PEOPLE, ENVIRONMENT AND DEVELOPMENT FOR A CHANGING LAND

Sustainability-Linked Financing Framework

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I. Introduction

Aeroporti di Roma S.p.A. ("ADR" or the "Group") is the managing company of the Rome airport system and Italy's main airport operator with two airports – "Leonardo da Vinci" in Fiumicino ("FCO") and "G.B. Pastine" in Ciampino ("CIA") – serving the City of Rome and the surrounding areas.

ADR's mission is to develop and manage an efficient and sustainable airport system and be an international leader that maintains excellence in the quality and safety of the services it provides whilst catering to an increase in traffic.

This striving for excellence and safety guided ADR's response to the crisis that engulfed the world in 2020. The impact of the COVID-19 pandemic on Rome's airport system was dramatic and led to an unprecedented reduction in airport activity. From the very outset of the health emergency, Fiumicino was quick to respond and activated in record time all the protocols and safety measures established by the Health Authorities and, in many cases, has launched further initiatives supporting the safety of passengers and airport operators. At the same time, Fiumicino also provided support for its surrounding area with the creation of a health hub within the airport for the carrying out of antigenic and molecular tests and the administration of vaccines. Consequently, Fiumicino became one of the most recognized airports in the world in the fight against COVID-19.

The Group's business can be split into its aviation-related activities carried out at the Fiumicino and Ciampino airports, which include the allocation and management of airport infrastructure, security services, cleaning, etc., and its non-aviation activities, which include businesses such as sub-concessions, utilities, car parks, advertising, real estate, and other dealings with third-parties. Other activities such as handling, fueling, air traffic control (including taxing/landing and take-off), etc. are provided and managed at the airports by third parties: those activities are neither managed nor controlled by ADR.

In 2019, both airports operated by ADR handled almost 50 million passengers with Fiumicino airport confirming its position as the leading European hub in the over 40 million passengers category by winning the Airport Council International ("ACI") Europe's "Airport Service Quality Award" for four consecutive years (2017, 2018, 2019 and 2020). In 2020, ACI Europe named Fiumicino the Best Airport in Europe with passengers over 25 million per year, marking the first time an airport has received this accolade for three consecutive years (2018, 2019 and 2020).

The airports of Fiumicino and Ciampino are well recognised as engines for the economic development of the country and the surrounding regions. The day-to-day business activities and development of efficient and sustainable infrastructures not only contribute to the creation of wealth and employment, but also play a key role in social and cultural development.

In 2019, prior to the COVID-19 pandemic, Rome's airport system contributed to the creation of circa 54 billion euros of gross domestic product and over 390,000 jobs, including direct, indirect and induced employment. Rome's airports accounted for 3.1% of the region's GDP, as shown by the analysis carried out by PTSCLAS S.p.A., a company specializing in economic and social analyses:

€53.9bn
Total value created (direct, indirect and related businesses)

392k
Employed people (direct, indirect and related businesses)

3.1%
Percentage of the total regional GDP produced by AdR (direct business)

129k
Employed people in the region (equal to 4.3% of the total of the Lazio region)

For the purposes of this Framework, ADR intends to focus attention on Fiumicino airport only, which accounts for more than 94% of total CO_2 emissions produced by its airports[1]. Moreover, at the date of this framework, further traffic developments may be envisaged only in Fiumicino.

1.1 Sustainability at ADR

Sustainability has remained a strategic priority for the Group for many years and is integrated into its business model to create economic, social, and environmental value.

In testimony to ADR's the constant attention to the sustainability of its processes, the United Nations (UNWTO), awarded ADR an international recognition "*for leadership in sustainability and commitment to a responsible journey"* in the summer of 2020.

Confirming the company's growing commitment to a responsible business model, in 2020, ADR joined the United Nations Global Compact: the largest international platform on sustainability. Joining the Global Compact also requires the commitment to comply with specific obligations on the sustainability front and to annually report on the programs activated and the results achieved.

