and receivables, the provision for renovation of airport in

frastructure, other provisions for risks and charges, employee benefits, the fair value of financial assets and liabilities, the recoverability of deferred tax assets and of the concession rights.
Therefore, the actual results recognised may differ from these estimates; furthermore, the estimates and judgments are reviewed and updated periodically and the effects deriving from any variation are immediately reflected in the financial statements.
The elements of estimation for the preparation of the Provision for renovation of airport infrastructure essentially concern the identification of the type of restoration work to be carried out, its timing and the quantification of the costs that will be incurred and the financial component to be applied depending on the timing of the intervention.

Translation of items in foreign currencies
Any transaction in a currency other than the euro is translated at the exchange rate in force on the date of the transaction. The related monetary assets and liabilities denominated in currencies other than the euro are subsequently retranslated at the exchange rate in force on the date of closing the year of reference and any exchange differences are recognised in the income statement.
Non-monetary assets and liabilities denominated in foreign currency and recognised at historical cost are translated by using the exchange rate in force on the date the transaction is first recognised.

Segment reporting
The Group is engaged in one segment only, i.e. the development and management of airport infrastructures. Thus, the Group's operations are subject to reporting and analysis by management as an individual unit. Consequently, with reference to the provisions of IFRS 8, no (financial and/or economic) segment reporting is provided for the business segments, as this is not applicable.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS, AMENDMENTS TO ACCOUNTING STANDARDS AND INTERPRETATIONS IN FORCE FROM 2023

The new accounting standards and interpretations, or the amendments to the existing standards and interpretations already applicable, which are in force since 2023, listed below, have not had an impact on the consolidated financial statements, as there are no significant applicable cases.

Endorsed accounting standards and interpretations in force from January 1, 2023	Date of entry into force by IASB	Date of endorsement by EU
Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Presentation of accounting standards; Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates;	January 1, 2023	March 2022
Amendments to IAS 12 - Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction;	January 1, 2023	August 2022
New IFRS 17 - Insurance contracts	January 1, 2023	November 2021

ACCOUNTING STANDARDS AND NEWLY ISSUED INTERPRETATIONS, REVISIONS AND AMENDMENTS TO EXISTING STANDARDS NOT YET IN FORCE OR NOT YET ENDORSED BY THE EUROPEAN UNION

The group is assessing any impacts deriving from the future application of the new accounting standards and interpretations, not yet in force as of December 31, 2023, which could be applied in the future to the group's consolidated financial statements.

Endorsed accounting standards and interpretations in force from January 1, 2024	Date of entry into force by IASB	Date of endorsement by EU
Amendments to IAS 1 - Presentation of Financial Statements: classification of liabilities as current or non-current; non-current liabilities with covenants	January 1, 2024	December 2023
Amendments to IFRS 16 - Lease liability in a sale and leaseback	January 1, 2024	November 2023

Amendments to IAS 1 - Presentation of Financial Statements: classification of liabilities as current or non-current; non-current liabilities with covenants
Commission Regulation (EU) no. 2023/2822 of December 19, 2023 amends Regulation (EU) 2023/1803 with regard to IAS 1 in order to specify how debt and other liabilities with an uncertain settlement date are to be determined in the statement of financial position. Based on these amendments, the debt or other liabilities must be classified as current when the actual or potential settlement date is within one year. Therefore, an entity must classify a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

An entity shall classify all other liabilities as non-current.

Amendments to IFRS 16 - Lease liability in a sale and leaseback
On September 22, 2022, the IASB approved the amendments to IFRS 16 - Lease Liability in a Sale and Leaseback. In a Sale and Leaseback transaction, the seller-lessee shall recognise only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. The initial measurement of the lease liability that arises from a sale and leaseback transaction is a consequence of how the seller-lessee measures the right-of-use asset and the gain or loss recognised at the date of the transaction. Prior to these amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising from a sale and leaseback transaction. The amendments require that, in applying the valuation requirements for lease liabilities in a sale and leaseback transaction, the seller-lessee determines the "lease payments" or "revised lease payments" in such a way that no amount of gain or loss relating to the right of use retained by the seller-lessee is recognised.

5. Concession agreement

Concessionary Relationship

ADR's business purpose is the construction and management of airports or a part thereof, and the exercise of any activity related or complementary to air traffic of any type or specialty. This goal is achieved on the basis of a concession for the single management of the Roman airport system entrusted to the Company with Italian Law no. 755 of November 10, 1973.
The concessionaire ADR ensures the management and development of the Roman airport system ("Leonardo da Vinci" at Fiumicino and "G.B. Pastine" at Ciampino) in accordance with international, European and national regulations as well as the ENAC Regulations that govern the operation of airports open to civil traffic.
The original Concession Management Agreement no. 2820/74 was in force until December 21, 2012. After that date, a new Single Deed - Planning Agreement was approved with a specific Council of Ministers Presidential Decree. The single document regulates both the relations regarding the airport management concession and the criteria to determine and periodically update the fees applicable to the so-called "regulated services".
The principle remains in place in accordance with which the management must be guided by financial and organisational criteria pursuant to Italian Law no. 755 of November 10, 1973 and subsequent amendments.

Duration of the concession

The expiry of the concession set for June 30, 2044 - pursuant to art. 14 of Italian Law no. 359 of August 8, 1992, and art. 1-quater of Italian Law no. 351 of August 3, 1995, and reaffirmed with notes from the Italian Ministry of Transport and Navigation on September 12, 1994 and January 23, 1998 - was extended ope legis to June 30, 2046 by virtue of article 202, paragraph 1-bis of Italian Legislative Decree no. 34 of May 19, 2020 (converted with amendments by Italian Law no. 77 of July 17, 2020), which provided for the two-year extension of the "duration of the concessions for the management and development of the airport activities in progress" in consideration of the negative economic effects deriving from the significant decrease in traffic linked to the emergency situation caused by the Covid-19 pandemic and related measures to contain the contagion adopted by the State and the Regions.
The causes of revocation, forfeiture and termination of the concessionary relationship are specified in the Single Deed - Planning Agreement in Articles 18, 19 and 20, as well as art. 20-bis for the effects envisaged at the natural expiry of June 30, 2046.

Subject matter of the concession

Italian Law no. 755/1973 (art. 1) sets forth the subject of the concession, consisting in the single management of the Roman airport system, to be carried out under the supervision of the Ministry of Transport (now ENAC - Italian Civil Aviation Authority - pursuant to Italian Legislative Decree no. 250/1997) in accordance with the provisions of the Navigation Code and regulations currently in force.
ADR also provides security screening services for passengers and carry-on and checked baggage, always based on the concession regime.

Income

"All revenue pertaining to the State, however achievable from the management of the two airports" pursuant to art. 6, paragraph 1, of Law no. 755/1973 "belongs to the concessionaire company".
Art. 10 of the Single Deed - Planning Agreement lists in detail the concessionaire's income, also providing for the "fair consideration" to be paid to it by anyone who carries out, even occasionally, within airports under concession, a non-aviation activity for profit, not otherwise remunerated.
This article also specifies the income deriving from or connected with commercial activities that do not fall under the tariff regulations of the Planning Agreement.

The Planning Agreement regulates the so-called "regulated fees", i.e. the airport services originally identified in the "Restructuring framework regarding the tariff system for airport services rendered on an exclusive basis" proposed by the Minister of Transport and Navigation in conjunction with the Minister of Finance and approved with CIPE resolution no. 86 of August 4, 2000 and replaced by Resolution no. 51/08. These fees include the airport fees and all the fees for the services rendered on an exclusive basis.

The concession fee

Italian Decree Law no. 251/1995, converted into Italian Law no. 351/1995, introduced the obligation to pay a concession fee. The reference parameter in force for determining the fee ("WLU" - Work Load Unit) was adopted following the Decree of the State Property Office of June 30, 2003 and then extended in the following years. The WLU corresponds to one passenger or 100 kg of goods or mail and is calculated using the data reported in the statistical yearbook of the Ministry of Infrastructure and Transport - ENAC. This method of quantifying the fee was confirmed, with subsequent Decrees of the State Property Office, and most recently - with Decree of November 18, 2021 - again for the three-year period 2022 - 2024.
Art. 2, paragraph 4 of the Single Deed - Planning Agreement provides that, if as a result of regulatory provisions and / or administrative measures, the amount of the concession fee should be modified with respect to that in force at the time of its stipulation, or if forms of taxation are introduced with an equivalent effect payable by the Concessionaire, the latter will be entitled to the recognition of a specific tariff increase to cover the higher outlay.
ADR also pays ENAC a fee for the concession of security control services to passengers and baggage, as required by Ministerial Decree no. 85/1999. The amount is set to 0.07 euros per outgoing passenger (Italian Ministerial Decree of July 13, 2005). The obligation to make this payment is reported also under art. 2, paragraph 5 of the Planning Agreement.

The asset regime

Article 12 of the Single Deed - Planning Agreement regulates the Concessionaire's right to use the assets. This is, however, to be interpreted together with the provisions contained in Articles 703 and 41 of the Navigation Code. Additional rules contained in the Planning Agreement contribute to the definition of the legal classification of the assets (e.g., Article 20-bis) which, although conditioned by the relevance of the principle of correlation to the use for the exercise of regulated or alternatively commercial activities (unregulated), does not differ significantly from the pre-existing regime. In particular:

- the assets received under concession at the time of the establishment of the concessionaire company or subsequently realised by the same by virtue of the laws of the State with public funding, are owned by the concessionaire itself under the right of use regime as they are State property; these assets are summarised in the following table:

(Thousands of euros)	12.31.2023	12.31.2022
Assets received under concession at Fiumicino	119,812	119,812
Assets received under concession at Ciampino	29,293	29,293
Assets produced on behalf of the State (*)	742,197	742,197
TOTAL	**891,302**	**891,302**

- the assets acquired/produced by the Concessionaire with its own funding and used for the exercise of activities subject to tariff regulation are held under the ownership regime until the end of the concession. This results in the obligation of devolution to the granting Body upon the natural expiry of the concession, devolution which will in any case be subject to the reimbursement of their value to be established on the basis of the agreement rules;

(*) value of construction services for works financed, realised and reported to ENAC.

- the assets acquired/produced by the Concessionaire with its own funding, but used for the performance of commercial activities (unregulated) as long as they relate to immovable assets, for which, due to the fact they are conducive to airport operations, their need has been expressly declared by ENAC, and therefore the construction has been authorised, have the same treatment as the assets in the previous category;
- the commercial movable assets, on the other hand, belong to the Concessionaire with title of full ownership; the granting administration has the right to purchase (art. 20-bis 4.d), at the natural expiry of the concession, which can be completed by paying the former Concessionaire their residual carrying amount.

On the basis of the provisions of the Single Deed - Planning Agreement, ADR will have, at the end of the concession period (June 30, 2046) the unconditional right to receive compensation equal to the residual carrying amount not yet amortised of the assets subject to tariff regulation, which can be identified from the certified analytical regulatory accounts ("take-over rights"). This right will also apply to assets intended for commercial activities, provided that, due to the fact they are conducive to airport operations, their need has been expressly declared by ENAC, and therefore their construction has been authorised.
As of December 31, 2023, there are assets in operation with a regulatory useful life that exceeds the residual duration of the concession, relating to the East Terminal System and the new boarding area A 31-52 (former Pier D), against which a take-over rights was recognised under Non-current financial assets for 36.1 million euros.

6. Notes to the consolidated statement of financial position

6.1 PROPERTY, PLANT AND EQUIPMENT

(Thousands of euros)	12.31.2022			Change				12.31.2023		
	Cost	Accumulated depreciation	Carrying amount	Investments	Depreciation	Other changes	Disposals	Cost	Accumulated depreciation	Carrying amount
Land and buildings	18,208	(1,381)	16,827	0	(638)	5	0	18,213	(2,019)	16,194
Plant and machinery	99,926	(94,624)	5,302	4,303	(2,263)	1,207	(327)	101,851	(93,629)	8,222
Industrial and commercial equipment	16,249	(14,418)	1,831	593	(836)	288	0	17,130	(15,254)	1,876
Other assets	59,613	(39,613)	20,000	9,044	(6,856)	2,926	(202)	70,974	(46,062)	24,912
Assets under construction and payments on account	5,995	0	5,995	7,744	0	(4,584)	0	9,155	0	9,155
Right of use assets - Property, plant and equipment and other assets	5,738	(3,006)	2,732	692	(1,231)	0	0	4,980	(2,787)	2,193
TOTAL PROPERTY, PLANT AND EQUIPMENT	**205,729**	**(153,042)**	**52,687**	**22,376**	**(11,824)**	**(158)**	**(529)**	**222,303**	**(159,751)**	**62,552**

(Thousands of euros)	12.31.2021							12.31.2022		
	Cost	Accumulated depreciation	Carrying amount	Investments	Depreciation	Other changes	Disposals	Cost	Accumulated depreciation	Carrying amount
Land and buildings	16,837	(1,080)	15,757	1,371	(301)	0		18,208	(1,381)	16,827
Plant and machinery	98,476	(91,730)	6,746	2,066	(3,775)	265	0	99,926	(94,624)	5,302
Industrial and commercial equipment	15,698	(13,860)	1,838	203	(625)	415	0	16,249	(14,418)	1,831
Other assets	47,294	(34,736)	12,558	5,651	(4,982)	6,773	0	59,613	(39,613)	20,000
Assets under construction and payments on account	10,050	0	10,050	4,215	0	(8,270)	0	5,995	0	5,995
Right of use assets - Property, plant and equipment and other assets	5,997	(2,048)	3,949	198	(1,354)	(61)	0	5,738	(3,006)	2,732
TOTAL PROPERTY, PLANT AND EQUIPMENT	**194,352**	**(143,454)**	**50,898**	**13,704**	**(11,037)**	**(878)**	**0**	**205,729**	**(153,042)**	**52,687**

Property, plant and equipment, equal to 62,552 thousand euros (52,687 thousand euros as at December 31, 2022), increased during the year by 9,865 thousand euros mainly due to investments (22,376 thousand euros), partly offset by depreciation for the year (11,824 thousand euros).

Investments of 22,376 thousand euros mainly refer to:

- under Other assets (9,044 thousand euros), to the installation of monitors, ledwalls and equipment for the self-boarding pass for 6,586 thousand euros and to the acquisition of furniture, gate desks and seats for 2,447 thousand euros;
- under Assets under construction and payments on account (7,744 thousand euros), the acquisition of X-ray machines for baggage checks for 2,331 thousand euros, supplies of monitors, equipment and other electronic devices for a total of 3,614 thousand euros, furniture and seats for 505 thousand euros;
- under Plant and machinery (4,303 thousand euros), baggage inspection machines for 1,371 thousand euros, vehicles for 2,452 thousand euros.

During the year no significant changes took place in the estimated useful life of the assets.

6.2 INTANGIBLE ASSETS

(Thousands of euros)	12.31.2022				Change			12.31.2023			
	Cost	Imp. Losses	Accumulated amortisation	Carrying amount	Investments	Amort.	Other changes	Cost	Imp. Losses	Accumulated amortisation	Carrying amount
CONCESSION RIGHTS											
Airport concession - rights acquired	2,167,966	0	(1,098,851)	1,069,115		(45,477)		2,167,966		(1,144,328)	1,023,638
Airport concession - investments in infrastructure	1,819,764	0	(378,397)	1,441,367	240,534	(52,082)	(19,883)	2,040,415		(430,479)	1,609,936
TOTAL CONCESSION RIGHTS	**3,987,730**	**0**	**(1,477,248)**	**2,510,482**	**240,534**	**(97,559)**	**(19,883)**	**4,208,381**	**0**	**(1,574,807)**	**2,633,574**
Other intangible assets	121,976	(41)	(87,509)	34,426	15,766	(11,164)	(192)	137,550	(41)	(98,673)	38,836
Advances to suppliers	1,422	0	0	1,422	3,232	0	(2,160)	2,494	0	0	2,494
Right of use assets: other int. assets	521	0	(239)	282	0	(130)	0	521	0	(369)	152
TOTAL OTHER INTANGIBLE ASSETS	**123,919**	**(41)**	**(87,748)**	**36,130**	**18,998**	**(11,294)**	**(2,352)**	**140,565**	**(41)**	**(99,042)**	**41,482**
TOTAL INTANGIBLE ASSETS	**4,111,649**	**(41)**	**(1,564,996)**	**2,546,612**	**259,532**	**(108,853)**	**(22,235)**	**4,348,946**	**(41)**	**(1,673,849)**	**2,675,056**

(Thousands of euros)	12.31.2021							12.31.2022			
	Cost	Imp. Losses	Accumulated amortisation	Carrying amount	Investments	Amort.	Other changes	Cost	Imp. Losses	Accumulated amortisation	Carrying amount
CONCESSION RIGHTS											
Airport concession - rights acquired	2,167,966	0	(1,053,374)	1,114,592	0	(45,477)	0	2,167,966	0	(1,098,851)	1,069,115
Airport concession - investments in infrastructure	1,691,608	0	(332,661)	1,358,947	144,091	(45,743)	(15,928)	1,819,764	0	(378,397)	1,441,367
TOTAL CONCESSION RIGHTS	**3,859,574**	**0**	**(1,386,035)**	**2,473,539**	**144,091**	**(91,220)**	**(15,928)**	**3,987,730**	**0**	**(1,477,248)**	**2,510,482**
Other intangible assets	106,338	(41)	(78,254)	28,043	15,651	(9,255)	(13)	121,976	(41)	(87,509)	34,426
Advances to suppliers	725	0	0	725	825	0	(128)	1,422	0	0	1,422
Right of use assets: other int. assets	521	0	(108)	413	0	(131)	0	521		(239)	282
TOTAL OTHER INTANGIBLE ASSETS	**107,584**	**(41)**	**(78,362)**	**29,181**	**16,476**	**(9,386)**	**(141)**	**123,919**	**(41)**	**(87,748)**	**36,130**
TOTAL INTANGIBLE ASSETS	**3,967,158**	**(41)**	**(1,464,397)**	**2,502,720**	**160,567**	**(100,606)**	**(16,069)**	**4,111,649**	**(41)**	**(1,564,996)**	**2,546,612**

Intangible assets, equal to 2,675,056 thousand euros (2,546,612 thousand euros as at December 31, 2022) increased by 128,444 thousand euros mainly due to investments for the year of 259,532 thousand euros, partly offset by amortisation for the year, equal to 108,853 thousand euros and the reclassification, under Other non-current financial assets, of the amount relating to the "take-over rights" equal to the residual carrying amount not yet amortised, as of the expiry of the concession, relating to the completed investments of the new pier with a useful life that exceeds the residual duration of the airport concession (19,664 thousand euros).

Concession rights include the concession relating to managing the Rome's airport system; for further information on the concession relationship reference should be made to Note 5. In detail:

- Airport concession - rights acquired: refers to the amount of the airport concession, acquired for consideration; this amount expresses the higher price paid by Leonardo S.p.A. for ADR shares (merged into Leonardo S.p.A. with effect from January 1, 2001) compared to the pro-rata amount of the ADR Group's equity;
- Airport concession - investments in infrastructure: includes the construction of new infrastructure and/or the improvement and expansion of the existing airport infrastructure carried out by the ADR Group, net of the take-over rights.

Investments in the airport concession - investments in infrastructure amounted to 240,534 thousand euros and relate to construction services carried out during the period on infrastructure under concession. Pursuant to IFRIC 12, the costs associated with these investments are recognised by nature in the income statement, as well as the fair value of the related construction services performed.
The main ones include:

- works relating to the East Airport Terminal System for 37.3 million euros, aimed at the construction of the new Boarding Area A and the Front Building of Terminal 1;
- renovation of Terminal 3 for 71.3 million euros;
- works to upgrade Boarding Area B for 43.5 million euros;
- Solar Farm works for 17.8 million euros.

In the absence of specific indicators regarding the risk of non-recovery of the carrying amount of intangible assets, these were not subjected to impairment testing.

Other intangible assets, amounting to 38,836 thousand euros (34,426 thousand euros as at December 31, 2022), include the right-of-use assets on intellectual property rights, concessions, licenses, trademarks and similar rights. The investments for the year, equal to 15,766 thousand euros, mainly refer to the acquisition of licenses and the evolutionary maintenance of the accounting system.

6.3 EQUITY INVESTMENTS

(Thousands of euros)	12.31.2023	12.31.2022	Change
ASSOCIATES			
Spea Engineering S.p.A.	50	5,544	(5,494)
Ligabue Gate Gourmet Roma S.p.A. in bankruptcy	0	0	0
	50	**5,544**	**(5,494)**
JOINT VENTURES			
UrbanV S.p.A.	0	644	(644)
	0	**644**	**(644)**
OTHER COMPANIES			
Azzurra Aeroporti S.p.A.	12,543	12,543	0
Aeroporto di Genova S.p.A.	484	697	(213)
S.A.CAL. S.p.A.	0	0	0
Consorzio CAIE	1	1	0
Convention Bureau Roma e Lazio S.c.r.l.	1	1	0
ASSAIA, Inc.	592	0	592
	13,621	**13,242**	**379**
TOTAL	**13,671**	**19,430**	**(5,759)**

Compared to December 31, 2022, the change in Equity investments of -5,759 thousand euros is attributable to the combined effect of:

- reclassification for the amount of 5,267 thousand euros of an equity investment in Spea Engineering corresponding to 19% of the capital to Assets held for sale; the remaining portion (equal to 1%) was impaired by 227 thousand euros;
- zeroing of the carrying amount of the equity investment in the company UrbanV S.p.A. (60% held) in relation to the losses incurred in 2023;
- decrease in the carrying amount of the equity investment in Aeroporto di Genova S.p.A. due to the fair value measurement of the company on the basis of the information made available at the date of preparation of the consolidated financial statements;
- recognition of the equity investment in Assaia, Inc., equal to 1.7049%, acquired by the subsidiary ADR Ventures S.r.l. For this equity investment, not held for trading, the right to measure at fair value is exercised, with the recognition of subsequent changes in other comprehensive income.

ADR has established a pledge on the entire equity investment held in Azzurra Aeroporti, equal to 7.77% of the share capital, in favour of the financial creditors of the same company (bondholders and banks that have entered into derivatives). In addition to this collateral, in the context of the same Azzurra Aeroporti loan, ADR has provided Mundys with a counter-guarantee, limited to a maximum of 1.3 million euros, for the obligations taken on by Mundys towards a bank which granted, in the interest of Azzurra Aeroporti and in favour of the latter's financial creditors, a guarantee for the debt service of the transaction in question.

The fair value measurement of the main unlisted non-controlling interests, falling within level 3 of the fair value hierarchy, was determined by adopting, as the measurement technique, an approach that takes into account expected future cash flows (so-called "discounted cash flow").

6.4 OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

(Thousands of euros)	12.31.2023			12.31.2022		
	Carrying amount	Current portion	Non - Current portion	Carrying amount	Current portion	Non - Current portion
OTHER FINANCIAL ASSETS						
Derivatives with positive fair value	0	0	0	54,654	54,654	0
Other financial assets	44,475	6,265	38,210	20,665	3,236	17,429
TOTAL OTHER FINANCIAL ASSETS	**44,475**	**6,265**	**38,210**	**75,319**	**57,890**	**17,429**

Derivatives with positive fair value

On December 31, 2023, the derivatives with positive fair value showed a nil balance following the unwinding in July 2023 of the entire Interest Rate Swap Forward Starting derivatives portfolio put in place by ADR in 2018 and 2021, which implied the collection by ADR of the positive mark-to-market of 50.9 million euros.

For a description of the characteristics of these contracts, see Note 9.3 Financial risk management.
For the measurement techniques and inputs used in determining the fair value of derivatives, please refer to Note 9.4 Information on fair value measurements.

Other financial assets

Other non-current financial assets amounted to 38,210 thousand euros (17,429 thousand euros as at December 31, 2022) and refer mainly to:

- the registration of the take-over rights for a total of 36,064 thousand euros, attributed to ADR in application of the regulatory regime in force and which was first applied in 2022. The increase compared to the previous year (20,130 thousand euros) is essentially due to the entry into operation, in May, of the new boarding area A 31-52 (former Pier B), and to additional works related to the East Terminal System, whose infrastructural components have a regulatory useful life longer than the residual duration of the airport concession;
- the accessory charges incurred for the Revolving sustainability-linked credit facility of 350 million euros, subscribed in October 2022, which remained unused in 2023. For details, please refer to Note 6.16;
- the subscription by the subsidiary ADR Ventures of a SAFE (Simple Agreement for Future Equity) for the subsequent equity investment in a start-up.

Other current financial assets amounted to 6,265 thousand euros (3,236 thousand euros as at December 31, 2022) and increased compared to December 2022 mainly due to the recognition of accrued income for interest accrued on time deposits held at bank counterparties recognised under cash equivalents, in relation to the positive trend, compared to the previous year, of the related financial income; this increase is partly offset by the impairment loss on the amount due from the associate Spea Engineering S.p.A. for 1,350 thousand euros, relating to dividends resolved in 2018 and no longer paid, the payment of which seems highly unlikely today.

6.5 DEFERRED TAX ASSETS

Deferred tax assets are shown net of deferred tax liabilities that can be offset. The nature of the temporary differences is illustrated in the table below:

(Thousands of euros)	12.31.2022	Change			12.31.2023
		Accruals	Releases	Deferred tax assets / liabilities on income/expenses recognised in equity	
DEFERRED TAX ASSETS					
Accruals to (uses of) the provision for renovation of airport infrastructure	33,403	2,600	(3,442)	0	32,561
Accruals to the allowance for inventory write-downs	53	76	(10)	0	119
Accruals to the loss allowances	38,714	0	(203)	0	38,511
Amortised cost and derivative instruments	(1,621)	0	0	(384)	(2,005)
Provisions for risks and charges	4,893	402	(499)	0	4,796
Tax losses and ACE (aid for economic growth)	7,826	907	(8,733)	0	0
Other	870	789	(711)	80	1,028
TOTAL DEFERRED TAX ASSETS	**84,138**	**4,774**	**(13,598)**	**(304)**	**75,010**
DEFERRED TAX LIABILITIES THAT CAN BE OFFSET					
IFRIC 12 application	43,886	818	(1,376)	0	43,328
Other	477	0	(20)	0	457
TOTAL DEFERRED TAX LIABILITIES	**44,363**	**818**	**(1,396)**	**0**	**43,785**
TOTAL NET DEFERRED TAX ASSETS	**39,775**	**3,956**	**(12,202)**	**(304)**	**31,225**

The decrease of 8,550 thousand euros recorded in 2023 is mainly due to the cancellation of the residual portion of the deferred tax assets allocated against the residual IRES 2020 tax loss, transferred to the tax consolidation scheme in 2023, in relation to the capacity of the Mundys group's taxable income.
With regard to deferred tax assets, which are recognised in the consolidated financial statements, it should be noted that the relative recoverability is reliably attributable to the underlying forecasts and deriving from the most up-to-date economic projections of the Group.

6.6 OTHER NON-CURRENT ASSETS

Other non-current assets, equal to 519 thousand euros (461 thousand euros as at December 31, 2022), relate to guarantee deposits.

6.7 TRADE ASSETS

Trade assets, equal to 247,758 thousand euros (214,068 thousand euros as at December 31, 2022), include:

- inventories, equal to 5,598 thousand euros (5,801 thousand euros as at December 31, 2022), consisting essentially of consumables, clothing, spare parts, cleaning materials, fuels, telephone equipment, telecommunications systems and building materials;
- contract assets, amounting to 425 thousand euros (322 thousand euros as at December 31, 2022) consisting of work in progress for third parties of ADR Ingegneria and ADR Infrastrutture;
- trade receivables, equal to 241,735 thousand euros (207,945 thousand euros as at December 31, 2022).

In detail, trade receivables are broken down as follows:

(Thousands of euros)	12.31.2023	12.31.2022	Change
Customers	395,431	367,602	27,829
Parent	19	19	0
Other	8,481	4,503	3,978
TOTAL TRADE RECEIVABLES, INCLUDING LOSS ALLOWANCES	**403,931**	**372,124**	**31,807**
Loss allowances	(161,366)	(162,447)	1,081
Default interest	(830)	(1,732)	902
TOTAL LOSS ALLOWANCES	**(162,196)**	**(164,179)**	**1,983**
TOTAL TRADE RECEIVABLES	**241,735**	**207,945**	**33,790**

Receivables from customers (including loss allowances) recorded an increase of 27,829 thousand euros essentially due to the significant increase in business volumes, particularly in the second half of the year.

The loss allowances include, among other things, the accruals, made in 2021, relating to receivables for regulated services from Alitalia SAI under extraordinary administration.

By contrast, the receivables due to the ADR Group from companies belonging to the Alitalia LAI group, under extraordinary administration since 2008, amounted to 10,919 thousand euros. As regards the receivables due from Alitalia LAI S.p.A. under extraordinary administration, it should be remembered that 2011 saw the enforcement of the surety of 6.3 million euros issued by Alitalia/CAI to guarantee the receivables due to ADR from Alitalia LAI S.p.A. under extraordinary administration (as well as from the lessors owning the aircraft, jointly and severally liable) in order to allow the aircraft owned by the lessors to reach Alitalia/CAI free from the order for seizure requests made by ADR. The amount enforced and collected was entered under Other current liabilities.

Other trade receivables, equal to 8,481 thousand euros (4,503 thousand euros as at December 31, 2022), consist of prepaid expenses of a commercial nature and advances to suppliers.

The following table shows the ageing of overdue trade receivables.

(Thousands of euros)	Receivables net of the loss allowances	Receivables not yet due	Receivables past due		
			From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2023	**241,735**	90,393	60,038	977	90,327
12.31.2022	**207,945**	66,810	48,196	979	91,960

Trade receivables past due by more than one year are largely made up of receivables from Alitalia SAI under extraordinary administration and are mainly attributable to i) the fees relating to additional passengers and IRESA, whose recoverability is guaranteed by the payable of the same amount recognised under other current liabilities and subject to repayment to the competent Entities only upon collection from the carrier, and ii) the VAT deemed recoverable on the basis of current legislation.

The following table shows the changes in the loss allowances for trade receivables:

(Thousands of euros)	12.31.2022	Increases/re-absorptions	Decreases	12.31.2023
Loss allowances	162,447	880	(1,961)	161,366
Default interest	1,732	(902)	0	830
TOTAL LOSS ALLOWANCES FOR TRADE RECEIVABLES	**164,179**	**(23)**	**(1,961)**	**162,196**

The decrease in the loss allowances compared to December 31, 2022 essentially reflects the use of the allowances for receivables no longer recoverable.
The carrying amount of trade receivables approximates their fair value.

6.8 CURRENT TAX ASSETS AND LIABILITIES

	Assets			Liabilities		
(Thousands of euros)	12.31.2023	12.31.2022	Change	12.31.2023	12.31.2022	Change
Due from/to ultimate parent for tax consolidation	0	22,982	(22,982)	37,653	0	37,653
IRES	36	79	(43)	804	5,601	(4,797)
IRAP	0	0	0	8,611	7,885	726
TOTAL	**36**	**23,061**	**(23,025)**	**47,068**	**13,486**	**33,582**

Current tax assets decreased by 23,025 thousand euros essentially due to the collection of part of the tax asset for consolidated taxation from Mundys, corresponding to an IRES (24%) tax benefit on the tax losses transferred to the tax consolidation scheme in previous years, and the zeroing of the tax asset for tax consolidation, offset by the tax liabilities deriving from the estimate of the IRES tax burden for the year.

