



**ANNUAL REPORT ON CORPORATE GOVERNANCE
AND THE OWNERSHIP STRUCTURE**
Pursuant to art. 123 bis of the Consolidated Finance Act ("CFA")
(2011)

TRADITIONAL MANAGEMENT AND CONTROL MODEL

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www.atlantia.it/it/corporate-governance/

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Introduction

This report is intended to provide a general and complete overview of the corporate governance system adopted by Atlantia SpA.

In compliance with the legal and regulatory obligations in this regard, the Report contains information on the ownership structure, adherence to the Codes of Conduct and the observance of the consequent commitments, highlighting the choices that the Company has made in application of corporate governance principles.

The text of this Report is published on the internet website of the Company, www.atlantia.it/en/corporate-governance/ and has been sent to the Italian Stock Exchange in accordance with the terms and procedures set forth under applicable regulations.

1. Profile of Atlantia S.p.A.

The Articles of Association of Atlantia provide that the Company has the following corporate purpose: a) the acquisition of investments and interests in other Companies and Entities; b) the financing, also through the issue of guarantees, indemnities and collateral and technical, industrial and financial coordination of Companies or Entities in which it has shares; c) any equity, real estate, financial and industrial investments, both in Italy and abroad.

Ancillary to its principal business, the Company may also purchase, own, manage, use, update and develop, directly or indirectly, trademarks, patents and know-how concerning electronic tolling systems and related or connected activities.

In accordance with the current Articles of Association, Atlantia has adopted a traditional type system of management and control. Corporate management is assigned to the Board of Directors, while all aspects concerning supervisory functions are assigned to the Board of Statutory Auditors and responsibility for auditing the Company's accounts to the Independent Auditors appointed by the shareholders at their meeting.

2. Information on the ownership structure

a) Structure of the Share capital

Atlantia SpA's share capital consists of 630,311,992 ordinary voting shares with a par value of €1.00 each. Information on share-based incentive plans, in the form of stock options and/or stock grants, is provided in the remuneration report prepared pursuant to art. 84-*quater* of the Regulations for Issuers, which is available on the Company's website (www.atlantia.it/it/corporate-governance/assemblee.html).

b) Significant interests

Based on disclosures made to the Company and the CONSOB pursuant to art. 120 of Legislative Decree 58/98, the following **shareholders have significant interests in the Company at 31 December 2011**:

- Edizione Srl¹ with 46.028% held through Sintonia SA, which directly holds 8.965%, and Schemaventotto SpA (a wholly owned subsidiary of Sintonia SA), which holds 37.063%;
- Fondazione Cassa di Risparmio di Torino with 6.761%;
- Norges Bank with 2.501%
- Lazard Asset Management LLC with 2.057%
- Black Rock Inc. with 2.007 %
- Atlantia SpA own shares amounting to 2.007% of its share capital.

c) Shareholder agreements

Pursuant to art. 122 of the Consolidated Finance Act and the relevant provisions of the Regulations for Issuers, a shareholder agreement was executed on 15 January 2008 between Sintonia SA, Sintonia SpA (now Edizione Srl), Mediobanca – Banca di Credito Finanziario SpA and Sinatra Srl (a company owned by GS Infrastructure Partners), concerning Sintonia SA and, in certain clauses, Atlantia SpA (the "Agreement"). An extract from the Agreement was published in the daily newspapers, "il Sole 24 Ore", "Milano Finanza" and "Finanza & Mercati" on 25 January 2008. On 15 April 2008 Elmbridge Investment Pte. Ltd. ("Elmbridge") became a party to the Agreement. Subsequently, on 19 December 2008, certain terms and conditions in the Agreement concerning Sintonia SA were amended (Capital increases, Co-sale rights and obligations, composition and decision-making quorum for Board of Directors' resolutions) and an extract of these amendments was published in "Il sole 24 Ore" on 28 December 2008. The Agreement was further amended on 25 November 2010, following the change in the number of shares held and contributed to the Agreement by Mediobanca and Elmbridge in accordance with the Agreement's provisions. An extract of these amendments was submitted to the CONSOB and published in "Il Sole 24 Ore" on 28 November 2010.

During 2011 Edizione Srl, also acting on behalf of the other signatories, announced, in compliance with the related regulations in force, changes in the number of shares in Sintonia SA and in Atlantia SpA held by Elmbridge and covered by the Agreement. The changes were announced in notices published in "Il Sole 24 ore".

These notices were as follows:

- **on 1 July 2011** the company published a notice announcing that: i) during the first half of 2011 Schemaventotto SpA, a wholly owned subsidiary of Sintonia SA, had acquired a total of 5,829,820 shares in Atlantia, equal to 0.96 % of the latter's issued capital. The

¹ After the merger of Edizione Holding SpA and Sintonia SpA with and into Ragione became effective, from 1 January 2009 Ragione itself took the name of Edizione Srl and assumed direct control of the sub-holding, Sintonia SA, which in turn controls investments in the utilities and infrastructure sectors, including, among others, Atlantia.

percentage interest in Atlantia directly and indirectly held by Sintonia SA and covered by the Agreement, thus increased from 42.248% to 43.208%; ii) on 21 June 2011, in partial execution of the authority granted to the board of directors of Sintonia SA by the Extraordinary General Meeting of 15 January 2008, Sintonia SA had issued 26,301 new shares reserved to Elmbridge. The shares were fully subscribed by the latter, thus increasing the number of Sintonia SA shares held and contributed to the Agreement from 86,664 (equal to 6.99%) to 112,965 (equal to 8.92%);

- **on 25 November 2011** the company published a notice announcing that: i) in partial execution of the above authority granted to the board of directors, Sintonia SA had issued a further 71,564 new shares reserved to Elmbridge. The shares were fully subscribed by the latter, thus increasing the number of Sintonia SA shares held and contributed to the Agreement from 112,965 (equal to 8.92%) to 184,529 (equal to 13.80%); ii) Schemaventotto SpA had acquired further shares in Atlantia, equal to 0.977% of Atlantia's issued capital;

- **on 5 January 2012** the company published a notice announcing that, at 31 December 2011, Schemaventotto had acquired a further 11,618,599 shares in Atlantia, equal to 1.843% of the Company's issued capital.

As a result of the above transactions, the number of shares in Atlantia SpA held by Sintonia SA at 31 December 2011, either directly or indirectly, through Schemaventotto SpA, amount to 290,120,718, equal to 46.028% of the Company's issued capital.

d) Change of control and similar clauses

The main financing contracts, including those for bond issues, include the standard clauses which, unless there is prior agreement with the lenders, require early repayment of debts should Atlantia no longer control Autostrade per l'Italia. In the case of two loans, this obligation is also effective if Sintonia's investment in Atlantia no longer qualifies as a controlling interest.

Furthermore, the Single Concession Agreement in force, executed on 12 October 2007 by the subsidiary, Autostrade per l'Italia, and ANAS – and approved by Law 101 dated 6 June 2008 – expressly identifies the requirements that, in the event of a change of control of the operator, pursuant to art. 2359 of the Italian Civil Code, must be met by the new controlling entity. The failure to meet such requirements may result in termination of the concession.

Specifically, these requirements are:

- equity resulting from the prior year financial statements of at least €10 million for each percentage point of the interest in the operator's issued capital;
- location of the corporate headquarters in a country not included in the list of tax havens;
- maintenance of the operator's corporate headquarters in Italy and of its technical and management expertise, and also an undertaking to ensure that the operator has the means to fulfil its obligations under the agreement;
- a management body composed of persons that meet the related professional requirements and, if appropriate, the independence requirements provided for in Legislative Decree 58/1998, and that satisfies the requirements for companies listed on a stock exchange, as established by the laws of the country in which the company has its headquarters.

A substantially similar clause is included in the single concession agreements of the motorway operators controlled by Autostrade per l'Italia (except for the company that manages the Mont Blanc Tunnel), which were signed in 2009 and approved pursuant to Law 191 of 23 December 2009. These agreements came into effect at the end of 2010, following the execution of documents implementing the requirements of the CIPE resolutions of 13 May 2010.

e) Authority to purchase treasury shares

Pursuant to art. 123 bis, first paragraph, letter m), it should be pointed out that at the General Meeting held on 20 April 2011, the shareholders revoked the unexecuted part of the previous authority for the purchase of treasury shares dated 14 April 2010, granting the Board of Directors a new authority to purchase in the market, pursuant to the applicable laws, up to a maximum of 60,029,713 treasury shares - including the 12,050,446 treasury shares already acquired by the Company in execution of the former resolution and not yet sold at 20 April 2011 - within 18 months of the shareholder resolution. The General Meeting also authorised the shares to be purchased at a price not lower than 20% below and not more than 20% above the price of Atlantia's shares quoted by Borsa Italiana SpA on the trading day prior to each individual transaction.

Finally, the number of own shares in portfolio at the end of 2011 is 12,652,968, equal to 2.007% of the issued capital.

f) Management and coordination activities

Sintonia SA, via Schemaventotto SpA, is the shareholder that directly and indirectly holds a relative majority of the issued capital of Atlantia SpA.

Schemaventotto SpA's transfer of majority control of Atlantia SpA to the Company's current ownership structure was carried in 2008. As the situation stands, therefore, Sintonia SA, in part through Schemaventotto SpA, is deemed to hold sufficient voting rights to exercise dominant influence at the ordinary general meetings of Atlantia SpA's shareholders, pursuant to art. 2359 of the Italian Civil Code, as referred to by art. 2497-sexies of the Code.

The fact that Atlantia is not managed and coordinated by the parent Sintonia SA, was confirmed in a specific joint declaration sent to Atlantia SpA on 12 March 2009 by Sintonia SA and Schemaventotto SpA. Given that there have not been any further announcements or changes in circumstances, the basis for considering Atlantia as not subject to management and coordination by its parents, Sintonia SA and Schemaventotto SpA, is deemed to be unchanged.

On 20 March 2009 Atlantia's Board of Directors thus issued an attestation stating that Atlantia is not subject to the management and coordination of either Sintonia SA or Schemaventotto SpA.

Given that there have not been any further announcements or changes in the relevant circumstances, the basis for considering Atlantia as not subject to management and coordination by its parents, Sintonia SA and Schemaventotto SpA, is deemed to be unchanged.

With reference to relations between Atlantia SpA and its subsidiary, Autostrade per l'Italia SpA, after due consideration on 14 February 2008 Atlantia's Board of Directors acknowledged that Autostrade per l'Italia continues to be subject to the management and coordination of Atlantia, since the circumstances that previously determined this situation had not changed.

As noted in previous reports, following the reorganisation of the Group in 2007, confirming Atlantia SpA's role as a holding company responsible for investments and portfolio strategies and Autostrade per l'Italia's role as an independent sub-holding company operating in the motorway sector, the Board of Directors, on 14 December 2007, partially in consequence of the company's new Corporate Governance Code, transferred responsibility for management and coordination of the operators and industrial companies controlled by its subsidiary to Autostrade per l'Italia itself.

As a result, Autostrade per l'Italia and Autostrade per l'Italia's subsidiaries have complied with the requirements of art. 2497 bis of the Italian Civil Code and continue to do so at this time.