As far back as 2013, ADR established a Sustainability Steering Committee to promote ESG-relevant projects and to coordinate related activities. The Committee meets every two months to define and/or refine the sustainability guidelines needed to ensure ADR's strategic plans incorporate best practices on the environmental front. It consists of a Chairman (from outside the Company), the Chief Executive Officer, Chief Operating Officer ("COO"), Head of Administration & Finance, Head of Airport Management, Head of Human Resources & Organization, Head of Infrastructure Planning & Development, Head of Real Estate, Head of Communication and Public Affairs. Moreover, the Sustainability Steering Committee is composed by the Sustainability Manager with secretarial function within the committee.

The Committee carries out its responsibilities in line with ADR's environmental strategy, which is to:

- help top management adopt environmental sustainability guidelines and policies;
- promote coordination among corporate functions tasked with achieving sustainability objectives;
- monitor the implementation of the decisions taken and the initiatives executed;
- guide the corporate departments in their relations with service providers; and
- promote relations with key players and stakeholders.

To encourage innovation and continuous improvement in its sustainability performance, ADR has set up a dedicated Sustainability department. It was originally set up in 2016 and since 2020 it has been placed under the direct supervision of the CEO. The department, among its many activities, is responsible for: (i) helping top management define corporate sustainability objectives and standards; (ii) ensuring the drafting and implementation of the Corporate Sustainability Plan, and (iii) monitoring the projects among the Corporate Sustainability Plan through a key performance indicator system, a measurable value that demonstrates how effectively the group is achieving key objectives.

In addition, under the supervision of the COO, there is a department called "Environment", which was set up in 2000. It is responsible for: (i) adopting a control system aimed at applying a "systemic" approach to issues that concern the protection of the main environmental issues, divided in three levels of supervision; (ii) ensuring that certifications like the Environmental Management System is retained, and (iii) helping corporate departments to properly manage the processes for which they are responsible as well as handling LEED certification projects.

[1] *Considering Scope 1 and 2 emissions and using 2019 figures*.

In November 2020, a "Green Finance Committee" was established to support ADR’s Green Bond financing programme. The main aim of this Committee is to update and monitor the Green Financing Framework, identify corporate investments eligible for inclusion in the green portfolio and report to institutional investors and other stakeholders, the allocation of proceeds and environmental impact of the investments.

With the launch of this Sustainability-Linked Financing Framework (“the Framework”), ADR intends to extend the aim of the Green Financing Committee and set up a dedicated Green and Sustainability-Linked Working Group for the overall governance of its frameworks and related instruments.

The role of the working group will include:

i. overseeing the correct implementation of the frameworks in any relevant transaction;

ii. monitoring of the publication of the reporting as defined in the frameworks; and

iii. management of any future updates to the frameworks, including the appointment of a Second Party Opinion provider following such updates.

The working group will meet at least on an annual basis or earlier when required.

The working group will be formed by representatives from Treasury, Finance, Sustainability and Operations departments, as well as experts on the matter to ensure all relevant ADR stakeholders are represented.

1.2 The Corporate Sustainability Plan 2021-2025

ADR has defined a structured path to objectively and transparently identify its priorities with respect to sustainability.

The starting point was an integrated analysis of:

- the corporate values;
- the international sustainability priorities (the 2030 Agenda for Sustainable Development, adopted by all United Nations (UN) Member States in 2015 and the Ten Principles of the United Nations Global Compact); and
- the priorities of the internal and external stakeholders of the company.

An integrated vision of these elements has led to identifying the areas on which to focus corporate commitment: ten Sustainable Development Goals have been identified through the analysis of the over 160 targets making up the Agenda. On these targets, ADR is already committed and therefore can define objectively measurable KPIs and programs in order to ensuring the achievement of important results. The ten SDGs identified are represented in the image below.

The undertaking described above underpins the Group’s Corporate Sustainability Plan 2021-2025. It constitutes an evolution compared to the past sustainability plans, because of the longer time horizon, five years instead of one and the greater breadth of the topics dealt with. The Sustainability Plan structure is based on three pillars, which constitute the drivers of the actions envisaged by the Group: People centrality (employees, passengers, suppliers, and communities), Environmental sustainability of operations and economic and social Development.