Current tax liabilities increased by 33,582 thousand euros compared to December 31, 2022, mainly due to the higher liabilities under the tax consolidation attributable to the portion of the IRES tax burden for the year, exceeding the mentioned assets under the tax consolidation; this effect was partially offset by the payment of the third and last instalment of the substitute tax in relation to the realignment, pursuant to Decree Law 104/2020, of the tax amount at the higher carrying amount of the financial statements item Airport concession, and the partial payment of the substitute tax payable on the redemption of the goodwill of the subsidiary ADR Infrastrutture.

For more information, see Note 7.8 Income taxes.

6.9 OTHER CURRENT ASSETS

(Thousands of euros)	12.31.2023	12.31.2022	Change
Due from associates	0	482	(482)
Due from tax authorities	24,714	33,426	(8,712)
Due from others	6,701	2,750	3,951
TOTAL OTHER CURRENT ASSETS	**31,415**	**36,658**	**(5,243)**

Due from tax authorities, equal to 24,714 thousand euros, mainly consists of:

- VAT credit of 15,250 thousand euros (23,691 thousand euros as at December 31, 2022), of which 12,000 thousand euros requested as a refund by the Parent ADR;
- other tax assets of 4,611 thousand euros for taxes (and related interest and collection charges) relating to the period 1/1/1993-23/3/1995, recognised as prescribed by the ruling of the Supreme Court, as part of the dispute with the Customs Office and refund requests.

The change in due from others, equal to 3,951 thousand euros, is essentially attributable to the amounts due for grants on SESAR projects financed by the European Union as part of the Connecting European Facility (CEF) call 2016 and 2017 with reference only to the initiatives installed and in operation, the costs of which were reported in 2023 (+3,541 thousand euros).

The following table shows the ageing of Other current assets.

			Other current assets past due		
(Thousands of euros)	Other current assets net of loss allowances	Other current assets not yet due	From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2023	31.415	31.282	0	0	133
12.31.2022	36.658	36.043	0	0	615

6.10 CASH AND CASH EQUIVALENTS

(Thousands of euros)	12.31.2023	12.31.2022	Change
Bank and post office deposits	238,867	404,582	(165,715)
Cash equivalents	670,000	620,000	50,000
Cash at bank and in hand	439	403	36
TOTAL CASH AND CASH EQUIVALENTS	**909,306**	**1,024,985**	**(115,679)**

Cash and cash equivalents decreased by 115,679 thousand euros compared to December 31, 2022, essentially due to the effect of the absorption of cash deriving from financing and investment activities, partially offset by the cash flow deriving from operating activities for the year.

For an examination of the Group's liquidity reserve, reference should be made to Note 9.3.

6.11 ASSETS HELD FOR SALE

Assets held for sale, equal to 950 thousand euros, include the 19% share of the equity investment in Spea Engineering S.p.A. reclassified to this item, in relation to ADR's intention to proceed with its sale by the end of 2024, and consequently measured at fair value.

6.12 EQUITY

(Thousands of euros)	12.31.2023	12.31.2022	Change
Share capital	62,225	62,225	0
Legal reserve	12,462	12,462	0
Share premium reserve	667,389	667,389	0
Hedging reserve	6,358	5,143	1,215
Equity-accounting reserve	204	204	0
Fair value reserve	(40,823)	(40,611)	(212)
Other reserves and retained earnings	389,102	344,306	44,796
Profit (loss) for the year, net of advance on dividends	111,914	45,059	66,855
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**1,208,831**	**1,096,177**	**112,654**
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**0**	**0**	**0**
TOTAL EQUITY	**1,208,831**	**1,096,177**	**112,654**

The changes that took place during the year are highlighted in the specific table included in the consolidated financial statements and mainly relate to:

- the profit for the year attributable to the owners of the parent, equal to 111,914 thousand euros (net of the advance on dividends of 81,514 thousand euros);
- other comprehensive income of 740 thousand euros deriving essentially from the fair value change on hedging derivatives.

As at December 31, 2023, ADR's share capital, fully subscribed and paid up, consists of 62,224,743 ordinary shares with a par value of 1 euro each, for a total of 62,224,743 euros.
ADR's legal reserve represents the portion of profits which, in accordance with the provisions of art. 2430 of the Italian Civil Code, cannot be distributed as a dividend. The reserve has reached the maximum amount required by law.
The Hedging reserve includes the fair value measurement of hedging derivatives; for details, please refer to Note 9.3 Financial risk management.

Reconciliation of the profit (loss) for the year and ADR's equity with the consolidated figures

	Equity		Profit for the year	
(Thousands of euros)	12.31.2023	12.31.2022	2023	2022
ADR S.p.A. SEPARATE FINANCIAL STATEMENTS	**1,192,998**	**1,070,916**	**202,129**	**30,741**
Recognition in the Consolidated financial statements of the equity and the profit (loss) for the year of the consolidated equity investments, net of the portion attributable to non-controlling interests	69,237	77,857	(10,205)	13,553
Elimination of the carrying amount of the consolidated equity investments	(37,332)	(35,020)	0	0
Other adjustments [1]	(16,072)	(17,576)	1,504	765
CONSOLIDATED FINANCIAL STATEMENTS	**1,208,830**	**1,096,177**	**193,428**	**45,059**
AMOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS (ATTRIBUTABLE TO THE OWNERS OF THE PARENT)	1,208,830	1,096,177	193,428	45,059
AMOUNTS OF THE CONSOLIDATED FINANCIAL STATEMENTS (ATTRIBUTABLE TO NON-CONTROLLING INTERESTS)		0		0

6.13 EMPLOYEE BENEFITS (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)		2023
OPENING BALANCE OF POST-EMPLOYMENT BENEFITS		**13,519**
Current cost	47	
Interest expense	335	
Total expense taken to profit or loss		**382**
Payments/uses		(484)
Actuarial gains/losses from changes in the demographic assumptions	(8)	
Actuarial gains/losses from changes in the financial assumptions	301	
Effect of past experience	52	
Total actuarial gains/losses recognised in other comprehensive income		**345**
CLOSING BALANCE OF POST-EMPLOYMENT BENEFITS		**13,762**
of which:		
non-current portion		11,462
current portion		2,300

Employee benefits consist of the post-employment benefits ("TFR"), governed by art. 2120 of the Italian Civil Code, which include the estimate of the obligation, determined on the basis of actuarial techniques, relating to the amount to be paid to ADR employees upon termination of the employment relationship.
The increase of 243 thousand euros substantially reflects the effect of the net actuarial gains recognised during the year.

Summarised below are the main assumptions made for the actuarial estimate process regarding the post-employment benefits as at December 31, 2023:

FINANCIAL ASSUMPTIONS	12.31.2023	12.31.2022
Discount rate	3.0%	3.6%
Inflation rate	curve	2.3%
Annual rate of increase in post-employment benefits	3.0%	2.7%
Annual rate of increase in salary	0.8%	2.4%
Annual turnover rate	2.0%	1.9%
Annual rate of disbursement of advances	0.6%	0.6%

It should be noted that the discount rate used to determine the present value of the obligation was determined in accordance with paragraph 78 of IAS 19, with reference to the average return curve deriving from the index IBOXX Eurozone Corporates AA 5-7 with duration based on the average permanence of the collective subject to measurement.

[1] They mainly refer to: I) adjustments deriving from the merger date being different compared to the first consolidation (-16,811 thousand euros as at December 31, 2023 and +765 thousand euros in 2023) II) Reversal of ADR TEL's capital gain deriving from the sale of the IT business unit (-751 thousand euros in 2023) and III) Reversal of ADR Infrastrutture's orders with a loss in 2023 (1,490 euros in 2023 net of the tax effect).

DEMOGRAPHIC ASSUMPTIONS	2023/2022
Mortality	2022 ISTAT mortality tables broken down by gender, reduced to 85%
Disability	INPS tables broken down by age and gender, reduced to 70%
Retirement	Achievement of the minimum requirements envisaged by current regulations

The effects on the obligation for post-employment benefits deriving from a reasonably possible change in the main actuarial assumptions at the end of the year are indicated below:

(Thousands of euros)	1.0% INCREASE	1.0% DECREASE	0.25% INCREASE	0.25% DECREASE
Annual turnover rate	13,773	13,749		
Inflation rate			13,858	13,665
Discount rate			13,609	13,917

The weighted average duration of the obligations for the defined benefit plans for the employees at year end is 6 years and the service cost forecast for 2024 is 47 thousand euros.

The disbursements planned for the next five years are as follows:

	(Thousands of euros)
1st year	2,003
2nd year	1,269
3rd year	1,374

	(Thousands of euros)
4th year	1,791
5th year	1,923

The amount of the contributions expected to be allocated to the defined benefit plans in the subsequent year is equal to zero.

6.14 PROVISION FOR RENOVATION OF AIRPORT INFRASTRUCTURE (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)	12.31.2022	Accruals	Discount effect	Operational uses (*)	12.31.2023
Provision for renovation of airport infrastructure	**233,978**	31,593	9,184	(44,890)	**229,865**
of which:					
current portion	76,548				52,473
non-current portion	157,430				177,392

*of which uses for external costs equal to 42,410 thousand euros and uses relating to personnel expense equal to 2,480 thousand euros.

The provision for renovation of airport infrastructure includes the present value of the updated estimate of the charges to be incurred for extraordinary maintenance, restoration and replacement of assets and plant in relation to the contractual obligation of the managing concessionaire to ensure the necessary functionality and safety of the airport infrastructure.

6.15 OTHER PROVISIONS FOR RISKS AND CHARGES (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)	12.31.2022	Accruals	Decreases for reversal of excess provisions	Operational uses	12.31.2023
Taxes	5,158	0	(479)	0	4,679
Current and potential disputes	16,449	1,521	(89)	(1,583)	16,298
Internal insurance	872	0	(153)	(207)	512
Investee losses	0	272	0	0	272
TOTAL OTHER PROVISIONS FOR RISKS AND CHARGES	**22,479**	**1,793**	**(721)**	**(1,790)**	**21,761**
of which:					
current portion	5,998				5,364
non-current portion	16,481				16,397

The provision for taxes, equal to 4,679 thousand euros, is representative of the assessment of the risk of being the losing party in the pending legal proceedings with the UTF (now the Customs Office), concerning the revenue tax and provincial surcharge on electricity supplied in the period 2007-2010 - as well as regarding issues relating to ICI/IMU (municipal property tax); the reduction compared to December 31, 2022 is attributable to the re-absorption of the provision relating to the dispute regarding excise duties on electricity for the years 2003-2006 as a result of the settlement concession for pending disputes concerning only penalties related to taxes for which payment had been made.

The provision for current and potential disputes, amounting to 16,298 thousand euros (16,449 thousand euros as at December 31, 2022), includes the estimate of the charges that are considered likely to be incurred in relation to the disputes and litigation pending at year end. This provision increased as a result of the year's accruals, partially offset by the year's re-absorption, and reflects the updated assessment of the different types of probable contingent liabilities involving the Group.
In particular, it should be noted that, following the positive outcome for the Company of the now irrevocable ruling in the criminal trial concerning the fire at T3 on May 7, 2015, the provision accrued in previous years against the risk of compensation to third parties (carriers, handlers, sub-concessionaires and passengers) for the alleged damage resulting from the fire was reabsorbed.
For further information on the current disputes, reference should be made to Note 9.5 Litigation.

6.16 FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)	12.31.2023					12.31.2022		
	Carrying amount	Current portion	Non - current portion	Expiring between 1 and 5 years	Expiring beyond 5 years	Carrying amount	Current portion	Non - current portion
NON-CURRENT FINANCIAL LIABILITIES								
Bonds	1,606,493	0	1,606,493	420,496	1,185,997	1,515,063	242,058	1,273,005
Medium/long-term loans	417,383	39,423	377,960	157,692	220,268	656,637	39,423	617,214
Accrued expenses for non-current financial liabilities	23,343	23,343	0	0	0	16,059	16,059	0
Other financial liabilities	2,380	1,183	1,197	1,073	124	3,041	1,224	1,817
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**2,049,599**	**63,949**	**1,985,650**	**579,261**	**1,406,389**	**2,190,800**	**298,764**	**1,892,036**
DERIVATIVES	**978**	**978**	**0**	**0**	**0**	**83,910**	**83,910**	**0**
TOTAL FINANCIAL LIABILITIES	**2,050,577**	**64,927**	**1,985,650**	**579,261**	**1,406,389**	**2,274,710**	**382,674**	**1,892,036**

As at December 31, 2023, approximately 65% of the Group's bonds and medium/long-term loans, also considering the contribution of the Revolving credit facility signed in October 2022 and not disbursed at December 31, 2023, are structured in a "Green" or "Sustainability-linked" format" [2].

BONDS

(Thousands of euros)	12.31.2022	Changes				12.31.2023
	Carrying amount	New financing	Reimbursements	Exchange differences	Amortised cost effect	Carrying amount
Bonds	**1,515,063**	400,000	(309,465)	(123)	1,018	**1,606,493**
Current portion	242,058					0
Non-current portion	1,273,005					1,606,493

[2] *For the purposes of the calculation, bonds and bank loans are measured at nominal value.*

As at December 31, 2023, the Bonds increased by 91,430 thousand euros due to the combined effect of the following transactions:

- repayment, on February 20, 2023, of Tranche A4 of the bonds for a total of 242,286 thousand euros;
- placement, on July 3, 2023, by ADR of a new bond in Sustainability-Linked format issued under the Company's EMTN programme. With a nominal value of 400 million euros and a duration of 10 years, the issue was settled on July 10, 2023 and provides for repayment in a lump sum, on July 10, 2033, and the payment of an annual fixed-rate coupon equal to 4.875%;
- completion, on July 14, of a Tender Offer, announced simultaneously to the launch of the new bonds mentioned above aimed at the holders of the 500-million-euro bond maturing on June 8, 2027, issued by ADR in 2017 in relation to its EMTN Programme. Against participations for a notional value of 67.2 million euros, the Company paid the participants a total consideration of 63.1 million euros (including accrued interest), proceeding with the simultaneous cancellation of the same securities. As a result of the transaction, the residual outstanding notional value thus amounted to approximately 432.8 million euros.

Information relating to the bonds outstanding as at December 31, 2023 issued by ADR, is provided below:

NAME	Outstanding par value	Currency	Carrying amount	Fixed interest rate	Interest payment frequency	Reimbursements	Total duration	Expiry
€500,000,000 1.625% EMTN 06.2027	432,821	EUR	420,495	1.625%	annual	bullet	10 years	06.2027
€300,000,000 1.625% EMTN 02.2029 - "GREEN BONDS"	300,000	EUR	298,541	1.625%	annual	bullet	8 years and 2 months	02.2029
€500,000,000 1.750% EMTN 07.2031 - "SUSTAINABILITY-LINKED BONDS"	500,000	EUR	493,652	1.750%	annual	bullet	10 years and 3 months	07.2031
€400,000,000 4.875% EMTN 07.2033 – "SUSTAINABILITY-LINKED BONDS"	400,000	EUR	393,805	4.875%	annual	bullet	10 years	07.2033
TOTAL BONDS	**1,632,821**		**1,606,493**					

For further information on A4 bonds, see Note 8.

The following bonds are outstanding, all senior unsecured, issued under the bond issue programme called EMTN (Euro Medium Term Notes), launched by ADR in 2013:

- the notes issued on June 8, 2017 for an original nominal value of 500 million euros and subject to a tender offer in July 2023, have a residual notional value as at December 31, 2023 of 432.8 million euros;
- the issue finalised on December 2, 2020, for a nominal value of 300 million euros and characterised by the "green" label;
- the issue finalised on April 30, 2021, for a nominal value of 500 million euros and characterised by the "sustainability-linked" label, with a duration of 10 years and three months and a coupon of 1.75%. The issue provides for the application of a potential step-up on the interest rate up to 25 bps a year, starting from the coupon payable from July 2028 until maturity, in the event of failure to achieve one or more Sustainability Performance Targets (SPT) as stated and described in the Sustainability-Linked Financing Framework of April 2021;
- the issue finalised on July 3, 2023, for a nominal value of 400 million euros and characterised by the "sustainability-linked" label, with a duration of 10 years and a coupon of 4.875%. The issue provides for the application of a

potential step-up on the interest rate up to 40 bps a year, from the first coupon payable from 2031 until maturity in the event of failure to achieve, at the date of verification for 2030, one or more SPTs reported and described in the Sustainability-Linked Financing Framework of April 2022.

All the bonds issued under the EMTN Programme were placed with qualified investors, as defined by Consob with a regulation based on the criteria established by EU provisions, and are listed on the regulated market managed by the Irish Stock Exchange.

As of December 31, 2023, the rating assigned by the Moody's, S&P and Fitch agencies to the issuer ADR and its bond issues was of Baa2 (outlook "stable"), BBB (outlook "stable") and BBB- (outlook "stable"), respectively.
On November 21, 2023, Moody's revised its outlook upwards from "negative" to "stable", reflecting the continuation of the recovery of traffic compared to pre-pandemic levels and the decision on the rating assigned to the Italian Republic.
The fair value of the bonds is shown in the following table.

	12.31.2023		12.31.2022	
(Thousands of euros)	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate	1,606,493	1,544,585	1,515,063	1,300,224
TOTAL BONDS	**1,606,493**	**1,544,585**	**1,515,063**	**1,300,224**

The fair value of the bonds was determined on the basis of the market values available as of December 31, 2023; in particular, the future cash flows were discounted using the discount curves as per market practice (6-month Euribor), increased by a credit spread commensurate with the counterparty risk of ADR at the measurement date. Compared to December 31, 2022, the fair value of the bonds increased by 244 million euros, a change attributable to the issue of the bond and the significant reduction in credit spreads during 2023, as can also be inferred from the prices of the Company's bonds, only partially offset by the repayment in February 2023 of the A4 bond and the partial repurchase in July 2023 of the notes maturing in 2027.

MEDIUM/LONG-TERM LOANS

	12.31.2022	Changes			12.31.2023
(Thousands of euros)	Carrying amount	New financing	Reimburse-ments	Amortised cost effect	Carrying amount
Medium/long-term loans	**656,637**	0	(239,423)	169	**417,383**
Current portion	39,423				39,423
Non-current portion	617,214				377,960

Medium-/long-term loans decreased by 239,254 thousand euros mainly as a result of the voluntary and full early repayment, finalised without penalties in July 2023, of the 200-million-euro bank loan granted by Banca Nazionale del Lavoro in 2020, which had a contractual maturity of May 2026, and the repayment at maturity of the short-term portion of the EIB and CDP loans totalling 39,423 thousand euros.

The main information relating to medium/long-term loans outstanding as at December 31, 2023 is provided below.

(Thousands of euros)

Lender	Name	Amount granted	Outstanding par value	Carrying amount	Currency	Rate	Interest payment frequency	Repayment	Total duration	Expiry
Consortium of banks	Revolving Credit Facility Sustainability-linked ("RCF")	350,000	0	0	EUR	variable indexed to Euribor + margin	quarterly (in case of use)	revolving	6 years (*)	10.2028
European Investment Bank ("EIB")	EIB loan 2016	150,000	107,179	107,103	EUR	I tranche (110,000) 1.341%	annual	amortising from 2020	14 years	9.2031
						II tranche (40,000) 0.761%		amortising from 2022	15 years	11.2034
Cassa Depositi e Prestiti ("CDP")	CDP loan 2016	150,000	125,897	125,834	EUR	I tranche (40,000) 1.629%	annual	amortising from 2020	14 years	9.2031
						II tranche (30,000) 1.070%		amortising from 2022	15 years	11.2034
						III tranche (80,000) 1.263%		amortising from 2023	15 years	3.2035
Banca Europea per gli Investimenti ("BEI")	EIB loan 2018	200,000	184,615	184,446	EUR	0.819%	annual	amortising from 2023	15 years	9.2035
Total medium/long-term loans		**850,000**	**417,691**	**417,383**						

(*) the contract provides for an extension option until October 2029.

ADR's bank loans, like ADR's debt deriving from bond issues under the EMTN Programme, are of the senior unsecured type.

The sustainability-linked revolving credit facility for a maximum amount of 350 million euros subscribed on October 4, 2022 is fully available as of December 31, 2023.
This facility was granted by a pool of banks, composed as of December 31, 2023 of: Banco BPM, Barclays, BNP Paribas Group, Crédit Agricole, Intesa Sanpaolo, Mediobanca, Natixis and Société Générale. The cost of this credit facility varies according to ADR's credit rating and whether or not the relative sustainability objectives set out in the "sustainability-linked" structure are achieved.
On September 22, 2023, the credit facility was extended by one year: the current maturity is October 2028, with possible extension for a further year.

The 2016 EIB and CDP loans were subscribed using the 300-million-euro credit facility approved by the EIB for ADR in 2014 as financial support for the project called "Aeroporti di Roma - Fiumicino Sud", and are divided into a contract of 150 million of euros granted directly by the EIB and a contract of 150 million euros brokered by Cassa Depositi e Prestiti ("CDP"). As of December 31, 2023, these facilities were used in full through the drawdown of several tranches with final maturities between 2031 and 2035. All the tranches used have an amortising repayment profile and are at a fixed rate. An additional facility granted by the EIB in 2018, amounting to 200 million euros, was fully disbursed in 2020. This loan was granted following the updating of the Fiumicino Sud infrastructure project which provided for an increase in the value of the projects originally financed. The characteristics of the relevant loan agreement are essentially in line with the agreement of 2016.

For an examination of the main terms and conditions of bank loans, please refer to Note 8 below.

The fair value of medium/long-term loans is indicated in the following table.

	12.31.2023		12.31.2022	
(Thousands of euros)	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate	417,383	370,643	456,746	365,631
Variable rate	0	0	199,891	203,816
TOTAL MEDIUM/LONG-TERM LOANS	**417,383**	**370,643**	**656,637**	**569,447**

The fair value of medium/long-term loans was determined on the basis of the market values available as of December 31, 2023; in particular, future cash flows were discounted on the basis of the standard discount curves used in market practice (6-month Euribor), increased by a credit spread commensurate with the counterparty risk of ADR at the measurement date.
Compared to December 31, 2022, the fair value of medium/long-term loans decreased by 199 million euros, a change attributable to the full early repayment of the BNL loan finalised in July 2023.

OTHER FINANCIAL LIABILITIES

	12.31.2022	Changes				12.31.2023
(Thousands of euros)	Carrying amount	New financing	Increases for fin. Disc.	Reimburse-ments	Disposals	Carrying amount
Leases	3,041	692	45	(1,398)	0	2,380
Current portion	1,224					1,183
Non-current portion	1,817					1,197

Leases, which includes the present value of liabilities deriving from lease contracts, decreased by 661 thousand euros essentially due to the payments of lease instalments (-1,398 thousand euros), partially offset by new leases signed during the year (692 thousand euros).

DERIVATIVES WITH NEGATIVE FAIR VALUE

(Thousands of euros)	12.31.2023	12.31.2022	Change
Derivatives with negative fair value	803	83,652	(82,849)
Interest accrued	175	258	(83)
TOTAL DERIVATIVES WITH NEGATIVE FAIR VALUE	**978**	**83,910**	**(82,932)**
non-current portion	0	0	0
current portion	978	83,910	(82,932)

The decrease in derivatives with negative fair value compared to December 31, 2022 is mainly attributable to the closure of the Cross Currency Swap hedging Tranche A4 in pounds sterling.
The balance as at December 31, 2023 of 803 thousand euros refers to the two non-deliverable forward derivatives, subscribed by Leonardo Energia in May 2023 to hedge the risk of changes in the price of methane gas.

For a description of the characteristics of these contracts, see Note 9.3 Financial risk management.

For the measurement techniques and inputs used in determining the fair value of derivatives, please refer to Note 9.4 Information on fair value measurements.

NET FINANCIAL DEBT

The following table shows the details of the net financial debt, with an analysis of the amounts due/from related parties, in accordance with Consob communication no. DEM/6064293 of July 28, 2006 and Warning notice no. 5/21 issued by Consob on April 29, 2021 with reference to ESMA Guideline 32-382-1138 of March 4, 2021.

(Thousands of euros)	12.31.2023	of which related parties	12.31.2022	of which related parties
Cash (A)	(239,306)	0	(404,985)	0
Cash and cash equivalents (B)	(670,000)	0	(620,000)	0
Other current financial assets (C)	(6,265)	0	(57,890)	(1,350)
LIQUIDITY (D=A+B+C)	**(915,571)**		**(1,082,875)**	
Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt) (E)	978	0	83,910	0
Current portion of non-current financial debt (F)	63,949	134	298,764	131
CURRENT FINANCIAL DEBT (G=E+F)	**64,927**		**382,674**	
CURRENT NET FINANCIAL POSITION (H=G+D)	**(850,644)**		**(700,201)**	
Non-current financial debt (excluding the current portion and debt instruments) (I)	379,157	22	619,031	155
Debt instruments (J)	1,606,493	0	1,273,005	0
Trade payables and other current liabilities (K)	0	0	0	0
NON-CURRENT FINANCIAL DEBT (L=I+J+K)	**1,985,650**		**1,892,036**	
NET FINANCIAL DEBT AS PER ESMA RECOMMENDATION OF MARCH 4, 2021 (M=H+L)	**1,135,006**		**1,191,835**	
Other non-current financial assets (N)	(38,210)		(17,429)	
NET FINANCIAL DEBT (O=M+L)	**1,096,796**		**1,174,406**	

6.17 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities amount to 3,015 thousand euros, essentially in line with December 31, 2022, mainly include the estimate of the liabilities relating to the long-term incentive plans.

6.18 TRADE PAYABLES

(Thousands of euros)	12.31.2023	12.31.2022	Change
Suppliers	199,987	165,453	34,534
Parents	1,036	598	438
Deferred income	9,809	7,452	2,357
Payments on account and advances received	20,348	15,420	4,928
TOTAL TRADE PAYABLES	**231,180**	**188,923**	**42,257**

Trade payables, equal to 199,987 thousand euros, increased by 34,534 thousand euros mainly due to the higher volume of investments compared to the last part of the previous year.

Deferred income, amounting to 9,809 thousand euros, substantially increased by 2,357 thousand euros due to the recognition of the receivable for grants relating to the SESAR investment projects financed by the European Union as part of the Connecting European Facility (CEF) calls 2016 and 2017, which resulted in the recognition of the related deferral to the income statement in line with the relative amortisation plans.

Payments on account and advances received, amounting to 20,348 thousand euros, recorded an increase of 4,928 thousand euros due to higher advances received from customers.

6.19 OTHER CURRENT LIABILITIES

(Thousands of euros)	12.31.2023	12.31.2022	Change
Taxes other than income taxes	120,549	110,031	10,518
Fire prevention and fire-fighting services	758	826	(68)
Personnel	28,503	20,204	8,299
Pension and social security institutions	15,701	11,707	3,994
Guarantee deposits	14,878	16,743	(1,865)
Other	30,515	27,322	3,193
TOTAL OTHER CURRENT LIABILITIES	**210,904**	**186,833**	**24,071**

Taxes other than income taxes mainly include:

- 90,954 thousand euros for passenger surcharges (81,418 thousand euros as at December 31, 2022). This liability is discharged in the following month for the additional amounts collected by the carriers, while it is offset by amounts due from customers for the residual portions still to be collected. It should be noted that the surcharge on passenger boarding fees charged to carriers is equal to 7.5 euros per passenger, of which 5.0 euros for INPS and one euro (commissioner's surcharge) for the commissioner's administration of the Municipality of Rome. The increase in the liability for the surcharge, of 9,536 thousand euros compared to the end of 2022, reflects the correlated trend, during the year, of the corresponding collections from the carriers;
- 24,190 thousand euros due to the Lazio Regional Authority for IRESA (23,590 thousand euros as at December 31, 2022). This tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Region.

Amounts due for fire prevention and fire-fighting services amounted to 758 thousand euros in relation to the cost accrued during the year, net of advances paid.
Amounts due to personnel and pension and social security institutions increased by 8,299 thousand euros and 3,994 thousand euros, respectively, mainly due to the assessment of the fees for the year related to the variable incentive systems and the progressive elimination of the use of social safety nets.

Other, equal to 30,515 thousand euros, include the amount due to ENAC for the variable concession fee, equal to 23,233 thousand euros, up by 2,831 thousand euros compared to December 31, 2022 in relation to the portion accrued during the year, net of the payment of the second instalment for 2022, made in January 2023, and the payment of the 2022 balance and of the first instalment for 2023, made in July 2023.

7. Notes to the consolidated income statement

7.1 REVENUE

Revenue for 2023 was broken down as follows, in application of IFRS 15:

(Thousands of euros)	2023			2022		
	Revenue from IFRS 15 contracts	Other revenue	Total	Revenue from IFRS 15 contracts	Other revenue	Total
AVIATION						
Airport fees	447,183	0	447,183	338,669	0	338,669
Centralised Infrastructure	13,556	0	13,556	9,845	0	9,845
Security services	106,888	0	106,888	80,037	0	80,037
Other	41,413	0	41,413	28,472	0	28,472
	609,040	**0**	**609,040**	**457,023**	**0**	**457,023**
NON AVIATION						
Sub-concessions and utilities:						
Real estate and utilities	7,782	55,206	62,988	7,183	42,102	49,285
Commercial	0	154,961	154,961	0	100,515	100,515
Car parks	29,118	0	29,118	21,663	0	21,663
Advertising	9,891	0	9,891	5,362	0	5,362
Other	10,919	1,537	12,456	9,337	542	9,879
	57,710	**211,704**	**269,414**	**43,545**	**143,159**	**186,704**
REVENUE FROM AIRPORT MANAGEMENT	**666,750**	**211,704**	**878,454**	**500,568**	**143,159**	**643,727**
REVENUE FROM CONSTRUCTION SERVICES	**240,534**	**0**	**240,534**	**144,091**	**0**	**144,091**
OTHER OPERATING INCOME	**2,070**	**8,883**	**10,953**	**1,050**	**18,969**	**20,019**
Total revenue	**909,354**	**220,587**	**1,129,941**	**645,709**	**162,128**	**807,837**
Timing for the transfer of goods / services:						
Goods and services transferred over a period	305,223			192,132		
Goods and services transferred at a point in time	604,131			453,577		

Revenue from airport management, equal to 878,454 thousand euros, increased by 36.5% compared to the previous year, mainly due to the growth in aviation activities (+33.3%), in relation to the consistent recovery in traffic volumes despite the absence of tariff changes. The non-aviation segment, with revenue up by 44.3%, also benefited from the increase in passengers, as well as the increase in passengers' propensity to spend promoted by the opening of new commercial spaces; more specifically, revenue from commercial sub-concessions, real estate, parking and advertising increased.

Revenue from construction services, equal to 240,534 thousand euros, essentially relates to revenue for construction services for self-financed works. Consistently with the accounting model adopted, in accordance with IFRIC 12, this revenue, which represents the consideration due for the activities carried out, is measured at fair value, determined on the basis of the total costs incurred (external costs and personnel expense).