It should be noted that:

- the information required by art. 123-bis, first paragraph, letter i) (*agreements between the Company and Directors, members of the management or supervisory board, which provide for indemnities in the case of resignation or dismissal without just cause or if their working relations cease following a public tender offer*) are illustrated in the Remuneration Report published pursuant to art. 123 ter of the CFA;
- the information required by article 123-bis, paragraph one, letter l) (*the regulations applicable to the election and replacement of Directors and members of the management and supervisory board, and the amendment of the Articles of Association, if different from the applicable legal and regulatory terms*) are illustrated in the section of the Report concerning the Board of Directors (section 4); it should be noted that the regulations applicable to the amendment of the Articles of Association are the applicable legal and regulatory terms stated by the law.
- with reference to the information required by art. 123-bis, paragraph one, letter m), it should be noted that no powers for capital increases pursuant to art. 2443 of the Italian Civil Code or for financial instruments issuing have been conferred on the Directors
- there are no circumstances as provided for by art. 123-bis, paragraph one, letters b), d), e) and f) or paragraph two, letter c).

3. Compliance

Atlantia SpA's corporate governance system is based on a collection of rules that are in line with the most recent market and regulatory standards. This system has been created and revised over time via the introduction of rules that substantially correspond with the development of the business and the indications provided by Borsa Italiana SpA (the company that manages the Italian Stock Exchange) in its Guidelines to the Corporate Governance Code for Listed Companies.

It is based substantially on the principles and criteria in the Corporate Governance Code published by Borsa Italiana in March 2006 and amended, in respect of art. 7 relating to the remuneration of directors and key management personnel, in March 2010.

At a meeting held on 14 December 2007, Atlantia's Board of Directors adopted the Company's own Corporate Governance Code, which complied with the Code of Conduct approved in 2006, but which has tailored the general principles set out in the Code to suit the specific characteristics of Atlantia.

On 11 November 2011 the Board of Directors revised the Company's Corporate Governance Code, partly to take account of amendments to the Corporate Governance Code for Listed Companies introduced by the Corporate Governance Committee (the new version of art. 7 adopted in March 2010).

The Company's current **Corporate Governance Code** has - except for certain specific items and exemptions described below – substantially applied the principles and criteria set out in Borsa Italiana's Code.

As explained in the reports on corporate governance and the ownership structure published in previous years, the Company had already substantially incorporated the recommendations contained in Borsa Italiana's Code of 1999 and in the revised version of July 2002.

These recommendations were thus implemented by the Company during 2011, as detailed later in this Report, which has been prepared in accordance with indications from Assonime and Emittenti Titoli and the indications contained in the third edition of the format for corporate governance reports published by Borsa Italiana (February 2012).

The full text of the latest version of Atlantia SpA's Corporate Governance Code, as revised by the Board of Directors on 11 November 2011, is available on the Company's website at www.atlantia.it/it/corporate-governance/.

The regulations contained in the Articles of Association and the General Meeting Regulations complete the Company's corporate governance system.

4. Board of Directors

4.1 Election and replacement

As regards the appointment of Directors, the Articles of Association, changed in accordance with Legislative Decree 27 of 27 January 2010 by resolution of the Board of Directors on 21 October 2010, provide that the list of proposed candidates and the relevant information must be deposited at the Company's registered office at least 25 days prior to the date of the General Meeting to be held in first or one call. The lists are made available to the public, in accordance with the procedures required by the applicable regulations, at least 21 days prior to the date of the General Meeting to be held in first or one call. Only shareholders who individually, or jointly with other shareholders, represent at least 1% of the issued capital (or the minimum shareholding to be determined in accordance with the applicable laws and regulations) at the date the lists are deposited with the Company have the right to submit lists. The percentage of 1% is in line with the CONSOB regulations contained in resolution 17633 of 26 January 2011.

The Articles of Association also provide that for the purposes of allocation of the Directors to be elected, account is not taken of lists that do not obtain a percentage of votes at least equal to half of the percentage required for submission of the lists.

As regards the mechanism for ensuring the election of at least one minority Director, in accordance with art. 20 of the Articles of Association, four fifths of the Directors to be elected are taken from the list receiving the majority of votes. The other Directors are taken from the other lists that are not in any manner connected, even indirectly, with the shareholders who submitted or voted for the list that obtained the most votes.

The Board of Directors in office at 31 December 2011 was elected by shareholders at the General Meeting of 14 April 2010.

At the General Meeting held on 14 April 2010, the shareholders approved the proposal that the number of members of the Board of Directors should be fifteen and, in accordance with art. 19, paragraph 3 of the Articles of Association, voted to fix the term of office of the new Board of Directors as three financial years.

Fifteen Directors were therefore appointed for the financial years 2010, 2011 and 2012, based on the lists submitted by the shareholders in accordance with the terms and procedures provided for by art. 20 of the Articles of Association and published in national daily newspapers.

Pursuant to art. 20, letter b) of the Articles of Association, 12 Directors were elected from the majority list submitted by the shareholders, Sintonia SA and Schemaventotto SpA: Fabio Cerchiai, Chairman; Giovanni Castellucci, Chief Executive Officer; Gilberto Benetton; Alessandro Bertani; Stefano Cao; Roberto Cera; Alberto Clô; Carlo Malinconico; Giuliano Mari; Gianni Mion; Giuseppe Piaggio and Paolo Zannoni.

Pursuant to art. 20, letter c) of the Articles of Association, 3 Directors were elected from the minority list submitted by the Fondazione Cassa di Risparmio di Torino: Alberto Bombassei; Antonio Fassone and Antonio Turicchi.

The Director, Carlo Malinconico, resigned his directorship with effect from 30 November 2011.

After the end of the financial year, the Board of Directors, at their meeting of 20 January 2012, co-opted Monica Mondardini on to the Board in place of Carlo Malinconico, pursuant to art. 2386 of the Italian Civil Code.

Succession planning

There is no succession plan in place for members of the Board or executive Directors. Atlantia's Board of Directors are, however, the body with responsibility for coordinating and managing the eventual replacement of a serving Director, if any. The procedures and timing are linked to the related circumstances.

The Human Resources and Remuneration Committee began to look at this issue in 2011.

4.2 Composition

Therefore, the Board of Directors in office at 31 December 2011 was composed of fourteen Directors, including twelve non-executive Directors and two executive Directors (the Chief Executive Officer and the Chairman). Following the co-option of Monica Mondardini on 20 January 2012, the number of non-executive Directors is again thirteen.

The number and powers of **non-executive Directors** are such as to ensure that their opinions carry significant weight in the decision-making process and that their specific skills and expertise are brought to bear on deliberations, thus helping to ensure that the decisions taken are in keeping with the Company's best interests.

Currently, the Directors, Messrs Benetton, Bertani, Bombassei, Cao, Cera, Clô, Fassone, Mari, Mion, Mondardini, Piaggio, Turicchi and Zannoni are considered to be non-executive. The Company's Corporate Governance Code specifies that Directors accept their election when they believe that they can devote enough time to carry out their duties diligently, also in view of the number of positions as a director or statutory auditor held in other Italian and foreign companies listed on regulated markets, and in financial, banking, insurance or other large companies. Table 2 summarises the number of positions in such companies held by each Director at 31 December 2011, in addition to their position in Atlantia SpA. Annex A lists the positions.

4.3 Role of the Board of Directors

The Board of Directors is the corporate body responsible for the management of the Company and is, therefore, the only body with the **authority** and full **powers** to conduct the affairs of the Company in pursuit of the priority objective of creating shareholder value. In performing its duties, the Board complies with the principles of proper management of the Company and its affairs by observing all relevant laws and regulations and requirements of the Code of Ethics.

It oversees the proper execution and performance of powers that it has delegated and has the power to direct the performance of powers so delegated and to assume responsibility for related transactions.

It receives accurate and timely reports by holders of delegated powers within the Company regarding the performance of those powers and with respect to the Company's business undertakings and their outlook, as well as transactions entered into by the Company and the Group that are considered material due their size or nature.

The Board of Directors has, among other things, sole responsibility for:

- drawing up and adopting the Company's corporate governance rules, setting out the guidelines for the Group's corporate governance;
- appointments to the Supervisory Board established by the Board of Directors in accordance with Legislative Decree 231 of 8 June 2001 and approval of the Organisational, Management and Control Model adopted by Atlantia SpA;

- approving short and long-term strategic, operating and financial plans for the Company and the Group, in addition to making any business changes that become necessary to undertake strategic transactions that were originally not included in the plans;
- ensuring that transactions with related parties are at all times subject to its sole control, and are conducted in compliance with the laws and regulations and with the provisions of the Corporate Governance Code;
- approving annual budgets for the Company and consolidated budgets for the Group;
- approving transactions entered into by the Company that are of strategic or commercial significance or have a material effect on the Company's results of operations, financial position or cash flows;
- determination, conferral and revocation of powers to the Chairman, Chief Executive Officer and any other executive Directors; appointment of members of the Human Resources and Remuneration and the Internal Control and Corporate Governance committees, establishing any limits thereto, the manner in which their powers are to be exercised and the frequency at which the officers (at least quarterly) and committees (at least half yearly) holding such powers are required to report on the activities undertaken in the performance of their delegated powers and duties;
- determining, subsequent to having reviewed proposals by the Human Resources and Remuneration Committee and consulted with the Board of Statutory Auditors in accordance with law, the remuneration of the Chairman, the Chief Executive Officer and, if appointed, executive Directors and, unless the preserve of General Meetings, the allocation of the total funds so earmarked to individual members of the Board and Board Committees, as established by this Code;
- assessing the adequacy of the organisational, administrative and accounting structure of the Company and the Group; reviewing and assessing the general performance of the Company and the Group with periodic comparison of actual with forecast results; reviewing and assessing the existence of any conflicts of interest; the performance of such reviews with reference to information received from delegated bodies, the Company's and Group's management and the internal audit function, and particularly any information received from the Chairman, Chief Executive Officer and the Internal Control and Corporate Governance Committee;
- without prejudice to the powers restricted to General Meetings, and in consultation with the Human Resources and Remuneration Committee to the extent so responsible, the approval and implementation of any cash or share incentive plans for the Company's employees, determining the content and criteria of such plans for the employees of subsidiaries belonging to the Group;
- the appointment of one or more individuals to take charge of the Company's internal controls.

In consultation with the Board of Statutory Auditors, the Board of Directors also appoints and terminates the appointment of the Manager Responsible for Financial Reporting.

Activities in 2011

During 2011 the Board of Directors of Atlantia SpA held a total of 11 meetings.

The average percentage attendance at the 11 Board of Directors' meetings held was approximately 92% (the percentage attendance of each of the Directors in office in 2011 is shown in Table 2).

On the occasion of the meetings Directors were provided with all the necessary documentation to ensure fruitful participation in Board discussions.

The Company's Chief Financial Officer, who is also the person assigned the role of Manager Responsible for Financial Reporting, participated in all Board meetings.

In order to enable the Directors to carry out their duties in an informed manner, the Company's Chairman has launched a number of initiatives aimed at increasing their knowledge of the Company and how it operates, including updates on developments in the regulatory environment. In particular, induction days were held on 18 February, 9 June and 15 September 2011, during which Board members and the Statutory Auditors were provided with information concerning strategy and the state of play regarding service areas, procurement, in-house energy production and energy saving, payment systems technology and the related business, pavement maintenance systems and civil engineering works, the Eco Taxe Poid Lourds project and activities involved in the Communication Plan.

At its meeting of 14 October 2011, the Board of Directors approved the calendar of Board meetings it expects to be held during 2012. On this basis, 11 meetings have been planned.

A financial calendar is published by the end of the first month after the close of the financial year, showing the dates of Board of Directors' meetings to examine the annual and interim reports and the date of the General Meeting to approve the annual report. The financial calendar is available on the Company's website at www.atlantia.it.