The Plan matches with ADR's values and with the Governance that ADR has adopted, while the communication system ensures transparent dialogue with all the categories of stakeholders.

1.3 Decarbonisation

The aviation sector faces the challenge of achieving recovery and growth post the COVID-19 pandemic whilst pursuing its ambition to significantly reduce Greenhouse Gas ("GHG") emissions. To pursue this goal, ADR has made commitments and developed programmes to help achieve its target of zero CO_2 emissions by 2030.

As a first step, ADR is committed to monitoring on an annual basis GHG emissions (i.e. Scopes 1, 2 and 3) by ADR, its subsidiaries and other stakeholders in the sector, such as airlines and other companies operating at the ADR airports.

In March 2021, ADR secured the Airport Carbon Accreditation ("ACA") Level 4+ (Transition) certification, the highest level in existence to date. This achievement also makes Rome's airports the first in Europe and among the first in the world to achieve this level of certification as of first quarter of 2021. More information on the ACA accreditation is provided in Annex 1.

Ongoing environmentally-focused construction projects at the airport include two large multi-megawatt photovoltaic plants, electrical and thermal storage systems, and the use of bio methane and low-carbon transport infrastructures. Investments in a network of electric charging stations for airport mobility, which will become cleaner over time, have also been planned.

As part of the European Commission's Horizon 2020 research and innovation program, ADR has participated and won last year in a 12 million euros tender to find solutions that demonstrate how an airport can be designed to operate completely without carbon emissions. In collaboration with Copenhagen airport, the International Air Transport Association ("IATA"), the University of Parma and 10 other European partners, ADR has joined the "ALIGHT" project[2] to analyse the airport's zero-carbon emission future. The Smart Airport project plans to make Sustainable Aviation Fuels ("SAFs") available at participating airports (e.g. biofuel, electricity, hydrogen or e-fuel) all of which are essential for decarbonising aircraft flight.

Typically, airport Scope 3 carbon footprint is mainly driven by its "aircraft" component: take off, landing, approach, climb, and cruise from origin to destination; which account for around 90% of the total Scope 3 emissions

In this context, ADR is taking initiatives through the establishment of a Stakeholder Engagement Plan to reduce the sources of its Scope 3 emission for which it can only provide guidance and influence:

- Contributing to SAFs with full availability for aircraft by 2024, making biofuel available at the airport distribution centre
- ADR successfully implemented the Airport Collaborative Decision Making ("A-CDM"), an operational procedure which aims to improve air traffic management through better sharing of information amongst all stakeholders. Thanks to its introduction, airlines have been able to save an average of 90 seconds of taxing time (-10%), which resulted in a CO_2 savings for ca. 11,800 tonnes (on an annual basis - 2018 figures)
- ADR participates in the SESAR programme (Single European Sky Air Traffic Management Research), which contributes to the targets of the Single European Sky ("SES") initiative to reduce the environmental impact of flying through better use of airspace and a sky decarbonisation programme
- ADR promotes rail access to Fiumicino airport, in partnership with the national rail operator. ADR has also invested in smart and clean mobility to and from the airport by investing in electric charging stations with clean energy availability and facilitating electric car sharing
- Clean Transportation and Infrastructure for Low Carbon Transport: installation of 500 electric vehicle charging stations by 2025; substitution of the entire vehicle fleet with electric vehicles by 2029, increase of smart and clean mobility to and from the airport by investing in a cycle lane for employees and facilitating electric car sharing. By

[2] https://cordis.europa.eu/project/id/957824/it

installing 500 electric charging stations for electric vehicles by 2025, ADR is committing to reducing landside and airside Scope 3 emissions. As such, at Fiumicino airport, there will be approximately 100 charging stations installed airside and 400 charging stations installed landside

1.4 Circular economy

The waste management strategy at ADR has always been focused on reduction, reutilization and recycling. On waste recovery, ADR recovers 98% of waste produced at Fiumicino.