Other operating income, equal to 10,953 thousand euros, is broken down as follows:

(Thousands of euros)	2023	2022
Grants and subsidies	2,102	1,115
Gains on sales	128	131
Expense recoveries	5,283	11,939
Compensation from third parties	181	189
Other income	3,259	6,645
TOTAL OTHER OPERATING INCOME	**10,953**	**20,019**

The decrease of 9,066 thousand euros is mainly due to the company Leonardo Energia, which manages the cogeneration plant, which in 2023 reduced sales to the grid of the electricity produced by cogeneration.

7.2 CONSUMPTION OF RAW MATERIALS AND CONSUMABLES

(Thousands of euros)	2023	2022
Fuel and lubricants	1,651	1,704
Electricity, gas and water	30,862	29,978
Consumables, spare parts and various materials	6,910	4,071
TOTAL CONSUMPTION OF RAW MATERIALS AND CONSUMABLES	**39,423**	**35,753**

The increase of 3,670 thousand euros compared to the previous year is attributable to the rise in energy procurement costs, as well as to the higher costs of consumables, spare parts and sundry materials related to the growth in business volumes, as well as the opening of new infrastructures.

7.3 SERVICE COSTS

(Thousands of euros)	2023	2022
Maintenance	63,669	53,168
Renovation of airport infrastructure	42,410	38,473
External services	11,895	10,648
Construction services	203,519	117,222
Cleaning and pest control	7,391	6,628
Professional services	14,091	12,586
Fire prevention and fire-fighting services	6,705	5,846
Other costs	35,174	34,494
Remuneration of directors and statutory auditors	1,463	1,389
TOTAL SERVICE COSTS	**386,317**	**280,454**

The increase in service costs, equal to 105,863 thousand euros, is essentially attributable to the increase in construction services costs (+86,297 thousand euros) as well as to the costs for maintenance activities (+10,501 thousand euros) and renovation of airport infrastructure (+3,937 thousand euros). This trend reflects the growth in activities and the opening of new infrastructures (May 2022 and April 2023), with a consequent increase in maintenance costs and operating costs (cleaning, external services, etc.).

7.4 PERSONNEL EXPENSE

(Thousands of euros)	2023	2022
Wages and salaries	162,043	140,468
Social security charges	48,248	40,448
Post-employment benefits	8,999	8,215
Other costs	6,707	6,281
TOTAL PERSONNEL EXPENSE	**225,997**	**195,412**
of which:		
Personnel expense for employees dedicated to construction services	24,769	19,233
Personnel expense for employees dedicated to airport infrastructure renovation works	2,480	2,607

The increase in Personnel expense of 30,585 thousand euros compared to 2022 is related to the growth in the volume of managed activities, the increase in staff and the elimination of the use of social safety nets (CIGS - government furlough scheme), still marginally present in the first part of 2022.

The table below shows the average headcount of the ADR Group (broken down by employment level):

Average workforce	2023	2022	Change
Executives	62.3	59.4	2.9
Middle managers	326.9	302.1	24.8
White-collars	2,050.3	1,800.5	249.8
Blue-collars	1,250.2	1,157.9	92.3
TOTAL AVERAGE WORKFORCE	**3,689.7**	**3,319.9**	**369.8**

7.5 OTHER OPERATING COSTS

(Thousands of euros)	2023	2022
Concession fees	37,595	26,352
Lease payments	2,884	2,584
Accruals to (uses of) the provision for renovation of airport infrastructure	(13,297)	15,884
Accruals to (Re-absorption of) provisions for risks and charges	1,072	(1,770)
Other costs:		
Accruals to (Re-absorption of) loss allowances	880	(866)
Indirect taxes and duties	3,398	5,335
Sundry charges	8,174	5,151
TOTAL OTHER OPERATING COSTS	**40,706**	**52,670**

The item Concession fees, equal to 37,595 thousand euros, increased by 11,243 thousand euros compared to the previous year, as it is directly related to traffic trends.

The item Accruals to (uses of) the provision for renovation of airport infrastructure includes the accruals to the provision for renovation of airport infrastructure, recognised net of uses for costs incurred during the year, classified by nature in the corresponding income statement item.

The accruals to (Re-absorption of) provisions for risks and charges amounted to 1,072 thousand euros and reflect the updated valuation of the different types of probable contingent liabilities involving the Group. For more details, see Note 6.15.

The accruals to (Re-absorption of) loss allowances amounted to 880 thousand euros and reflected the updated assessment of the probability of collecting trade receivables from customers.

The item Sundry charges, equal to 8,174 thousand euros, includes, for 5,086 thousand euros, the charges relating to the CO_2 quotas relating to the 2023 emissions of the cogeneration plant, up compared to the 3,761 thousand euros recorded in 2022.

7.6 NET FINANCIAL EXPENSE

The item Net financial expense amounted to -34,916 thousand euros (-63,944 thousand euros in 2022).

FINANCIAL INCOME

(Thousands of euros)	2023	2022
Interest income		
Interest on bank deposits and loans	27,065	3,143
Gains on derivatives		
Fair value gains on derivatives	835	1,046
Other income		
Default interest on current assets	28	0
Interest from customers and others	41	70
Other income	4,620	0
TOTAL FINANCIAL INCOME	**32,589**	**4,259**

Financial income in 2023 increased by 28,330 thousand euros due to higher interest on investments in liquidity, thanks to the optimisation of on-demand and forward bank loans, also as a result of the increase in market interest rates, as well as for the income related to the transaction, completed on July 14, 2023, for the partial repurchase, at a price lower than the nominal value, of a portion of the 500-million-euro bonds maturing on June 8, 2027 (4.2 million euros recorded under Other income, an effect partially offset by financial expense for 2.2 million euros deriving from the acceleration of the application of the amortised cost method, which is shown under financial expense [3]).

FINANCIAL EXPENSE

(Thousands of euros)	2023	2022
FINANCIAL EXPENSE FROM DISCOUNTING THE PROVISION FOR RENOVATION OF AIRPORT INFRASTRUCTURE	**9,184**	**1,223**
Interest on bonds	32,352	35,243
Interest on medium/long-term loans	10,295	8,924
Effects of applying the amortised cost method	7,777	8,171
Other financial expense - interest	11	161
TOTAL FINANCIAL EXPENSE - INTEREST	**50,435**	**52,499**
Fair value losses on derivatives	1,631	13,458
Differentials	1,078	7,596
Release of the portion pertaining to the hedging reserve	4,471	6,425
TOTAL EXPENSE ON DERIVATIVES	**7,180**	**27,479**
Financial expense from discounting employee benefits	335	423
Other expense	494	35
TOTAL OTHER EXPENSE	**829**	**458**
TOTAL FINANCIAL EXPENSE	**67,628**	**81,659**

[3] *The net effect is equal to a net financial income of 2.0 million euros, representing, in relation to the portion of the bond subject to repurchase, the difference between the repurchase price and the carrying amount.*

Financial expense from discounting the provision for renovation of airport infrastructure, equal to 9,184 thousand euros, includes the financial component for discounting the provision and increased by 7,961 thousand euros due to the update of the rate used.

Interest on bonds amounted to 32,352 thousand euros and decreased by 2,891 thousand euros compared to the previous year due mainly to the repayment, in February 2023, of the A4 bonds, partially offset by interest on the new Sustainability-Linked bonds issued in July 2023 under the EMTN programme with a nominal value of 400 million euros.

Fair value losses on derivatives came to 1,631 thousand euros and include the effect of the closure of cross currency swap contracts for the euro/pound sterling exchange rate component hedging the A4 bonds issued in pound sterling and repaid in February 2023. Within this item, an amount of 123 thousand euros relates to the derivative effective valuation component, which is offset by a component of the same amount recorded in exchange gains which relates to the reduction in the nominal value of the bonds in pound sterling.

The item Differentials includes the balance between interest income and expense accrued during the year on the last differential of the aforementioned cross currency swap contracts, settled in February 2023.

The item Release of the portion pertaining to the hedging reserve includes the amounts recorded in the income statement in 2023, relating to i) the negative fair value of the forward starting interest rate swap derivatives subscribed in 2015 and subject to unwinding in June 2017 (equal to 2,789 thousand euros, of which 926 thousand euros attributable to the acceleration of the portions relating to subsequent years attributable to the portion of the bonds subject to tender offer), ii) the negative fair value of the forward starting IRS derivatives subscribed in 2016-2017 and subject to unwinding in April 2021 (equal to 4,414 thousand euros) and iii) the positive fair value of the interest rate swap forward starting derivatives subscribed in 2018-2021 and subject to unwinding in July 2023 (equal to -2,731 thousand euros).

The item Other expense equal to 494 thousand euros essentially includes the impairment loss on the financial asset with Spea Engineering of 1,350 thousand euros, partly offset by the re-absorption of the loss allowances for default interest of 930 thousand euros in relation to the collection received under a bankruptcy procedure.

EXCHANGE GAINS (LOSSES)

(Thousands of euros)	2023	2022
Exchange gains	129	13,459
Exchange losses	(6)	(3)
NET EXCHANGE GAINS (LOSSES)	**123**	**13,456**

For details, please refer to the paragraph on financial income and expense.

7.7 SHARE OF PROFIT (LOSS) OF EQUITY-ACCOUNTED INVESTEES

This item, equal to -871 thousand euros, includes the effect of the impairment loss on the investment in the jointly controlled company UrbanV S.p.A. for -644 thousand euros (-256 thousand euros in 2022) and on the 1% investment in Spea Engineering S.p.A. for -227 thousand euros (-1,142 thousand euros in 2022). With reference to the latter, the 19% share was reclassified under Assets held for sale and measured at fair value.

7.8 INCOME TAXES

(Thousands of euros)	2023	2022
CURRENT TAXES		
IRES	57,298	(7,833)
IRAP	17,130	8,744
Substitute tax	146	146
	74,574	**1,057**
DIFFERENCES ON CURRENT TAXES FROM PREVIOUS YEARS		
Income taxes from previous years	469	(4,061)
	469	**(4,061)**
DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets	8,824	24,590
Deferred tax liabilities	(578)	(82)
	8,246	**24,508**
TOTAL INCOME TAXES	**83,289**	**21,504**

With regard to IRES, it is important to note the automatic renewal for the three-year period 2023-2025 of the option for group taxation with the ultimate parent Mundys, pursuant to art. 117 of the TUIR (Italian Tax Code) for ADR S.p.A. and the Group companies, ADR Tel S.p.A., ADR Assistance S.r.l., ADR Mobility S.r.l. and ADR Security S.r.l., Airport Cleaning S.r.l., ADR Ingegneria S.p.A., ADR Infrastrutture S.p.A., Leonardo Energia S.r.l. and ADR Ventures S.r.l.

The estimate of the IRES tax burden for 2023 is represented by a net consolidated tax charge of 57,298 thousand euros, corresponding to the current IRES charge relating to the tax gain of 2023, net of the IRES tax benefit of 24% relating to previous tax losses transferred in 2023 to the group tax consolidation as they can be used to offset the profits generated in the Mundys group.

Deferred tax assets and deferred tax liabilities have been determined on the basis of the tax rates that are believed to be applied at the time when these differences will reverse. For more details on the calculation of deferred tax assets, reference should be made to Note 6.5.

The incidence of taxes for the year on the profit before taxes was 20.4% (-11.4% in 2022). The analysis of the difference between the theoretical and the actual tax rate for IRES is reported below:

	2023		2022	
(Thousands of euros)	Taxable amount	Tax	Taxable amount	Tax
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES	**281,034**		**68,563**	
THEORETICAL RATE		**24%**		**24%**
Theoretical IRES		**67,448**		**16,455**
Permanent differences	(5,588)	(1,341)	8,385	2,012
Temporary differences	(1,239)	(297)	(9,397)	(2,255)
Temporary differences on tax loss	(35,475)	(8,514)	(100,186)	(24,045)
Actual IRES		**57,298**		**(7,833)**
ACTUAL RATE		**20.4%**		**(11.4%)**

7.9 PROFIT (LOSS) FROM DISCONTINUED OPERATIONS/ASSETS HELD FOR SALE

This item, amounting to a loss of 4,317 thousand euros, includes the effect of the measurement at fair value of a portion of the investment in Spea Engineering S.p.A., equal to 19% of its share capital, classified under Assets held for sale.

8. Guarantees and covenants on medium/long-term financial liabilities

It should be noted that the only residual guarantee (consisting of a "deed of assignment" limited to a maximum value of 96.5 million euros) remaining in support of the Romulus debt structure, was cancelled following repayment on maturity of the A4 bonds and the simultaneous closure of the related cross currency swap contracts, in February 2023.

ADR has established a pledge on the entire equity investment held in Azzurra Aeroporti, equal to 7.77% of the share capital, in favour of the financial creditors of Azzurra Aeroporti (bondholders and banks that have entered into hedging derivatives). In addition to this collateral, in the context of the same Azzurra Aeroporti loan, ADR has provided Mundys with a counter-guarantee, limited to a maximum of 1.3 million euros, for the obligations taken on by Mundys towards a bank which granted, in the interest of Azzurra Aeroporti and in favour of the latter's financial creditors, a guarantee for the debt service of the transaction in question.

The loan agreements of ADR include, among the contractual clauses, financial covenants calculated on the final data, in line with the contracts normally applied to companies with investment grade ratings. Among these, it is significant to point out that the banking contracts with EIB and CDP provide for compliance with a leverage ratio threshold not exceeding 4.25x, which becomes 4.75x in the event all the ratings assigned to the company are equal to BBB/Baa2 or higher. The Revolving Credit Facility includes a maximum leverage ratio threshold.
The financial ratios must be verified, in accordance with the contracts, twice a year by applying the calculation formulas to the Group's reference data (which must exclude any shareholdings in companies financed through non-recourse financial debt) contained in the Consolidated Financial Report at December 31 and the Consolidated Interim Financial Report at June 30.
On the basis of the simulations carried out on the figures at December 31, 2023, it is already possible to confirm compliance with the thresholds set out in the loan agreements. The calculation of the financial covenants will be formalised after the approval of the Integrated Annual Report at December 31, 2023.
The Company continues to monitor compliance with the terms of the loan agreements.

Moreover, the loan agreements also provide for acceleration, termination and withdrawal, typical for loans of this type. The documentation of the EMTN Programme does not provide for compliance with financial covenants and does not include performance obligations/non-performance obligations in line with market practice for investment grade issuers.

9. Other guarantees, commitments and risks

9.1 GUARANTEES

As at December 31, 2023, the ADR Group had the guarantees issued as part of the loan agreements mentioned in Note 8; there are no sureties issued to customers and third parties (0 million euros as at December 31, 2022).

9.2 COMMITMENTS

The ADR Group has purchase commitments relating to investment activities.

9.3 MANAGEMENT OF FINANCIAL RISKS

As of December 31, 2023, the ADR Group's maximum exposure to credit risk is equal to the carrying amount of the trade and financial assets shown in the consolidated financial statements, as well as the nominal value of the guarantees provided for third parties' debt or commitments.
The greatest exposure to credit risk is from the trade receivables arising from its transactions with customers. The risk of customers' default is managed by making accruals to a specific loss allowance, whose balance is reviewed from time to time. Under the impairment process adopted by the ADR Group, trade positions are subject to individual impairment according to the age of the receivable, the creditworthiness of the individual debtor, the progress of the management and recovery of the receivable and the presence of any guarantees.
The commercial and credit protection policies implemented by the Group aim to control the level of credit facilities in the following way:

- cash payment is required in transactions with consumers (multilevel and long-term parking lots, first aid, etc.), with occasional counterparties (e.g. club memberships, baggage porters, taxi access management, etc.);
- cash payment or prepayment is required from occasional carriers without a satisfactory credit profile or collateral;
- granting of payment extensions in favour of loyal customers deemed reliable (carriers with medium-term flight schedules and sub-concessionaires) for which creditworthiness is monitored and adequate collateral guarantees are requested.

As regards investments in liquidity and transactions in derivative contracts, the Group manages credit risk in compliance with the principles of prudence and in line with market "best practices", as outlined in internal policies, preferably by resorting to counterparties with high credit standing and conducting ongoing monitoring to ensure that no significant concentrations of credit risk occur.

LIQUIDITY RISK

Liquidity risk is the risk that the available financial resources may be insufficient to cover the obligations falling due. In consideration of ADR Group's ability to generate cash flows, the diversification of the sources of financing and the availability of credit facilities, the group deems it has access to sufficient sources of finance to meet the planned financial requirements.

As at December 31, 2023 the ADR Group had a liquidity reserve of 1,259.3 million euros, comprising:

- 909.3 million euros related to cash and cash equivalents;
- 350.0 million euros of unused credit facilities (for details, see Note 6.16).

The weighted average residual life of the financial debt as at December 31, 2023 is six years and four months.

The following tables show the payments due contractually in relation to financial assets and liabilities, including interest payments.

	12.31.2023				
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,955,204)	(40,158)	(40,158)	(546,263)	(1,328,625)
Medium/long-term loans	(443,138)	(43,815)	(43,386)	(127,582)	(228,355)
Derivatives with positive fair value	0	0	0	0	0
Derivatives with negative fair value	(803)	(803)	0	0	0
TOTAL	**(2,399,145)**	**(84,776)**	**(83,544)**	**(673,845)**	**(1,556,980)**

	12.31.2022				
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,698,107)	(266,357)	(21,750)	(565,250)	(844,750)
Medium/long-term loans [4]	(713,222)	(51,581)	(51,240)	(339,948)	(270,453)
Derivatives with positive fair value	63,532	4,076	10,019	20,819	28,618
Derivatives with negative fair value [5]	(83,952)	(83,952)	0	0	0
TOTAL	**(2,431,749)**	**(397,814)**	**(62,971)**	**(884,379)**	**(1,086,585)**

[4] *Future flows relating to interest on floating-rate loans were calculated on the basis of the last rate set and maintained until maturity.*

[5] *The expected future flows of the differentials from cross currency swap derivatives were calculated on the basis of the exchange rate set at the time of the valuation.*

MARKET RISK

The ADR Group uses derivatives to hedge currency risk, interest rate risk and change risk regarding specific raw materials, to counteract negative impacts on cash flows that may arise from any unfavourable changes in the underlying market parameters.

As at December 31, 2023, the ADR Group has:

- two non-deliverable forward derivatives, subscribed by Leonardo Energia in May 2023 to hedge the risk of changes in the price of methane gas, for a total notional value of 11.3 million euros and expiring in March 2024.

									Fair value of the derivative			Change in fair value	
Counterpart	Instrum.	Type	Hedged risk	Date of subs.	Exp.	Notional value hedged (**)	Rate applied	Underlying	As at 12.31.2023	As at 12.31.2022	To income statement (***)	To OCI (****)	Amounts paid (collected)
Mediobanca, UniCredit	CCS	CF	I	02.2013	02.2023	325,019	Receive a fixed rate in GBP of 5.441% pay a fixed rate in EUR of 6.4%	Class A4	0	(1,042)	(691)	1,733	82,733
			C						0	(82,610)	(123)	0	
			Total						0	(83,652)	(814)	1,733	82,733
UniCredit	Forward	CF	M	05.2023	03.2024	8,209	Pay a fixed price (€42.55 per MWh) Receive the monthly average of the PSV index	Purchases of methane gas	(803)	0	0	(803)	0
						3,082	Pay a fixed price (€43.40 per MWh) Receive the monthly average of the PSV index						
UniCredit, Intesa Sanpaolo, Société Générale	IRS forward starting (*)	CF	I	08.2018	02.2032	300,000	Pay an average fixed rate of 1.816% and receive the 6-month Euribor	Debt to be taken on (*****)	0	31,267	0	(3,512)	(27,755)
Gruppo Crédit Agricole, Barclays				12.2021	04.2032	100,000	Pay an average fixed rate of 0.092% and receive the 6-month Euribor		0	23,387	(818)	(291)	(22,278)
								TOTAL (excluding accruals)	**(803)**	**(28,998)**	**(1,632)**	**(2,873)**	**32,700**
								of which:					
								derivatives with positive fair value	0	54,654			
								derivatives with negative fair value	(803)	(83,652)			

CF: cash flow value hedge - C: exchange rate - I: interest - M: raw materials
(*) activation date May 2023
(**) notional value hedged at the start date of the derivative contract
(***) to the item "Net financial expense"
(****) the change in fair value is shown in OCI net of the tax effect
(*****) bond of 400 million euros placed on July 3, 2023

As a result of the repayment of the A4 bond, the Group has no financial transactions in foreign currency.

9.4 INFORMATION ON FAIR VALUE MEASUREMENTS

Below is the fair value measurement at year end and the classification according to the fair value hierarchy of the assets and liabilities measured at fair value on a recurring basis (there are no assets or liabilities measured at fair value on a non-recurring basis):

	12.31.2023			
(Thousands of euros)	Level 1	Level 2	Level 3	TOTAL
Derivatives with positive fair value	0	0	0	0
Derivatives with negative fair value	0	(803)	0	(803)
TOTAL HEDGING DERIVATIVES	**0**	**(803)**	**0**	**(803)**

The only financial instruments of the Group measured at fair value are the derivatives described in Note 9.3. These derivatives are included in "level 2" of the "fair value hierarchy" defined by IFRS 7, with the fair value measured based on techniques that use parameters that can be observed in the market, other than the price of the financial instrument.
In 2023 there were no transfers between different levels of the fair value hierarchy.
With reference to the financial liabilities, for which Note 6.16 indicates the fair value, this fair value is also included in level 2 of the "fair value hierarchy" defined by IFRS 7.

9.5 LITIGATION

As regards litigation as a whole, the ADR Group carried out an assessment of the risk of negative outcomes leading to the accrual, prudentially, of a specific provision under "Provisions for risks and charges" to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. For those legal proceedings whose negative outcome, given the different positions adopted in case law, was considered only possible, no specific accruals were made. There are also a small number of civil proceedings, in any case not material, for which, despite the uncertain outcomes, it was not possible to quantify any liability for the ADR Group.
It is believed that the settlement of the dispute in progress and other potential disputes should not result in any further significant expenses for the Group with respect to the provisions made.

Tax litigation
The most significant disputes in which the Parent ADR is involved are listed below, as there are no significant disputes to report in which the other Group companies are involved, which could give rise to contingent liabilities not represented in the consolidated financial statements.

Litigation with the Customs Office - Electricity

- In 2006, the Technical Finance Office of Rome (UTF - today the Customs Office) issued payment notices for 13 million euros (including interest, expenses and penalties), concerning the non-payment of revenue tax on consumption on electricity and the associated surcharge for the period 2002-2006, as well as the related notices of administrative violations. The disputes concern the alleged sale to third parties of the electricity purchased by ADR, as well as the disavowal of the subsidy provided for in favour of the entities who are recognised as an "industrial factory". Following the substantive rulings in favour of the Company, the Court of Cassation filed nineteen rulings with which the grounds for appeal proposed by the State Attorney were upheld, rejecting those proposed by the Company on counter appeal. On October 8, 2019, the Court of Cassation filed four rulings in favour of the Company regarding as many deeds of imposition of sanctions issued by the Customs Office. On February 28, 2020, the Court of Cassation filed the ruling relating to three further acts of imposition of sanctions with which the ruling on the merit, forming the object of the proceedings, was quashed, and ordered the referral to the Regional Tax Commission for the examination of the effects of the ruling regarding tax for the purposes of resolving the dispute regarding the related sanctions. On November 18, 2021, the Regional Tax Commission filed the ruling with which the appeal for reinstatement proposed by ADR was partially upheld. The company, deeming its grounds for the applicability of the exemptions from sanctioning liability invoked in court to be unaffected, appealed to the Supreme Court. The Customs Office did not appeal against the ruling in respect of the part of its own loss by serving three notices that challenge the redetermined penalties by applying the principle of cumulation of rights. The Company filed defence briefs requesting the cancellation of the disputes. The Customs Office, accepting the company's request, cancelled the three new notices. ADR, pursuant to art. 1, paragraph 191, of Law no. 197/2022, submitted an application for a settlement concession for pending disputes concerning penalties related to taxes for which payment has been made, and filed, with the Court of Cassation, a petition for the termination of the dispute.
- Similar to the audit activity undertaken for the years 2002-2006 by the UTF of Rome, the Customs Office has launched two subsequent audits on the subject of consumption tax, excise duty and surcharge on electricity for the periods 2007-2010 and 2011-2012. The Revenue Agency also provided the tax assessment notices regarding the VAT due on the excise duties at issue for the same years.
- With regard to the payment orders issued by the Customs Office for the tax periods 2007-2010 and by the Revenue Agency for VAT 2007, the Company appealed to the Supreme Court against the unfavourable ruling of the Regional Tax Commission, while it settled the dispute of the tax periods 2011 and 2012.
- For the new tax assessment notices sent by the Revenue Agency for the VAT due on the consumption taxation for the years 2008-2012, the Company filed the relevant appeals, which were not accepted by the Provincial Tax Commission. Deeming its reasons unprejudiced, ADR challenged the first instance rulings at the Regional Tax Commission, which confirmed the first instance ruling for two years, while for another two it upheld the Company's appeals. Appeals have been lodged with the Supreme Court for all second instance proceedings.

ICI/IMU (municipal property tax)

- In 2011, the Municipality of Fiumicino sent ADR tax assessment notices for the failure to pay the local property tax only for 2007-2009 regarding buildings in the Alitalia Technical Area. The Company challenged the aforementioned notices by filing appeals with the Provincial Tax Commission. For the year 2007, the Commission accepted the appeal filed by the company and the final ruling was issued, while the appeals for the other two years were rejected. ADR therefore appealed with regard to the years 2008 and 2009, both rejected by the Regional Tax Commission. The Company has filed appeals with the Supreme Court.

Administrative, civil and labour litigation
The most significant disputes in which the Parent ADR is involved are listed below, as there are no significant disputes to report in which the other Group companies are involved, which could give rise to contingent liabilities not represented in the consolidated financial statements.

Tariff rights and regulation

- In 2014, ADR was notified of Easyjet Airline Company Ltd's appeal to the Lazio Regional Administrative Court for the cancellation, after suspension, of the rescheduling from March 1, 2014, of passenger boarding fees linked to the determination of new fees for transits, introduced with the ENAC provision of December 27, 2013. In the applicants' opinion, the aforementioned remodelling would constitute a violation of Italian and EU legislation. In 2014, the Lazio Regional Administrative Court rejected Easyjet's precautionary petition as the appeal lacked fumus boni iuris; the setting of the hearing on the merits is pending.

- By means of an extraordinary appeal to the President of the Republic, on April 11, 2019, ADR challenged, requesting its cancellation, the provision of December 24, 2018 by which the General manager of ENAC - in execution of the annual monitoring of the tariff parameters k, v and Ɛ provided for by art. 37-bis, paragraph 4 of the Planning Agreement signed between ENAC and ADR - updated the fees for the regulated services provided to users by the airport operator for the year 2019. On June 10, 2019, ENAC filed an objection to the extraordinary appeal and, therefore, ADR transposed the appeal before the Lazio Regional Administrative Court in accordance with the provisions of art. 48, paragraph 1, of the Code of Administrative Procedure. The setting of a hearing is pending. This ruling, following the conclusion with ENAC of the fourth Additional Deed to the ENAC/ADR Planning Agreement of November 10, 2023, was waived by ADR.

Fuel supply fees

- ENI S.p.A. has brought a claim before the Rome Civil Court against its own customer airlines in order to ascertain their obligation to pay the oil company the amounts it owes to airport operators, and to order them to pay the amount accrued since October 2005. By the same deed, alternatively, ENI S.p.A. also summsoned the management companies, including ADR, so that it is ascertained that it does not owe the operators themselves the concession fee based on the quantity of fuel supplied to the airlines and, in particular for ADR, so that it is ordered to repay the amount paid since October 2005, equal to 0.2 million euros, and it is declared that the sum of 1.1 million euros requested by ADR up to May 2006 and unpaid is not owed by ENI. The ruling is currently pending before the Court of Rome, as per referral from the Court of Appeal and contextual resumption following the recognition of the jurisdiction of the ordinary Judge. The accounting court-appointed expert witness report was filed in March 2023. Following requests for additional information received from the Parties, the Judge rescheduled the examination hearing to September 21, 2023, granting the Parties terms for observations. As a result, the Judge, considering the case ready for decision, adjourned the case to the hearing of April 18, 2024 for the specification of the conclusions.
- Alitalia LAI under extraordinary administration has sued, in separate proceedings, before the Civil Court of Milan and Rome, some oil companies to request a ruling for the repayment of the sums paid as fuel royalties in the period 2000-2009, as such payments allegedly did not match the management costs of the specific service.
  In these proceedings, the oil company executives invoked ADR and other airport operators as third parties, in consideration of the fact that the royalties on fuel were requested by these companies. As part of the proceedings, economic and accounting court-appointed expert witnesses were appointed. Some of the rulings are still pending, even in the appeal and Cassation phase. In particular:
  - In February 2020, three rulings were published with which the Court of Milan, respectively in the proceedings initiated by Alitalia LAI against Total Aviazione Italia and Air Total International SA, KAI (formerly Shell Italia Aviazione) and KRI (formerly Shell Italia) and Tamoil, upheld, albeit partially, the claim proposed by Alitalia against the oil companies and, in accepting the related compensation requests submitted against the airport operators, ordered the latter to reimburse specific amounts to the oil companies (in particular, as far as regards ADR: 1.7 million euros in favour of Total Aviazione Italia and Air Total International, 0.8 million euros in favour of KAI and KRI and 0.4 million euros in favour of Tamoil). ADR and the other operators challenged the rulings before the Milan Court of Appeal. By means of rulings nos. 795/2022, 981/2022 and 988/2022 all three appeals proposed by the managers, Total Aviazione and Air Total, c / KAI-KRI and c / Tamoil were upheld. Between June and October 2022, Alitalia under extraordinary administration filed the respective appeals to the Supreme Court. The setting of the hearings for discussion is pending.
  - In March 2020, the ruling was published with which the Court of Rome, in the proceedings initiated by Alitalia LAI against Air BP Italia, rejected the request presented by the carrier against the oil company and, consequently, the airport operators, including ADR, summonsed as third party. Alitalia LAI appealed. The hearing for the first appearance of the Parties was deferred ex officio first to March 25, 2023 and then, for reasons relating the role of the Court, to May 26, 2025.
  - In August 2020, the ruling was published by which the Court of Rome, in the proceedings initiated by Alitalia LAI against Kuwait Petroleum Italia, rejected the request submitted by the carrier against the oil company and, consequently, the airport operators, including ADR, again summonsed. Alitalia LAI under extraordinary administration appealed. Following the outcome of the hearing for the appearance of the Parties, held on May 9, 2022, the case was postponed for the presentation of conclusions to December 11, 2023. On that occasion, the case was withheld for decision. The issuing of the ruling is pending.
- In December 2021 the ruling was published by which the Court of Rome, in the proceedings initiated by Alitalia LAI against Esso Italiana S.r.l. and Exxommobil Aviation International limited, partially upheld Alitalia's request, ordering Exxonmobil to repay airport fees to Alitalia, to the extent of 5.2 million euros, and accepted the guarantee and indemnity request, ordering ADR, SEA and SABCO to repay the aforementioned amount to Exxonmobil. ADR has lodged an appeal; following the outcome of the hearing for the appearance of the parties, held on June 7, 2022, the proceedings will be joined to the separate appeal proposed by SEA updated, for the clarification of the conclusions, on March 12, 2024.