Assessment of the size, composition and functionality of the Board of Directors

The Corporate Governance Code requires the Board of Directors, at least once a year, to review the composition and performance of the Board and its Committees.

The Board may, at its discretion, express an opinion on the maximum number of positions as directors or statutory auditors in companies listed in Italy, or abroad, that Directors of the Company may hold in financial, banking and insurance companies, or in any other large companies, such that these positions are compatible with the effective performance of their duties as a Director of the Company.

At its meeting of 11 November 2011, the Board of Directors decided that, after 2 years of internal self-assessment, this year's assessment should be conducted with the support of an external consultant. At its meeting of 16 December 2011, the Board thus agreed to engage the consultancy firm Crisci & Partners to conduct an assessment of the composition and functionality of the Board of Directors and Board Committees.

The self-assessment was conducted on the basis of a questionnaire and one-to-one interviews, which took place during January and February.

The questionnaire and related interviews covered different aspects regarding the composition and functionality of the Board and the various Board committees. The results were then analysed in order to identify any room for improvement.

The 2011 self-assessment confirmed the high degree of Atlantia's compliance with Borsa Italiana's Corporate Governance Code and the continuing functionality of the Board in accordance with the highest standards.

The following aspects were assessed:

- the role and responsibilities of the Board of Directors;
- the adequacy of the number of members and its composition, taking into account the presence of independent and minority Directors, and the tasks assigned to each member;
- the quality, organisation and conduct of Board meetings and the related impact on decision-making;
- the significance of the matters reserved to the Board and the related discussions;
- the quality of information on matters relating to the Company and its operations;
- the usefulness and frequency of "continuous induction meetings" in order to expand awareness of the most important strategic and operational aspects;
- the roles, responsibilities and functionality of Board committees;

- the adequacy of communication between the Board and senior management;
- the effectiveness of corporate governance.

The self-assessment demonstrated that Atlantia's Board is fully involved in strategic decision-making, overseeing the implementation of plans, management controls and the assessment and approval of material transactions.

The Board's current composition is deemed to be fully adequate for its role, in terms of both size and the combination, depth and scope of expertise and experience at its disposal.

The number and representativity of independent Directors is deemed to be appropriate, above all in view of the quality of discussions and the weight given to their contributions.

The frequency, term and organisation of Board meetings are deemed to be excellent. The degree of information and the speed with which it is provided ensure that members have sufficient information to play a full and informed part in the discussion of matters brought to the Board's attention.

The Internal Control and Corporate Governance Committee benefits from a high degree of expertise, thanks to the wide-ranging experience of its members and the productive cooperation of the company departments required to provide it with the necessary information.

The Human Resources Committee adequately fulfils its role with regard to remuneration and incentive plans.

There was particular appreciation for the role played by periodic induction meetings, which allow participants to continually expand on their knowledge of key issues. These meetings are normally provided with support from the members of Atlantia's management team, giving Board members the chance to be given recognition and appreciation.

Briefly, the assessment of Atlantia's Board of Directors highlighted the following areas of excellence: its composition and the expertise and experience of its members, the frequency and organisation of meetings, the quality and timeliness of information enabling lively and active discussion, which benefits from the Chairman's close attention to timings and priorities.

The Board thus believes that it carries out its role in full compliance with the Corporate Governance Code.

The self-assessment process also brought to light certain areas for improvement, such as: the advisability of increasing the amount of international expertise and experience at the Board's disposal, in view of the Company's growth strategies; the advisability of providing Atlantia's Board with documents summarising certain purely technical aspects of the activities carried out by the subsidiary, Autostrade per l'Italia; the potential for using the Company's intranet to provide Directors with privileged access to readily available and more complete information on the various aspects of operations.

At its meeting of 9 March 2012, the Board of Directors examined and discussed the results of the self-assessment, which were again positive or substantially in line, or better than, those of previous years in relation to the various aspects assessed. The Board noted the potential for improvement and will proceed with the related in-depth assessment and implementation, as appropriate.

4.4 Executive officers

Executive Committee

The Board of Directors has decided not to appoint an Executive Committee.

Chairman

Pursuant to art. 30 of the Articles of Association, the Chairman is vested with the powers of representation before third parties and in legal proceedings.

The Chairman also has an **executive role**, in as much as, in addition to the **powers** attributed by law and the Articles of Association, the following duties have also been assigned to him:

- to follow, in accordance with the plans approved at Board level, general initiatives designed to promote the image of the Company and the Group in Italy and abroad, and manage the related communications;
- to follow any legal issues relating to the Company and the Group;
- to follow the preparation of strategic, industrial and financial plans by the Chief Executive Officer;
- to follow the operating and financial performance of the Company and the Group;
- to ensure the accuracy and promptness of disclosures communicated to market regulators;
- to follow the preparation of external and investor relations strategies;
- to represent, in implementation of resolutions approved by the relevant corporate bodies, the Company at the ordinary and extraordinary general meetings of companies or entities in which the Company holds interests, with discretionary powers to confer specific powers on the Company's employees or other parties with respect to participation in such meetings;
- to oversee relationships between the Company and Italian and non-Italian authorities, entities and organisations, including those of a multilateral nature.

Chief Executive Officer

At its meeting of 14 April 2010, the Board of Directors re-appointed Giovanni Castellucci as Chief Executive Officer and General Manager.

The Chief Executive Officer is responsible for implementing Board of Directors' resolutions.

The Chief Executive Officer has, among other things, been assigned the following duties:

- to draw up proposals to be put to the Board of Directors in relation to short- and long-term strategic business and financial plans, as well as action and investment plans for the Company's and the Group's activities in Italy and abroad;
- to identify the tools and procedures needed to implement the internal control system;
- to prepare, in accordance with the Board of Directors' guidelines, external and investor relations strategies and implement the relevant contact plans; in agreement with the Chairman, to define and implement plans for contacting strategic investors;
- in connection with the management and coordination of subsidiaries, the management of relations with senior management at ANAS and at other grantors in connection with execution of the concessions granted to each of the subsidiaries;
- to acquire and sell equity interests of any kind and, in general, to conclude any stock market transaction of up to €5,000,000 per transaction, even though the transaction consists of a series of smaller transactions carried out on different occasions.

The General Manager has, among other things, been assigned the following duties:

- to execute contracts with any third party in relation to the business purpose, provided that the amount does not exceed €5,000,000 per contract;
- to execute deeds and agreements intended to settle disputes, involving amounts of up to €2,000,000 per settlement;
- to execute deeds and agreements for the extension of loans to Group companies and guarantees to, or on behalf of, third parties, provided that the amount does not exceed €5,000,000 per transaction;
- to execute deeds and agreements for the issue of surety bonds in favour of third parties and in the interests of the Company's subsidiaries, involving a maximum notional amount of €5,000,000, to guarantee the proper fulfilment of the obligations undertaken, for whatever reason, by the Company's direct and indirect subsidiaries.

The Chief Executive Officer regularly (in any event, at least quarterly) submits the same report to the Board of Directors and the Board of Statutory Auditors on the activities performed in discharging his duties, ensuring, above all, that the Board of Directors receives adequate information on significant, atypical, unusual or related party transactions, or transactions in which the Chief Executive Officer acts in his own interest or in the interests of third parties, so that the Board of Directors may, in turn, formally report to the Board of Statutory Auditors.

Similar reporting requirements are applicable to executive Directors in respect of the activities performed in discharging their duties.

4.5 Independent Directors

A suitable number of non-executive Directors qualify for the role of **independent Director**. On the basis of the provisions of the Company's Corporate Governance Code, A Director shall normally, but not necessarily, be disqualified from being an independent Director if the Director:

- a) directly or indirectly controls the issuer, including control exercised through subsidiaries, trustees or through a third party, or is able to exercise significant influence over the issuer, or participates in a shareholders' agreement through which one or more persons may exercise control or significant influence over the issuer;
- b) has, or had in the previous year, a direct or indirect commercial, financial or professional relationship of significance with (i) the issuer, a subsidiary of the issuer or any prominent representative of such parties, (ii) with a party, who, either alone or together with others through a shareholders' agreement, controls an issuer or (for companies or entities) with any prominent representative thereof;
- c) is or was, at any time during the previous three years, an employee of the issuer, one of its subsidiaries or any party controlling the issuer through a shareholders' agreement, or of a prominent representative of the issuer;
- d) is or was, at any time during the previous three years, a prominent representative of the issuer or any of the issuer's strategically important subsidiaries, or of a company jointly controlled with the issuer; or, a company or other entity that, whether acting alone or in concert with others through a shareholders' agreement, controls the issuer or is able to exercise significant influence. 'Prominent representative' means the Chairman, legal representative, executive Directors and key management personnel;
- e) receives, or has received in the previous three years, from the issuer or a subsidiary or parent of the issuer, significant additional remuneration compared to the "fixed" remuneration paid to a non-executive Director of the issuer, including participation in performance-related incentive plans, including share option plans;
- f) is the executive director in another company in which an executive Director of the issuer is a director;

- g) is a shareholder or a director of a company or entity belonging to the group of companies appointed to audit the issuer's accounts;
- h) is a close member of the family of an individual who holds any one of the above positions or engages in any one of the above activities.

Among examples of the non-independence of Directors, which are not definitive, the category described in art. 3C1, letter e) of Borsa Italiana's Code (the non-independence of those who have been directors of the issuer for more than nine of the last twelve years) is not provided for in the Company's Corporate Governance Code. As more focus was placed on substance rather than form, an assessment was conducted on the basis of which it was deemed better, in terms of the interests of the Company, to give prevalence to the expertise and experience acquired by Directors during the course of three terms of office, rather than to the simple length of their term in office, without prejudice to the Board of Directors' right to reach a different opinion.

None of the current independent members of the Board of Directors has been in office for more than nine of the last twelve years.

The compliance with independence requirements of the Directors in office at 31 December 2011 was assessed during the meeting of the Board of Directors of Atlantia SpA on 14 April 2010, which examined the information provided by the Directors (in their curricula vitae, the lists of positions held and the statements made by them) and their trading, financial and professional relationships with the Company, including those of an indirect nature.

In turn, pursuant to art. 15, paragraph 6 of the Company's Corporate Governance Code, the Board of Statutory Auditors, at its meeting on 14 May 2010, verified the correct application of the criteria and procedures adopted by the Board of Directors in assessing the independence of Directors.

The following members of the Board of Directors of Atlantia SpA elected by the General Meeting of 14 April 2010 qualified as independent: Messrs Bombassei, Clò, Malinconico (who subsequently resigned), Mari and Turicchi. These Directors all met the independence requirements provided for by both the CFA (art. 148, paragraph 3) and the Company's Corporate Governance Code (art. 3.1).

Pursuant to art. 3.2 of the Company's Corporate Governance Code, the independence of Directors is periodically assessed by the Board of Directors. In this regard, on 17 February 2012 the Board of Directors carried out this assessment based on statements provided by the individuals concerned.

The new member of the Board, Monica Mondardini, co-opted on 20 January 2012 to replace Mr Malinconico, met the necessary requirements.

As a result, the Board of Statutory Auditors, at their meeting of 17 February 2012, verified the correct application of the criteria and procedures adopted by the Board of Directors in assessing the independence of Directors.

The outcome of the assessments conducted by the Board of Directors and the Board of Statutory Auditors was disclosed to the market.

Atlantia's Corporate Governance Code requires the independent Directors to meet separately in closed session at least once a year.

In this regard, the independent Directors held a meeting on 20 December 2011, at which they discussed, among other things, issues relating to the new regulations for independent Directors in the new Corporate Governance Code for Listed Companies published on 5 December 2011.