For the development of waste reutilization process, ADR airports have a widespread "door-to-door" waste collection system with "differentiated tariffs" which allows for an optimal split of waste produced and lays the foundations for its reuse.

ADR has built a big composting plant to facilitate the recovery of 1,000 tonnes of organic waste from food scraps collected from Fiumicino airport. The composting plant capacity has been sized in order to manage the equivalent amount of the total waste produced by ADR in 2019.

Through successful collaboration with other parties, ADR successfully reduced the amount of plastic produced at Fiumicino airport by 30% in 2019 versus the previous year.

Circularity also covers other important areas including the sustainable management of the water resources, recycling of construction materials, land reuse and donation of goods and meals unsold.

With regards to the efficient and sustainable management of water resources, it is noted that Fiumicino is one on the few large airports in the world to use a "dual" network that allows the use of potable water (883,526 cubic meters in 2019) only when indispensable. For other uses such as firefighting, toilets etc., industrial recycled water is used allowing for a water saving of 1,237,000 cubic meters in 2019.

ADR is engaged in the recovery of milled asphalt and other conglomerates derived from construction sites at the airport and is committed also to reutilize soil and rocks in growing percentage.

Recently ADR activated some collaborations with NGOs for the donation of goods that otherwise would have been demolished (from furniture to meals). This would allow ADR to give a substantial contribute not only in terms of the environment but also on the social side.

ADR intends to pursue the described path with the goal of being a zero waste airport within 2030, assuring the reutilization of 100% of the waste produced in the airport. ADR is committed also to reduce by 2030 the amount of waste for each passenger by 10% versus 2019.

1.5 Green Infrastructures

ADR always committed itself to developing the airport whilst minimizing the environmental impacts of both construction sites and land usage, and to realizing sustainable infrastructures: 60% of terminal infrastructure is built according to certified sustainable criteria.

With the aim to privilege recycled materials, during the demolitions and subsequent rebuilding works ADR always pursued a recovery and re-use strategy for excavated materials. According to this:

- 97% of excavated material was reused in the airport;
- 70% of inert material used for new constructions comes from airport demolitions; and
- Thousands of trucks that did not generate CO_2 due to absence of transports (transports to the landfill etc.).

All of this was possible thanks to the presence within Fiumicino, of a crushing plant for inert materials and a plant for treatment of inert bituminous, which allowed the recovery of huge amount of materials that otherwise would have been sent to the landfill.

ADR plans and builds infrastructure to LEED (Leader in Energy and Environmental Design) protocol Gold level or above. The General Aviation Terminal in Ciampino, pier A in Fiumicino and the real estate project "Hubtown" are examples of projects built to the LEED Gold standard. In light of this, the development plans for Fiumicino envisage that by 2030 more than 60% of Terminal infrastructure will be built or refurbished according to the highest international sustainable standards (LEED and BREEAM).

Moreover, ADR is committed to developing new buildings without using additional soil**.** Only for the realization of the 4th runway in Fiumicino it will be necessary to expand the actual aerodrome, trying in any case to minimize the additional soil used: only slightly more than 10% new aerodrome area for a forecasted doubling in passengers.

II. Rationale for issuing Sustainability-Linked Financing Instruments

In November 2020, ADR released its Green Financing Framework which enabled the Group to incur "Green Debt" (through the issue of bonds or the assumption of bank loans) to finance and / or refinance projects with a positive environmental impact. ADR's Green Bond offering in November 2020 made the Group one of the leading players in sustainable finance from the sector.

The Sustainability-Linked Financing Framework acts as a complementary document to the existing Green Financing Framework. The inclusion of Sustainability-Linked financing to ADR's toolbox of sustainable finance instruments is a natural step in the Group's constant and growing commitment to environmental and sustainability issues.