Resolution of the Transport Regulatory Authority (ART) relating to the public consultation for the revision of the airport fee regulation models

On March 9, 2023, the Transport Regulation Authority ("ART") published resolution 38/2023 which introduces new regulation models for the airport sector applicable from April 1, 2023, repealing resolution 136/2020 and the regulation models envisaged therein.
On July 19, 2023, the Piedmont Regional Administrative Court acknowledged the repeal of ART resolutions 118/2019 and 136/2020 by way of resolution 38/2023, and therefore declared the inadmissibility of the appeals against such Resolutions, it being understood that the merits of the existence of ART's power to impose tariff adjustment models on the holders of planning agreements in derogation remains the subject of the appeal lodged by ADR against resolution 38/2023, pending before the same court.
On November 10, 2023, ENAC and ADR signed the fourth Additional Deed to the ENAC/ADR planning agreement, envisaging that, pending the conclusion of the process of authorisation of the Airport Development Plan, which will define the long-term development scenario of the airport, ADR submits a proposal to revise the airport fees for the 2024 - 2028 regulatory period, to be submitted to users for consultation, in application of the Airport fee regulation models pursuant to ART Resolution no. 38/2023.
In addition, by signing the Additional Deed ADR has undertaken to waive the appeals still pending with regard to tariffs within 90 days from concluding the Deed and, once the process of reviewing airport fees for the 2024-2028 regulatory period is definitively completed in application of the Additional Deed, to also waive the pending appeal against ART Resolution 38/2023, due to its effective application to this regulatory period.

Expropriations for the construction of the Cargo City junction

ADR, delegated by ENAC as Expropriating Authority (pursuant to the Consolidated Law on Expropriation), proceeded with the expropriation activities necessary for the creation of the "Cargo City Junction", a work envisaged in the Project to complete Fiumicino Sud, which partly stands on areas outside the airport grounds. The expropriated private entities include the company Nuova Agrisud Immobiliare S.r.l. (Agrisud) for which ADR has quantified the provisional expropriation indemnity at 315 thousand euros, based on a specific Estimate Report prepared by the Revenue Agency. Agrisud did not communicate its agreement with the indemnity and, therefore, the aforementioned sum was deposited at the Territorial Accounting Office of the State of Rome and the Provincial Expropriation Commission of Rome (CPE), the competent authority for definitively determining the aforementioned indemnity. The CPE has established an overall definitive indemnity of 260 thousand euros for Agrisud; the estimate of the definitive indemnity was notified by ADR to Agrisud.
Agrisud, on February 9, 2021, notified ADR (and ENAC) of a specific appeal in Opposition to the Estimate with which: i) it contested the definitive indemnity as determined by the CPE; ii) quantified the compensation due for the expropriation at 6.9 million euros; iii) requested the Judge to order ADR (and ENAC) to pay the sum determined under ii) or to a greater or lesser amount that will be considered fair also following a specific report from a court-appointed expert.

ADR appeared in court. At the hearing of May 12, 2022, ADR challenged the absolute groundlessness of the quantification of the indemnity made by Agrisud, requesting that the case be postponed for the clarification of the conclusions without the need for further investigation and without the need to appoint a court-appointed expert. The Court, by lifting the reservation, deemed it appropriate to order a report by a court-appointed expert. The court-appointed expert assessment was scheduled for the hearing of November 16, 2023. At the hearing of November 16, Agrisud: i) challenged the court-appointed expert assessment that estimated the total indemnity to be recognised at 0.2 million euros (lower than the one estimated by the CPE of Rome); ii) asked the Court to consider the formulation of a settlement proposal pursuant to art. 185 of the Italian Code of Criminal Procedure; iii) in the alternative, requested a postponement for the presentation of conclusions. ADR pointed out to the Court that it had not received any proposal for an amicable settlement from Agrisud (which should be formally executed in any event) and reiterated the correctness of the accuracy of the quantification made by the court-appointed expert and the related financial estimates. The next hearing is set for February 27, 2025.

Extraordinary maintenance plan 2019-2021 Fiumicino and Ciampino airports

With an appeal of December 2019, ADR challenged, without asking for suspension, the deed by which ENAC approved the extraordinary maintenance plan for Fiumicino airport with exceptions, prescriptions and clarifications.
In particular, ENAC was challenged for the removal of some initiatives included by ADR in the Plan. The setting of a hearing is pending.
Similar appeals were subsequently lodged by ADR to challenge before the Regional Administrative Court ENAC's measures with which the Authority approved: i) the 2020 Extraordinary Maintenance Plans for Fiumicino and Ciampino airports; ii) the addendum to the 2020 Extraordinary Maintenance Plan for Fiumicino Airport; iii) the 2021 Extraordinary Maintenance Plan and related addendum for Fiumicino Airport. Appeals i), ii) and iii) are also pending the setting of a hearing. All the appeals filed against the deeds of approval of the Maintenance Plans, following the signing of the fourth Additional Deed to the ENAC/ADR Planning Agreement of November 10, 2023, were waived by ADR.

Customer insolvency procedures

- Following the rulings of the Bankruptcy Section of the Court of Rome declaring the state of insolvency of Alitalia S.p.A. under extraordinary administration, Volare S.p.A. under extraordinary administration, Alitalia Express S.p.A. under extraordinary administration, Alitalia Servizi S.p.A. under extraordinary administration and Alitalia Airport S.p.A. under extraordinary administration, between the end of 2011 and 2013, first the liabilities were filed and then some distribution plans following which, in 2014, the collection of 10.3 million euros was received as an "insolvency claim" secured by a lien. On March 19, 2014, 0.1 million euros was collected as per the distribution plan relating to Alitalia Express under extraordinary administration.

Commercial Sub-concessions

- ADR brought civil proceedings against Moccia Conglomerati S.r.l. aimed at ascertaining the termination of the sub-concession agreement of the area to be allocated to a bituminous conglomerate production and marketing plant, due to the serious breach by the counterparty, requiring immediate release of the area and the order to pay damages. As part of the proceedings, Moccia filed a counterclaim against ADR for 38.4 million euros, of which 33.6 million euros of lost profit. By means of a ruling published in May 2021, the Court of Rome, in acceptance of ADR's secondary claim, declared the termination of the sub-concession agreement due to the supervening impossibility of the service and ordered Moccia to immediately return the area and to pay the compensation for unlawful occupation of 2.5 million euros. Moccia appealed with a simultaneous application to suspend the effectiveness of solely the single charge of the ruling relating to the order to pay the occupation compensation; the Board accepted the aforementioned request. The case was postponed, for the clarification of the conclusions, to the hearing on November 16, 2023, then deferred to July 11, 2024.
- By means of the provision of July 8, 2022, as part of a preventive assessment action initiated by the counterpart before the Court of Rome, the report of the court-appointed expert requested by the appellant concerning the plant and any damage suffered by the latter was admitted. At the hearing of July 13, 2022, the engagement of the court-appointed expert witness was formalised and the questions formulated. The Parties identified their respective court-appointed expert witnesses. On July 20, 2022, the expert operations got underway. Also following extensions granted in the meantime, the final draft was filed in June 2023.

Tenders

- ATI Alpine Bau, contractor for the upgrading of the flight infrastructure of Runway 3 at Fiumicino airport, appealed against the 2006 ruling of the Civil Court of Rome, which settled the proceedings by ordering ADR to pay 1.2 million euros, plus revaluation, interest and expenses. The appeal deed reiterates the compensation claims made at first instance proceedings (66 million euros, including interest and revaluation). With its 2014 ruling, the Court of Appeal of Rome essentially rejected the appeal lodged by ATI Alpine Bau and declared the 1997 tender contract terminated, due to the negligence of the contracting party ATI. In 2015, Fallimento Alpine lodged an appeal with the Supreme Court, rejected by order communicated on June 16, 2020. In October 2020, ADR proposed proceedings for the reform of the ruling of the Civil Court of Rome in 2006 in order to attempt the recovery, albeit against a party in the meantime declared bankrupt, of the amount paid in due course to the counterparty; with ruling no. 5444/2022, the Court of Appeal of Rome accepted ADR's claims and ordered the ATI companies to return the amounts paid in 2006 by ADR. In January 2021, both Fallimento Alpine and Itinera S.p.A. (incorporating company of Abc Costruzioni, one of the original parents of the ATI) appealed to the Supreme Court for revocation of the aforementioned order communicated in June 2020. The setting of the hearing for discussion is pending.

ANAC resolution on the Pier C tender

With reference to the surveillance procedure pursuant to Legislative Decree no. 50/2016, initiated by ANAC in October 2016, regarding the tender for Pier C (currently Pier E and forebuilding), on September 4, 2019, the Authority issued resolution no. 759 with which almost all the objections raised since the beginning of the procedure were confirmed and the transmission to the Court of Auditors, as well as to ENAC and MIT was ordered, with a request also to ADR to evaluate "the possible initiatives to undertake, informing the Authority of any consequent measures that it intends to adopt".
Consequently, on October 18, 2019, ADR notified an appeal to the Lazio Regional Administrative Court, without request for suspension, requesting the cancellation of the aforementioned ANAC resolution. The merit hearing is scheduled for April 12, 2024.

Terminal 3 fire

In relation to the fire that affected a large area of Terminal 3 (hereinafter also referred to as "T3") on the night of May 6-7, 2015, at the hearing of December 16, 2022 in the proceedings pending before the Public Prosecutor's Office at the Court of Civitavecchia, the ruling of acquittal was passed on all the defendants because no offence was committed. The aforementioned procedure, with regard to the offences set forth in articles 113 and 449 of the Criminal Code (complicity in negligent fire) and personal injury saw, as defendants today: (i) five employees of the contractor for the ordinary maintenance of air conditioning systems and two employees of ADR, all also under investigation for the crime pursuant to article 590 of the Criminal Code (negligent personal injury), (ii) the Director of the Airport System Lazio (ENAC).
The trial before the Court of Civitavecchia, which began on October 15, 2018, lasted for several hearings, during which, in addition to procedural checks, witness evidence was heard with the names indicated by the Public Prosecutor and the party-appointed technical consultants carried out their examinations.
The reasons for the ruling were filed on June 14, 2023 by reason of the extension of the terms already set at 90 days by the provision. Since the claimants did not appeal, the ruling became irrevocable, res judicata, in October 2023.

Claims for damages

- In 2011 ADR received a claim for $ 24 million for direct damages from AXA Assicurazioni, Ryanair's insurer, for the damage suffered by the B737-800 E-IDYG aircraft as a result of the emergency landing caused by a "Bird strike" which occurred on November 10, 2008 at Ciampino airport. After periodic communications of mere prescriptive interruption, in November 2020 ADR received a letter sent by AXA to Generali, in which, by making use of its insurer, it requested damages of $ 22.8 million for the damage suffered by the aircraft. The elements supporting the claim include the outcome of the report produced in 2018 by the Agenzia Nazionale per la Sicurezza (ANSV - Italian flight safety agency) regarding the details of the accident. Even after the in-depth analysis of the aforementioned documentation, the airport manager does not appear to be responsible for the accident, entirely attributable to the incorrect "go around" manoeuvre carried out by the pilot of the aircraft involved. ADR therefore rejects, also through its own insurer who is overseeing its management, any type of liability for the accident.
- It should be noted that, with reference to the 170 claims for compensation from third parties (mainly sub-concessionaires, handlers and passengers) referring to the fire event which, however, only partially included a precise quantification of the damages (approximately 19 million euros), the provision allocated in previous years was reabsorbed, as a result, positive for the Company, of the irrevocable ruling of the criminal proceedings mentioned above.

Claims on works entered by contractors

As at December 31, 2023, no reserves were recognised by the contractors (no reserve also as at December 31, 2022) with respect to ADR. Based on past evidence, only a small percentage of the reserves posted is actually due to the contractors. If recognised, the reserves will be recorded as an increase in the cost of concession fees.
If these refer to claims or maintenance, they are accrued under the provisions for risks and charges for the portion deemed probable.

10. Transactions with related parties

The transactions performed by the ADR Group with related parties were carried out in the interest of the Group and are part of ordinary operations. Such transactions are regulated on a basis that is equivalent to those prevailing in transactions between independent parties.
During the year, no transactions of greater significance or other transactions were concluded that significantly influenced the financial position or results of the Group.

Business and other relationships

	12.31.2023		2023		12.31.2022		2022	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
PARENTS								
Mundys S.p.A.	409	38,634	0	(961)	23,239	628	94	(556)
TOTAL TRANSACTIONS WITH PARENTS	**409**	**38,634**	**0**	**(961)**	**23,239**	**628**	**94**	**(556)**
ASSOCIATES								
Spea Engineering S.p.A.	74	332	0	(153)	74	1,201	132	0
Ligabue Gate Gourmet S.p.A. in bankruptcy	0	0	0	0	482	968	0	0
TOTAL TRANSACTIONS WITH ASSOCIATES	**74**	**332**	**0**	**(153)**	**556**	**2,169**	**132**	**0**
JOINT VENTURES								
UrbanV S.p.A.	101	265	142	(439)	11	64	11	(41)
TOTAL TRANSACTIONS WITH JOINT VENTURES	**101**	**265**	**142**	**(439)**	**11**	**64**	**11**	**(41)**
RELATED PARTIES								
Telepass S.p.A.	123	144	17	(211)	120	64	4	(181)
Autogrill Italia S.p.A.	4,403	194	20,416	(360)	6,568	73	13,888	(129)
Autostrade per l'Italia S.p.A. (*)	0	0	0	0	0	0	0	(48)
Autostrade Tech S.p.A. (*)	0	0	0	0	0	0	0	(43)
Consorzio Autostrade Italiane Energia	0	0	0	(37)	0	0	0	(83)
Retail Italia Network S.r.l.	82	0	280	0	100	0	242	0
Telepass Pay S.p.A.	3	0	0	0	2	0	0	0
K-Master S.r.l.	0	84	0	(20)	0	168	0	(7)
Infoblu S.p.A.	0	59	0	0	0	0	0	0
Aeroporto Guglielmo Marconi di Bologna S.p.A.	5	0	21	0	4	0	22	0
Amplia Infrastructures S.p.A. (formerly Pavimental S.p.A.) (*)	0	0	0	0	0	0	0	(10)
PTSCLAS S.p.A.	0	0	0	(50)	0	0	0	0
Edizione S.p.A.	0	39	0	(39)	0	0	0	0
Cellnex Italia S.p.A.	95	189	471	(189)				
Key Management Personnel	0	2,051	0	(2,553)	0	1,316	0	(2,486)
TOTAL TRANSACTIONS WITH RELATED PARTIES	**4,711**	**2,760**	**21,205**	**(3,459)**	**6,794**	**1,621**	**14,156**	**(2,987)**
TOTAL	**5,295**	**41,991**	**21,347**	**(5,012)**	**30,600**	**4,482**	**14,393**	**(3,584)**

* *With reference to the companies belonging to the Autostrade per l'Italia group, only the income statement figures for the period January 1, 2022 - April 30, 2022 are shown, in relation to the completion of the sale of Autostrade per l'Italia by the ultimate parent Mundys on May 5, 2022.*

Transactions with Mundys mainly refer to the participation of the companies of the ADR Group in the Group tax consolidation scheme and the recharging of insurance costs.

The main transactions with other related parties are summarised below:

- Spea Engineering: a subsidiary of Mundys, which performed airport engineering services (design and construction management) for the ADR Group until March 1, 2021, the date on which the subsidiary ADR Ingegneria S.p.A. leased the Spea business unit Engineering S.p.A. specialised in airport engineering and construction management activities;
- Telepass S.p.A. (a subsidiary of Mundys): costs related to the Telepass system used in the car parks managed by ADR Mobility;
- Autogrill Italia S.p.A. (on February 3, 2023, Edizione, which held control, finalised the closing of the transaction for the sale of Autogrill to Avolta. Edizione owns a stake of approximately 22.17% in Avolta): revenue from the sub-concession of spaces, royalties, utilities, parking and sundry services.

The remuneration payable to persons who have the power and responsibility for the planning, management and control of the company, and therefore the directors, statutory auditors and other executives with strategic responsibilities (so-called "key management personnel") in office as of December 31, 2023 amounted to 2,553 thousand euros and included the amount of emoluments, remuneration for employees, non-monetary benefits, bonuses and other incentives for positions in ADR (the remuneration of directors who held office during the year, including for a fraction of a year, is indicated).

Financial transactions

	12.31.2023		2023		12.31.2022		2022	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
Spea Engineering S.p.A.	0	155	0	0	1,350	286	0	0
TOTAL TRANSACTIONS WITH RELATED PARTIES	**0**	**155**	**0**	**0**	**1,350**	**286**	**0**	**0**

Financial liabilities with Spea Engineering S.p.A. consist of the lease of the business unit by the subsidiary ADR Ingegneria.

11. Other information

11.1 REMUNERATION OF INDEPENDENT AUDITORS

In accordance with art. 149-duodecies of Consob Issuers' Regulation, a breakdown of the fees paid to the ADR Group's principal independent auditors is shown in the table below (in thousands of euros):

Type of services	Service provider	Remuneration 2023
ADR S.p.A.		
Auditing	KPMG S.p.A.	155
Certification services(*)	KPMG S.p.A.	287
Other services (**)	KPMG S.p.A.	1
Total ADR S.p.A.		**443**
Subsidiaries of ADR S.p.A.		
Auditing	KPMG S.p.A.	223
Other services (**)	KPMG S.p.A.	8
Total Subsidiaries of ADR S.p.A.		**231**
TOTAL		**674**

(*) EMTN programme comfort letter; Limited assurance engagement on the NFS, the Annual Sustainability Linked Bond Report and the Taxonomy; Certification of Sesar project contributions; Opinion on the interim dividend distribution
(**) signing of Income Tax Return and 770 forms.

11.2 DISCLOSURE OF PUBLIC GRANTS PURSUANT TO ITALIAN LAW 124/2017

With reference to the transparency obligations required under article 1, paragraphs from 125 to 129 of Italian Law 124/2017, no public grants were collected by the ADR Group in 2023, in accordance with the mentioned provision.

11.3 SIGNIFICANT NON-RECURRING, ATYPICAL AND/OR UNUSUAL EVENTS AND TRANSACTIONS

During 2023, no significant non-recurring, atypical or unusual transactions were carried out either with third parties or with related parties.
During the year, no other significant non-recurring events occurred.

11.4 IMPACTS DERIVING FROM THE MACROECONOMIC SITUATION

In preparing these Consolidated Financial Statements at December 31, 2023, in accordance with IFRS and the recent calls from the supervisory authorities on the financial markets, the ADR Group assessed the impact of the Russian invasion of Ukraine and the War in the Middle East on its financial position, financial performance and cash flows.

The events in Ukraine led to the closure of the airspace in Russia for European airlines, with the consequent reduction to zero of traffic to Ukraine, Russia and Belarus since the first quarter of 2022.
As of the date of these Consolidated Financial Statements, the Group is constantly monitoring the evolution of these conflicts to identify further risks.
At present, it is believed that there are no significant impacts on the Group's resources and business.

12. Subsequent events

- On February 13, 2024, the Transport Regulation Authority ("ART") sent ADR Resolution no. 22/2024, of the same date, concerning "Proposal to revise the airport fees of the Rome airport system (Fiumicino and Ciampino airports) for the 2024-2028 tariff period. Launch of the procedure for verifying compliance with the Regulation models approved with resolution no. 38/2023". With this deed, ART approved the launch of the procedure for verifying compliance with the Models for the regulation of airport fees, approved with resolution no. 38/2023 for the Rome airport system on the basis of the proposal to review the fees for the period 2024-2028 presented by the airport operator ADR, and which provides for starting the consultation procedure between the operator itself and the airport users on February 16, 2024. The deadline to complete the procedure is set, without prejudice to the outcome of the consultation between the airport operator and the airport users, at 120 days from the date of starting the consultation procedure.
- Following the recapitalisation approved by the Extraordinary Shareholders' Meeting of UrbanV S.p.A. for a total of 4.0 million euros (to be allocated to the nominal reserve for 0.1 million euros and to the share premium reserve for 3.9 million euros, with the issue of 100,000 ordinary shares) and the partial exercise of the pre-emption right by the shareholder SAVE, ADR - which subscribed 60,000 shares, paying in 2.4 million euros, of which 60 thousand euros as capital and 2,340 thousand euros as share premium - holds a 66.66% stake in UrbanV's share capital (currently equal to 90 thousand euros).
- On March 11, 2024, Rome Fiumicino Airport won the "Best Airport in Europe" award for the panel of airports with more than 40 million passengers for the seventh year in a row, while Ciampino Airport won this award for the first time in the category of 5 to 15 million passengers in Europe.

The Board of Directors

Annexes

Annex 1 - List of equity investments

Name	Registered office	Activities	Currency	Share/ quota capital	Shareholders / quotaholders	% Held	% ADR group interest	Consolidation method or measurement criterion
PARENT								
Aeroporti di Roma S.p.A.	Fiumicino (Rome)	Airport management	Euros	62,224,743				
SUBSIDIARIES								
ADR Tel S.p.A.	Fiumicino (Rome)	Telephony	Euros	600,000	Aeroporti di Roma S.p.A.	99	100	Line-by-line
					ADR Ingegneria S.p.A.	1		
ADR Assistance S.r.l.	Fiumicino (Rome)	Assistance to passengers with reduced mobility	Euros	4,000,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Ingegneria S.p.A.	Fiumicino (Rome)	Coordination of activities for major airport works	Euros	500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Mobility S.r.l.	Fiumicino (Rome)	Management of parking and car parks	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Infrastrutture S.p.A.	Fiumicino (Rome)	Building and construction activity	Euros	5,050,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Security S.r.l.	Fiumicino (Rome)	Security and control services	Euros	400,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
Airport Cleaning S.r.l.	Fiumicino (Rome)	Cleaning services	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
Leonardo Energia S.r.l.	Fiumicino (Rome)	Electricity production	Euros	742,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Ventures S.r.l.	Fiumicino (Rome)	Investments in start-ups with high innovative potential	Euros	10,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ASSOCIATES								
Spea Engineering S.p.A.	Rome	Engineering and design services	Euros	6,966,000	Aeroporti di Roma S.p.A.	20 [1]		Measured at fair value
Ligabue Gate Gourmet Roma S.p.A. in bankruptcy	Tessera (Venice)	Airport catering	Euros	103,200	Aeroporti di Roma S.p.A.	20		Measured at cost
JOINT VENTURES								
UrbanV S.p.A.	Fiumicino (Rome)	Advanced Air Mobility (AAM) and Urban Air Mobility (UAM)	Euros	50,000	Aeroporti di Roma S.p.A.	60		Measured at equity
OTHER EQUITY INVESTMENTS								
Aeroporto di Genova S.p.A.	Genova Sestri	Airport management	Euros	7,746,900	Aeroporti di Roma S.p.A.	15		Measured at fair value
Azzurra Aeroporti S.p.A.	Rome	Real estate, financial investments, etc.	Euros	3,221,234	Aeroporti di Roma S.p.A.	7.77		Measured at fair value
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	Airport management	Euros	23,920,556	Aeroporti di Roma S.p.A.	5.37		Measured at fair value
Consorzio Autostrade Italiane Energia	Rome	Supply on the electricity market	Euros	116,330	Aeroporti di Roma S.p.A.	1.13		Measured at fair value
Convention Bureau Roma & Lazio S.c.r.l.	Rome	MICE [2] tourism related activity and business tourism	Euros	125,000	Aeroporti di Roma S.p.A.	1 share (1,000 euros)		Measured at fair value
Assaia Inc.	United States	Machine Learning, AI Algorithms applied to turnaround operations	USD	647,249	ADR Ventures S.r.l..	1.7049		Measured at fair value

[1] Of which 19% reclassified under assets held for sale
[2] MICE (Meetings, Incentives, Conferences, Exhibitions)

Report of the Independent Auditors

Report of the Independent Auditors

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

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Aeroporti di Roma S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Aeroporti di Roma Group (the "group"), which comprise the statement of financial position as at 31 December 2023, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Aeroporti di Roma Group as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Aeroporti di Roma S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of the provisions for renovation of airport infrastructure

Notes to the consolidated financial statements: note 4 "Accounting policies" – sections "provisions for renovation of airport infrastructure " and "Estimates and judgements" and note 6.14 "Provisions for renovation of airport infrastructure"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2023 include provisions for renovation of airport infrastructure of €229.9 million (whose non-current and current shares amount to €177.4 million and €52.5 million, respectively). These provisions include the present value of the updated estimate of charges to be incurred by the group for its contractual obligation as concession manager to ensure the due functionality and safety of the airport infrastructure. Estimating these provisions is, by its very nature, complex and highly uncertain, since it may be affected by various factors and assumptions, including technical assumptions about the scheduling and nature of repairs and replacements of the individual infrastructure components. Specifically, assumptions are made about the nature, timing and costs of the work to be performed and the discounting of such costs on the basis of when the work will be performed. For the above reasons, we believe that the measurement of the provisions for renovation of airport infrastructure is a key audit matter.	Our audit procedures included: • understanding the estimation process adopted to measure these provisions; • analysing the reasonableness of the main assumptions underlying the reports prepared by the group companies' technical personnel about the scheduling, nature and costs of extraordinary maintenance, repairs and replacements; • checking the accuracy and completeness of the data used for the estimates; • analysing the reasonableness of the discount rate applied to these provisions; • checking the accuracy of the calculations made to determine these provisions; • checking the previous years estimates retrospectively, including by analysing any discrepancies between the costs incurred and the previous estimates; • assessing the appropriateness of the disclosures provided in the notes and their compliance with the IFRS.

Other matters

As required by the law, the parent disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own consolidated financial statements. Our opinion on the consolidated financial statements of Aeroporti di Roma S.p.A. does not extend to such data.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the carve-out consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG
Aeroporti di Roma Group
Independent auditors' report
31 December 2023

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 27 April 2021, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.2.b) of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's reports on operations and on corporate governance and ownership structure at 31 December 2023 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the report on operations and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.2.b) of Legislative decree no. 58/98 with the group's consolidated financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the group's consolidated financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

KPMG

Aeroporti di Roma Group
Independent auditors' report
31 December 2023

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Aeroporti di Roma S.p.A. are responsible for the preparation of a non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the consolidated non-financial statement separately.

Rome, 27 March 2024

KPMG S.p.A.

(signed on the original)

Marco Mele
Director of Audit

Separate Financial Statements

at December 31, 2023

Separate financial statements of Aeroporti di Roma S.p.A.

Statement of financial position

ASSETS

(Euros)	Notes	12.31.2023	of which related parties	12.31.2022	of which related parties
NON-CURRENT ASSETS					
Property, plant and equipment	5.1	57,427,291		49,326,805	
Concession rights		*2,616,204,369*		*2,495,157,244*	
Other intangible assets		*64,787,034*		*62,465,204*	
Intangible assets	5.2	2,680,991,403		2,557,622,448	
Equity investments	5.3	50,405,184		54,178,210	
Other non-current financial assets	5.4	37,580,462		17,428,735	
Deferred tax assets	5.5	35,138,778		43,184,750	
Other non-current assets	5.6	480,530		432,768	
TOTAL NON-CURRENT ASSETS		**2,862,023,648**		**2,722,173,716**	
CURRENT ASSETS					
Inventories		*4,703,432*		*4,284,548*	
Trade receivables		*259,299,518*	*33,591,904*	*213,943,024*	*20,788,519*
Trade assets	5.7	264,002,950	33,591,904	218,227,572	20,788,519
Other current financial assets	5.4	6,264,903		57,889,503	1,350,000
Current tax assets	5.8	36,166		26,518,077	26,438,810
Other current assets	5.9	24,208,058	63,105	30,825,799	3,235,945
Cash and cash equivalents	5.10	908,152,584		995,184,651	2,567,433
Assets held for sale	5.11	950,000			
TOTAL CURRENT ASSETS		**1,203,614,661**	**33,655,009**	**1,328,645,602**	**54,380,707**
TOTAL ASSETS		**4,065,638,309**	**33,655,009**	**4,050,819,318**	**54,380,707**

EQUITY AND LIABILITIES

(Euros)	Notes	12.31.2023	of which related parties	12.31.2022	of which related parties
EQUITY					
Share capital		62,224,743		62,224,743	
Reserves and retained earnings		1,010,158,243		977,950,316	
Profit (loss) for the year, net of advance on dividends		120,614,899		30,740,510	
TOTAL EQUITY	5.12	**1,192,997,885**		**1,070,915,569**	
LIABILITIES					
NON-CURRENT LIABILITIES					
Employee benefits	*5.13*	*7,554,417*		*7,533,292*	
Provision for renovation of airport infrastructure	*5.14*	*171,735,527*		*152,493,633*	
Other provisions for risks and charges	*5.15*	*16,397,193*		*16,481,165*	
Non-current provisions		195,687,137		176,508,090	
Bonds		*1,606,493,433*		*1,273,004,965*	
Medium/long-term loans		*377,959,745*		*617,213,580*	
Derivatives		*0*		*0*	
Other financial liabilities		*997,641*		*1,551,533*	*823,431*
Non-current financial liabilities	5.16	1,985,450,819		1,891,770,078	823,431
Other non-current liabilities	5.17	3,014,554	530,020	2,950,847	358,282
TOTAL NON-CURRENT LIABILITIES		**2,184,152,510**	**530,020**	**2,071,229,015**	**1,181,713**
CURRENT LIABILITIES					
Employee benefits	*5.13*	*1,932,340*		*992,196*	
Provision for renovation of airport infrastructure	*5.14*	*48,207,863*		*72,517,863*	
Other provisions for risks and charges	*5.15*	*5,014,851*		*4,704,000*	
Current provisions		55,155,054		78,214,059	
Trade payables	*5.18*	*279,305,800*	*97,992,787*	*232,218,552*	*112,464,914*
Trade liabilities		279,305,800	97,992,787	232,218,552	112,464,914
Current portion of non-curcrrent financial liabilities		*63,737,603*		*298,600,384*	*573,611*
Derivatives		*0*		*83,910,234*	
Other current financial liabilities		*63,806,855*	*63,806,855*	*38,030,846*	*38,030,846*
Current financial liabilities	5.16	127,544,458	63,806,855	420,541,464	38,604,457
Current tax liabilities	5.8	39,662,940	31,810,550	10,682,564	
Other current liabilities	5.19	186,819,662	1,559,450	167,018,095	958,692
TOTAL CURRENT LIABILITIES		**688,487,914**	**195,169,641**	**908,674,734**	**152,028,063**
TOTAL EQUITY AND LIABILITIES		**4,065,638,309**	**195,699,661**	**4,050,819,318**	**153,209,776**