4.6 Lead Independent Director

On the basis of the provisions of art. 30 of the Articles of Association, the Chairman and Chief Executive Officer are authorised to represent the Company.

The segregation of the positions of Chairman and Chief Executive Officer renders the appointment of a Lead Independent Director unnecessary.

5. The processing of corporate information

With regard to the internal management and publication of documents and information relating to Atlantia, with specific reference to price sensitive information, the Company's Board of Directors has adopted the following procedures:

- the Procedure for Market Announcements;
- the Code of Conduct for Internal Dealing.

Both documents are available on the Company's website at www.atlantia.it/it/corporategovernance/ and on the Company's intranet.

The **Procedure for Market Announcements**, approved by the Board of Directors in its meeting on 17 September 2009, regulates the internal management and publication of price sensitive information by Atlantia SpA and its subsidiaries (meaning the companies controlled directly or indirectly by Atlantia), as provided for in the related regulations and in compliance with art. 8 of the Company's Corporate Governance Code and section 7 of the Group's Code of Ethics.

In particular, the Chairman and Chief Executive Officer are responsible for managing confidential information, in line with the requirements of Atlantia's Corporate Governance Code (articles 6.3, letter c, and 8.1) and the powers conferred upon them. The Chairman is responsible for proper and punctual disclosure to market regulators and the Chief Executive Officer for providing the market with trading updates.

In compliance with the requirements of Legislative Decree 58/98, as amended, the International Corporate and Legal Affairs unit of Autostrade per l'Italia's Legal Department is responsible for keeping the register of persons who have access to price sensitive information or information liable to become so. The same department also informs interested parties that they have been included in the register and reminds them of the responsibilities involved in accessing and properly managing information they may come into possession of and the relevant confidentiality requirements.

The procedure for market announcements is completed and integrated by the provisions of the **Code of Conduct for internal dealing**, approved by the Board of Directors at its meeting of 15 July 2010, in implementation of the provisions of art. 114, paragraph 7 of Legislative Decree 58/1998 and articles 152 *sexies*, 152 *septies* and 152 *octies* of CONSOB Regulation 11971. The Code regulates the disclosure obligations in respect of Atlantia SpA and the Market as regards the purchase, sale, subscription or exchange of shares issued by Atlantia or financial instruments underlying the shares, where such transactions amount to a total of €5,000 per year.

The Company's Code identifies Relevant Persons and "Persons closely linked to Relevant Persons", also establishing that it is the responsibility of a Relevant Person to indicate other Persons who, in relation to the activities performed by or tasks assigned to them, including for limited periods of time, are subject to the same rules as Relevant Persons.

The Code provides for lock-up periods, during which the above transactions are prohibited.

6. Board committees

Atlantia's Corporate Governance Code, revised in November 2011, maintains the Committees required by the March 2010 version of Borsa Italiana's Code. The name of the Human Resources Committee has been changed to Human Resources and Remuneration

Committee, and its brief widened, as explained more fully below. The Company does not have a Nominations Committee for the reasons explained below.

Committee of Independent Directors with responsibility for Related Party Transactions

In compliance with the provisions of CONSOB Regulations on related party transactions (Resolution 17221 of 12 March 2010, as amended), on 21 October 2010 Atlantia set up the Committee of Independent Directors with responsibility for Related Party Transactions (hereafter also the “Related Party Transactions Committee”), consisting of three independent Directors entrusted with the task of:

- a) expressing an opinion on Atlantia’s Procedure for Related Party Transactions and related amendments (CONSOB regulation on related party transactions, art. 4.3);
- b) expressing an opinion on any amendments to the Articles of Association (CONSOB regulation on related party transactions, art. 4.3);
- c) performing, during the negotiation and examination of Atlantia’s related party transactions of greater significance, the functions provided for by art. 8, paragraph 1.b of the CONSOB regulation on related party transactions linked to the involvement of the Committee, or of one or more delegated members;
- d) expressing an opinion on Atlantia’s related party transactions of greater significance (art. 8, paragraph 1.c) of the CONSOB regulation on related party transactions).

In terms of composition, the Committee elected by Atlantia’s Board of Directors on 21 October 2010 included the following independent Directors: Giuliano MARI, Carlo MALINCONICO and Alberto BOMBASSEI.

Following Mr BOMBASSEI’s resignation from the Committee on 9 June 2011, on the same date the Board of Directors elected Alberto CLO’ as a new member of the Committee.

Subsequently, on 30 November 2011, MALINCONICO resigned as a Director of Atlantia and thus as a member of the Committee. On 20 January 2012 the Board of Directors co-opted Monica Mondardini on to the Board in place of Carlo Malinconico and elected her as a member of the Related Party Transactions Committee.

Giuliano MARI was elected chairman of Atlantia’s Related Party Transactions Committee at the Committee meeting of 27 January 2011.

The Committee has adopted its own procedural Regulations, approved at the meeting of 13 December 2010 and then amended on 27 January 2011.

The Committee met 5 times in 2011.

On 12 December 2011 the Committee examined Atlantia’s Procedure for Related Party Transactions (approved by the Board of Directors on 11 November 2010, with the prior agreement of the Committee on 8 November 2010, and in force from 1 January 2011) in order to assess the need for any changes to the Procedure.

This examination was conducted in compliance with the Procedure itself, which requires the Board of Directors, with the prior agreement of the Related Party Transactions Committee, to assess the need for any changes to the Procedure at least once a year.

At the end of this examination, the Committee deemed that it was not necessary to make any changes or additions to Atlantia’s existing Procedure for Related Party Transactions.

This opinion was then notified to Atlantia’s Board of Directors at the meeting of 16 December 2011.

7. Nominations Committee

As reported last year, a nominations committee was not established to recommend candidates to the Board of Directors, as new directors are appointed by list vote, in accordance with the procedure provided for by art. 20 of the Articles of Association. Such procedure is transparent and compliant with the requirements of the Corporate Governance Code for Listed Companies.

Atlantia's Board of Directors did not, therefore, deem it necessary to appoint such a committee, considering that:

- such committee is appointed – though not as an obligation but merely as an option granted to the Board of Directors – to ensure, pursuant to article 6 of the March 2006 version of the Corporate Governance Code prepared by the Corporate Governance Committee for Listed Companies, the transparency of the selection procedure, a need that is fulfilled in Autostrade's case by the above article of the Articles of Association; and that
- based on past experience, Atlantia SpA's shareholders have so far not had difficulty in submitting nomination proposals.

8. Human Resources and Remuneration Committee

As required by art. 10 of Atlantia's Corporate Governance Code, the Board of Directors has set up a board committee called the Human Resources and Remuneration Committee, which has 5 members, of which the majority are non-executive Directors and most of whom independent. The Committee has investigative functions and provides consultation and advice to the Board.

At least one Board member has appropriate financial expertise and experience, as assessed by the Board of Directors at the time of election.

Atlantia's Corporate Governance Code, revised in November 2011, has complied with Borsa Italiana's recommendation regarding the Committee's composition. In view of the fact that the current composition, in terms of the expertise and professional experience of its members, enables the Committee to carry out all its functions regularly and efficiently, the Board of Directors has decided to retain the existing composition for 2011 and 2012, and to fully implement the provisions of Atlantia's Corporate Governance Code regarding the Committee's composition (point 10.1.a) when Atlantia's Board of Directors are re-elected.

The Committee elects a Chairman from among its members and

- a) submits proposals to the Board relating to the establishment of a general policy for the remuneration of the Chairman, the Chief Executive Officer, executive Directors and key management personnel – including for the purpose of preparing the Board's report describing the policy, to be presented to the Annual General Meeting – and periodically assesses the adequacy, overall consistency and effective application of the general remuneration policy approved by the Board;
- b) submits proposals to the Board relating to the overall remuneration of the Chairman, the Chief Executive Officer, executive Directors and key management personnel (in the latter case, based on the information provided by the Chief Executive Officer) and, at the proposal of the Chief Executive Officer, relating to the criteria on which the remuneration of the Company's and the Group's senior management shall be based, including the relevant performance targets related to the variable component of the remuneration;
- c) monitors application of decisions taken by the Board, verifying above all the effective achievement of performance targets;
- d) examines any share-based or cash incentive plans for employees of the Company and the Group, the criteria on which the composition of the corporate bodies of strategically important subsidiaries is based, and strategic staff development policies.

The members of the Human Resources and Remuneration Committee were the non-executive Directors, Stefano Cao, Giuseppe Piaggio and Paolo Zannoni, and the independent Directors, Alberto Bombassei (Chairman) and Alberto Clò. During 2011 Alberto Bombassei and the independent Director, Carlo Malinconico resigned from the Committee, the latter having replaced Mr Bombassei as an independent member of the Committee and, later, as Chairman.

On 20 January 2011 Atlantia's Board of Directors co-opted Monica Mondardini as a new independent member of the Board, in addition to nominating her a member of the Human Resources and Remuneration Committee. At the first meeting of the Committee in 2012, she will be elected Chairwoman.

As required by the Corporate Governance Code, the Chairman and Chief Executive Officer/General Manager attend the Committee's meetings, except for meetings at which proposals regarding their own remuneration are discussed.

In 2011 the Committee held 6 meetings with an average duration of approximately 2 hours (the percentage attendances of Committee members at the meetings are shown in Table 2) and took decisions and formulated proposals regarding the following points:

- The Long-term Incentive Plan for the Group's management - TIP (final amounts);
- The 2009 Share Option Plan for the Group's management (update);
- Final amounts for the 2010 MBO scheme for the Chief Executive Officer/General Manager of Atlantia – Chief Executive Officer of Autostrade per l'Italia SpA;
- Decisions regarding the 2011 MBO 2011 criteria for the Chief Executive Officer/General Manager of Atlantia – Chief Executive Officer of Autostrade per l'Italia SpA;
- 2011 Share Option Plan and 2011 Share Grant Plan (introduction and update), Share Grant Plan - MBO (introduction);
- Staff development: high-potential staff and training programmes;
- Executives and senior management: current situation and succession plans;
- Drawing up of a general remuneration policy for the Chairman, the Chief Executive Officer, executive Directors and key management personnel.

The periodic assessment of the criteria used in fixing the remuneration of key management personnel and oversight of their application was carried out, as in previous years.

4 meetings are scheduled for 2012.

Autostrade per l'Italia's Head of Human Resources also attends Committee meetings, acting as the Committee's Secretary and taking minutes. The Company, through the head of Human Resources, ensures that the Committee has access to the information and functions necessary for the performance of its duties and, if so required, the Committee may avail itself of external consultants, quantifying the related expenses.

The Board has used the support of leading consultancy firms with regard to a number of the above matters.

9. Remuneration of Directors

In view of the principles and implementation criteria set out in art. 7 of Borsa Italiana's Corporate Governance Code (in the text approved by Borsa Italiana's Corporate Governance Committee in March 2010), as reflected in art. 10 of Atlantia's Corporate Governance Code, the general remuneration policy for Directors and key management personnel (approved by Atlantia's Board of Directors on 16 December 2011), is from this year described in a separate Remuneration Report to be approved, on the recommendation of the Human Resources and Remuneration Committee, by the Company's Board of Directors, and which will be submitted to shareholders at the Annual General Meeting in April 2012. The Report will be available on Atlantia's website.

As a result of the above, all the information on remuneration to be provided in the Report on Corporate Governance and the Ownership Structure, including the information required by art. 123-*bis* of the CFA, is contained in the above Report.