By doing so, ADR intends to:

i. align its financing strategy with its mission, objectives and sustainability targets;

ii. ensure that the proceeds from institutional investors and customers are channeled into investments that contribute to a transition to an economy that has a lower environmental impact; and

iii. contribute to the development of the sustainable finance market, underlining the importance of the airport sector in the implementation and achievement of the UN's SDGs and in particular SDG 13 'Climate Action'.

III. Alignment with Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2020

The Framework has been established in accordance with the Sustainability-Linked Bond Principles ("SLBP") 2020 as administered by the International Capital Markets Association ("ICMA"), and the Sustainability-Linked Loan Principles ("SLLP") 2020 as administered by the Loan Markets Association ("LMA"). In the case of Sustainability-Linked Bonds ("SLB"), the core of the Framework is focused on the selection of Key Performance Indicators ("KPIs"), calibration of Sustainability Performance Targets ("SPTs"), instruments structuring, reporting and verification.

In alignment with the core components of the SLBP, the following sections contain a discussion of the main components of this Sustainability-Linked Financing Framework:

1. Selection of Key Performance Indicators (KPIs);
2. Calibration of Sustainability Performance Targets (SPTs);
3. Financial Characteristics;
4. Reporting;
5. Verification.

For the avoidance of doubt, the Sustainability-Linked Financing Framework could be utilized by ADR for financing beyond Sustainability-Linked Bond offerings.

1. Selection of Key Performance Indicators (KPIs)

ADR has selected the following three KPIs, which are core, relevant and material to ADR's business and measure the sustainability improvements of the Group

KPI 1: Scope 1 and 2 CO_2 emissions (tonnes)

Definition of the metric: Scope 1 and 2 emissions constitute all the CO_2 emissions across ADR's operational activities. The metric is measured in tonnes/year.

Unit: Percentage of reduction of tonnes of carbon dioxide equivalent (tCO_2).

Perimeter: Fiumicino ("FCO") airport

Methodology

The total amount of CO_2 Scope 1 and 2 emissions is calculated according to the ACA rules for Level 4+ defined by ACI Europe, in line with the guidance provided by ISO 14064-1.

This scheme provides for the accounting of direct and indirect emissions, distinguishing them in three fields of application or "Scope": (i) Scope 1: direct emissions; (ii) Scope 2: indirect emissions from the production of purchased electricity; (iii) Scope 3: other indirect emissions.

For more details please see Annex I

- Direct CO_2 emissions: 'stationary sources', 'mobile sources', 'process emissions', and 'other'. Emission factors for Scope 1 are derived from the GHG Protocol. For more detailed examples of the types of emissions included please refer to Annex I;
- Indirect CO_2 emissions associated with energy consumption: emissions from purchased electricity, heating and cooling. Emission factors associated with electricity consumption are those published by the ISPRA[3].

Baseline:

- 59,173 tonnes CO_2 in 2019 (Scope 1= 4,413 and Scope 2=54,760);
- The 2019 Baseline has been audited by RINA and WSP according to ACA rules.

Rationale

ADR is committed to constantly reducing its climate-damaging emissions. Over time, ADR has implemented a series of actions to limit the environmental footprint of the airport system. In particular, to control and reduce direct and indirect emissions of CO_2 related to its activities.

ADR has selected the above KPI, which is core, relevant, and material to the business and measures the sustainability improvements of Scope 1 and 2 CO_2 emissions that are under ADR's direct or indirect control. Scope 1 and 2 emissions are defined in the above section.

Action Plan related to Scope 1 & 2:

i. Renewable Energies: construction and realization of multi MW photovoltaic power plants and procurement of certified green electricity;

ii. Phase out of the existing methane powered CHP and use of bio methane for boilers from 2029;

iii. Installation (on top of the existing thermic storage of 20 MW and 60 MWh) of a Multi MW electric storage;