Income statement

(Euros)	Notes	2023	of which related parties	2022	of which related parties
REVENUE	6.1				
Revenue from airport management		876,199,527	67,974,282	640,739,456	47,133,242
Revenue from construction services		237,225,914		149,099,399	
Other operating income		15,429,743	5,945,037	10,807,107	5,341,392
TOTAL REVENUE		**1,128,855,184**	**73,919,319**	**800,645,962**	**52,474,634**
COSTS					
Consumption of raw materials and consumables	6.2	(17,691,533)		(10,886,497)	
Service costs	6.3	(553,230,610)	(331,919,367)	(422,860,090)	(286,002,367)
Personnel expense	6.4	(117,799,580)	(1,385,535)	(100,224,142)	(1,302,513)
Concession fees		*(37,595,067)*		*(26,352,113)*	
Lease payments		*(2,267,807)*		*(1,925,700)*	
(Accruals to)/uses of the provision for renovation of airport infrastructure		*14,003,318*		*(14,978,840)*	
(Accruals to) re-absorption of provisions for risks and charges		*(1,159,479)*		*1,899,117*	
Other costs		*(6,726,199)*	*(32)*	*(6,114,335)*	*(376,518)*
Other operating costs	6.5	(33,745,234)	(32)	(47,471,871)	(376,518)
Depreciation of property, plant and equipment	*5.1*	*(10,601,955)*		*(9,840,269)*	
Amortisation of concession rights	*5.2*	*(96,959,728)*		*(90,610,546)*	
Amortisation of other intangible assets	*5.2*	*(10,590,650)*		*(8,392,721)*	
Amortisation and depreciation		(118,152,333)		(108,843,536)	
TOTAL COSTS		**(840,619,290)**	**(333,304,934)**	**(690,286,136)**	**(287,681,398)**
OPERATING PROFIT (LOSS)		**288,235,894**		**110,359,826**	
Financial income	6.6	61,253,365	28,828,785	4,486,611	235,644
Financial expense	6.6	(68,830,534)	(449,969)	(82,623,280)	(19,937)
Net exchange gains	6.6	122,499		13,455,784	
NET FINANCIAL INCOME		**(7,454,670)**	**28,378,816**	**(64,680,885)**	**215,707**
PROFIT (LOSS) BEFORE TAXES		**280,781,224**		**45,678,941**	
Income taxes	6.7	(74,334,912)		(14,938,431)	
PROFIT (LOSS) FROM CONTINUING OPERATIONS		**206,446,312**		**30,740,510**	
Profit (loss) from discontinued operations/assets held for sale	6.8	(4,317,000)		0	
PROFIT (LOSS) FOR THE YEAR		**202,129,312**		**30,740,510**	

Statement of Comprehensive Income

(Euros)	Notes	2023	2022
PROFIT (LOSS) FOR THE YEAR		**202,129,312**	**30,740,510**
Fair value gains (losses) on cash flow hedges	8.3	(2,069,886)	100,982,622
Tax effect		496,746	(24,235,827)
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT		**(1,573,140)**	**76,746,795**
Actuarial gains (losses) on employee benefits	5.13	(191,510)	852,548
Tax effect		46,080	(204,720)
Fair value gains (losses) on equity investments	5.3	(212,614)	0
OTHER COMPREHENSIVE INCOME (EXPENSE) THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS, NET OF THE TAX EFFECT		**(358,044)**	**647,828**
RECLASSIFICATIONS OF OTHER COMPREHENSIVE INCOME FOR THE YEAR	8.3	**3,398,601**	**4,883,296**
OTHER COMPREHENSIVE INCOME, NET OF THE TAX EFFECT		**1,467,417**	**82,277,919**
COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR		**203,596,729**	**113,018,429**

Statement of changes in equity

(Euros)	Share capital	Legal reserve	Share premium reserve	Hedging Reserve	Fair value reserve	Other reserves and retained earnings	Profit (loss) for the year (net of advance on dividends)	Total equity
BALANCE AS AT DECEMBER 31, 2021	**62,224,743**	**12,461,960**	**667,389,496**	**(76,487,735)**	**(40,611,243)**	**377,787,537**	**(44,867,618)**	**957,897,140**
Profit (loss) for the year							30,740,510	30,740,510
Other comprehensive income:				81,630,091		647,828		82,277,919
Fair value gains (losses) on cash flow hedges, net of the tax effect				81,630,091				81,630,091
Actuarial gains (losses) on employee benefits, net of the tax effect						647,828		647,828
Fair value gains (losses) on equity investments								
Comprehensive income (expense) for the year				81,630,091		647,828	30,740,510	113,018,429
Allocation of loss for the previous year						(44,867,618)	44,867,618	0
Other changes								
BALANCE AS AT DECEMBER 31, 2022	**62,224,743**	**12,461,960**	**667,389,496**	**5,142,356**	**(40,611,243)**	**333,567,747**	**30,740,510**	**1,070,915,569**
Profit (loss) for the year							202,129,312	202,129,312
Other comprehensive income:				1,825,461	(212,614)	(145,430)		1,467,417
Fair value gains (losses) on cash flow hedges, net of the tax effect				1,825,461				1,825,461
Actuarial gains (losses) on employee benefits, net of the tax effect						(145,430)		(145,430)
Fair value gains (losses) on equity investments					(212,614)	0		(212,614)
Comprehensive income (expense) for the year				1,825,461	(212,614)	(145,430)	202,129,312	203,596,729
Allocation of profit for the previous year						30,740,510	(30,740,510)	0
Distribution of advance on dividends							(81,514,413)	(81,514,413)
Other changes								
BALANCE AS AT DECEMBER 31, 2023	**62,224,743**	**12,461,960**	**667,389,496**	**6,967,817**	**(40,823,857)**	**364,162,827**	**120,614,899**	**1,192,997,885**

Statement of Cash Flows

(Euros)	Notes	2023	2022
PROFIT (LOSS) FOR THE YEAR		202,129,312	30,740,510
Adjusted by:			
Amortisation and depreciation	5.1/5.2	118,152,333	108,843,536
Accruals to the provision for renovation of airport infrastructure	5.14	34,377,050	56,637,073
Financial expense from discounting provisions	6.6	9,157,709	1,459,331
Change in other provisions		178,461	(2,332,818)
Impairment losses (gains) on non-current financial assets and equity investments		1,126,999	1,156,040
Net change in deferred tax (assets) liabilities		7,515,555	22,518,134
Other non-monetary costs (revenue)		13,324,314	13,580,447
Changes in working capital and other changes		85,082,205	355,312,075
CASH FLOWS FROM OPERATING ACTIVITIES (A)		471,043,938	587,914,328
Investments in property, plant and equipment (*)	5.1	(19,074,441)	(12,822,028)
Investments in intangible assets (**)	5.2	(274,090,333)	(190,208,548)
Works for renovation of airport infrastructure	5.14	(48,380,368)	(41,658,233)
Equity investments and business units		(2,032,649)	(2,385,000)
Gains from disinvestments and other changes in property, plant and equipment and intangible assets and equity investments		26,165,593	16,029,108
Net change in other non-current assets		(47,762)	12,302
CASH FLOWS USED IN INVESTING ACTIVITIES (B)		(317,459,960)	(231,032,399)
Issue of bonds		393,698,771	0
Repayments of bonds		(309,465,281)	0
Repayment of medium/long-term loans		(239,423,077)	(17,884,615)
Dividends paid		(81,514,414)	0
Net change in other current and non-current financial liabilities		(76,382,952)	(3,799,716)
Net change in current and non-current financial assets		46,694,899	(3,025,102)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)		(266,392,054)	(24,709,433)
CASH FLOWS FOR THE YEAR (A+B+C)		(112,808,076)	332,172,496
Opening cash and cash equivalents	5.10	957,153,805	624,981,309
Closing cash and cash equivalents	5.10	844,345,729	957,153,805

(*) including advances to suppliers for 245,873 euros in 2022.
(**) including advances to suppliers for 21,992,882 euros in 2023 and 27,101,973 euros in 2022

Reconciliation of cash and cash equivalents

(Euros)	2023	2022
Opening cash and cash equivalents	**957,153,805**	**624,981,309**
Cash and cash equivalents	995,184,651	638,617,202
Current accounts with subsidiaries	(38,030,846)	(13,635,893)
Closing cash and cash equivalents	**844,345,729**	**957,153,805**
Cash and cash equivalents	908,152,584	995,184,651
Current accounts with subsidiaries	(63,806,855)	(38,030,846)

Additional information to the statement of cash flows

(Euros)	2023	2022
Net income taxes paid (reimbursed)	11,400,171	(60,057,647)
Interest income collected	22,113,479	2,422,748
Interest expense and commissions paid	36,714,411	54,462,474

Notes to the Separate Financial Statements of Aeroporti di Roma S.p.A.

1. General information

Aeroporti di Roma S.p.A. (hereinafter the "Company" or "ADR") manages the Roman airport system on an exclusive basis under the concession signed between the Italian Civil Aviation Authority ("ENAC") and ADR. On December 21, 2012, the Prime Minister approved the new Planning Agreement signed between ADR and ENAC on October 25, 2012, based on which ADR is entrusted with managing the airport system directly and indirectly through the subsidiaries, to which specific activities are assigned. The airport concession expires on June 30, 2046.
The registered office of the Company is in Fiumicino, Via Pier Paolo Racchetti 1, while the secondary office is in Ciampino, Via Appia Nuova 1651. The duration of the Company is currently set until December 31, 2050, unless extended.
At the date of these separate Financial Statements, Mundys S.p.A. ("Mundys") is the shareholder who directly holds the majority of ADR's shares (61,844,628, equal to 99.389% of the share capital). Mundys manages and coordinates the Company.

These separate Financial Statements were approved by the Board of Directors of the Company at the meeting of March 13, 2024 and audited by KPMG S.p.A..
The Separate Financial Statements were prepared on the basis of the going concern assumption.

2. Basis of presentation

The separate Financial Statements as at and for the year ended December 31, 2023 have been prepared in accordance with articles 2 and 4 of Italian Legislative Decree no. 38/2005, in compliance with the international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Committee (IFRIC) and by the Standing Interpretations Committee (SIC), recognised in the European Union pursuant to Regulation (EC) no. 1606/2002 and in force at the reporting date.
Consideration was also given to the measures issued by Consob (Commissione Nazionale per le Società e la Borsa) in implementing paragraph 3 of Article 9 of Italian Legislative Decree no. 38/2005 on the preparation of the financial schedules.
The separate Financial statements comprise a statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and these notes, applying the provisions of IAS 1 "Presentation of Financial Statements" and the general criterion of the historical cost, with the exception of the financial statement items that under IFRS are recognised at their fair value, as stated in the measurement criteria of the individual items.
The statement of financial position is presented on the basis of the statement that provides for a distinction between current and non-current assets and liabilities, while costs are classified on the basis of their nature in the income statement. The statement of cash flows was prepared using the indirect method. IFRS were applied consistently with the indications of the "Framework for the Preparation and Presentation of Financial Statements" and no issues emerged that required exceptions pursuant to IAS 1. The statement of changes in equity was defined in compliance with IAS 1, obviously taking into account the overall results.
All amounts are expressed in thousands of euros, unless otherwise indicated. The euro is both ADR's functional currency and the currency of presentation of the financial statements.
For each item in the separate financial statements, the corresponding balance of the previous year is reported for comparative purposes.

3. Accounting policies

The accounting policies applied in preparing the Separate Financial Statements as at and for the year ended December 31, 2023 are the same as those adopted for the preparation of the Consolidated Financial Statements, to which reference is made, except for the recognition and measurement of Equity investments.

Equity investments in subsidiaries, associates and joint ventures are measured at purchase cost, inclusive of directly attributable accessory charges, rectified in the presence of any impairment losses identified as described in the section regarding "Impairment of assets (impairment test)" of the Consolidated financial statements, which are recognised in the income statement. The impairment losses are reversed if the reasons therefore cease to apply.
The term subsidiaries means all companies over which ADR has the power to determine, either directly or indirectly, the financial and operating policies in order to obtain benefits from their activities.
Investments in associates are those in which ADR is capable of exercising a significant influence, but not control or joint control, by contributing to the financial and operating decision-making policies of the investee.
Equity investments in other companies, which can be classified in the category of equity financial assets as defined in IFRS 9, are initially recorded at cost, as determined on the settlement date as they represent the fair value, inclusive of the directly attributable transaction costs.
Following initial recognition, these equity investments are measured at fair value, recognising the effects in the income statement, with the exception of those that are not held for trading purposes and where, as permitted by IFRS 9, the option was exercised, upon acquisition, to designate them at fair value through other comprehensive income, and therefore in a specific equity reserve. Non-controlling interests can be measured at cost in limited cases where the cost represents an adequate estimate of the fair value.
The transactions for the acquisition or sale of companies and/or business units between companies under common control are treated, in accordance with IAS 1 and IAS 8, on the basis of their economic substance, making reference to both the (i) methods to determine the amount of the sale and the (ii) check of the added value generated for all the parties concerned, resulting in significant changes that can be measured in the cash flows before and after the transaction of the transferred assets. In this context:

- if both requirements being checked are met, these transactions for the purchase of companies and/or business units are recognised in accordance with IFRS 3, following the same criteria illustrated previously for similar transactions with third parties. In these cases, the transferor company posts in the income statement the possible difference between these carrying amounts of the assets and liabilities and the related amount;
- in the other cases, the transferred assets and liabilities are posted by the transferee at the same amount as they were recorded in the financial statements of the transferor company before the transactions, with the recognition in equity of any difference compared to the acquisition cost. Consistently with this, the transferor company records in equity the difference between the carrying amount of the assets and liabilities sold and the amount agreed.

4. Concession agreement

Concessionary Relationship

ADR's business purpose is the construction and management of airports or a part thereof, and the exercise of any activity related or complementary to air traffic of any type or specialty. This goal is achieved on the basis of a concession for the single management of the Roman airport system entrusted to the Company with Italian Law no. 755 of November 10, 1973.
The concessionaire ADR ensures the management and development of the Roman airport system ("Leonardo da Vinci" at Fiumicino and "G.B. Pastine" at Ciampino) in accordance with international, European and national regulations as well as the ENAC Regulations that govern the operation of airports open to civil traffic.
The original Concession Management Agreement no. 2820/74 was in force until December 21, 2012. After that date, a new Single Deed - Planning Agreement was approved with a specific Council of Ministers Presidential Decree. The single document regulates both the relations regarding the airport management concession and the criteria to determine and periodically update the fees applicable to the so-called "regulated services".
The principle remains in place in accordance with which the management must be guided by financial and organisational criteria pursuant to Italian Law no. 755 of November 10, 1973 and subsequent amendments.

For more details on the Concession Agreement reference is made to the Consolidated Financial Statements.

5. Notes to the statement of financial position

5.1 PROPERTY, PLANT AND EQUIPMENT

(Thousands of euros)	12.31.2022			Change					12.31.2023		
	Cost	Accumulated depreciation	Carrying amount	Investments	Depreciation	Other changes	Disposals	Changes Purchase of business	Cost	Accumulated depreciation	Carrying amount
Land and buildings	17,429	(664)	16,765	0	(618)	(8)	0	0	17,421	(1,282)	16,139
Plant and machinery	82,847	(79,743)	3,104	1,922	(1,391)	1,235	(320)	0	83,999	(79,449)	4,550
Industrial and commercial equipment	15,706	(14,006)	1,700	463	(659)	288	0	0	16,467	(14,675)	1,792
Other assets	57,296	(37,727)	19,569	9,034	(6,762)	2,558	0	365	69,548	(44,784)	24,764
Assets under construction and payments on account	5,601	0	5,601	7,130	0	(4,490)	0	0	8,241	0	8,241
Right of use assets - Property, plant and equipment and other assets	5,417	(2,829)	2,588	525	(1,172)	0	0	0	4,492	(2,551)	1,941
TOTAL PROPERTY, PLANT AND EQUIPMENT	**184,296**	**(134,969)**	**49,327**	**19,074**	**(10,602)**	**(417)**	**(320)**	**365**	**200,168**	**(142,741)**	**57,427**

(Thousands of euros)	12.31.2021			Change				12.31.2022		
	Cost	Accumulated depreciation	Carrying amount	Investments	Depreciation	Other changes	Disposals	Cost	Accumulated depreciation	Carrying amount
Land and buildings	16,057	(389)	15,668	1,372	(275)	0	0	17,429	(664)	16,765
Plant and machinery	81,663	(77,405)	4,258	1,562	(2,894)	178	0	82,847	(79,743)	3,104
Industrial and commercial equipment	15,169	(13,501)	1,668	189	(572)	415	0	15,706	(14,006)	1,700
Other assets	45,016	(33,064)	11,952	5,612	(4,769)	6,774	0	57,296	(37,727)	19,569
Assets under construction and payments on account	9,965	0	9,965	4,017	0	(8,381)	0	5,601	0	5,601
Right of use assets - Property, plant and equipment and other assets	5,801	(1,894)	3,907	70	(1,330)	(59)	0	5,417	(2,829)	2,588
TOTAL PROPERTY, PLANT AND EQUIPMENT	**173,671**	**(126,253)**	**47,418**	**12,822**	**(9,840)**	**(1,073)**	**0**	**184,296**	**(134,969)**	**49,327**

Property, plant and equipment, equal to 57,427 thousand euros (49,327 thousand euros as at December 31, 2022), increased during the year by 8,100 thousand euros mainly due to investments (19,074 thousand euros) and the assets transferred following the purchase of the business unit "Development and operation of networks, infrastructures and IT systems" from the subsidiary ADR Tel S.p.A. (365 thousand euros) formalised on December 20, 2022 and effective from January 1, 2023. These effects were partly offset by depreciation for the year (10,602 thousand euros).

Investments of 19,074 thousand euros mainly refer to:

- under Other assets (9,034 thousand euros), to the installation of monitors, ledwalls and equipment for the self-boarding pass for 6,586 thousand euros and to the acquisition of furniture, gate desks and seats for 2,447 thousand euros;

- under Assets under construction and payments on account (7,130 thousand euros), the acquisition of X-ray machines for baggage checks for 2,331 thousand euros, supplies of monitors, equipment and other electronic devices for a total of 3,614 thousand euros, furniture and seats for 505 thousand euros;
- under Plant and machinery (1,922 thousand euros), to the purchase of baggage inspection machines for 1,371 thousand euros, vehicles for 531 thousand euros.

During the year no significant changes took place in the estimated useful life of the assets.

5.2 INTANGIBLE ASSETS

(Thousands of euros)	12.31.2022			Change				12.31.2023		
	Cost	Accumulated amortisation	Carrying amount	Investments	Amort.	Other changes	Changes Purchase of business Unit	Cost	Accumulated amortisation	Carrying amount
CONCESSION RIGHTS										
Airport concession - rights acquired	2,179,164	(1,092,472)	1,086,692	0	(46,242)	0		2,179,164	(1,138,714)	1,040,450
Airport concession - investments in infrastructure	1,769,111	(360,646)	1,408,465	237,226	(50,718)	(20,006)	787	2,002,766	(427,012)	1,575,754
TOTAL CONCESSION RIGHTS	**3,948,275**	**(1,453,118)**	**2,495,157**	**237,226**	**(96,960)**	**(20,006)**	**787**	**4,181,930**	**(1,565,726)**	**2,616,204**
Other intangible assets	110,712	(79,304)	31,408	14,871	(10,591)	(164)	1,136	128,534	(91,874)	36,660
Advances to suppliers	31,057	0	31,057	21,993	0	(24,923)		28,127	0	28,127
TOTAL OTHER INTANGIBLE ASSETS	**141,769**	**(79,304)**	**62,465**	**36,864**	**(10,591)**	**(25,087)**	**1,136**	**156,661**	**(91,874)**	**64,787**
TOTAL INTANGIBLE ASSETS	**4,090,044**	**(1,532,422)**	**2,557,622**	**274,090**	**(107,551)**	**(45,093)**	**1,923**	**4,338,591**	**(1,657,600)**	**2,680,991**

(Thousands of euros)	12.31.2021			Change			12.31.2022		
	Cost	Accumulated amortisation	Carrying amount	Investments	Amort.	Other changes	Cost	Accumulated amortisation	Carrying amount
CONCESSION RIGHTS									
Airport concession - rights acquired	2,179,164	(1,046,230)	1,132,934	0	(46,242)	0	2,179,164	(1,092,472)	1,086,692
Airport concession - investments in infrastructure	1,635,939	(316,277)	1,319,662	149,099	(44,369)	(15,927)	1,769,111	(360,646)	1,408,465
TOTAL CONCESSION RIGHTS	**3,815,103**	**(1,362,507)**	**2,452,596**	**149,099**	**(90,611)**	**(15,927)**	**3,948,275**	**(1,453,118)**	**2,495,157**
Other intangible assets	96,718	(70,911)	25,807	14,007	(8,393)	(13)	110,712	(79,304)	31,408
Advances to suppliers	18,905	0	18,905	27,102	0	(14,950)	31,057	0	31,057
TOTAL OTHER INTANGIBLE ASSETS	**115,623**	**(70,911)**	**44,712**	**41,109**	**(8,393)**	**(14,963)**	**141,769**	**(79,304)**	**62,465**
TOTAL INTANGIBLE ASSETS	**3,930,726**	**(1,433,418)**	**2,497,308**	**190,208**	**(99,004)**	**(30,890)**	**4,090,044**	**(1,532,422)**	**2,557,622**

Intangible assets, equal to 2,680,991 thousand euros (2,557,622 thousand euros as at December 31, 2022) increased by 123,369 thousand euros mainly due to investments for the year of 274,090 thousand euros, partly offset by amortisation for the year, equal to 107,551 thousand euros and the reclassification, under Other non-current financial assets, of the amount relating to the "take-over right" equal to the residual carrying amount not yet amortised, resulting from the expiry of the concession, relating to the completed investments of the new pier B with a useful life that exceeds the residual duration of the airport concession (19,664 thousand euros). Also note the increase of 787 thousand euros deriving from the aforementioned purchase of the business unit from ADR Tel.

Concession rights include the concession relating to the management of the capital's airport system; for more information on the concessionary relationship, see Note 4. In detail:

- Airport concession - rights acquired: represents the amount of the concession for airport operation, acquired against consideration; this amount was accounted for at the time of the merger of ADR into Leonardo S.p.A. (now ADR) and expresses the higher price paid by Leonardo S.p.A. for the ADR shares compared to the pro-rata amount of the Company's equity;
- Airport concession - investments in infrastructure: includes the construction of new infrastructure and/or the improvement and expansion of the existing airport infrastructure carried out by ADR, net of the take-over right.

Investments in the airport concession - investments in infrastructure amounted to 237,226 thousand euros and relate to construction services carried out during the year on infrastructure under concession. Pursuant to IFRIC 12, the costs associated with these investments are recognised by nature in the income statement, as well as the fair value of the related construction services performed.
The main ones include:

- works relating to the East Airport Terminal System for 37.3 million euros, aimed at the construction of the new Boarding Area A and the Front Building of Terminal 1;
- renovation of Terminal 3 for 71.3 million euros;
- works to upgrade Boarding Area B for 43.5 million euros;
- Solar Farm works for 17.8 million euros.

In the absence of specific indicators regarding the risk of non-recovery of the carrying amount of intangible assets, these were not subjected to impairment testing.

Other intangible assets, amounting to 36,660 thousand euros (31,408 thousand euros as at December 31, 2022), include the right-of-use assets on intellectual property rights, concessions, licenses, trademarks and similar rights. The investments for the year, equal to 14,871 thousand euros, mainly refer to the acquisition of licenses and the evolutionary maintenance of the accounting system. This item also increased by 1,136 thousand euros due to the effect of the purchase of the business unit from ADR Tel.

Advances to suppliers amounted to 28,127 thousand as at December 31, 2023, recording a decrease of 2,930 thousand euros compared to December 31, 2022, attributable to the recovery of advances paid to suppliers for 24,923 thousand euros, partly offset by the payment of advances to suppliers for 21,993 thousand euros.

5.3 EQUITY INVESTMENTS

(Thousands of euros)	12.31.2022			Change			12.31.2023		
	Gross value	Cumulative imp. Loss	Carrying amount	Incr.	Decr.	Imp. Loss/gain	Gross value	Cumulative imp. Loss	Carrying amount
SUBSIDIARIES									
ADR Assistance S.r.l.	4,000	0	4,000	0	0	0	4,000	0	4,000
ADR Tel S.p.A.	594	0	594	834	0	0	1,428	0	1,428
ADR Mobility S.r.l.	1,756	0	1,756	0	0	0	1,756	0	1,756
ADR Security S.r.l.	500	0	500	0	0	0	500	0	500
Airport Cleaning S.r.l.	2,000	0	2,000	0	0	0	2,000	0	2,000
ADR Ingegneria S.p.A.	1,500	0	1,500	0	0	0	1,500	0	1,500
ADR Infrastrutture S.p.A.	12,200	0	12,200	0	0	0	12,200	0	12,200
Fiumicino Energia S.r.l.	11,941	0	11,941	0	(11,941)	0	0	0	0
Leonardo Energia S.r.l.	1	0	1	11,941	0	0	11,942	0	11,942
ADR Ventures S.r.l.	0	0	0	2,000	0	0	2,000	0	2,000
TOTAL SUBSIDIARIES	**34,492**	**0**	**34,492**	**14,775**	**(11,941)**	**0**	**37,326**	**0**	**37,326**
ASSOCIATES									
Spea Engineering S.p.A.	14,324	(8,780)	5,544	0	(5,267)	(227)	14,324	(14,274)	50
Ligabue Gate Gourmet Roma S.p.A. in bankruptcy	3,883	(3,883)	0	0	0	0	3,883	(3,883)	0
TOTAL ASSOCIATES	**18,207**	**(12,663)**	**5,544**	**0**	**(5,267)**	**(227)**	**18,207**	**(18,157)**	**50**
JOINT VENTURES				**0**	**0**	**0**			**0**
UrbanV S.p.A.	900	0	900	0	0	(900)	900	(900)	0
TOTAL JOINT VENTURES	**900**	**0**	**900**	**0**	**0**	**(900)**	**900**	**(900)**	**0**
OTHER COMPANIES				**0**	**0**	**0**			**0**
Azzurra Aeroporti S.p.A.	52,000	(39,457)	12,543	0	0	0	52,000	(39,457)	12,543
Aeroporto di Genova S.p.A.	1,394	(697)	697	0	0	(213)	1,394	(910)	484
S.A.CAL. S.p.A.	1,307	(1,307)	0	0	0	0	1,307	(1,307)	0
Consorzio Autostrade Italiane Energia	1	0	1	0	0	0	1	0	1
Convention Bureau Roma e Lazio Scrl	1	0	1	0	0	0	1	0	1
TOTAL OTHER COMPANIES	**54,703**	**(41,461)**	**13,242**	**0**	**0**	**(213)**	**54,703**	**(41,674)**	**13,029**
TOTAL EQUITY INVESTMENTS	**108,302**	**(54,124)**	**54,178**	**14,775**	**(17,208)**	**(1,340)**	**111,136**	**(60,731)**	**50,405**

Compared to December 31, 2022, the net decrease in Equity investments of 3,773 thousand euros is attributable to:

- increase in the carrying amount of the equity investment in ADR Tel due to the allocation of the difference between the price paid for the purchase of the business unit “Development and operation of networks, infrastructures and IT systems” of ADR Tel and the carrying amount of the net assets acquired; the transaction formalised on December 20, 2022 was deferred to January 1, 2023;
- elimination of the carrying amount of the equity investment in Fiumicino Energia and consequent increase in the carrying amount of the equity investment in Leonardo Energia of 11,941 thousand euros due to the reverse merger, agreed on October 27, 2023, of Fiumicino Energia S.r.l. into Leonardo Energia S.r.l., with statutory effects from November 1, 2023 and accounting and tax effects from January 1, 2023. Therefore, from November 1, 2023, ADR directly holds the entire quota capital of Leonardo Energia S.r.l., as the company resulting from the Merger. It should also be noted that on October 24, 2023 the corporate transformation of Leonardo Energia from a limited liability consortium to a limited liability company took effect;
- subscription, for 2,000 thousand euros, of 100% of the quota capital of ADR Ventures S.r.l., at the time of incorporation of the company on February 3, 2023; the new company’s purpose relates to Corporate Venture Capital activities in order to invest in the development of start-ups with high innovative potential, which operate directly in the ADR’s Innovation Hub;
- reclassification for the amount of 5,267 thousand euros of an equity investment in Spea Engineering corresponding to 19% of the capital to Assets held for sale; the remaining portion (equal to 1%) was impaired by 227 thousand euros;
- zeroing of the carrying amount of the equity investment in the company UrbanV S.p.A. (60% held) in relation to the losses incurred in 2023;
- decrease in the carrying amount of the equity investment in Aeroporto di Genova S.p.A. due to the fair value measurement of the company on the basis of the information made available at the date of preparation of the separate financial statements.

Below are the details of the Equity investments held as at December 31, 2023 with indication of the share held and the relevant carrying amount:

Name	Registered office	Currency	Number of shares/ quotas	Capital (euros)	Number of shares/ quotas held	% Held	Equity as at 12.31.2023 (Thousands of euros) (*)	Profit (loss) for the year 2023 (thousands of euros) (*)	Carrying amount (thousands of euros)
SUBSIDIARIES									
ADR Assistance S.r.l.	Fiumicino (Rome)	Euros	1	4,000,000	1	100%	7,763	1,936	4,000
ADR Tel S.p.A.	Fiumicino (Rome)	Euros	600,000	600,000	600,000	99%	7,930	2,309	1,428
ADR Mobility S.r.l.	Fiumicino (Rome)	Euros	1	1,500,000	1	100%	12,968	4,726	1,756
ADR Security S.r.l.	Fiumicino (Rome)	Euros	1	400,000	1	100%	3,651	1,939	500
Airport Cleaning S.r.l.	Fiumicino (Rome)	Euros	1	1,500,000	1	100%	3,481	930	2,000
ADR Ingegneria S.p.A.	Fiumicino (Rome)	Euros	1	500,000	1	100%	7,146	3,382	1,500
ADR Infrastrutture S.p.A.	Fiumicino (Rome)	Euros	1	5,050,000	1	100%	15,963	1,100	12,200
Leonardo Energia S.r.l.	Fiumicino (Rome)	Euros	1	742,000	1	100%	12,710	531	11,942
ADR Ventures S.r.l.	Fiumicino (Rome)	Euros	1	10,000	1	100%	1,793	(207)	2,000
TOTAL COMPANIES SUBSIDIARIES									**37,326**
ASSOCIATES									
Ligabue Gate Gourmet Roma S.p.A. in bankruptcy	Tessera (Venice)	Euros	20,000	103,200	4,000	20%	0	0	0
Spea Engineering S.p.A.	Rome	Euros	1,350,000	6,966,000	270,000	20%**	28,211	(5,474)	50
TOTAL ASSOCIATES									**50**
JOINT VENTURE									
UrbanV S.p.A.	Fiumicino (Rome)	Euros	50,000	50,000	30,000	60%	(332)	(1,406)	0
TOTAL JOINT VENTURES									**0**
OTHER COMPANIES									
Azzurra Aeroporti S.p.A.	Rome	Euros	3,783,734	3,221,234	250,000	7.77%	171,325	(7,415)	12,543
Aeroporto di Genova S.p.A.	Genova Sestri	Euros	15,000	7,746,900	2,250	15%	6,465	7	484
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	Euros	46,268	23,920,556	2,485	5.37%	10,660	(2,485)	0
Consorzio Autostrade Italiane Energia	Rome	Euros	1	116,330	1	1.00%			1
Convention Bureau Roma e Lazio Scrl	Rome	Euros	125	125,000		1 share (1,000 euros)			1
TOTAL OTHER COMPANIES									**13,029**
TOTAL EQUITY INVESTMENTS									**50,405**

(*) The data relating to the equity and the profit/loss for the year of Spea Engineering S.p.A., Aeroporto di Genova S.p.A. and S.A.CAL. S.p.A. refers to the year 2022 (latest approved financial statements).
(**) Of which 19% reclassified under assets held for sale.