10. Internal Control and Corporate Governance Committee

Role and composition

This Committee advises and makes recommendations relating to assessment of the adequacy of the internal control system.

The Company's Corporate Governance Code requires that Committee members are primarily non-executive Directors, with the majority being independent, including at least one Director elected by minority shareholders. At least one of the Committee members must have adequate experience of accounting and financial matters.

The composition of the Internal Control and Corporate Governance Committee in 2011 was as follows:

- non-executive Director, Giuseppe Piaggio, Chairman;
- non-executive independent Director, Giuliano Mari;
- non-executive independent Director, elected by minorities, Antonino Turicchi.

This composition was approved by the Board of Directors on 14 April 2010.

Pursuant to the Company's Corporate Governance Code, the Chairman of the Board of Statutory Auditors (or another standing Statutory Auditor, at his request) attends Committee meetings. Depending on the issues to be dealt with, the Chairman of the Board of Directors, the Chief Executive Officer, all standing Statutory Auditors and the head of Internal Control may be invited to take part.

The Chairman of the Board of Statutory Auditors attended all the meetings held in 2011.

The Chairman of the Board of Directors and the Chief Executive Officer were invited to all the meetings. Of the 10 meetings held, the Chairman of the Board of Directors attended 9 and the Chief Executive Officer 6.

Committee meetings are minuted by the secretary to the Committee and the related minutes are usually approved by Committee members at the next meeting.

The functions assigned to the Committee are specified in Atlantia SpA's Corporate Governance Code (articles 12.2 and 12.3), published on the website at www.atlantia.it/it/corporate-governance/.

In carrying out its duties, the Committee has the right to access the information and functions necessary for the performance of its duties.

The Committee's functions are entirely independent of those of the Supervisory Board, with which it engages in wide-ranging exchanges of information.

Activities

The Internal Control and Corporate Governance Committee met 10 times in 2011, with an average duration of approximately 2 hours (the percentage attendances of Committee members at the meetings are shown in Table 2), and dealt with the following matters:

- examination of the reports to the Board of Directors on the activities carried out in the second half of 2010 and the first half of 2011;
- report on the meeting of Atlantia's independent Directors held on 23 December 2010 ;
- report on the meeting of the Committee of Independent Directors with responsibility for Related Party Transactions held on 27 January 2011;
- assessment of the snow event of 17 December 2010;
- assessment of the overall adequacy of the internal control system pursuant to art. 11.3 of Atlantia's Corporate Governance Code;
- examination of the draft annual report on corporate governance;

- analysis of the results of self-appraisal forms for the Board of Directors;
- examination of potential amendments to the Articles of Association and General Meeting Regulations deriving from the “shareholder directive” – Legislative Decree 27/2010 and the CONSOB regulation regarding related party transactions;
- examination of reports on the activities carried out pursuant to art. 154 *bis*, paragraph 5 of the CFA;
- impairment tests at 31 December 2010;
- meetings with the independent auditors engaged to audit the financial statements as at and for the year ended 31 December 2010 and the consolidated interim financial statements as at and for the six months ended 30 June 2011;
- proposed audit plan;
- proposed risk management plan for 2011/2012;
- data protection – data managers, regulations and internal procedures (data projection document for personal data 2011);
- accounting policy for investments;
- process of engaging independent auditors for the period 2012–2020;
- update on developments in European corporate governance regulations;
- examination of the consolidated interim financial statements as at and for the six months ended 30 June 2011;
- payment of the interim dividend for 2011;
- report of the head of Internal Audit and the head of Risk Management on the activities of the post-audit committee;
- inspection reports for the sites operated by the subsidiary Pavimental;
- report of the Head of Human Resources on application of the sanctions provided for by Model 231;
- progress reports on the audit and risk management plans;
- art. 123-*ter* of the CFA – revision - new art. 7 of Borsa Italiana’s Corporate Governance Code;
- proposed revision of the Corporate Governance Code;
- six-month report of the Ethics Officer.

11. Internal control system

As set out in the Company's Corporate Governance Code, the internal control system consists of all of the rules, procedures and organisational structures designed to enable, via the adequate identification, measurement, management and monitoring of the main risks, sound and correct management of the Company in a manner consistent with predetermined objectives.

11.1 Executive Director responsible for the internal control system

The Board of Directors establish the guidelines for the internal control system, and shall be responsible for overseeing its adequacy, efficacy and effective functioning, ensuring that the Company's main business risks (operational, financial and risks of any other nature) are adequately identified, managed and monitored, delegating **responsibility for overseeing the functionality of the system to the Chief Executive Officer**.

The Chief Executive Officer defines the tools and the implementation procedures for the internal control system, in accordance with the guidelines set by the Board of Directors, overseeing the overall adequacy of the system, its functionality, and its adaptation to changes in the operating environment and in the legislative and regulatory frameworks. They also propose the appointment or revocation of one or more persons to be in charge of internal controls.

11.2 Persons responsible for internal controls

In order to check the proper working of the internal control system, the Board of Directors relies on the Internal Control and Corporate Governance Committee, as well as on one or more adequately independent managers equipped with the proper tools to carry out these duties.

The **persons responsible for internal controls**, who are the Heads of the Internal Audit and Risk Management departments, appointed by Atlantia's Board of Directors on 14 April 2010, report to the Chairman, the Chief Executive Officer, the Internal Control and Corporate Governance Committee and the Board of Statutory Auditors.

The Chief Executive Officer makes changes to the internal control system, whenever required in order to remedy any weaknesses found by the above audits.

The **Internal Audit** unit is responsible for monitoring and checking the proper performance of the internal control system.

This activity is carried out through internal audit procedures, implemented within the scope of the department's annual plan, designed to verify the adequacy and functionality of the internal control system and compliance with the related laws and internal procedures and regulations.

The Internal Audit unit also monitors the "Organisational, management and control model pursuant to Legislative Decree 231/01" on behalf of the Company's Supervisory Board.

The unit's role is to identify, during its internal audit activities and its monitoring of the Organisational, management and control model pursuant to Legislative Decree 231/01, improvements to the internal control system in order to propose the necessary corrective actions to the Chief Executive Officer, the relevant managers and the supervisory bodies.

The Internal Audit unit is also responsible for monitoring, via its follow-up activities, implementation of the corrective actions identified, reporting to the Chief Executive Officer, the relevant managers and the supervisory bodies.

The **Risk Management** unit is responsible for overseeing the risk management process at Group level. This takes the form of the correct implementation and development of the COSO Enterprise Risk Management framework², adopted 6 years ago by Atlantia. This framework is designed to identify, assess, manage and monitor the risks included in the Company's current Business Risk Model: compliance and regulatory risks, regarding the possibility of sanctions as a result of the violation of laws/regulations or of breaches of the terms and conditions of its agreement with Anas SpA; and operational risks, regarding the occurrence of any event that may prevent achievement of the Company's objectives.

In relation to the risks identified, the Risk Management unit may submit proposals to senior management regarding changes to the design of the existing internal control system (activities of the ex-ante type), monitoring their implementation and providing support to the departments involved. In this regard, the Company has put in place a risk management policy requiring managers to report risks to the unit for further investigation. The Risk Management unit then initiates a formal procedure and takes action, even though not envisaged by the annual plan. The process is completed with the production of a detailed report and a number of summaries.

During 2011 the Risk Management unit also supported its corresponding units within the motorway operators controlled by Autostrade per l'Italia in conducting annual updates of their risk catalogues, based on the ERM model. Where necessary, new improvements were identified for each of the companies examined.

The Risk Management unit was also engaged in the ongoing change management process, helping to develop a risk culture within the Company in order to increase management's awareness of the risks and controls involved in the processes for which they are responsible. In 2011 this objective was pursued through periodic on-the-job training for managers in Autostrade per l'Italia, covering the risks and control systems for which they are responsible, providing them with an ongoing point of reference for day-to-day management.

Main characteristics of existing risk management and internal control systems in relation to the financial reporting process

In the context of the internal control system, in particular with reference to the process of financial reporting, the Group has implemented and continually revises an internal control system for financial reporting, based on a series of administrative and accounting procedures such as to guarantee their truthfulness, accuracy, reliability and punctuality in accordance with the regulations governing their preparation.

This system complies with international best practices and, in particular, the "CoSo Report" published by the Committee of Sponsoring Organizations of the Treadway Commission, which provides for five components (audit environment, risk assessment, audit activities, information systems and communication flows, monitoring) that operate at the level of organisational entity and/or operating/administrative process, based on their characteristics.

The internal control system for financial reporting provides for regulations, procedures and guidelines by virtue of which Atlantia SpA ensures the exchange of data and information with its subsidiaries, thereby ensuring their coordination. In particular, this activity is carried out through the distribution, by the Parent, of regulations for the application of the reference accounting standards, such as the "Guidelines for preparation of the IFRS reporting package used in drawing up the Group's consolidated financial statements", and

² The Committee of Sponsoring Organizations of the Treadway Commission: Enterprise Risk Management – Integrated Framework, 2004.

procedures regulating the preparation of the separate and consolidated financial statements and of the interim accounts and reports. The operational processes put in place by subsidiaries on the basis of the Parent's guidelines are applicable to the above. The setting up of audits is performed after a process conducted according to a top-down approach, aimed at identifying the organisational entities, processes and specific activities capable of generating the risk of unintentional errors or fraud that could have a material impact on financial information. The risk is assessed in terms of its potential impact on the basis of quantitative and qualitative indicators.

Phases of the existing risk management and internal control system in relation to the financial reporting process

The process of monitoring the internal control system for financial reporting is reiterated on a six-monthly basis in compliance with the provisions contained in art. 154 *bis*, paragraph 5 of the CFA. The process is broken down into the following phases:

- *Revision of the framework of application*: the identification of significant data and information is carried out with reference to Atlantia SpA's separate financial statements and the Atlantia Group's consolidated financial statements, and is based on the assessment of qualitative and quantitative aspects concerning, firstly, the selection of significant companies to be included in the analysis, and then the classes of transaction and significant accounts involved in the audited administrative and accounting processes.

Once data/information in the financial statements is classified as significant, it is linked to the business processes originating them to identify the audit procedures to be subject to the assessment of their adequacy and effective application, in order to obtain certification pursuant to art. 154 *bis* of the CFA. As regards the automatic audit processes identified, the assessment of adequacy and effective application also covers the design and implementation of general IT audits supporting the relevant applications.

- *Monitoring the adequacy of administrative and accounting procedures*: the process of analysing and assessing the internal control system for financial reporting includes both an assessment of the adequacy of audits at entity level and the determination of the effectiveness of the design of key control procedures identified at process level. The process controls, which are designed to cover one or more accounting risks, are examined in order to assess their adequacy in terms of design effectiveness.

In order to identify and classify any potential errors in financial information, reference is made to the standard "content" of financial statements: the existence and occurrence of events, completeness, assessment and registration, rights and obligations, presentation and disclosure.

The risks are assessed in terms of potential impact on the basis of quantitative and qualitative indicators and assuming the absence of controls (at an inherent level).

For this purpose, monitoring activities are provided for, to be conducted initially by the management of the unit responsible for implementation of the controls and, in order to ensure the effective assessment and consistent design of the control system, by the unit available to the Manager Responsible for Financial Reporting.

- *Monitoring of the effective application of administrative and accounting procedures*: the monitoring of the effective application of administrative and accounting procedures is conducted with regard to the effective implementation of key controls.

The assessment procedure is chosen on the basis of the underlying risk: this choice takes into account the strengths and weaknesses of the control environment that may condition the outcome of the assessments made, the complexity of the control, the

type of control (manual or automatic), the level of judgement required during the process and the dependence of the control on the functionality of other controls.