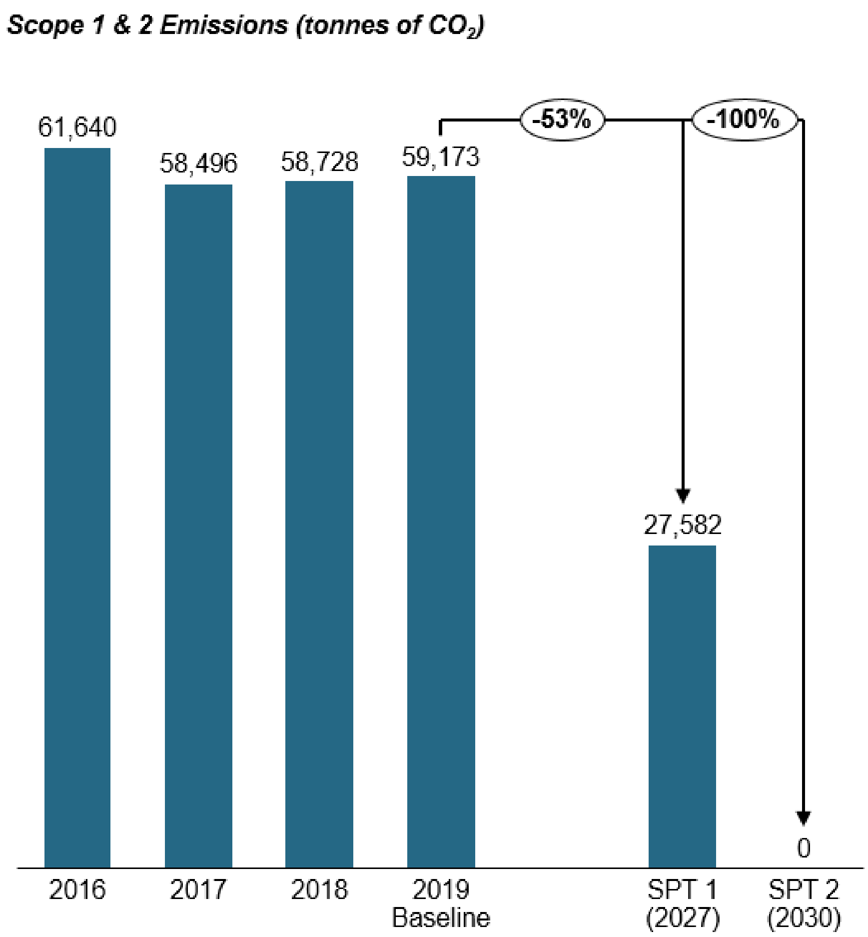
iv. Green Buildings: with a view to pursue "brownfield" development, the infrastructure plan is based on new, existing or refurbished buildings which have received at least one of the following criteria: the LEED "Gold", BREEAM "Very Good", EPBD "A";

v. Electric vehicles fleet: substitution of the entire fleet with electric vehicles; and

vi. Energy efficiency technologies.

[3] https://www.isprambiente.gov.it/en

Historical performance:



KPI 2: Maintaining the ACA Level 4+ Accreditation

Definition of the metric: ACA Level 4+ is the most advanced certification in the airport sector aimed to achieve emissions reduction, including from Scope 3 sources, over which the airport can only provide guidance or influence.

Perimeter: Fiumicino ("FCO") airport

Methodology

Accreditation at Level 4+ has to be renewed every three years. The requirements to be fulfilled are:

- Submission of a verified carbon footprint as per Level 4 requirements;
- Revised Carbon Management Plan. The Plan shall demonstrate that the airport has achieved in a timely manner any relevant long-term target or interim milestone that had been set;
- Update of the Stakeholder Partnership Plan with information about the progress of stakeholder emissions reduction against the overall objective for the stakeholders;
- Annual submission of a non-verified carbon footprint in the interim years;
- Every second renewal (i.e., every six years), the airport shall demonstrate that it is on track with the forecast trajectory to their long-term target or interim milestone.

Rationale

In order to combat climate change, ADR guaranteed the maintenance of ACA carbon neutrality certification for FCO (i.e. ACA 3+) since 2013. The aim of ACA is to encourage airports to implement best practices in carbon management and achieve emissions reduction. The accreditation provides the opportunity for airports to gain public recognition for their achievements, promotes efficiency improvements, encourages knowledge transfer, raises an airport's profile & credibility, encourages standardisation, and increases awareness and specialisation.