ADR has established a pledge on the entire equity investment held in Azzurra Aeroporti, equal to 7.77% of the share capital, in favour of some financial creditors of the same company (bondholders and banks that have entered into derivatives). In addition to this collateral, in the context of the same Azzurra loan, ADR has provided Mundys with a counter-guarantee, limited to a maximum of 1.3 million euros, for the obligations taken on by Mundys towards a bank which granted, in the interest of Azzurra, in favour of the latter's financial creditors, a guarantee for the debt service of the transaction in question.

The fair value measurement of the main unlisted non-controlling interests, falling within level 3 of the fair value hierarchy, was determined by adopting, as the measurement technique, an approach that takes into account expected future cash flows (so-called "discounted cash flow").

5.4 OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

(Thousands of euros)	12.31.2023 Carrying amount	12.31.2023 Current portion	12.31.2023 Non - current portion	12.31.2022 Carrying amount	12.31.2022 Current portion	12.31.2022 Non - current portion
OTHER FINANCIAL ASSETS						
Derivatives with positive fair value	0	0	0	54,654	54,654	(0)
Other financial assets	43,485	6,265	37,580	20,665	3,236	17,429
TOTAL OTHER FINANCIAL ASSETS	**43,485**	**6,265**	**37,580**	**75,319**	**57,890**	**17,429**

Derivatives with positive fair value

On December 31, 2023, the derivatives with positive fair value showed a nil balance following the unwinding in July 2023 of the entire Interest Rate Swap Forward Starting derivatives portfolio put in place by ADR in 2018 and 2021, which implied the collection by ADR of the positive mark-to-market of 50.9 million euros.

For a description of the characteristics of these contracts, see Note 8.3 Financial risk management.

Other financial assets

Other non-current financial assets amounted to 37,580 thousand euros (17,429 thousand euros as at December 31, 2022) and refer mainly to:

- the registration of the take-over right for a total of 36,064 thousand euros, attributed to ADR in application of the regulatory regime in force and which was first applied in 2022. The increase compared to the previous year (20,130 thousand euros) is essentially due to the entry into operation, in May, of the new boarding area A 31-52 (former Pier B), and to additional works related to the East Terminal System, whose infrastructural components have a regulatory useful life longer than the residual duration of the airport concession;
- the accessory charges incurred for the Revolving sustainability-linked credit facility of 350 million euros, subscribed in October 2022, which remained unused in 2023. For details, please refer to Note 5.16.

Other current financial assets amounted to 6,265 thousand euros (3,236 thousand euros as at December 31, 2022) and increased compared to December 2022 mainly due to the recognition of accrued income for interest accrued on time deposits held at bank counterparties recognised under cash equivalents, in relation to the positive trend, compared to the previous year, of the related financial income; this increase is partly offset by the impairment loss on the amount due from the associate Spea Engineering S.p.A. for 1,350 thousand euros, relating to dividends resolved in 2018 and no longer paid, the payment of which seems highly unlikely today.

5.5 DEFERRED TAX ASSETS

Deferred tax assets are shown net of deferred tax liabilities that can be offset. The nature of the temporary differences is illustrated in the table below:

	12.31.2022	Change			12.31.2023
(Thousands of euros)		Accruals	Releases	Deferred tax assets/liabilities income/expenses recognised in equity	
DEFERRED TAX ASSETS					
Accruals to (uses of) the provision for renovation of airport infrastructure	30,428	2,218	(3,108)	0	29,538
Accruals to the allowance for inventory write-downs	55	76	(10)	0	121
Accruals to the loss allowances	38,646	0	(202)	0	38,444
Amortised cost and derivative instruments	(1,622)	0	0	(577)	(2,199)
Provisions for risks and charges	4,066	380	(272)	0	4,174
Tax losses and ACE (aid for economic growth)	7,818	915	(8,733)	0	0
Other	1,266	723	(378)	46	1,657
TOTAL DEFERRED TAX ASSETS	**80,657**	**4,312**	**(12,703)**	**(531)**	**71,735**
DEFERRED TAX LIABILITIES THAT CAN BE OFFSET					
Amortised cost and derivative instruments	16	0	0	0	16
IFRIC 12 application	37,456	929	(1,805)	0	36,580
TOTAL DEFERRED TAX LIABILITIES	**37,472**	**929**	**(1,805)**	**0**	**36,596**
TOTAL NET DEFERRED TAX ASSETS	**43,185**	**3,383**	**(10,898)**	**(531)**	**35,139**

The decrease of 8,046 thousand euros recorded in 2023 is mainly due to the cancellation of the residual portion of the deferred tax assets allocated against the residual IRES 2020 tax loss, transferred to the tax consolidation scheme in 2023, in relation to the capacity of the Mundys group's taxable income.
With regard to deferred tax assets, which are recognised in the separate financial statements, it should be noted that the relative recoverability is reliably attributable to the underlying forecasts and deriving from the most up-to-date economic projections of the Company.

5.6 OTHER NON-CURRENT ASSETS

Other non-current assets, equal to 481 thousand euros (433 thousand euros as at December 31, 2022), relate to guarantee deposits.

5.7 TRADE ASSETS

Trade assets, equal to 264,003 thousand euros (218,228 thousand euros as at December 31, 2022), include:

- inventories of 4,703 thousand euros (4,285 thousand euros as at December 31, 2022) comprising consumable materials, clothing, spare parts, cleaning material, fuel, telephone material and telecommunication systems, etc.;
- trade receivables equal to 259,300 thousand euros (213,943 thousand euros as at December 31, 2022), broken down in the table below:

(Thousands of euros)	12.31.2023	12.31.2022	Change
Customers	388,849	362,215	26,634
Subsidiaries	28,926	13,803	15,123
Parent	0	0	0
Other	3,430	1,769	1,661
TOTAL TRADE RECEIVABLES, INCLUDING LOSS ALLOWANCES	**421,205**	**377,787**	**43,418**
Loss allowances	(161,075)	(162,112)	1,037
Default interest	(830)	(1,732)	902
TOTAL LOSS ALLOWANCES	**(161,905)**	**(163,844)**	**1,939**
TOTAL TRADE RECEIVABLES	**259,300**	**213,943**	**45,357**

Receivables from customers (including loss allowances) recorded an increase of 26,634 thousand euros essentially due to the significant increase in business volumes, particularly in the second half of the year.

The loss allowances include, among other things, the accruals, made in 2021, relating to receivables for regulated services from Alitalia SAI under extraordinary administration.

By contrast, the trade receivables due to ADR from companies belonging to the Alitalia LAI group, under extraordinary administration since 2008, amounted to 10,878 thousand euros. As regards the receivables due from Alitalia LAI S.p.A. under extraordinary administration, it should be remembered that 2011 saw the enforcement of the surety of 6.3 million euros issued by Alitalia/CAI to guarantee the receivables due to ADR from Alitalia LAI S.p.A. under extraordinary administration (as well as from the lessors owning the aircraft, jointly and severally liable) in order to allow the aircraft owned by the lessors to reach Alitalia/CAI free from the order for seizure requests made by ADR. The amount enforced and collected was entered under Other current liabilities.

The trade receivables due from subsidiaries, equal to 28,926 thousand euros, increased by 15,123 thousand euros compared to 2022. For more details about these receivables, reference is made to Note 9 Transactions with related parties.

Other trade receivables, equal to 3,430 thousand euros (1,769 thousand euros as at December 31, 2022), consist of prepaid expenses of a commercial nature and advances to suppliers.

The following table shows the ageing of overdue trade receivables.

(Thousands of euros)	Receivables net of loss allowances	Receivables not yet due	Receivables past due		
			From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2023	259,300	101,840	67,670	901	88,889
12.31.2022	213,943	74,582	47,254	729	91,378

Trade receivables past due by more than one year are largely made up of receivables from Alitalia SAI under extraordinary administration and are mainly attributable to i) the fees relating to additional passengers and IRESA, whose recoverability is guaranteed by the payable of the same amount recognised under other current liabilities and subject to repayment to the competent Entities only upon collection from the carrier, and ii) the VAT deemed recoverable on the basis of current legislation.

The following table shows the changes in the loss allowances for trade receivables:

(Thousands of euros)	12.31.2022	Increases/(re-absorptions)	Decreases	12.31.2023
Loss allowances	162,112	893	(1,930)	161,075
Default interest	1,732	(902)	0	830
TOTAL LOSS ALLOWANCES FOR TRADE RECEIVABLES	163,844	(9)	(1,930)	161,905

The decrease in the loss allowances compared to December 31, 2022 essentially reflects the use of the allowances for receivables no longer recoverable.

The carrying amount of trade receivables approximates their fair value.

5.8 CURRENT TAX ASSETS AND LIABILITIES

(Thousands of euros)	Assets			Liabilities		
	12.31.2023	12.31.2022	Change	12.31.2023	12.31.2022	Change
Due from/to parent for tax consolidation	0	26,439	(26,439)	31,810	0	31,810
IRES	36	79	(43)	0	3,660	(3,660)
IRAP	0	0	0	7,853	7,023	830
TOTAL	36	26,518	(26,482)	39,663	10,683	28,980

Current tax assets decreased by 26,482 thousand euros essentially due to the collection of part of the tax asset for consolidated taxation from Mundys, corresponding to an IRES (24%) tax benefit on the tax losses transferred to the tax consolidation scheme in previous years, and the zeroing of the tax asset for tax consolidation, offset by the tax liabilities deriving from the estimate of the IRES tax burden for the year.

Current tax liabilities increased by 28,980 thousand euros compared to December 31, 2022, mainly due to the higher liabilities under the tax consolidation attributable to the portion of the IRES tax burden for the year, exceeding the mentioned assets under the tax consolidation; this effect was partially offset by the payment of the third and last instalment of the substitute tax in relation to the realignment, pursuant to Decree Law 104/2020, of the tax amount at the higher carrying amount of the financial statements item Airport concession.

For more information, see Note 6.7 Income taxes.

5.9 OTHER CURRENT ASSETS

(Thousands of euros)	12.31.2023	12.31.2022	Change
Due from associates	0	482	(482)
Due from tax authorities	18,536	25,666	(7,130)
Due from others	5,672	1,953	3,719
Due from subsidiaries	0	2,725	(2,725)
TOTAL OTHER CURRENT ASSETS	24,208	30,826	(6,618)

Due from tax authorities, equal to 18,536 thousand euros, mainly consists of:

- VAT credit of 13,025 thousand euros (19,825 thousand euros as at December 31, 2022), of which 12,000 thousand euros requested as a refund;
- other tax assets of 4,611 thousand euros for taxes (and related interest and collection charges) relating to the period 1/1/1993-23/3/1995, recognised as prescribed by the ruling of the Supreme Court, as part of the dispute with the Customs Office and refund requests.

The change in due from others, equal to 3,719 thousand euros, is essentially attributable to the recognition of the amounts due for grants on SESAR projects financed by the European Union as part of the Connecting European Facility (CEF) call 2016 and 2017 with reference only to the initiatives installed and in operation, the costs of which were reported in 2023 (+3,541 thousand euros).

Amounts due from subsidiaries show a nil balance due to the collection of 2,725 thousand euros recognised at December 31, 2022 from the subsidiary ADR Tel for the purchase of the business unit "Development and operation of networks, infrastructures and IT systems".

The following table shows the ageing of Other current assets.

(Thousands of euros)	Other current assets net of loss allowances	Other current assets not yet due	Other current assets past due		
			From 0 to 90 days	Between 90 and 365 days	> 1 Year
12.31.2023	24,208	24,075	0	0	133
12.31.2022	30,826	30,211	0	0	615

5.10 CASH AND CASH EQUIVALENTS

(Thousands of euros)	12.31.2023	12.31.2022	Change
Bank and post office deposits	238,138	372,596	(134,458)
Cash equivalents	670,000	620,000	50,000
Cash at bank and in hand	15	22	(7)
Correspondence current accounts with subsidiaries	0	2,567	(2,567)
TOTAL CASH AND CASH EQUIVALENTS	**908,153**	**995,185**	**(87,032)**

Cash and cash equivalents decreased by 87,032 thousand euros compared to December 31, 2022 due to the cash outflows from investing and financing activities, partially offset by the cash inflows from operating activities for the year.

For an examination of ADR's liquidity reserve, reference should be made to Note 8.3.

5.11 ASSETS HELD FOR SALE

Assets held for sale, equal to 950 thousand euros, include the 19% share of the equity investment in Spea Engineering S.p.A. reclassified to this item, in relation to ADR's intention to proceed with its sale by the end of 2024, and consequently measured at fair value.

5.12 EQUITY

(Thousands of euros)	12.31.2023	12.31.2022	Change
Share capital	62,225	62,225	0
Legal reserve	12,462	12,462	0
Share premium reserve	667,389	667,389	0
Hedging reserve	6,968	5,142	1,826
Fair value reserve	(40,824)	(40,611)	(213)
Other reserves and retained earnings	364,163	333,568	30,595
Profit for the year, net of advance on dividends	120,615	30,741	89,874
TOTAL EQUITY	**1,192,998**	**1,070,916**	**122,082**

The changes that took place during the year are highlighted in the specific table included in the separate financial statements and mainly relate to:

- profit for the year of 201,129 thousand euros;
- other comprehensive income, equal to 1,467 thousand euros;
- the distribution of the advance on dividends for 2023, equal to 81,514 thousand euros (1.31 euros per share).

As at December 31, 2023, ADR's share capital, fully subscribed and paid up, consists of 62,224,743 ordinary shares with a par value of 1 euro each, for a total of 62,224,743 euros.
ADR's legal reserve represents the portion of profits which, in accordance with the provisions of art. 2430 of the Italian Civil Code, cannot be distributed as a dividend. The reserve has reached the maximum amount required by law.
The Hedging reserve includes the fair value measurement of hedging derivatives; for details, please refer to Note 8.3 Financial risk management.

Other reserves and retained earnings, equal to 364,163 thousand euros mainly include: i) the losses deriving from the actuarial measurement of employee benefits, net of the tax effect, for -3,094 thousand euros, ii) the transition reserve net of the relevant tax effect, for -155,163 thousand euros, iii) retained earnings for 497,597 thousand euros; iv) the reserve relating to the effects of the transactions for the sale of equity investments and business units under common control, equal to 17,981 thousand euros.

Below is the statement analysing the share capital and equity reserves with indication of the related possibility of use, in compliance with the provisions of art. 2427 of the Italian Civil Code and IAS 1 paragraph 76.

	Amount	Possibility of use	Available portion	Summary of the uses made in the three previous years	
(Thousands of euros)				To cover losses	For other reasons
SHARE CAPITAL	**62,225**	**B**	**0**		
RESERVES					
Legal reserve (1)	12,462	A, B	17		
Share premium reserve (2)	667,389	A, B, C	667,389		
Hedging reserve, net of the tax effects	6,968	B	0		
Fair value reserve	(40,824)	B	0		
Other reserves and retained earnings	364,163	A, B, C	364,163	(188,220)	
TOTAL RESERVES	**1,010,158**		**1,031,569**		
TOTAL CAPITAL AND RESERVES	**1,072,383**		**1,031,569**		
Non-distributable amount			0		
Distributable amount (3)			1,031,569		

(1) of which available the portion exceeding one fifth of the capital.
(2) distributable for the entire amount, given that the legal reserve has reached the limit as defined by art. 2430 of the Italian Civil Code; the tax-suspension restriction is placed on the amount of 355,036 thousand euros
(3) it should be noted that the fair value reserve has a negative balance of 40,824 thousand
Key: A: for capital increase; B: to cover losses C: for distribution to shareholders.

The distributable portion of the reserves is made up of 355,036 thousand euros of reserves under tax suspension, which in the event of distribution, in the related tax period, contribute to the formation of the taxable income for IRES purposes of ADR.
In detail, in connection with the alignment pursuant to Italian Law Decree no. 104/2020 converted with amendments into Italian Law no. 126 of 2020, of the tax base to the higher carrying amount of the financial statements item Airport management concession - rights acquired, the tax-suspension restriction was placed on a portion of the Share premium reserve, amounting to 355,036 thousand euros, corresponding to the higher realigned amount, net of the relative substitute tax.

5.13 EMPLOYEE BENEFITS (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)		2023
OPENING BALANCE OF POST-EMPLOYMENT BENEFITS		**8,525**
Current cost	0	
Interest expense	223	
Total expense taken to profit or loss		**223**
Payments/uses		(235)
Actuarial gains/losses from changes in the demographic assumptions	(6)	
Actuarial gains/losses from changes in the financial assumptions	188	
Effect of past experience	10	
Total actuarial gains/losses recognised in other comprehensive income		**192**
Other changes		185
Change in purchase of business unit		596
CLOSING BALANCE OF POST-EMPLOYMENT BENEFITS		**9,486**
of which:		
non-current portion		**7,554**
current portion		**1,932**

Employee benefits consist of the post-employment benefits (“TFR”), governed by art. 2120 of the Italian Civil Code, which include the estimate of the obligation, determined on the basis of actuarial techniques, relating to the amount to be paid to ADR employees upon termination of the employment relationship.
The increase of 961 thousand euros is mainly attributable to the transfer of resources from ADR Tel following the purchase by ADR of the business unit “Development and operation of networks, infrastructures and IT systems”, as well as net actuarial gains of the year of 192 thousand euros.

Summarised below are the main assumptions made for the actuarial estimate process regarding the post-employment benefits as at December 31, 2023:

FINANCIAL ASSUMPTIONS	12.31.2023	12.31.2022
Discount rate	3.0%	3.6%
Inflation rate	curve	2.3%
Annual rate of increase in post-employment benefits	2.8%	2.7%
Annual rate of increase in salary	0.8%	2.4%
Annual turnover rate	2.1%	2.1%
Annual rate of disbursement of advances	0.7%	0.7%

It should be noted that the discount rate used to determine the present value of the obligation was determined in accordance with paragraph 78 of IAS 19, with reference to the average return curve deriving from the index IBOXX Eurozone Corporates AA 5-7 with duration based on the average permanence of the collective subject to measurement.

DEMOGRAPHIC ASSUMPTIONS	2023/2022
Mortality	2022 ISTAT mortality tables broken down by gender, reduced to 85%
Disability	INPS tables broken down by age and gender, reduced to 70%
Retirement	Achievement of the minimum requirements envisaged by current regulations

The effects on the obligation for post-employment benefits deriving from a reasonably possible change in the main actuarial assumptions at the end of the year are indicated below:

(Thousands of euros)	1.0% INCREASE	1.0% DECREASE	0.25% INCREASE	0.25% DECREASE
Annual turnover rate	9,494	9,479		
Inflation rate			9,547	9,427
Discount rate			9,392	9,584

The weighted average duration of the obligations for the defined benefit plans for the employees at year end is 5 years and the service cost predicted for 2024 is equal to zero.

The disbursements planned for the next five years are as follows:

	(Thousands of euros)
1st year	1,613
2nd year	1,049
3rd year	933

	(Thousands of euros)
4th year	1,215
5th year	1,395

The amount of the contributions expected to be allocated to the defined benefit plans in the subsequent year is equal to zero.

5.14 PROVISION FOR RENOVATION OF AIRPORT INFRASTRUCTURE (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)	12.31.2022	Accruals	Discount effect	Operational uses	12.31.2023
Provision for renovation of airport infrastructure	**225,012**	34,377	8,935	(48,380)	**219,944**
of which:					
current portion	72,518				48,208
non-current portion	152,494				171,736

The provision for renovation of airport infrastructure includes the present value of the updated estimate of the charges to be incurred for extraordinary maintenance, restoration and replacement of assets and plant in relation to the contractual obligation of the managing concessionaire to ensure the necessary functionality and safety of the airport infrastructure.

5.15 OTHER PROVISIONS FOR RISKS AND CHARGES (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)	12.31.2022	Accruals	Decreases for reversal of excess provisions	Operational uses	12.31.2023
Taxes	5,174	0	(479)	0	4,695
Current and potential disputes	15,154	1,520	0	(726)	15,948
Internal insurance	857	0	(153)	(206)	498
Investee losses	0	271	0	0	271
TOTAL OTHER PROVISIONS FOR RISKS AND CHARGES	**21,185**	**1,791**	**(632)**	**(932)**	**21,412**
of which:					
current portion	4,704				5,015
non-current portion	16,481				16,397

The provision for taxes, equal to 4,695 thousand euros, is representative of the assessment of the risk of being the losing party in the pending legal proceedings with the UTF (now the Customs Office), concerning the revenue tax and provincial surcharge on electricity supplied in the period 2007-2010 - as well as regarding issues relating to ICI/IMU (municipal property tax); the reduction compared to December 31, 2022 is attributable to the re-absorption of the provision relating to the dispute regarding excise duties on electricity for the years 2003-2006 as a result of the settlement concession for pending disputes concerning only penalties related to taxes for which payment had been made.

The provision for current and potential disputes, amounting to 15,948 thousand euros (15,154 thousand euros as at December 31, 2022), includes the estimate of the charges that are considered likely to be incurred in relation to the disputes and litigation pending at year end. This provision increased as a result of the year's accruals, partially offset by the year's re-absorption, and reflects the updated assessment of the different types of probable contingent liabilities involving the Company.

In particular, it should be noted that, following the positive outcome for the Company of the now irrevocable ruling in the criminal trial concerning the fire at T3 on May 7, 2015, the provision accrued in previous years against the risk of compensation to third parties (carriers, handlers, sub-concessionaires and passengers) for the alleged damage resulting from the fire was reabsorbed.

For details on the disputes in progress, please refer to Note 8.4 Litigation.

5.16 FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT PORTION)

(Thousands of euros)	12.31.2023 Carrying amount	12.31.2023 Current portion	12.31.2023 Non - current portion	12.31.2023 Expiring between 1 and 5 years	12.31.2023 Expiring beyond 5 years	12.31.2022 Carrying amount	12.31.2022 Current portion	12.31.2022 Non - current portion
NON-CURRENT FINANCIAL LIABILITIES								
Bonds	1,606,493	0	1,606,493	420,496	1,185,997	1,515,063	242,058	1,273,005
Medium/long-term loans	417,383	39,423	377,960	157,692	220,268	656,637	39,423	617,214
Accrued expenses for non-current financial liabilities	23,343	23,343	0	0	0	16,059	16,059	0
Other financial liabilities	1,970	972	998	904	94	2,611	1,060	1,551
TOTAL NON-CURRENT FINANCIAL LIABILITIES	**2,049,189**	**63,738**	**1,985,451**	**579,092**	**1,406,359**	**2,190,370**	**298,600**	**1,891,770**
DERIVATIVES	**0**	**0**	**0**	**0**	**0**	**83,910**	**83,910**	**0**
OTHER CURRENT FINANCIAL LIABILITIES	**63,807**	**63,807**	**0**	**0**	**0**	**38,031**	**38,031**	**0**
TOTAL FINANCIAL LIABILITIES	**2,112,996**	**127,545**	**1,985,451**	**579,092**	**1,406,359**	**2,312,311**	**420,541**	**1,891,770**

As at December 31, 2023, approximately 65% of the Group's bonds and medium/long-term loans, also considering the contribution of the Revolving credit facility signed in October 2022 and not disbursed at December 31, 2023, are structured in a "Green" or "Sustainability-linked" format [1].

BONDS

(Thousands of euros)	12.31.2022 Carrying amount	New financing	Reimbursements	Exchange differences	Amortised cost effect	12.31.2023 Carrying amount
bonds	**1,515,063**	400,000	(309,465)	(123)	1,018	**1,606,493**
current portion	242,058					0
non-current portion	1,273,005					1,606,493

[1] *For the purposes of the calculation, bonds and bank loans are measured at nominal value.*

As at December 31, 2023, the Bonds increased by 91,430 thousand euros due to the combined effect of the following transactions:

- repayment, on February 20, 2023, of Tranche A4 of the bonds for a total of 242,286 thousand euros;
- placement, on July 3, 2023, by ADR of a new bond in Sustainability-Linked format issued under the Company's EMTN programme. With a nominal value of 400 million euros and a duration of 10 years, the issue was settled on July 10, 2023 and provides for repayment in a lump sum, on July 10, 2033, and the payment of an annual fixed-rate coupon equal to 4.875%;
- completion, on July 14, of a Tender Offer, announced simultaneously to the launch of the new bond mentioned above aimed at the holders of the 500-million-euro bonds maturing on June 8, 2027, issued by ADR in 2017 in relation to its EMTN Programme. Against participations for a notional value of 67.2 million euros, the Company paid the participants a total consideration of 63.1 million euros (including accrued interest), proceeding with the simultaneous cancellation of the same securities. As a result of the transaction, the residual outstanding notional value thus amounted to approximately 432.8 million euros.

Information relating to the bonds outstanding as at December 31, 2023 issued by ADR, is provided below:

Name	Outstanding par value	Currency	Carrying amount	Fixed interest rate	Interest payment frequency	Reimbursements	Total duration	Expiry
€500,000,000 1.625% EMTN 06.2027	432,821	EUR	420,495	1.625%	annual	bullet	10 years	06.2027
€300,000,000 1.625% EMTN 02.2029 - "GREEN BONDS"	300,000	EUR	298,541	1.625%	annual	bullet	8 years and 2 months	02.2029
€500,000,000 1.750% EMTN 07.2031 - "SUSTAINABILITY-LINKED BONDS"	500,000	EUR	493,652	1.750%	annual	bullet	10 years and 3 months	07.2031
€400,000,000 4.875% EMTN 07.2033 – "SUSTAINABILITY-LINKED BONDS"	400,000	EUR	393,805	4.875%	annual	bullet	10 years	07.2033
TOTAL BONDS	**1,632,821**		**1,606,493**					

The following bonds are outstanding, all senior unsecured, issued under the bond issue programme called EMTN (Euro Medium Term Notes), launched by ADR in 2013:

- the notes issued on June 8, 2017 for an original nominal value of 500 million euros and subject to a tender offer in July 2023, have a residual notional value as at December 31, 2023 of 432.8 million euros;
- the issue finalised on December 2, 2020, for a nominal value of 300 million euros and characterised by the "green" label;
- the issue finalised on April 30, 2021, for a nominal value of 500 million euros and characterised by the "sustainability-linked" label, with a duration of 10 years and three months and a coupon of 1.75%. The issue provides for the application of a potential step-up on the interest rate up to 25 bps a year, starting from the coupon payable from July 2028 until maturity, in the event of failure to achieve one or more Sustainability Performance Targets (SPT) as stated and described in the Sustainability-Linked Financing Framework of April 2021;
- the issue finalised on July 3, 2023, for a nominal value of 400 million euros and characterised by the "sustainability-linked" label, with a duration of 10 years and a coupon of 4.875%. The issue provides for the application of a potential step-up on the interest rate up to 40 bps a year, from the first coupon payable from 2031 until maturity in the event of failure to achieve, at the date of verification for 2030, one or more SPTs reported and described in the Sustainability-Linked Financing Framework of April 2022.

All the bonds issued under the EMTN Programme were placed with qualified investors, as defined by Consob with a regulation based on the criteria established by EU provisions, and are listed on the regulated market managed by the Irish Stock Exchange.
As of December 31, 2023, the rating assigned by the Moody's, S&P and Fitch agencies to the issuer ADR and its bond issues was of Baa2 (outlook "stable"), BBB (outlook "stable") and BBB- (outlook "stable"), respectively.

On November 21, 2023, Moody's revised its outlook upwards from "negative" to "stable", reflecting the continuation of the recovery of traffic compared to pre-pandemic levels and the decision on the rating assigned to the Italian Republic.

The fair value of the bonds is shown in the following table.

	12.31.2023		12.31.2022	
(Thousands of euros)	Carrying amount	Fair value	Carrying amount	Fair value
Fixed rate	1,606,493	1,544,585	1,515,063	1,300,224
TOTAL BONDS	**1,606,493**	**1,544,585**	**1,515,063**	**1,300,224**

The fair value of the bonds was determined on the basis of the market values available as of December 31, 2023; in particular, the future cash flows were discounted using the discount curves as per market practice (6-month Euribor), increased by a credit spread commensurate with the counterparty risk of ADR at the measurement date. Compared to December 31, 2022, the fair value of the bonds increased by 244 million euros, a change attributable to the issue of the bond and the significant reduction in credit spreads during 2023, as can also be inferred from the prices of the Company's bonds, only partially offset by the repayment in February 2023 of the A4 bond and the partial repurchase in July 2023 of the notes maturing in 2027.

MEDIUM/LONG-TERM LOANS

	12.31.2022	Changes			12.31.2023
(Thousands of euros)	Carrying amount	New financing	Reimbursements	Amortised cost effect	Carrying amount
Medium/long-term loans	**656,637**	0	(239,423)	169	**417,383**
Current portion	39,423				39,423
Non-current portion	617,214				377,960

Medium-/long-term loans decreased by 239,254 thousand euros mainly as a result of the voluntary and full early repayment, finalised without penalties in July 2023, of the 200-million-euro bank loan granted by Banca Nazionale del Lavoro in 2020, which had a contractual maturity of May 2026, and the repayment at maturity of the short-term portion of the EIB and CDP loans totalling 39,423 thousand euros.

The main information relating to medium/long-term loans outstanding as at December 31, 2023 is provided below.

(Thousands of euros)

Lender	Name	Amount granted	Outstanding par value	Carrying amount	Currency	Rate	Interest payment frequency	Reimburse-ments	Total duration	Expiry
Consortium of banks	Revolving Credit Facility Sustainability-linked ("RCF")	350,000	0	0	EUR	variable indexed to Euribor + margin	quarterly (in case of use)	revolving	6 years (*)	10.2028
European Investment Bank ("EIB")	EIB loan 2016	150,000	107,179	107,103	EUR	I tranche (110,000) 1.341%	annual	amortising from 2020	14 years	9.2031
						II tranche (40,000) 0.761%		amortising from 2022	15 years	11.2034
Cassa Depositi e Prestiti ("CDP")	CDP loan 2016	150,000	125,897	125,834	EUR	I tranche (40,000) 1.629%	annual	amortising from 2020	14 years	9.2031
						II tranche (30,000) 1.070%		amortising from 2022	15 years	11.2034
						III tranche (80,000) 1.263%		amortising from 2023	15 years	3.2035
European Investment Bank ("EIB")	EIB loan 2018	200,000	184,615	184,446	EUR	0.819%	annual	amortising from 2023	15 years	9.2035
Total medium/long-term loans		**850,000**	**417,691**	**417,383**						

(*) the contract provides for an extension option until October 2029.

ADR's bank loans, like ADR's debt deriving from bond issues under the EMTN Programme, are of the senior unsecured type.