The monitoring activities involve sampling techniques in line with international best practices.

- *Assessment of possible problems that may be reported and certification:* on termination of the monitoring activities, an assessment of the significance of any possible anomalies or problems reported for the purpose of certification pursuant to art. 154 *bis* of the CFA is conducted.

Assessment of the adequacy, efficacy and effective functioning of the internal control system

With regard to the above provision in the Company's Corporate Governance Code, requiring the Board of Directors to assess the adequacy, efficacy and effective functioning of the internal control system, during the year the Board noted the six-monthly reports in which the Internal Control and Corporate Governance Committee, the Supervisory Board, the Ethics Officer and the Manager Responsible for Financial Reporting described the activities carried out. In addition, at the meeting of 17 February 2012, after noting the results of the prior examination of information provided by the persons responsible for the internal control system, carried out by the Internal Control and Corporate Governance Committee, the Board of Directors decided that the internal control system, as a whole, may be deemed to be adequate, efficient and to function effectively.

11.3 Organisational Model (Legislative Decree 231/2001)

During 2011, Atlantia continued its analysis and adjustment of its organisational, management and control tools to meet the requirements of Legislative Decree 231/01 and subsequent amendments. This was done to ensure that its Organisational, Management and Control Model keeps pace with regulatory developments and organisational changes during the year.

The Model consists of a General Part, summarising the regulations in Legislative Decree 231, describing the Model's structure and purpose, defining the composition and role of the Supervisory Board, establishing the criteria and procedures to be adopted in order to fulfil the requirements for reporting to this body and describing the sanctions applicable in the event of failure to comply with the Model's requirements. The Special Parts of the Model set out the activities at risk of criminal offence, which in Atlantia's case relate to the following: Crimes against the Public Administration, Corporate Crimes and Market Abuse.

The Special Parts of the Model set out the following:

- all types of offence potentially applicable to the Company, with a summary of the offences and a series of examples of the related potential criminal behaviour;
- the so-called areas of activity at risk of criminal offence, identifying both the susceptible areas (areas in which it is possible to commit the offence) and the processes that facilitate such offences;
- general and specific audit protocols for each area at risk of criminal offence, thus defining rules to be applied by persons operating in such areas;
- descriptions of the audit and inspection activities within the purview of the Supervisory Board.

An updated list of the offences referred to in Legislative Decree 231/01, and taken into account in mapping the activities at risk, is annexed to the Model.

The Model in its current form is based on the deliberations and analysis carried out by the Supervisory Board and an expert in criminal law, and derives from examination of developments in regulations and jurisprudence relating to organisational models (with particular reference to the most recent sentences and judgements) and comparison with the models adopted by blue-chip companies or public service providers.

The adoption of the Organisational, Management and Control Model, of which the Code of Ethics is one of the elements, has contributed towards implementation of the Company's internal control system, as indicated in the new Corporate Governance Code.

Atlantia's Supervisory Board is chaired by Renato Granata, President Emeritus of the Italian Constitutional Court and the First Honorary President Adjunct of the Court of Cassation. Other members of the Supervisory Board are the Head of Legal Affairs and the Head of Internal Audit. The Board met 4 times during 2011, dealing with issues resulting from regulatory changes, revision of the Model and implementation of the Action Plan for monitoring and assessing the adequacy and effective implementation of the Model.

As envisaged in Organisational Model, during 2011 Atlantia's Supervisory Board reported periodically to the Company's Board of Directors and Board of Statutory Auditors on the activities carried out, with regard to both revision of the Organisational, Management and Control Model and monitoring.

In common with Atlantia's Supervisory Board, the supervisory boards of Group Companies have implemented their action plans for monitoring and assessing the adequacy of their Organisational, Management and Control Models. The required operating assessments were conducted by the Parent Company's Internal Audit unit, and periodical reports concerning supervisory activities during the various reporting periods were drawn up and sent to the respective boards of directors and boards of statutory auditors.

11.4 Independent auditors

KPMG SpA are the Independent Auditors, engaged to perform the legally required audit of the separate and consolidated financial statements, the periodical assessment of the proper keeping of accounts and the review of the consolidated interim financial statements of Atlantia SpA for the periods 2006-2011, following their engagement on 16 February 2006. In view of the expiry of their engagement, the Annual General Meeting called to approve the financial statements at 31 December 2011 will, on the recommendation of the Board of Statutory Auditors, appoint new Independent Auditors for the Atlantia Group for the financial years 2012-2020.

The Board of Statutory Auditors and the Independent Auditors periodically exchange information and data on their respective audits.

On 23 April 2007 the Company issued the Procedure for Relations with the independent auditors in order to define operational responsibilities and procedures for managing relationships between Group companies and their independent auditors.

The procedure relates to senior management and the managements of Group companies who, in the performance of their duties, have direct or indirect contact with independent auditors during their internal audit procedures.

11.5 Manager responsible for financial reporting

Pursuant to art. 33 of the Articles of Association, and in compliance with art. 154 *bis* of the Consolidated Finance Act, the Board of Directors, subject to obtaining the required opinion of the Board of Statutory Auditors, appoints and dismisses the Manager Responsible for Financial Reporting, who must meet the necessary professional requirements. The manager is selected from candidates with at least three years experience in positions with appropriate responsibility for administration and finance, or administration and control in listed joint-stock companies, and who possess the integrity required by the regulations in force. The Directors fix the related remuneration and the term of office, which is renewable, and grant the manager all the authority and instruments necessary in order to carry out the duties assigned to them by law.

At its meeting of 14 April 2010, the Board of Directors confirmed the Chief Financial Officer (CFO) Giancarlo Guenzi as the Manager Responsible for Financial Reporting, having obtained the favourable opinion of the Board of Statutory Auditors, establishing his term of office as until the termination of the term of the Board of Directors currently in office.

For the purposes of the attestations issued by the Chief Executive Officer and the Manager Responsible for Financial Reporting on the separate and consolidated annual and interim financial statements concerning, among other aspects, the adequacy and effective application of the administrative and accounting procedures, the internal control system was revised from an administrative and accounting viewpoint during 2011.

The effective application of the administrative and accounting procedures was assessed, with the help of a major specialised consultancy firm, through a monitoring plan involving both the audit and governance framework and important process level controls of key entities and processes.

The Manager Responsible for Financial Reporting reports on a six-monthly basis to the Internal Control and Corporate Governance Committee, which in turn reports to the Board of Directors and Board of Statutory Auditors of the Parent, on fulfilment of the obligations and conduct of the monitoring activities required for the attestations provided for by art. 154 *bis* of the CFA.

The Manager Responsible for Financial Reporting also coordinates and collaborates with the other corporate bodies that conduct audits as part of the internal control system. This is done in order to acquire all the information required to carry out their activities, and to ensure the effectiveness and efficiency of the attestation process and includes the Risk Management and Internal Audit units.

12. Directors' interests and related party transactions

Pursuant to CONSOB Resolution 17221 of 2010, on 11 November 2010 Atlantia's Board of Directors - with the prior approval of the Independent Directors on the Related Party Transactions Committee, dated 8 November 2010 – approved the procedure designed to ensure the transparency and integrity of related party transactions.

The procedure defines the scope of application of the rules governing related party transactions (transactions of greater and lesser significance and transactions within the purview of the general meeting), the related cases of exclusion, and the procedures for drawing up and updating the list of related parties.

The new procedure has, from 1 January 2011, replaced the previously adopted standards for conducting Atlantia's related party transactions.

On 12 December 2011 Atlantia's Related Party Transactions Committee examined the above Procedure in order to assess the need for any changes to the Procedure.

This examination was conducted in compliance with the Procedure itself, which requires the Board of Directors, with the prior agreement of the Related Party Transactions Committee, to assess the need for any changes to the Procedure at least once a year.

At the end of this examination, the Committee deemed that it was not necessary to make any changes or additions to Atlantia's existing Procedure for Related Party Transactions.

This opinion was then notified to Atlantia's Board of Directors at the meeting of 16 December 2011.

The full text of the new Procedure for Related Party Transactions is available on the website at www.atlantia.it.

13. Election of Statutory Auditors

The Articles of Association and the new Corporate Governance Code require that nominations of Statutory Auditors and the relevant documentation be deposited at the Company's head office at least 15 days prior to the date of relevant General Meeting. Only shareholders, or groups of shareholders, holding at least 1% of the Company's issued capital (or any lower amount as determined by relevant legislation and regulations) may submit lists.

The Articles of Association provide that three standing Statutory Auditors and one alternate Statutory Auditor be taken from the list which has obtained the majority of the votes cast by shareholders, in the progressive order in which they are listed. The remaining two standing Statutory Auditors and one alternate Statutory Auditor will be taken from the other two lists on the basis of a specific procedure providing for another vote by the General Meeting in the case of an equal number of votes for several candidates.

14. Statutory Auditors

On 23 April 2009, at their General Meeting, the shareholders elected, through the list voting procedure, the Board of Statutory Auditors for the financial years 2009-2010-2011. Alessandro Trotter, Tommaso Di Tanno and Raffaello Lupi were elected as standing auditors while Giuseppe Maria Cipolla was elected as alternate auditor on the basis of the list submitted jointly by Sintonia SA and Schemaventotto SpA, which obtained the largest number of votes. The Chairman, Marco Spadacini, standing auditor Angelo Miglietta and alternate auditor Giandomenico Genta were elected on the basis of the list submitted by the Cassa di Risparmio di Torino Foundation, in accordance with the provisions of article 148 of Legislative Decree 58/1998, as amended by Law 262/2005. The Board's composition was unchanged from the previous three-year period.

All the Statutory Auditors in office meet the integrity and experience requirements provided for by the applicable laws. The Articles of Association also disqualify persons holding a number of management and supervisory positions equal to or greater than the maximum number, as established by relevant legislation, from being appointed as a Statutory Auditor. In this regard, art.144-*terdecies* of the CONSOB's Regulations for Issuers (Limits on the accumulation of positions) states that anyone who is a member of the boards of statutory auditors of five issuers is disqualified from becoming a member of an issuer's board of statutory auditors. A member of an issuer's board of statutory auditors may take up other positions as a director or statutory auditor in the companies defined in Book V, Title V, Chapters V, VI and VII of the Italian Civil Code (the number of positions is shown in Table 3, whilst details of the related positions is available on the CONSOB's website at www.sai.consob.it/web), provided they do not exceed the maximum of six points resulting from application of the calculation model contained in Annex 5-bis, Format 1. Exempt positions and positions as a director or statutory auditor of small companies are not taken into account in calculating the accumulation of positions.

At its meeting of 16 December 2011, the Board of Statutory Auditors – based on the fact that art. 15, paragraph 2 of the Corporate Governance code, approved by Atlantia's Board of Directors on 14 December 2007, requires that “*Statutory Auditors be chosen from among persons who qualify as independent, including on the basis of the criteria established in this Code with regard to the Directors*”, and that “*the Board of Statutory Auditors shall check compliance with these criteria after election and subsequently annually, reporting on the outcome of the checks in the corporate governance report*” – checked that all the Company's Statutory Auditors met the independence requirements.

Pursuant to the Corporate Governance Code, any Statutory Auditor who, either themselves or on behalf of third parties, has an interest in a specific Company transaction, must promptly inform the other Statutory Auditors and the Chairman of the Board of Directors as regards the nature, terms and extent of their interest.