The sustainability-linked revolving credit facility for a maximum amount of 350 million euros subscribed on October 4, 2022 is fully available as of December 31, 2023.
This facility was granted by a pool of banks, composed as of December 31, 2023 of: Banco BPM, Barclays, BNP Paribas Group, Crédit Agricole, Intesa Sanpaolo, Mediobanca, Natixis and Société Générale. The cost of this credit facility varies according to ADR's credit rating and whether or not the relative sustainability objectives set out in the "sustainability-linked" structure are achieved.
On September 22, 2023, the credit facility was extended by one year: the current maturity is October 2028, with possible extension for a further year.
The 2016 EIB and CDP loans were subscribed using the 300-million-euro credit facility approved by the EIB for ADR in 2014 as financial support for the project called "Aeroporti di Roma - Fiumicino Sud", and are divided into a contract of 150 million of euros granted directly by the EIB and a contract of 150 million euros brokered by Cassa Depositi e Prestiti ("CDP"). As of December 31, 2023, these facilities were used in full through the drawdown of several tranches with final maturities between 2031 and 2035. All the tranches used have an amortising repayment profile and are at a fixed rate.
An additional facility granted by the EIB in 2018, amounting to 200 million euros, was fully disbursed in 2020. This loan was granted following the updating of the Fiumicino Sud infrastructure project which provided for an increase in the value of the projects originally financed. The characteristics of the relevant loan agreement are essentially in line with the agreement of 2016.

For an examination of the main terms and conditions of bank loans, please refer to Note 7.

The fair value of medium/long-term loans is indicated in the following table.

(Thousands of euros)	12.31.2023 Carrying amount	12.31.2023 Fair value	12.31.2022 Carrying amount	12.31.2022 Fair value
Fixed rate	417,383	370,643	456,746	365,631
Variable rate	0	0	199,891	203,816
TOTAL MEDIUM/LONG-TERM LOANS	**417,383**	**370,643**	**656,637**	**569,447**

The fair value of medium/long-term loans was determined on the basis of the market values available as of December 31, 2023; in particular, future cash flows were discounted on the basis of the standard discount curves used in market practice (6-month Euribor), increased by a credit spread commensurate with the counterparty risk of ADR at the measurement date.
Compared to December 31, 2022, the fair value of medium/long-term loans decreased by 199 million euros, a change attributable to the full early repayment of the BNL loan finalised in July 2023.

OTHER FINANCIAL LIABILITIES

(Thousands of euros)	12.31.2022 Carrying amount	New financing	Increases for fin. Disc.	Reimburse-ments	12.31.2023 Carrying amount
Leases	**2,611**	526	35	(1,202)	**1,970**
Current portion	1,060				972
Non-current portion	1,551				998

Leases, which includes the present value of liabilities deriving from lease contracts, decreased by 641 thousand euros essentially due to the payments of lease instalments (-1,202 thousand euros), partially offset by new leases signed during the year (+526 thousand euros).

DERIVATIVES WITH NEGATIVE FAIR VALUE

(Thousands of euros)	12.31.2023	12.31.2022	Change
Derivatives with negative fair value	0	83,652	(83,652)
Interest accrued	0	258	(258)
TOTAL DERIVATIVES WITH NEGATIVE FAIR VALUE	**0**	**83,910**	**(83,910)**
Non-current portion	0	0	0
Current portion	0	83,910	(83,910)

The decrease in derivatives with negative fair value compared to December 31, 2023 is attributable to the closure of the Cross Currency Swap hedging Tranche A4 in pounds sterling.

For a description of the characteristics of these contracts, see Note 8.3 Financial risk management.

OTHER CURRENT FINANCIAL LIABILITIES

The Other current financial liabilities are equal to 63,807 thousand euros (38,031 thousand euros as at December 31, 2022) and refer to the amounts due to subsidiaries for the use of the cash pooling arrangement. As from November 7, 2023, the "zero-balance cash pooling" method was adopted, which provides for, through the implementation of a permanent payment order, the daily zeroing of the balance of the bank current account held by the subsidiaries at UniCredit, through crediting or debiting the balance to the bank account held by ADR with UniCredit. These movements are settled through registrations of deposits or use of the same amount on the current account already held between ADR and the subsidiaries.

NET FINANCIAL DEBT

The following table shows the details of the net financial debt, with an analysis of the amounts due/from related parties, in accordance with Consob communication no. DEM/6064293 of July 28, 2006 and Warning notice no. 5/21 issued by Consob on April 29, 2021 with reference to ESMA Guideline 32-382-1138 of March 4, 2021.

(Thousands of euros)	12.31.2023	of which related parties	12.31.2022	of which related parties
Cash (A)	(238,153)		(375,185)	(2,567)
Cash and cash equivalents (B)	(670,000)		(620,000)	0
Other current financial assets (C)	(6,265)		(57,890)	(1,350)
LIQUIDITY (D=A+B+C)	**(914,418)**		**(1,053,075)**	
Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt) (E)	63,807	63,807	121,941	38,031
Current portion of non-current financial debt (F)	63,738	134	298,600	574
CURRENT FINANCIAL DEBT (G=E+F)	**127,545**		**420,541**	
CURRENT NET FINANCIAL POSITION (H=G+D)	**(786,873)**		**(632,534)**	
Non-current financial debt (excluding the current portion and debt instruments) (I)	378,957	22	618,765	823
Debt instruments (J)	1,606,493		1,273,005	
Trade payables and other current liabilities (K)	0		0	
NON-CURRENT FINANCIAL DEBT (L=I+J+K)	**1,985,450**		**1,891,770**	
NET FINANCIAL DEBT as per ESMA recommendation of March 4, 2021 (M=H+L)	**1,198,577**		**1,259,236**	
Other non-current financial assets (N)	(37,580)		(17,429)	
NET FINANCIAL DEBT (O=M+N)	**1,160,997**		**1,241,807**	

5.17 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities amount to 3,015 thousand euros (2,951 thousand euros as at December 31, 2022) and essentially refer to the estimate of the liabilities relating to the long-term incentive plans.

5.18 TRADE PAYABLES

(Thousands of euros)	12.31.2023	12.31.2022	Change
Suppliers	153,783	101,003	52,780
Subsidiaries	95,719	109,265	(13,546)
Parents	973	583	390
Deferred income	8,518	5,983	2,535
Payments on account and advances received	20,313	15,385	4,928
TOTAL TRADE PAYABLES	**279,306**	**232,219**	**47,087**

Trade payables (excluding subsidiaries and parents), equal to 153,783 thousand euros, increased by 52,780 thousand euros mainly due to the increase in the volume of investments compared to the last part of the previous year, as well as due to the effect of the rise in costs related to increased airport operations.

The amounts due to subsidiaries, equal to 95,719 thousand euros, decreased by 13,546 thousand euros compared to December 31, 2022. For more details about these payables, reference is made to Note 9 Transactions with related parties.

Deferred income, amounting to 8,518 thousand euros, substantially increased by 2,535 thousand euros due to the recognition of the receivable for grants relating to the SESAR investment projects financed from the European Union as part of the Connecting European Facility (CEF) calls 2016 and 2017, which resulted in the recognition of the related deferral to the income statement in line with the relative amortisation plans.

Payments on account and advances received, amounting to 20,313 thousand euros, recorded an increase of 4,928 thousand euros due to higher advances received from customers.

5.19 OTHER CURRENT LIABILITIES

(Thousands of euros)	12.31.2023	12.31.2022	Change
Taxes other than income taxes	118,297	107,804	10,493
Fire prevention and fire-fighting services	758	826	(68)
Personnel	18,528	12,402	6,126
Pension and social security institutions	8,437	5,906	2,531
Guarantee deposits	14,477	16,363	(1,886)
Other	26,323	23,717	2,606
TOTAL OTHER CURRENT LIABILITIES	**186,820**	**167,018**	**19,802**

Taxes other than income taxes mainly include:

- 90,954 thousand euros for passenger surcharges (81,418 thousand euros as at December 31, 2022). This liability is discharged in the following month for the additional amounts collected by the carriers, while it is offset by amounts due from customers for the residual portions still to be collected. It should be noted that the surcharge on passenger boarding fees charged to carriers is equal to 7.5 euros per passenger, of which 5.0 euros for INPS and one euro (commissioner's surcharge) for the commissioner's administration of the Municipality of Rome. The increase in the liability for the surcharge, of 9,536 thousand euros compared to the end of 2022, reflects the correlated trend, during the year, of the corresponding collections from the carriers;
- 24,190 thousand euros due to the Lazio Regional Authority for IRESA (23,590 thousand euros as at December 31, 2022). This tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Region.

Amounts due for fire prevention and fire-fighting services amounted to 758 thousand euros in relation to the cost accrued during the year, net of advances paid.

Amounts due to personnel and pension and social security institutions increased by 6,126 thousand euros and 2,531 thousand euros, respectively, due to the increase in current liabilities.

Other, equal to 26,323 thousand euros, include the amount due to ENAC for the variable concession fee, equal to 23,233 thousand euros, up by 2,831 thousand euros compared to December 31, 2022 in relation to the portion accrued during the year, net of the payments of the second instalment for 2022 and the first instalment for 2023, made in January and July 2023, respectively.

6. Notes to the income statement

6.1 REVENUE

Revenue for 2023 was broken down as follows, in application of IFRS 15:

(Thousands of euros)	2023			2022		
	Revenue From Ifrs 15 contracts	Other revenue	Total	Revenue From Ifrs 15 contracts	Other revenue	Total
AVIATION						
Airport fees	447,183	0	447,183	338,669	0	338,669
Centralised Infrastructure	13,556	0	13,556	9,845	0	9,845
Security services	106,925	0	106,925	80,037	0	80,037
Other	41,419	0	41,419	28,475	0	28,475
	609,083	**0**	**609,083**	**457,026**	**0**	**457,026**
NON AVIATION						
Sub-concessions and utilities:						
Real estate and utilities	5,666	41,999	47,665	5,455	31,372	36,827
Commercial	0	154,950	154,950	0	100,506	100,506
Car parks	0	27,692	27,692	0	20,575	20,575
Advertising	9,769	0	9,769	5,260	0	5,260
Car parks	925	0	925	1,168	0	1,168
Other	22,902	3,214	26,116	16,772	2,605	19,377
	39,262	**227,855**	**267,117**	**28,655**	**155,058**	**183,713**
REVENUE FROM AIRPORT MANAGEMENT	**648,345**	**227,855**	**876,200**	**485,681**	**155,058**	**640,739**
REVENUE FROM CONSTRUCTION SERVICES	**237,226**	**0**	**237,226**	**149,099**	**0**	**149,099**
OTHER OPERATING INCOME	**2,070**	**13,359**	**15,429**	**1,050**	**9,757**	**10,807**
TOTAL REVENUE	**887,641**	**241,214**	**1,128,855**	**635,830**	**164,815**	**800,645**
Timing for the transfer of goods / services:						
Goods and services transferred over a period of time	**280,199**			**179,198**		
Goods and services transferred at a point in time	**607,442**			**456,632**		

Revenue from airport management, equal to 876,200 thousand euros, increased by 36.7% compared to the previous year, mainly due to the growth in aviation activities (+33.3%), due to the considerable recovery in traffic volumes, despite the absence of tariff changes. The non-aviation segment, with revenue up by 45.4%, also benefited from the increase in passenger traffic, as well as the increase in passengers' propensity to spend promoted by the opening of new commercial spaces; more specifically, revenue from commercial sub-concessions, real estate, parking and advertising increased.

Revenue from construction services, equal to 237,226 thousand euros, essentially relates to revenue for construction services for self-financed works. Consistently with the accounting model adopted, in accordance with IFRIC 12, this revenue, which represents the consideration due for the activities carried out, is measured at fair value, determined on the basis of the total costs incurred (external costs and personnel expense).

Other operating income, equal to 15,429 thousand euros, is broken down as follows:

(Thousands of euros)	2023	2022
Grants and subsidies	2,053	1,072
Gains on sales	21	31
Expense recoveries	7,419	6,476
Compensation from third parties	158	115
Other income	5,778	3,113
TOTAL OTHER OPERATING INCOME	**15,429**	**10,807**

The increase of 4,622 thousand euros compared to the previous year is mainly attributable to higher recoveries of expenses and other income for contractual penalties.

6.2 CONSUMPTION OF RAW MATERIALS AND CONSUMABLES

(Thousands of euros)	2023	2022
Fuel and lubricants	1,305	1,173
Electricity, gas and water	10,151	5,460
Consumables, spare parts and various materials	6,236	4,253
TOTAL CONSUMPTION OF RAW MATERIALS AND CONSUMABLES	**17,692**	**10,886**

The increase of 6,806 thousand euros compared to the previous year is attributable to the rise in energy procurement costs, as well as to the higher costs of consumables, spare parts and sundry materials related to the growth in business volumes, as well as the opening of new infrastructures.

6.3 SERVICE COSTS

(Thousands of euros)	2023	2022
Maintenance	61,127	47,700
Renovation of airport infrastructure	48,380	41,658
External services	136,292	123,496
Construction services	225,884	140,526
Cleaning and pest control	29,337	23,437
Professional services	12,770	12,652
Fire prevention and fire-fighting services	6,705	5,846
Other costs	31,524	26,363
Remuneration of directors and statutory auditors	1,212	1,182
TOTAL SERVICE COSTS	**553,231**	**422,860**

The increase in service costs, equal to 130,371 thousand euros, is mainly attributable to the increase in costs for construction services (+85,358 thousand euros), costs for external services (+12,796 thousand euros), due to the higher costs paid to the subsidiaries ADR Security and ADR Assistance for security services and assistance to passengers with reduced mobility, in relation to the higher volume of activities managed, the higher costs for the electricity service paid to Leonardo Energia, mainly in relation to the increase in production costs as well as greater costs for renovation of airport infrastructure (+6,722 thousand euros). This trend also reflects infrastructure becoming fully up and running once again and the opening of new infrastructure (May 2022 and April 2023), with a consequent increase in maintenance costs (+13,427 thousand euros) and operating costs (cleaning, other costs, etc.).

6.4 PERSONNEL EXPENSE

(Thousands of euros)	2023	2022
Wages and salaries	85,529	72,854
Social security charges	24,144	19,714
Post-employment benefits	4,535	5,040
Other costs	3,592	2,616
TOTAL PERSONNEL EXPENSE	**117,800**	**100,224**

The increase in Personnel expense of 17,576 thousand euros compared to 2022 is related to the growth in the volume of managed activities, the increase in staff and the elimination of the use of social security safety nets (CIGS - government furlough scheme), still marginally present in the first part of 2022.

The table below shows the average headcount of ADR (broken down by treatment):

AVERAGE WORKFORCE	2023	2022	Change
Executives	59.3	51.7	7.6
Middle managers	290.6	245.5	45.1
White-collars	806.5	709.9	96.6
Blue-collars	313.1	309.5	3.6
TOTAL AVERAGE WORKFORCE	**1,469.5**	**1,316.6**	**152.9**

6.5 OTHER OPERATING COSTS

(Thousands of euros)	2023	2022
Concession fees	37,595	26,352
Lease payments	2,268	1,926
Accruals to (uses of) the provision for renovation of airport infrastructure	(14,003)	14,979
Accruals to (Re-absorption of) provisions for risks and charges	1,159	(1,899)
Other costs:		
Accruals to (Re-absorption of) loss allowances	893	(891)
Indirect taxes and duties	3,215	5,258
Sundry charges	2,618	1,747
TOTAL OTHER OPERATING COSTS	**33,745**	**47,472**

The item Concession fees, equal to 37,595 thousand euros, increased by 11,243 thousand euros compared to the previous year, as it is directly related to traffic trends.

The item Accruals to (uses of) the provision for renovation of airport infrastructure includes the accruals to the provision for renovation of airport infrastructure, recognised net of uses against costs incurred in the year, classified by nature in the corresponding income statement item.

The accruals to (re-absorption of) provisions for risks and charges amounted to 1,159 thousand euros and reflect the updated assessment of the different types of probable contingent liabilities involving the Company. For more details, see Note 5.15.

The accruals to (re-absorption of) loss allowances amounted to 893 thousand euros and reflected the updated assessment of the probability of collecting trade receivables from customers.

6.6 NET FINANCIAL EXPENSE

The item Net financial expense amounted to -7,455 thousand euros (-64,681 thousand euros in 2022).

FINANCIAL INCOME

(Thousands of euros)	2023	2022
Interest income		
Interest on bank deposits and loans	26,902	3,135
Interest from subsidiaries	289	236
Gains on derivatives		
Fair value gains on derivatives	835	1,044
Other income		
Dividends from subsidiaries	28,540	0
Default interest on current assets	27	0
Interest from customers and others	40	72
Other financial income	4,620	0
TOTAL FINANCIAL INCOME	**61,253**	**4,487**

Financial income in 2023 increased by 56,766 thousand euros mainly due to dividends from subsidiaries and higher financial interest on investments in liquidity, thanks to the optimisation of on-demand and forward bank loans, also as a result of the increase in interest rates, as well as for the income related to the transaction, completed on July 14, 2023, for the partial repurchase, at a price lower than the nominal value, of a portion of the 500-million-euro bonds maturing on June 8, 2027 (4.2 million euros recorded under Other income, an effect partially offset by financial expense for 2.2 million euros deriving from the acceleration of the application of the amortised cost method, which is shown under financial expense)[2].

Dividends from subsidiaries, attributed to the year in which they were resolved in accordance with the IFRS, amounted to 28,540 thousand euros, broken down as follows:

- ADR Tel S.p.A. for 9,900 thousand euros as per the allocation of the 2022 profit and distribution of retained earnings, approved by the Shareholders' Meeting of March 22, 2023;
- ADR Mobility S.r.l. for 8,000 thousand euros as per the allocation of the 2022 profit and distribution of retained earnings, approved by the Quotaholders' Meeting of March 17, 2023;
- ADR Assistance S.r.l. for 5,000 thousand euros as per the allocation of the 2022 profit and distribution of retained earnings, approved by the Quotaholders' Meeting of March 15, 2023;
- ADR Cleaning S.r.l. for 3,000 thousand euros as per the allocation of the 2022 profit and distribution of retained earnings, approved by the Quotaholders' Meeting of March 14, 2023;
- ADR Security S.r.l. for 2,640 thousand euros as per the allocation of the 2022 profit, approved by the Quotaholders' Meeting of March 16, 2023.

[3] *The net effect is equal to a net financial income of 2.0 million euros, representing, in relation to the portion of the bonds subject to repurchase, the difference between the repurchase price and the carrying amount.*

FINANCIAL EXPENSE

(Thousands of euros)	2023	2022
FINANCIAL EXPENSE FROM DISCOUNTING THE PROVISION FOR RENOVATION OF AIRPORT INFRASTRUCTURE	**8,935**	**1,191**
Interest on bonds	32,352	35,243
Interest on medium/long-term loans	10,295	8,924
Interest paid to subsidiaries	450	2
Effects of applying the amortised cost method	7,777	8,171
Other financial expense - interest	8	159
TOTAL FINANCIAL EXPENSE - INTEREST	**50,882**	**52,499**
Fair value losses on derivatives	1,632	13,458
Differentials	1,078	7,596
Release of the portion pertaining to the hedging reserve	4,472	6,425
TOTAL EXPENSE ON DERIVATIVES	**7,182**	**27,479**
Financial expense from discounting employee benefits	223	269
Impairment losses on equity investments measured at cost	1,127	1,156
Other expense	482	29
TOTAL OTHER EXPENSE	**1,832**	**1,454**
TOTAL FINANCIAL EXPENSE	**68,831**	**82,623**

Financial expense from discounting the provision for renovation of airport infrastructure, equal to 8,935 thousand euros, includes the financial component for discounting the provision and increased by 7,745 thousand euros due to the update of the rate used.

Interest on bonds amounted to 32,352 thousand euros and decreased by 2,891 thousand euros compared to the previous year due mainly to the repayment, in February 2023, of the A4 bonds, partially offset by interest on the new Sustainability-Linked bonds issued in July 2023 under the EMTN programme with a nominal value of 400 million euros.

Fair value losses on derivatives came to 1,632 thousand euros and include the effect of the closure of cross currency swap contracts for the euro/pound sterling exchange rate component hedging the A4 bonds issued in pound sterling and repaid in February 2023. Within this item, an amount of 123 thousand euros relates to the derivative effective valuation component, which is offset by a component of the same amount recorded in exchange gains which relates to the reduction in the nominal value of the bonds in pound sterling.

The item Differentials includes the balance between interest income and expense accrued during the year on the last differential of the aforementioned cross currency swap contracts, settled in February 2023.

The item Release of the portion pertaining to the hedging reserve includes the amounts recorded in the income statement in 2023, relating to i) the negative fair value of the forward starting interest rate swap derivatives subscribed in 2015 and subject to unwinding in June 2017 (equal to 2,789 thousand euros, of which 926 thousand euros attributable to the acceleration of the portions relating to subsequent years attributable to the portion of the bonds subject to tender offer), ii) the negative fair value of the forward starting IRS derivatives subscribed in 2016-2017 and subject to unwinding in April 2021 (equal to 4,414 thousand euros) and iii) the positive fair value of the interest rate swap forward starting derivatives subscribed in 2018-2021 and subject to unwinding in July 2023 (equal to -2,731 thousand euros).

The item Other expense equal to 482 thousand euros essentially includes the impairment loss on the financial asset with Spea Engineering of 1,350 thousand euros, partly offset by the re-absorption of the loss allowances for default interest of 930 thousand euros in relation to the collection received under a bankruptcy procedure.

EXCHANGE GAINS (LOSSES)

(Thousands of euros)	2023	2022
Exchange gains	129	13,459
Exchange losses	(6)	(3)
NET EXCHANGE GAINS (LOSSES)	**123**	**13,456**

For details, please refer to the paragraph on financial income and expense.

6.7 INCOME TAXES

(Thousands of euros)	2023	2022
CURRENT TAXES		
IRES	51,415	(11,544)
IRAP	14,837	7,022
Substitute tax	0	0
	66,252	**(4,522)**
DIFFERENCES ON CURRENT TAXES FROM PREVIOUS YEARS		
Income taxes from previous years	568	(3,058)
	568	**(3,058)**
DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets	8,391	23,088
Deferred tax liabilities	(876)	(570)
	7,515	**22,518**
TOTAL INCOME TAXES	**74,335**	**14,938**

With reference to IRES, note the participation in the tax consolidation of the Mundys group, under art. 117 of the TUIR for ADR S.p.A. and the companies of the ADR group.

The estimate of the IRES tax charge for 2023 is represented by a net consolidated tax charge of 51,415 thousand euros, corresponding to an IRES tax charge of 24% for the year, net of the recovery of previous tax losses transferred to the group tax consolidation and used for offsetting the profits generated in the Mundys group in 2023.

Deferred tax assets and deferred tax liabilities have been determined on the basis of the tax rates that are believed to be applied at the time when these differences will reverse. For more details on the calculation of deferred tax assets, please refer to Note 5.5.

The incidence of the taxes for the year on the profit before taxes equals 18.3% (-25.3% in 2022). The analysis of the difference between the theoretical and the actual tax rate for IRES is reported below:

	2023		2022	
(Thousands of euros)	Taxable amount	Tax	Taxable amount	Tax
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES	**280,781**		**45,679**	
THEORETICAL RATE		**24%**		**24%**
THEORETICAL IRES		**67,387**		**10,963**
Permanent differences	(32,531)	(7,807)	(6,372)	(1,529)
Temporary differences	2,367	568	(6,453)	(1,549)
Temporary differences on tax loss	(36,386)	(8,733)	(80,955)	(19,429)
ACTUAL IRES		**51,415**		**(11,544)**
ACTUAL RATE		**18.3%**		**(25.3%)**

6.8 PROFIT (LOSS) FROM DISCONTINUED OPERATIONS/ASSETS HELD FOR SALE

This item, amounting to a loss of 4,317 thousand euros, includes the effect of the measurement at fair value of a portion of the investment in Spea Engineering S.p.A., equal to 19% of its share capital, classified under Assets held for sale.

7. Guarantees and covenants on medium/long-term financial liabilities

It should be noted that the only residual guarantee (consisting of a "deed of assignment" limited to a maximum value of 96.5 million euros) remaining in support of the Romulus debt structure, was cancelled following repayment on maturity of the A4 bonds and the simultaneous closure of the related cross currency swap contracts, in February 2023.

ADR has established a pledge on the entire equity investment held in Azzurra Aeroporti, equal to 7.77% of the share capital, in favour of the financial creditors of Azzurra Aeroporti (bondholders and banks that have entered into hedging derivatives). In addition to this collateral, in the context of the same Azzurra Aeroporti loan, ADR has provided Mundys with a counter-guarantee, limited to a maximum of 1.3 million euros, for the obligations taken on by Mundys towards a bank which granted, in the interest of Azzurra Aeroporti and in favour of the latter's financial creditors, a guarantee for the debt service of the transaction in question.

The loan agreements of ADR include, among the contractual clauses, financial covenants calculated on the final data, in line with the contracts normally applied to companies with investment grade ratings. Among these, it is significant to point out that the banking contracts with EIB and CDP provide for compliance with a leverage ratio threshold not exceeding 4.25x, which becomes 4.75x in the event all the ratings assigned to the company are equal to BBB/Baa2 or higher. The Revolving Credit Facility includes a maximum leverage ratio threshold.
The financial ratios must be verified, in accordance with the contracts, twice a year by applying the calculation formulas to the Group's reference data (which must exclude any shareholdings in companies financed through non-recourse financial debt) contained in the Financial Report at December 31 and the Interim Financial Report at June 30. On the basis of the simulations carried out on the figures at December 31, 2023, it is already possible to confirm compliance with the thresholds set out in the loan agreements. The calculation of the financial covenants will be formalised after the approval of the Integrated Annual Report at December 31, 2023.
The Company continues to monitor compliance with the terms of the loan agreements.

Moreover, the loan agreements also provide for acceleration, termination and withdrawal, typical for loans of this type. The documentation of the EMTN Programme does not provide for compliance with financial covenants and does not include performance obligations/non-performance obligations in line with market practice for investment grade issuers.

8. Other guarantees, commitments and risks

8.1 GUARANTEES

As at December 31, 2023, ADR had the guarantees issued as part of the loan agreements mentioned in Note 7; there are no sureties issued to customers and third parties (0 million euros as at December 31, 2022).
ADR also issued a parent guarantee, up to a maximum of 7 million euros, provided in the interest of the subsidiary Leonardo Energia and in favour of the banking counterparty UniCredit, as part of transactions in derivative contracts hedging the price of methane gas signed by its subsidiary. For details, please refer to Note 9.3 of the consolidated financial statements.
Lastly, note the signing of a financial commitment by ADR in favour of the subsidiary ADR Ventures for a maximum amount of 8 million euros (of which 2 million euros already paid at the time of incorporation). This commitment consists of ADR's obligation to resolve, subscribe and pay for one or more divisible and progressive capital increases in ADR Ventures over a period of 36 months from April 28, 2023.

8.2 COMMITMENTS

ADR has purchase commitments relating to investment activities amounting to 176.7 million euros.

8.3 FINANCIAL RISK MANAGEMENT

Credit risk

As of December 31, 2023, ADR's maximum exposure to credit risk is equal to the carrying amount of the trade and financial assets shown in the separate financial statements, as well as the nominal value of the guarantees provided on third parties' liabilities or commitments.
The greatest exposure to credit risk is from the trade receivables arising from its transactions with customers. The risk of customers' default is managed by making accruals to a specific loss allowance, whose balance is reviewed from time to time. Under the impairment process adopted by ADR, trade positions are subject to individual impairment according to the age of the receivable, the creditworthiness of the individual debtor, the progress of the management and recovery of the receivable and the presence of any guarantees.
The commercial and credit protection policies implemented by ADR aim to control the level of credit facilities in the following way:

- cash payment is required in transactions with consumers (multilevel and long-term parking lots, first aid, etc.), with occasional counterparties (e.g. club memberships, baggage porters, taxi access management, etc.);
- cash payment or prepayment is required from occasional carriers without a satisfactory credit profile or collateral;
- granting of payment extensions in favour of loyal customers deemed reliable (carriers with medium-term flight schedules and sub-concessionaires) for which creditworthiness is monitored and adequate collateral guarantees are requested.

As regards investments in liquidity and transactions in derivative contracts, ADR manages credit risk in compliance with the principles of prudence and in line with market "best practices", as outlined in internal policies, preferably by resorting to counterparties with high credit standing and conducting ongoing monitoring to ensure that no significant concentrations of credit risk occur.

Liquidity risk

Liquidity risk is the risk that the available financial resources may be insufficient to cover the obligations falling due. In consideration of ADR's ability to generate cash flows, the diversification of the sources of financing and the availability of credit facilities, the Company deems it has access to sufficient sources of finance to meet the planned financial requirements.
As at December 31, 2023 ADR had a liquidity reserve of 1,258.2 million euros, comprising:

- 908,2 million euros related to cash and cash equivalents;
- 350.0 million euros of unused credit facilities (for more details, see Note 5.16).

The weighted average residual life of the financial debt as at December 31, 2023 is six years and four months.

The following tables show the payments due contractually in relation to financial assets and liabilities, including interest payments.

	12.31.2023				
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,955,204)	(40,158)	(40,158)	(546,263)	(1,328,625)
Medium/long-term loans	(443,138)	(43,815)	(43,386)	(127,582)	(228,355)
Derivatives with positive fair value	0	0	0	0	0
Derivatives with negative fair value	0	0	0	0	0
TOTAL	**(2,398,342)**	**(83,973)**	**(83,544)**	**(673,845)**	**(1,556,980)**

	12.31.2022				
(Thousands of euros)	Total contractual flows	Within the year	From 1 to 2 years	From 2 to 5 years	More than 5 years
Bonds	(1,698,107)	(266,357)	(21,750)	(565,250)	(844,750)
Medium/long-term loans [3]	(713,222)	(51,581)	(51,240)	(339,948)	(270,453)
Derivatives with positive fair value	63,532	4,076	10,019	20,819	28,618
Derivatives with negative fair value [4]	(83,952)	(83,952)	0	0	0
TOTAL	**(2,431,749)**	**(397,814)**	**(62,971)**	**(884,379)**	**(1,086,585)**

[3] *Future flows relating to interest on floating-rate loans were calculated on the basis of the last rate set and maintained until maturity.*
[4] *The expected future flows of the differentials from cross currency swap derivatives were calculated on the basis of the exchange rate set at the time of the valuation.*

Interest rate and currency risk

As at December 31, 2023, ADR had no derivatives in place following the closure of the Cross Currency Swap hedging Tranche A4 in pounds sterling.

									Fair value of the derivative		Change in fair value		
Counterpart	**Instrum.**	**Type**	**Hedged risk (**)**	**Date of subs.**	**Exp.**	**Notional value hedged**	**Rate applied**	**Underlying**	**As at 12.31.2023**	**As at 12.31.2022**	**To income statement (***)**	**To OCI (****)**	**Amounts paid (collected)**
Mediobanca, UniCredit	CCS	CF	I	02.2013	02.2023	325,019	Receive a fixed rate in GBP of 5.441% pay a fixed rate in EUR of 6.4%	Class A4	0	(1,042)	(691)	1,733	82,733
			C						0	(82,610)	(123)	0	
			Total						0	(83,652)	(814)	1,733	82,733
UniCredit, Intesa Sanpaolo, Société Générale	IRS FWD (*)	CF	I	08.2018	02.2032	300,000	Pay an average fixed rate of 1.816% and receive the 6-month Euribor	Debt to be taken on (*****)	0	31,267	0	(3,512)	(27,755)
Gruppo Crédit Agricole, Barclays				12.2021	04.2032	100,000	Pay an average fixed rate of 1.092% and receive the 6-month Euribor		0	23,387	(818)	(291)	(22,278)
							TOTAL		**0**	**(28,998)**	**(1,632)**	**(2,070)**	**32,700**
							of which:						
							derivatives with positive fair value		0	54,654			
							derivatives with negative fair value		0	(83,652)			

CF: cash flow value hedge - C: exchange rate - I: interest
(*) activation date May 2023
(**) notional value hedged at the start date of the derivative contract
(***) to the item "Net financial expense"
(****) the change in fair value is shown in OCI net of the tax effect
(*****) bond of 400 million euros placed on July 3, 2023

As a result of the repayment of the A4 bond, ADR has no financial transactions in foreign currency.

8.4 LITIGATION

As regards litigation as a whole, ADR carried out an assessment of the risk of negative outcomes leading to the accrual, prudentially, of a specific provision under "Provisions for risks and charges" to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. For those legal proceedings whose negative outcome, given the different positions adopted in case law, was considered only possible, no specific accruals were made. There are also a small number of civil proceedings, in any case not material, for which, despite the uncertain outcomes, it was not possible to quantify any liability for ADR.

For a description of the significant disputes involving ADR, reference is made to the consolidated financial statements.

In ADR's judgment, current litigation and other potential disputes should not give rise to liabilities greater than the amount that has already been provided for.

9. Transactions with related parties

The transactions performed by ADR with related parties were carried out in the interest of the Company and are part of ordinary operations. Such transactions are regulated on a basis that is equivalent to those prevailing in transactions between independent parties.
During the year, no transactions of greater significance or other transactions were concluded that significantly influenced the financial position or results of the Company.

Business and other transactions

	12.31.2023		2023		12.31.2022		2022	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
PARENTS								
Mundys S.p.A.	402	32,784	0	(961)	26,689	621	94	(783)
TOTAL TRANSACTIONS WITH PARENTS	**402**	**32,784**	**0**	**(961)**	**26,689**	**621**	**94**	**(783)**
SUBSIDIARIES								
ADR Assistance S.r.l.	1,646	4,266	2,461	(26,760)	1,257	4,099	2,142	(23,561)
ADR Tel S.p.A.	3,794	376	6,055	(4,927)	3,155	6,715	1,339	(29,784)
ADR Mobility S.r.l.	14,333	217	33,044	(2,362)	5,016	355	25,210	(2,211)
ADR Security S.r.l.	2,282	13,976	4,478	(62,497)	1,733	11,618	4,014	(53,999)
Airport Cleaning S.r.l.	1,999	4,817	4,151	(28,187)	1,612	4,106	3,289	(22,815)
ADR Ingegneria S.p.A.	921	13,601	1,279	(19,279)	977	10,632	1,154	(13,246)
ADR Infrastrutture S.p.A.	2,335	52,062	710	(153,135)	1,608	62,310	607	(110,128)
Leonardo Energia S.r.l.	1,197	6,604	479	(31,343)	1,058	9,520	168	(28,380)
Fiumicino Energia S.r.l.	0	0	0	0	112	45	288	(25)
ADR Ventures S.r.l.	92	25	99	(25)	0	0	0	0
TOTAL TRANSACTIONS WITH SUBSIDIARIES	**28,599**	**95,944**	**52,756**	**(328,515)**	**16,528**	**109,400**	**38,211**	**(284,149)**
ASSOCIATES								
Ligabue Gate Gourmet S.p.A. in bankruptcy	0	0	0	0	482	968	0	0
Spea Engineering S.p.A.	74	331	0	(153)	74	1,157	133	0
TOTAL TRANSACTIONS WITH ASSOCIATES	**74**	**331**	**0**	**(153)**	**556**	**2,125**	**133**	**0**
JOINT VENTURES								
UrbanV S.p.A.	35	263	128	(439)	11	64	11	(41)
TOTAL TRANSACTIONS WITH JOINT VENTURES	**35**	**263**	**128**	**(439)**	**11**	**64**	**11**	**(41)**
RELATED PARTIES								
Autogrill Italia S.p.A.	4,363	192	20,263	(360)	6,524	74	13,762	(129)
Edizione S.r.l.	0	39	0	(39)	0	0	0	0
Consorzio Autostrade Italiane Energia	0	0	0	(25)	0	0	0	(71)
Retail Italia Network S.r.l.	82	0	280	0	100	0	242	0
Telepass S.p.A.	0	0	0	0	51	0	0	0
Infoblu S.p.A.	0	15	0	0	0	0	0	0
K-Master S.r.l.	0	84	0	(20)	0	167	0	(7)
Aeroporto Guglielmo Marconi di Bologna S.p.A.	5	0	21	0	4	0	22	0
PTSCLAS S.p.A.	0	0	0	(50)	0	15	0	(15)
Cellnex Italia S.p.A.	95	189	471	(189)	0	0	0	0
Key Management Personnel	0	2,051	0	(2,553)	0	1,316	0	(2,486)
TOTAL TRANSACTIONS WITH RELATED PARTIES	**4,545**	**2,570**	**21,035**	**(3,236)**	**6,679**	**1,572**	**14,026**	**(2,708)**
TOTAL	**33,655**	**131,892**	**73,919**	**(333,304)**	**50,463**	**113,782**	**52,475**	**(287,681)**

Transactions with Mundys mainly refer to the participation of the companies of ADR in the Group tax consolidation and the recharging of the expense of seconded personnel.
Transactions carried out by ADR with subsidiaries during 2023 refer primarily to the supply of goods and the provision of trade services.
The revenue of ADR Assistance, generated essentially from transactions with ADR, refers to the provision of assistance services to passengers with reduced mobility; ADR charged the subsidiary royalties, utilities, administrative services, etc.
ADR Tel recorded telephone revenue from ADR; ADR's charges to the company relate to the technical service for the management and operational management of the ICT infrastructure at Fiumicino and Ciampino airports, as well as various recharge.
ADR's revenue from ADR Mobility mainly relate to the royalties on the areas and buildings used as car parks as well as utilities, administrative and general services, etc.
ADR Security's revenue from ADR concern airport security services and on demand services at Fiumicino and Ciampino airports; ADR charged the subsidiary royalties, utilities, administrative and general services, etc.
Airport Cleaning posted revenue from cleaning services provided to ADR; ADR charged the subsidiary royalties, utilities, administrative and general services, etc.
The costs incurred by ADR from ADR Ingegneria relate to the work design and management activities at airports.
The costs incurred by ADR from ADR Infrastrutture relate to construction and maintenance services for airport infrastructure and runways.
As a result of the reverse merger between Leonardo Energia and Fiumicino Energia, Leonardo Energia manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. The company, which also operates the thermal energy plant at Fiumicino, under a sub-concession from ADR, provides electric and thermal energy to ADR.

The main transactions with other related parties are summarised below:

- Spea Engineering: a subsidiary of Mundys, which performed airport engineering services (design and construction management) for the ADR Group until March 1, 2021, the date on which the subsidiary ADR Ingegneria S.p.A. leased the Spea Engineering S.p.A. business unit specialised in airport engineering and construction management activities;
- Autogrill Italia S.p.A. (on February 3, 2023, Edizione, which held control, finalised the closing of the sale of Autogrill to Avolta. Edizione owns a stake of approximately 22.17% in Avolta): revenue from the sub-concession of spaces, royalties, utilities, parking and sundry services.

The remuneration payable to persons who have the power and responsibility for the planning, management and control of the company, and therefore the directors, statutory auditors and other executives with strategic responsibilities (so-called "key management personnel") in office as at December 31, 2023 amounted to 2,553 thousand euros and included the amount of emoluments, remuneration for employees, non-monetary benefits, bonuses and other incentives for positions in ADR (the remuneration of directors who held office during the year, including for a fraction of a year, is indicated).

Financial transactions

	12.31.2023		2023		12.31.2022		2022	
(Thousands of euros)	Assets	Liabilities	Income	Expense	Assets	Liabilities	Income	Expense
SUBSIDIARIES								
ADR Assistance S.r.l.	0	6,657	5,000	(50)	0	2,965	0	0
ADR Tel S.p.A.	0	11,799	9,900	(95)	0	13,877	0	(20)
ADR Security S.r.l.	0	6,440	2,640	(68)	0	5,974	0	0
ADR Mobility S.r.l.	0	17,508	8,000	(82)	0	3,548	0	0
Airport Cleaning S.r.l.	0	4,589	3,000	(41)	0	4,001	0	0
ADR Ingegneria S.p.A.	0	2,030	109	(3)	2,554	0	66	0
ADR Infrastrutture S.p.A.	0	5,779	138	(6)	13	0	145	0
Leonardo Energia S.r.l.	0	9,005	42	(105)	0	63	25	0
Fiumicino Energia S.r.l.	0	0	0	0	0	9,000	0	0
TOTAL TRANSACTIONS WITH SUBSIDIARIES	**0**	**63,807**	**28,829**	**(450)**	**2,567**	**39,428**	**236**	**(20)**
RELATED COMPANIES								
Spea Engineering S.p.A.	0	0	0	0	1,350	0	0	0
TOTAL TRANSACTIONS WITH RELATED PARTIES	**0**	**0**	**0**	**0**	**1,350**	**0**	**0**	**0**
TOTAL	**0**	**63,807**	**28,829**	**(450)**	**3,917**	**39,428**	**236**	**(20)**

Financial transactions with the subsidiaries ADR Tel, ADR Assistance, ADR Security, ADR Mobility,Airport Cleaning, ADR Ingegneria, ADR Infrastrutture and Leonardo Energia mainly relate to the cash pooling arrangement, which is conducted on an arm's length basis. The cash pooling has been put into place in order to optimise the management of financial resources and facilitate the settlement of infragroup trading transactions, through the "cash pooling zero-balance" mode described in Note 5.16.
The balance of the financial income item includes dividends paid by the subsidiaries (ADR Tel, ADR Assistance, ADR Security, ADR Mobility, Airport Cleaning) for a total of 28,540 thousand euros.

10. Other information

10.1 REMUNERATION OF INDEPENDENT AUDITORS

In accordance with art. 149-duodecies of Consob Issuers' Regulation, a breakdown of the fees paid to the ADR Group's principal independent auditors is shown in the table below (in thousands of euros):

Type of services	Service provider	Remuneration 2023
ADR S.p.A.		
Auditing	KPMG S.p.A.	155
Certification services (*)	KPMG S.p.A.	287
Other services (**)	KPMG S.p.A.	1
TOTAL		443

(*) EMTN programme comfort letter; Limited assurance engagement on the NFS, the Annual Sustainability Linked Bond Report and the Taxonomy; Certification of Sesar project contributions; Opinion on the interim dividend distribution.
(**) signing of Income Tax Return and 770 forms.

10.2 DISCLOSURE OF PUBLIC GRANTS PURSUANT TO ITALIAN LAW 124/2017

With reference to the transparency obligations required under article 1, paragraphs from 125 to 129 of Italian Law 124/2017, no public grants were collected by the Company in 2023, in accordance with the mentioned provision.

10.3 SIGNIFICANT NON-RECURRING, ATYPICAL AND/OR UNUSUAL EVENTS AND TRANSACTIONS

During 2023, no significant non-recurring, atypical or unusual transactions were carried out either with third parties or with related parties.

10.4 IMPACTS DERIVING FROM THE MACROECONOMIC SITUATION

In preparing these Separate Financial Statements at December 31, 2023, in accordance with IFRS and the recent calls from the supervisory authorities on the financial markets, ADR assessed the impact of the Russian invasion of Ukraine and the War in the Middle East on its financial position, financial performance and cash flows.
The events in Ukraine led to the closure of the airspace in Russia for European airlines, with the consequent reduction to zero of traffic to Ukraine, Russia and Belarus since the first quarter of 2022.
As of the date of these Separate Financial Statements, the Company is constantly monitoring the evolution of these conflicts to identify further risks.
At present, it is believed that there are no significant impacts on the Company's resources and business.

10.5 PROPOSAL TO THE SHAREHOLDERS' MEETING

Dear Shareholders,

the separate Financial Statements as at and for the year ended December 31, 2023 show a profit for the year of 202,129,311.88 euros. We propose, having acknowledged the above considerations, to:

1. approve the Financial Statements as at and for the year ended December 31, 2023, as in the records, with all the documents accompanying them;
2. allocate the portion of the profit for the year, equal to 120,614,898.55 euros, which remains after the interim dividend of 81,514,413.33 euros (i.e. 1.31 euros per share) paid in 2023, as follows:
   - pay a dividend of 1.93 euros for each of the 62,224,743 shares making up the share capital, for a total of 120,093,753.99 euros;
   - allocate the residual portion of the profit for the year of 521,144.56 euros to retained earnings.
3. establish the payment date of the dividend with a value date of May 22, 2024, with detachment of coupon no. 17 on May 20, 2024.

The Board of Directors

11. Subsequent events

For a description of the Subsequent events reference is made to the Consolidated financial statements.

The Board of Directors

Report of the Independent Auditors

Report of the Independent Auditors

KPMG

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

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Aeroporti di Roma S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Aeroporti di Roma S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2023, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Aeroporti di Roma S.p.A. as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of the provisions for renovation of airport infrastructure

Notes to the separate financial statements: note 3 "Accounting policies" – and note 5.14 "Provisions for renovation of airport infrastructure"

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2023 include provisions for renovation of airport infrastructure of €219.9 million (whose non-current and current shares amount to €171.7 million and €48.2 million, respectively). These provisions include the present value of the updated estimate of charges to be incurred by the company for its contractual obligation as concession manager to ensure the due functionality and safety of the airport infrastructure. Estimating these provisions is, by its very nature, complex and highly uncertain, since it may be affected by various factors and assumptions, including technical assumptions about the scheduling and nature of repairs and replacements of the individual infrastructure components. Specifically, assumptions are made about the nature, timing and costs of the work to be performed and the discounting of such costs on the basis of when the work will be performed. For the above reasons, we believe that the measurement of the provisions for renovation of airport infrastructure is a key audit matter.	Our audit procedures included: • understanding the estimation process adopted to measure these provisions; • analysing the reasonableness of the main assumptions underlying the reports prepared by the company's technical personnel about the scheduling, nature and costs of extraordinary maintenance, repairs and replacements; • checking the accuracy and completeness of the data used for the estimates; • analysing the reasonableness of the discount rate applied to these provisions; • checking the accuracy of the calculations made to determine these provisions; • checking the previous years estimates retrospectively, including by analysing any discrepancies between the costs incurred and the previous estimates; • assessing the appropriateness of the disclosures provided in the notes and their compliance with the IFRS.

Other matters

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own separate financial statements. Our opinion on the separate financial statements of Aeroporti di Roma S.p.A S.p.A. does not extend to such data.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 27 April 2021, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2021 to 31 December 2029.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.2.b) of Legislative decree no. 58/98

The company's directors are responsible for the preparation of the reports on operations and on corporate governance and ownership structure at 31 December 2023 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the report on operations and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.2.b) of Legislative decree no. 58/98 with the company's separate financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the company's separate financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Rome, 27 March 2024

KPMG S.p.A.

(signed on the original)

Marco Mele
Director of Audit

Report of the Board of Statutory Auditors

Report of the Board of Statutory Auditors to the Ordinary Shareholders' Meeting of Aeroporti di Roma S.p.A., pursuant to art. 2429 of the Italian Civil Code

To the Shareholders of Aeroporti di Roma S.p.A.

During the year ended December 31, 2023 our activity was inspired by the legal provisions and the Rules of Conduct of the Board of Statutory Auditors issued by the Italian National Board of Chartered Accountants and Accounting Experts.

CONSOLIDATED FINANCIAL STATEMENTS AND SEPARATE FINANCIAL STATEMENTS

We examined the draft consolidated financial statements and the draft separate financial statements for the year ended December 31, 2023, which were approved by the Board of Directors on March 13, 2024 and made available to us according to Article 2429 of the Italian Civil Code, with regard to which we report the following points:

Aeroporti di Roma S.p.A is a company controlled and subject to management and coordination by Mundys S.p.A., which owns 99.39% of the share capital.

ADR manages and coordinates its subsidiaries, ADR Tel S.p.A., ADR Ingegneria S.p.A., ADR Assistance S.r.l., ADR Security S.r.l., ADR Mobility S.r.l., Airport Cleaning S.r.l., ADR Infrastrutture S.p.A., ADR Ventures S.r.l. (established on February 3, 2023) and Leonardo Energia S.r.l., whereas the Joint Venture UrbanV S.p.A. (Joint Venture), is not subject to management and coordination.

The Financial Statements for the year ended December 31, 2023 consisting of the Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Explanatory Notes and the Management Report on Operations, show a profit for the year of 202,129,312 euros and summarise the following figures:

STATEMENT OF FINANCIAL POSITION

(Euros)		12.31.2023
ASSETS		
Non-current assets		2,862,023,648
Current assets		1,203,614,661
TOTAL ASSETS		**4,065,638,309**
SHAREHOLDERS' EQUITY AND LIABILITIES		
EQUITY		**1,192,997,885**
of which share capital		*62,224,743*
of which reserves and retained earnings		*1,010,158,243*
of which profit for the year	*202,129,312*	
less the advance on dividends	*(81,514,413)*	*120,614,899*
Non-current liabilities		**2,184,152,510**
Current liabilities		**688,487,914**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**4,065,638,309**

INCOME STATEMENT

(Euros)	2023
Income	1,128,855,184
Costs	(840,619,290)
OPERATING PROFIT (LOSS)	**288,235,894**
Net financial income (expense)	(7,454,670)
PROFIT (LOSS) BEFORE TAXES	**280,781,224**
Income taxes	(74,334,912)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	**206,446,312**
Profit (loss) from discontinued operations/assets held for sale	(4,317,000)
NET INCOME (LOSS) FOR THE YEAR	**202,129,312**

At Group level, the profit amounted to 193.4 million euros.

Equity attributable to the owners of the parent amounted to 1,208.8 million euros, up by 112.7 million euros compared to December 31, 2022 due to the profit for the year (+194.2 million euros), net of the distribution of an advance on dividends for the financial year 2023 in the amount of 81.5 million euros.

The consolidated net cash flows for the year, which were negative for 115.7 million euros, decreased the closing cash and cash equivalents to 909.3 million euros, compared to the opening balance of 1,025.0 million euros.

The Annual Integrated Report of the ADR Group was prepared again in 2023 (the third edition), providing a comprehensive, measurable and transparent view to Stakeholders of its financial and sustainability performance and, therefore, of the value generated by the Group in economic and in environmental, social and governance terms. It offers an integrated and complete illustration of the Company and its connectivity opportunities for Rome, Italy and the Mediterranean with the aim of ensuring operational excellence.

The structure of the Annual Integrated Report consists of the Report on Operations, integrated with the Non-Financial Statement ('NFS'), prepared on a voluntary basis pursuant to Italian Legislative Decree 254/2016, the Consolidated Financial Statements as at December 31, 2023, the Financial Statements of ADR S.p.A. as at December 31, 2023 and, after approval of the Financial Statements, the Resolution of the Ordinary Shareholders' Meeting.

The Board of Statutory Auditors, not being appointed to perform the statutory audit, carried out the supervisory activities envisaged in Rule 3.8 of the 'Rules of conduct for the Boards of Statutory Auditors of unlisted companies' consisting of an overall summary check aimed at verifying that the financial statements have been drawn up correctly. Verification of compliance with the accounting data is in fact the responsibility of the person in charge of the statutory audit.

That said, we would like to inform you that the Board of Statutory Auditors has checked compliance with the legal provisions relating to the preparation of the financial statements and has no observations to report in this regard, having - through information provided by the Directors, the Heads of Corporate Departments and the Independent Auditors - found that:

- the accounting statements and the valuation criteria adopted comply with the legal provisions and are adequate in relation to the activity performed by the Company;
- in drawing up the Draft Financial Statements, the Directors have complied with the principles set out in article 2423 and 2423-bis of the Italian Civil Code, without applying the derogation set forth in the fourth paragraph of the aforementioned art. 2423;

- pursuant to art. 2426, first paragraph, no. 5 and no. 6 of the Italian Civil Code, the Board of Statutory Auditors specifies that no multi-year costs (start-up, expansion, research and development, advertising) for which the Board of Statutory Auditors is expected to express its consent are recorded under assets in the balance sheet;
- the Draft Financial Statements, as prepared, correspond and are consistent with the facts and information the Board of Statutory Auditors is aware of as a result of participation in the meetings of corporate bodies and the supervisory activities carried out during the year;
- the accounting standards and valuation criteria are set out in the Explanatory Notes.

As explained in greater detail in the management report on operations, the Directors have prepared the Financial Statements on a going concern basis.

In this regard, we can report that the notes to the financial statements and the report on operations fully illustrate the risk associated with the evolution of the economic situation; the accounting standards applied are analytically indicated in the Notes and there are no differences with respect to the previous year.

The Board also examined the Draft Consolidated Financial Statements for the year ended December 31, 2023, prepared pursuant to Article 2 of Italian Legislative Decree no. 38/2005, in compliance with IFRSs issued by the IASB and endorsed by the European Commission, in force at the reporting date. The Notes also provide details of the accounting standards and the consolidation scope.

With respect to the Financial Statements for the year ended December 31, 2022, note the inclusion in the consolidation scope of the new company, ADR Ventures S.r.l., incorporated on February 3, 2023 with a capital injection of 2 million euros (of which 10 thousand euros as share capital), fully subscribed by the sole shareholder ADR. The new company's purpose relates to Corporate Venture Capital activities in order to invest in the development of start-ups with high innovative potential, similar to their relevant sector.

In addition, with effect from November 1, 2023, the reverse merger by incorporation of Fiumicino Energia S.r.l. into Leonardo Energia S.r.l. (change of legal status from S.c.a r.l. to S.r.l. on October 24, 2023) took effect, pursuant to articles 2501-ter and 2505 of the Italian Civil Code. Consequently, from November 1, 2023 ADR holds the entire share capital of Leonardo Energia S.r.l.

With reference to unconsolidated equity investments, note the following:

- reclassification of the 19% equity investment in Spea Engineering under Assets held for sale, in relation to ADR's intention to proceed with its sale by the end of 2024 and consequent measurement at fair value;
- acquisition by the subsidiary ADR Ventures S.r.l. of 1.7049% of the start-up Assaia Inc.

From January 1, 2023, the sale of the business unit "Development and operation of networks, infrastructures and IT systems" from ADR Tel to ADR became effective, after formalisation of the sale agreement on December 20, 2022. As this is an intercompany transaction, the effects are correctly reversed in the consolidated financial statements.

We report that on March 27, 2024 KPMG S.p.A., the independent auditor in charge of the statutory audit, issued the reports pursuant to Article 14 of Italian Legislative Decree 39/2010 and Article 10 of Regulation (EU) no. 537/2014, and the additional report pursuant to Article 11 of Regulation (EU) no. 537/2014. These state that the consolidated financial statements and the separate financial statements give a true and fair view of the financial position as at December 31, 2023, of the results of operation and of the cash flows of the ADR Group and Aeroporti di Roma S.p.A., respectively, in compliance with the International Financial Reporting Standards adopted by the European Union and with the measures issued to implement Article 9 of Italian Legislative Decree no. 38 of February 28, 2005. With reference to these reports, the Board of Statutory Auditors stated that KPMG highlighted the elements underlying the audit opinion, the key aspects of the audit and the procedures consequently activated as the audit response. In the Additional Report, KPMG declared, pursuant to art. 6 of Regulation (EU) no. 537/2014, its independence and also declared that other than the audit, no services were provided which are forbidden pursuant to Article 5, par. 1 of Regulation (EU) no. 537/2014. On the basis of the documentation and information received, the Board does not believe that there are any aspects to be highlighted with regard to the independence of the independent auditor.

We verified the compliance with the legal provisions regarding the preparation of the management report on operations and acknowledged that the Independent Auditors carried out the procedures specified in the audit standard (ISA Italia) no. 720 B and expressed an opinion on the consistency of the management report on operations and the specific section on corporate governance, under par. 2, letter b) of Article 123-bis of Italian Legislative Decree no. 58 of February 24, 1998, with the consolidated financial statements and the separate financial statements of Aeroporti di Roma for the year ended December 31, 2022, and their conformity with the legal provisions. The Independent Auditors also declared they have nothing to report with reference to the statement under Article 14, par. 2, letter e) of Italian Legislative Decree no. 39 of January 27, 2010, issued on the basis of the knowledge and understanding of the company and the relevant context, as acquired during the auditing activity. In addition, the independent auditor issued their report on the non-financial statement prepared by the directors pursuant to Article 6(1) of Italian Legislative Decree No. 254 of December 30, 2016 without remarks.

The Board of Statutory Auditors also highlights:

Transactions with related parties
The transactions performed by the ADR Group with related parties were carried out in the interest of the Group and are part of ordinary operations. Such transactions are regulated on a basis that is equivalent to those between independent parties. During the year, no transactions of greater significance or other transactions were concluded that significantly influenced the financial position or results of the Group.

Disclosure of public grants pursuant to Italian Law 124/2017
With reference to the transparency obligations required under article 1, paragraphs 125 to 129 of Italian Law 124/2017, no public grants were collected by the ADR Group in 2023, according to the mentioned provision.

Subsequent events
Significant events after the end of the year are detailed in the Directors' Report. We have no observations to make in this regard.

Supervisory Activity
The Board of Statutory Auditors monitored compliance with the Law and the Articles of Association and compliance with the principles of proper management, ensuring that the transactions approved and carried out by the Directors were compliant with the aforementioned rules and principles, as well as inspired by principles of cost effectiveness and not manifestly imprudent or risky, in conflict of interest with the company, in conflict with resolutions of the Shareholders' Meeting, or such as to compromise the integrity of corporate assets. The Board believes that the governance tools and institutions adopted by the Company represent a valid safeguard for compliance with the principles of proper management.

During 2023, the Board of Statutory Auditors met thirteen times, and attended one Shareholders' Meeting and ten meetings of the Board of Directors.

The Board of Statutory Auditors, in the person of its Chairman or through at least one appointed auditor, also participated in the meetings of the Board Committees (Risk Control, Human Resources and Sustainable Development). The Board of Statutory Auditors regularly participates in the work of the Control and Risk Committee, including in joint meetings.

We acquired information from the Directors and the Governing Bodies as regards the general operating performance and the business outlook as well as on the most significant transactions in terms of size or characteristics, carried out by the Company and, based on the information acquired, we have no special remark to make.

We met with the independent auditor, and no relevant information or data emerged that would require mention in this report.

We met with the *Internal Audit* structure, and no relevant information or data emerged that must be highlighted in this report.

Pursuant to Italian Legislative Decree 231/2001, we met with the Supervisory Body, and no issues emerged as regards the correct implementation of the Organisational and Management Model that would require mention in this report.

We met the Board of Statutory Auditors of the Parent Company and exchanged information with the control bodies of the subsidiary undertakings of ADR. No facts or circumstances worthy of your attention emerged from these exchanges.

We have acquired knowledge of and supervised, to the extent of our responsibility, the adequacy of the organisational, administrative and accounting structure of the Company and its actual functioning, also by collecting information from the heads of functions and the independent auditor, as well as from corporate documents, and in this regard we have no particular observations to report.

No reports were made pursuant to art. 2408 of the Italian Civil Code.

During 2023, the Board of Statutory Auditors, in accordance with art. 2389 of the Italian Civil Code, expressed its opinion on the determination of remuneration due to the Chairman of the Board of Directors, appointed by the Shareholders' Meeting of April 20, 2023, and to the Chief Executive Officer.

During the supervisory activity, as described above, no significant events emerged that are such to require mention in this report.

Corporate Crisis and Insolvency Code

Periodic monitoring was carried out for the purposes of assessing any symptoms of economic, financial or equity hardship such as to reveal a situation of difficulty to be reported to the administrative body pursuant to and for the purposes of Article 15 of Italian Law Decree no. 118/2021.

Conclusions

Dear Shareholders,

Based on the above and in summarising the supervisory activities carried out during the year, also taking into account the results of audit activities carried out on the Financial Statements as indicated in the specific report of the independent auditors, the Board of Statutory Auditors found no specific critical issues, omissions, reprehensible facts or irregularities. Therefore, it raises no objection to the approval of the financial statements for the year ended December 31, 2023 and the resolution proposals formulated by the Board of Directors regarding allocation of the residual profit for the year of 120,614,899 euros as follows: 120,093,754 euros as the balance of dividends and the remaining 521,145 euros as retained earnings.

This report was unanimously approved by the Board of Statutory Auditors.

For the Board of Statutory Auditors

Chairman
Giuseppe Cosimo Tolone

Rome, March 27, 2024

Annexes

Annex 1 - Key data from the financial statements of Mundys S.p.A. for the year ended December 31, 2022

On January 19, 2024, the Board of Directors of ADR, at the invitation of the majority shareholder Mundys S.p.A., acknowledged that, at present, there is nothing to suggest that Mundys S.p.A. does not manage and coordinate ADR pursuant to Art. 2497-sexies of the Italian Civil Code, which therefore remains ascertained.
As a consequence, the Board of Directors of ADR resolved to fulfil all the obligations envisaged by Article 2497-bis of the Italian Civil Code with regard to the related disclosure regime, both in public registers and in the deeds and correspondence in relation to Mundys' management and coordination of ADR S.p.A. It also resolved to include in the draft financial statements to be submitted to the Board for approval, all the information required in connection with being subject to management and coordination by Mundys.
Key data from the Financial statements of Mundys as at and for the year ended December 31, 2022, the latest available financial statements, are shown in the table below:

FINANCIAL STATEMENTS OF MUNDYS AT DECEMBER 31, 2022

Statement of financial position

(Thousands of euros)	12.31.2022
Assets	
Non-current assets	8,738,758
Current assets	8,624,173
TOTAL ASSETS	**17,362,931**
EQUITY AND LIABILITIES	
Equity	13,612,363
of which share capital	825,784
Non-current liabilities	3,576,222
Current liabilities	174,346
TOTAL EQUITY AND LIABILITIES	**17,362,931**

Income statement

(Thousands of euros)	2022
Operating income	2,301
Operating costs	(78,967)
OPERATING PROFIT (LOSS)	**(76,666)**
INCOME (LOSS) FOR THE YEAR	**2,862,087**

Resolutions of the Shareholders' Meeting

Resolutions of the Ordinary Shareholders' Meeting of April 22, 2024

The Ordinary Shareholders' Meeting resolved to:

1. approve the Financial Statements as at and for the year ended December 31, 2023 which show a profit for the year of 202,129,311.88 euros, with all the documents accompanying them;

2. allocate the portion of the profit for the year, equal to 120,614,898.55 euros, which remains after the interim dividend of 81,514,413.33 euros (i.e. 1.31 euros per share) paid in 2023, as follows:

   - pay a dividend of 1.93 euros for each of the 62,224,743 shares making up the share capital, for a total of 120,093,753.99 euros;
   - allocate the residual portion of the profit for the year of 521,144.56 euros to retained earnings.

3. proceed to the distribution of the dividend with a value date of May 22, 2024, with detachment of coupon no. 17 on May 20, 2024.

AEROPORTI DI ROMA

Aeroporti di Roma S.p.A.

Registered office:
Via Pier Paolo Racchetti 1
00054 Fiumicino (Rome)

VAT Number: 06572251004
Tax Code and Rome Companies' Register no.: 13032990155

Fully paid-in share capital:
Euro 62,224,743.00

"A company managed and coordinated by Mundys S.p.A."

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