During 2011 Atlantia SpA's Board of Statutory Auditors met 18 times (the percentage attendance of the Statutory Auditors in office, which are the same as those in office until the Annual General Meeting, is shown in Table 3).

It should also be pointed out that the Board of Statutory Auditors normally meets with the same regularity as the Board of Directors. Therefore, as the Board of Directors has approved a calendar of meetings providing for 11 meetings in 2012, it is assumed that there will be at least the same number of meetings of the Board of Statutory Auditors.

In carrying out its duties, the Board of Statutory Auditors had periodic meetings during the year with Independent Auditors, the Manager Responsible for Financial Reporting and the head of the Internal Audit unit.

Pursuant to art. 15, paragraph 6 of the Company's Corporate Governance Code, the Board of Statutory Auditors, at its meeting on 14 May 2010, verified the correct application of the criteria and procedures adopted by the Board of Directors in assessing the independence of Directors.

In addition, the Board of Statutory Auditors, at their meeting of 17 February 2012, verified the correct application of the criteria and procedures adopted by the Board of Directors, at the meeting held on the same date, in assessing the independence of Directors. The Chairman of the Board of Statutory Auditors, or another standing Statutory Auditor at his request, attended the meetings of the Internal Control and Corporate Governance Committee.

The Board of the Statutory Auditors monitored, in accordance with art. 149, paragraph 1.c *bis* of the CFA, the implementation of the corporate governance rules provided for in Atlantia's Corporate Governance Code.

Before issuing their reports on the financial statements, the Board of Statutory Auditors and the Independent Auditors exchanged information on the checks carried out.

Partly in the light of the amendments introduced by Legislative Decree 39/2010, in 2010 the Board of Statutory Auditors assumed the role of the Internal Control and Audit Committee, overseeing:

- i) the financial reporting process;
- ii) the effectiveness of internal control, internal audit and risk management systems;
- iii) the legally-required audit of the separate and consolidated financial statements;
- iv) the independence of the Independent Auditors, in particular as regards the provision of non-audit services to the company whose financial statements were being audited.

This requirement was included in article 15.4 of the Corporate Governance Code following the above revision approved on 11 November 2011.

With regard to the engagement of Independent Auditors for the financial years 2012-2020, to be voted on by the Annual General Meeting held to approve the financial statements at 31 December 2011, the Board of Statutory Auditors called for tenders to select the new audit company to submit to the General Meeting for approval.

The Board dealt with this matter during 8 meetings. At the meeting held on 21 October 2011, the Board met the chairmen and women, or their proxies, of the boards of statutory auditors of all subsidiaries to describe the activities carried out and the outcome of the selection process. The meeting aimed to give the boards of statutory auditors of subsidiaries prior notification of the method and rationale used by the Parent's Board of Statutory Auditors, in order to share the approach, whilst fully respecting the decision-making independence of each board of statutory auditors. In addition, at the meeting of 27 October 2011 the choice of audit company to propose to the Annual General Meeting was

made with regard to the “Engagement of Independent Auditors for the financial years 2012 – 2020”.

15. Procedure for reporting to the Board of Statutory Auditors

At its meeting of 16 July 2009, the Board of Directors approved the revised Procedure for reporting to the Board of Statutory Auditors pursuant to art. 150, paragraph 1 of Legislative Decree 58/1998, which replaced the decree that had been in force since December 2004.

The objective of this procedure is, firstly, to ensure that the Board of Statutory Auditors is provided with all the information it needs to perform the supervisory role assigned to it by the above Decree and, secondly, by favouring the transparency of the Company's management, to enable each Director to participate in its management in a more aware and informed manner. This procedure covers the flow of information between the Chief Executive Officer and the Board of Directors recommended by the Corporate Governance Code, and aims to confirm the centrality of the Company's Board of Directors, by ensuring that all members of the Board of Directors and Board of Statutory Auditors have access to the same information, and strengthen the internal control system.

The following information is to be provided under the procedure:

- details of activities carried out;
- material transactions in terms of impact on the Company's results of operations, financial position and cash flows;
- details of the activities through which the Company exercises its management and coordination functions, other than those already reported in connection with the activities carried out;
- atypical or unusual transactions and any other activity or transaction deemed necessary to report to the Board of Statutory Auditors.

Each report reflects activities and transactions performed in the period of time (no more than three months) following the period (also no more than three months in length) covered by the previous report.

For the purposes of the reports, the procedure identifies transactions whose impact might be regarded as material in terms of the Company's results of operations, financial position and cash flows. Specifically, in addition to transactions that fall within the purview of the Board of Directors, pursuant to article 2381 of the Italian Civil Code, the Articles of Association and the Corporate Governance Code, material transactions conducted by Atlantia SpA or by its main direct or indirect subsidiaries include:

- the issue of financial instruments of a total amount in excess of €5 million;
- the loan, borrowing or provision of guarantees, and investments and divestments, including those relating to properties, involving amounts in excess of €5 million;
- acquisitions and sales of equity interests, companies or business units, assets and other individual transactions of an amount in excess of €5 million;
- extraordinary corporate transactions (capital increases, mergers, spin-offs, transfers, and/or the spin-out of business units, etc.).

During the year the Board of Directors reported to the Board of Statutory Auditors on a quarterly basis.

The text of the Procedure is available on the Company's website at www.atlantia.it/it/corporate-governance.

With respect to Legislative Decree 231/2001 and the Group's Code of Ethics, the Procedure for Relations with the Board of Statutory Auditors was issued in February 2007 to define the responsibilities and operational procedures for managing relations with the Board of Statutory Auditors.

This procedure relates to the staff of Atlantia and its subsidiaries who, in the performance of their duties, have direct or indirect contact with Statutory Auditors during their internal audit activities.

16. Investor relations

Atlantia's financial reporting is aimed at all its stakeholders.

To this end, the Company has set up a specific Corporate Finance and Investor Relations department, which is responsible for relations with the Italian and international financial community. The department is responsible for providing the market with timely, complete and clear quantitative and qualitative descriptions of the Company's strategies and results of operations, communicating with the market (investors and financial analysts) in all respects through:

- **periodic and extraordinary mandatory disclosures** in the form of:
 - regular publication of annual and interim financial statements;
 - publication of prospectuses relating to extraordinary transactions affecting the Company;
- **mandatory disclosures on material events**, made in accordance with Legislative Decree 58 of 24 February 1998 and the CONSOB Regulations for Issuers. In fact, the principles laid down therein, and any subsequent amendments, are adopted in accordance with the Corporate Governance Code for Listed Companies and Borsa Italiana's Guide for Reporting to the market, and in accordance with the instructions in the above-mentioned "Procedure for Market Announcements";
- **voluntary information to investors and analysts** provided in regular meetings (road shows, conference calls, one-on-one meetings) with institutional investors in the main financial centres, both in Italy and abroad.

In order to facilitate direct communication with the financial community and with all stakeholders, the Company has designed and created a readily identifiable and accessible website (www.atlantia.it), where information concerning the Company is made available.

17. General Meetings

The Directors encourage and facilitate the highest possible attendance of shareholders at General Meetings, in particular by providing all the necessary information and documents to ensure the smooth running of and informed participation at meetings. The information is made available on a specific page of the Company's website.

The Corporate Governance Code requires General Meetings to be treated as forums to provide shareholders with reports on the Company's operating performance and outlook, in accordance with the regulations governing price sensitive information. In the event of significant changes in the Company's overall capitalisation, in the shareholder structure and in the number of shareholders, the Directors assess the appropriateness of recommending changes to the Memorandum of Association to the General Meeting, as regards the majorities required to pass resolutions and to exercise the prerogatives designed to protect minority shareholders.

The functioning of General Meeting, the related powers, the rights of those entitled to vote and how to exercise the rights are governed by the laws and regulations in force.

The Company's Articles of Association - which on 21 October 2010 were amended to reflect the provisions of Legislative Decree 27 of 27 January 2010, implementing the community directive on the exercise of certain rights of shareholders in listed companies and CONSOB Resolution 17221 of 12 March 2010, which introduced regulations for related party transactions (see the section of this report on the Articles of Association) - provide for the following.

To be entitled to attend general meetings and to exercise voting rights, the holders of voting rights are required to send a notice to the Company through their intermediary, in accordance with the laws and regulations in force (article 13). In particular, pursuant to the laws applicable in this area, the right to attend and to vote can be exercised by such persons as are holders of voting rights at the end of the seventh stock exchange trading day preceding the date set for the General Meeting in first call (the "Record Date") for which the intermediary sent the communication required by law. Persons who assume ownership of shares after the record date are not entitled to attend and vote at the General Meeting.

Furthermore, the holders of voting rights may appoint a proxy also by electronic means; the proxy can also be notified through the website or by certified email, in accordance with the procedures indicated in the notice of the General Meeting.

Furthermore, for each General Meeting the Company designates a person whom shareholders can appoint as a proxy, by the second stock exchange trading day prior to the date set for the General Meeting in first call, with voting instructions on all or some of the items on the agenda. The proxy is effective only for the matters for which voting instructions have been provided.

The General Meeting Regulations, shown at the end of the Articles of Association, provide for the orderly and functional proceedings of Ordinary and Extraordinary General Meetings.

Among other things, the Regulations set out the procedure for qualifying shareholders to request to speak on items on the Agenda.

The full text of the Articles of Association and the General Meeting Regulations are available on the Company's website at www.atlantia.it/it/corporate-governance/.

In 2011, the Annual General Meeting was held in ordinary and extraordinary session on 20 April.

- The Ordinary General Meeting:
- examined and approved Atlantia SpA's financial statements at 31 December 2010;
- decided on the size of the dividend;

- approved changes to the 2009 Share Option Plan following bonus issues and an increase in the number of plan Options;
- approved new long-term incentive plans in the form of share-based payments, consisting of share options and/or share grants for executive directors and managers of the Company and its direct and indirect subsidiaries;
- authorised, pursuant and for the purposes of articles 2357 *et seq.* of the Italian Civil Code, article 132 of Legislative Decree 58 of 24 February 1998 and article 144-*bis* of the CONSOB Regulations adopted with Resolution 11971 as subsequently amended, the purchase and sale of treasury shares, subject to prior revocation of the unused portion of the authority granted by the General Meeting of 14 April 2010 (see information in this report on the authority to purchase treasury shares).

The Extraordinary General Meeting:

- approved a bonus issue, pursuant to article 2443 of the Italian Civil Code, with a par value of €30,014,857.00, via the issue of 30,014,857 new ordinary shares, ranking equally in all respects with the existing issued ordinary shares, within the limits represented by distributable reserves;
- consequently amended article 6 of the Articles of Association to change the amount of issued capital (currently €630,311,992.00) and the number of shares outstanding (630,311,992);
- approved the amendment of articles 12, 14, 16, 20, 27, 28 and 32 of the Articles of Association and the addition of a new art. 34, with the resulting renumbering of the following articles.

The Board of Directors endeavour to provide shareholders with adequate information on the items on the agenda, making the related reports available to the public in the manner and in accordance with the timing provided for by law.

TABLE 1 INFORMATION ON THE OWNERSHIP STRUCTURE OF ATLANTIA SpA

| BREAKDOWN OF THE ISSUED CAPITAL AT 31 DECEMBER 2011 | | | | |
|--|----------------------|----------------------------|------------------------|---|
| | No. of shares | % of issued capital | Listed | Rights and obligations |
| Ordinary shares | 630,311,992 | 100 | Italian Stock Exchange | Rights and obligations provided for ordinary shares |

| SIGNIFICANT SHAREHOLDINGS AT 31 DECEMBER 2011 | | | |
|--|---|-----------------------------|---------------------------|
| Reporting entity | Direct shareholder | % of ordinary shares | % of voting shares |
| Edizione Srl | Sintonia SA Schemaventotto SpA | 46.028 | 46.028 |
| Fondazione Cassa di Risparmio di Torino | Fondazione Cassa di Risparmio di Torino | 6.761 | 6.761 |
| Norges Bank | Norges Bank | 2.501 | 2.501 |
| Lazard Asset Management LLC | Lazard Asset Management LLC | 2.057 | 2.057 |
| BlackRock Inc. | BlackRock Asset Management Ireland Ltd.; BlackRock Institutional Trust Company NA; BlackRock Fund Managers Ltd.; BlackRock Advisors (UK) Ltd.; BlackRock Investement Management LLC; BlackRock Financial Management INC; BlackRock Asset Management Japan Ltd.; BlackRock Asset Management Deutschland AG; BlackRock Asset Management Australia Ltd.; BlackRock Asset Management Canada Ltd.; BlackRock Fund Advisors; BlackRock Investement Management (UK) Ltd.; BlackRock (Netherlands) BV; BlackRock Investement Management (Australia) Ltd.; BlackRock Advisors LLC; BlackRock International Ltd. | 2.007 | 2.007 |
| Atlantia SpA | Atlantia SpA | 2.007 | 2.007 |

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES OF ATLANTIA SPA

| Board of Directors | | | | | | | | | | | Internal Control and Corporate Governance Committee | | Human Resources and Remuneration Committee | | Executive Committee (4) | |
|--|----------------------|-------------------------------|---------------------------|------------|-----------|---------------|--|------------------------|-------|----------------------------|---|------------------------------|--|-------|-------------------------|-------|
| Position | Members | In office from | In office until | List (M/m) | Executive | Non-executive | Independent as per Code | Independent as per CFA | % (1) | No. of other positions (2) | (3) | % (1) | (3) | % (1) | (3) | % (1) |
| Chairman | CERCHIAI Gian Maria | 14 Apr 2010 | approval of fin. st. 2011 | M | X | | | | 0 | 8 | | | | | | |
| Chief Executive Officer | CASTELLUCCI Giovanni | 14 Apr 2010 | approval of fin. st. 2011 | M | X | | | | 0 | 4 | | | | | | |
| Director | BENETTON Gilberto | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 100 | 7 | | | | | | |
| Director | BERTANI Alessandro | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 100 | 5 | | | | | | |
| Director | BOMBASSEI Alberto | 14 Apr 2010 | approval of fin. st. 2011 | m | | X | X | X | 73 | 5 | | | X (§) | 50 | | |
| Director | CAO Stefano | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 91 | 9 | | | X | 100 | | |
| Director | CERA Roberto | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 91 | | | | | | | |
| Director | CLÓ Alberto | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | X | X | 100 | 3 | | | X | 100 | | |
| Director | FASSONE Antonio | 14 Apr 2010 | approval of fin. st. 2011 | m | | X | | | 91 | 3 | | | | | | |
| Director | MALINCONICO Carlo | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | X | X | 73 | X | | | X (#) | 100 | | |
| Director | MARI Giuliano | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | X | X | 0 | 3 | X | 100 | | | | |
| Director | MION Gianni | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 100 | 7 | | | | | | |
| Director | PIAGGIO Giuseppe | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 100 | 8 | X | 100 | X | 100 | | |
| Director | ZANNONI Paolo | 14 Apr 2010 | approval of fin. st. 2011 | M | | X | | | 73 | 3 | | | X | 100 | | |
| Director | TURICCHI Antonio | 14 Apr 2010 | approval of fin. st. 2011 | m | | X | X | X | 91 | X | X | 100 | | | | |
| Quorum required for the submission of lists at the time of the latest election: 1% | | | | | | | | | | | | | | | | |
| A Nominations Committee is not provided for in Atlantia SpA's Corporate Governance Code, given that, in accordance with the Articles of Association, election of the Board of Directors takes the form of a transparent procedure (a list vote). | | | | | | | | | | | | | | | | |
| The Remuneration Committee was renamed the Human Resources and Remuneration Committee in Atlantia SpA's new Corporate Governance Code approved in November 2011, which also widened its brief and increased the number of members. | | | | | | | | | | | | | | | | |
| Number of meetings held during the reporting period | | Board of Directors: 11 | | | | | Internal Control and Corporate Governance Committee: 10 in 2011 | | | | | Human Resources Committee: 6 | | | | |

NOTES

(*) This column indicates M/m according to whether the member was elected from the majority (M) list or a minority (m) list.

(1) This column shows the percentage attendance of Directors at Board and Committee meetings, respectively.

(2) This column shows the number of directorships or positions as a Statutory Auditor held by the Director in other listed Italian or overseas companies, financial companies, banks, insurers or companies of significant size.

(3) The "X" in this column indicates that the Director is a member of the Committee.

(4) The Board of Directors has decided not to appoint an Executive Committee.

(§) Attendance during the period from 1 January to 9 June 2011 (the date on which Mr Bombassei resigned as a member of the Human Resources and Remuneration Committee).

(#) Attendance during the period from 9 June 2011 (the date Malinconico was elected a member of the Human Resources and Remuneration Committee) and 30 November 2011 (the date Malinconico resigned as a Director and as a member of the Human Resources and Remuner

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

| Position | Members | In office from | In office until | List (M/m)* | Independent as per Code | Attendance (%)** | Number of other positions held *** |
|---|------------------------|----------------|------------------------|-------------|-------------------------|------------------|------------------------------------|
| Chairman | SPADACINI Marco | 23 Apr 009 | approval fin. st. 2011 | m | X | 100 | 16 |
| Standing Auditor | DI TANNO Tommaso | 23 Apr 009 | approval fin. st. 2011 | M | X | 83.33 | 15 |
| Standing Auditor | LUPI Raffaello | 23 Apr 009 | approval fin. st. 2011 | M | X | 83.33 | - |
| Standing Auditor | MIGLIETTA Angelo | 23 Apr 009 | approval fin. st. 2011 | m | X | 83.33 | 22 |
| Standing Auditor | TROTTER Alessandro | 23 Apr 009 | approval fin. st. 2011 | M | X | 100 | 12 |
| Alternate Auditor | CIPOLLA Giuseppe Maria | 23 Apr 009 | approval fin. st. 2011 | M | X | - | - |
| Alternate Auditor | GENTA Giandomenico | 23 Apr 009 | approval fin. st. 2011 | m | X | - | - |
| Number of meetings held in a calendar year: 18 | | | | | | | |
| The right to submit lists is only granted to shareholders who alone or with other shareholders represent at least 1% of the voting shares at Ordinary General Meeting (art. 32 of the Articles of Association) | | | | | | | |

NOTES

(*) This column indicates M/m according to whether the member was elected from the majority (M) list or a minority (m) list

(**) This column shows the percentage attendance of Auditors at meetings of the Board of Statutory Auditors

(***) This column shows the number of positions held by the Statutory Auditor in companies as defined in Book V, Title V, Chapters V, VI and VII of the Italian Civil Code. Further details of the positions are available on the CONSOB's website at www.sai.conob.it/web

ANNEX A

LIST OF OTHER POSITIONS HELD BY THE DIRECTORS IN OTHER ITALIAN AND FOREIGN COMPANIES LISTED ON ITALIAN AND INTERNATIONAL REGULATED MARKETS, AND IN FINANCIAL, BANKING, INSURANCE OR LARGE COMPANIES

| DIRECTOR | OTHER POSITIONS |
|---------------------------------|---|
| CERCHIAI Fabio | <ul style="list-style-type: none">➤ Chairman of Autostrade per l'Italia SpA➤ Chairman of Arca Assicurazioni SpA➤ Chairman of Arca Vita SpA➤ Chairman of Cerved SpA➤ Director of Edizione Srl➤ Director of Fondazione di Venezia➤ Director of Impregilo SpA➤ Director of Veneto Banca ScpA |
| CASTELLUCCI Giovanni | <ul style="list-style-type: none">➤ Deputy Chairman of Impregilo SpA➤ Chief Executive Officer of Autostrade per l'Italia SpA➤ Chief Executive Officer of Autostrade Sud America Srl➤ Director of IGLI SpA |
| BENETTON Gilberto | <ul style="list-style-type: none">➤ Chairman of Autogrill SpA➤ Chairman of Edizione Srl➤ Director of Allianz SpA➤ Director of Benetton Group SpA➤ Director of Mediobanca SpA➤ Director of Pirelli & C. SpA➤ Director of Sintonia SA |
| BERTANI Alessandro | <ul style="list-style-type: none">➤ Director of Autostrade Sud America Srl➤ Director of Burgo Group SpA➤ Director of Istituto Europeo di Oncologia Srl➤ Director of Sintonia S.A.➤ Director of Schemaventotto SpA |
| BOMBASSEI Alberto | <ul style="list-style-type: none">➤ Chairman of Brembo SpA➤ Director of Italcementi SpA➤ Director of Fiat Industrial SpA➤ Director of Pirelli & C SpA➤ Director of Nuovo Trasporto Viaggiatori SpA |
| CAO Stefano | <ul style="list-style-type: none">➤ Chief Executive Officer of Sintonia SA➤ Director of Autostrade per l'Italia SpA➤ Director of Aeroporti Holding SpA➤ Director of Aeroporti di Roma SpA➤ Director of Aeroporto di Firenze SpA➤ Director of Gemina SpA➤ Director of Petrofac Limited➤ Director of Sagat SpA |

| DIRECTOR | OTHER POSITIONS |
|------------------------------|---|
| | ➤ Director of Schemaventotto SpA |
| CERA Roberto | — |
| CLÔ Alberto | <ul style="list-style-type: none"> ➤ Director of De Longhi SpA ➤ Director of IREN SpA ➤ Director of Italcementi SpA |
| FASSONE Antonio | <ul style="list-style-type: none"> ➤ Director of Fondazione Cassa di Risparmio di Torino ➤ Director of Fondazione Sviluppo e Crescita ➤ Chairman of IVREA 24 Abitare Sostenibile SpA |
| MARI Giuliano | <ul style="list-style-type: none"> ➤ Director of Engineering Ingegneria Informatica SpA ➤ Director of BCC Private Equity SGR p.A. ➤ Director of Assietta Private Equity (APE) SGR pA |
| MION Gianni | <ul style="list-style-type: none"> ➤ Chief Executive Officer of Edizione Srl ➤ Director of Aeroporti di Roma SpA ➤ Director of Autogrill SpA ➤ Director of Benetton Group SpA ➤ Director of Burgo Group SpA ➤ Director of Luxottica Group SpA ➤ Director of Sintonia SA |
| PIAGGIO Giuseppe | <ul style="list-style-type: none"> ➤ Chairman of Schemaventotto SpA ➤ Deputy Chairman of Società Italiana pA per il Traforo del Monte Bianco ➤ Director of Autostrade per l'Italia SpA ➤ Director of Fondazione Cassa di Risparmio di Torino ➤ Director of IGLI SpA ➤ Director of Impregilo SpA ➤ Director of Società Mediterranea delle Acque SpA ➤ Chairman of the Board of Statutory Auditors of Cogne Acciai Speciali SpA |
| TURICCHI Antonino | — |
| ZANNONI Paolo | <ul style="list-style-type: none"> ➤ Chairman of Prysmian SpA ➤ Chairman of Dolce & Gabbana Holding Srl ➤ Director of Gado Srl |