ADR has limited or no control, direct or indirect, over Scope 3 emissions. In order to reduce Scope 3 emissions, ADR prepared a Stakeholder Partnership Plan aimed at providing guidance and influence stakeholders to reduce Scope 3 emissions from ADR standpoint.

In 2020, Level 4+ (Transition) has been added to the ACA programme to align it with the objectives of the Paris Agreement to limit the increase of global average temperature to 2°C above pre-industrial levels and aim to not exceed 1.5°C. Level 4+ has been introduced as an interim step towards the long-term goal of supporting airports in achieving net zero carbon emissions in 2050.

ADR has selected the above KPI, which is core, relevant, and material to the business and measures the airports' carbon footprint, including Scope 3 emissions. As part of our commitment to combating climate change, in March 2021 FCO became the first airport in Europe to achieve Level 4+ "Transition" by the ACA, which we believe is key to maintain.

Action Plan (other than already disclosed in KPI 1):

i. Availability of Sustainable Aviation Fuels by 2024 in line with the ALIGHT EU-funded project;

ii. Installation into the airport of ca. 500 charging points for electric vehicles by 2025 to favour electric mobility (roughly 100 air side and 400 land side);

iii. Improvement of rail accessibility, number of trains and decrease of tariffs;

iv. Improvement of buses accessibility and link the airport to the regional cycle lines network;

v. Initiatives within SESAR program[4];

vi. Actions to raise awareness on airport's tenants for the procurement of green certified energy and the use of electric vehicles; and

vii. Raising awareness initiatives and working group with handlers for the usage of hybrid/electric vehicles and incentive policies.

Historic performance:

- Fiumicino airport is certified ACA 3+ since 2013, and ACA 4+ certified since March 2021

[4] https://www.sesarju.eu/

KPI 3: Scope 3 (excluding aircrafts sources) CO_2 emissions per passenger ($kgCO_2$/passenger)

Definition of the metric: Scope 3 CO_2 emissions (excluding Cruise, Landing and Take-off Cycle (LTO) and taxing of aircrafts) per passenger

Unit: Percentage of reduction of kilos of carbon dioxide equivalent per passenger ($kgCO_2$/passenger).

Perimeter: Fiumicino ("FCO") airport

Methodology

The total amount of Scope 3 CO_2 emissions is calculated according to the ACA rules for Level 4+ defined by ACI Europe, in line with the guidance provided by ISO 14064-1. The KPI 3 will aggregate emission sources from:

- Ground Support Equipment ("GSE") and handlers' vehicles, supporting aircraft during the turnaround at the stand;
- Passengers accessibility, travelling to and from the airport;
- Other staff accessibility (third parties), travelling to and from the airport;
- Goods accessibility (estimated);
- Waste management, treatment and disposal of solid and liquid waste generated in the airport's operations;
- Business trips of ADR's staff;
- Third parties fixed sources (emissions from generators and on-site plant);
- Deicing airplanes;
- Energy purchased by third parties.

Baseline:

- 623,357 tonnes CO_2 in 2019, 14.3 $kgCO_2$ per passenger;
- The 2019 Baseline has been audited by RINA and WSP according to ACA rules.

Rationale

Scope 3 emissions are out of ADR's direct or indirect control. For Scope 3 emissions ADR can only provide guidance and influence the airport stakeholders.

Nevertheless, given that a large proportion of ADR's CO_2 emissions are Scope 3 emissions, it is important to have a KPI that is focused on these emissions.

ADR has selected the above KPI, which is core, relevant, and material to the business and measures the sustainability improvements of Scope 3 CO_2 emissions that are not under ADR's direct or indirect control. The typical airport Scope 3 carbon footprint boundaries are described in the above section.

Action Plan:

i. Installation into the airport of ca. 500 charging points for electric vehicles by 2025 to promote electric mobility (approximately 100 air side and 400 land side);

ii. Energy efficiency technologies;

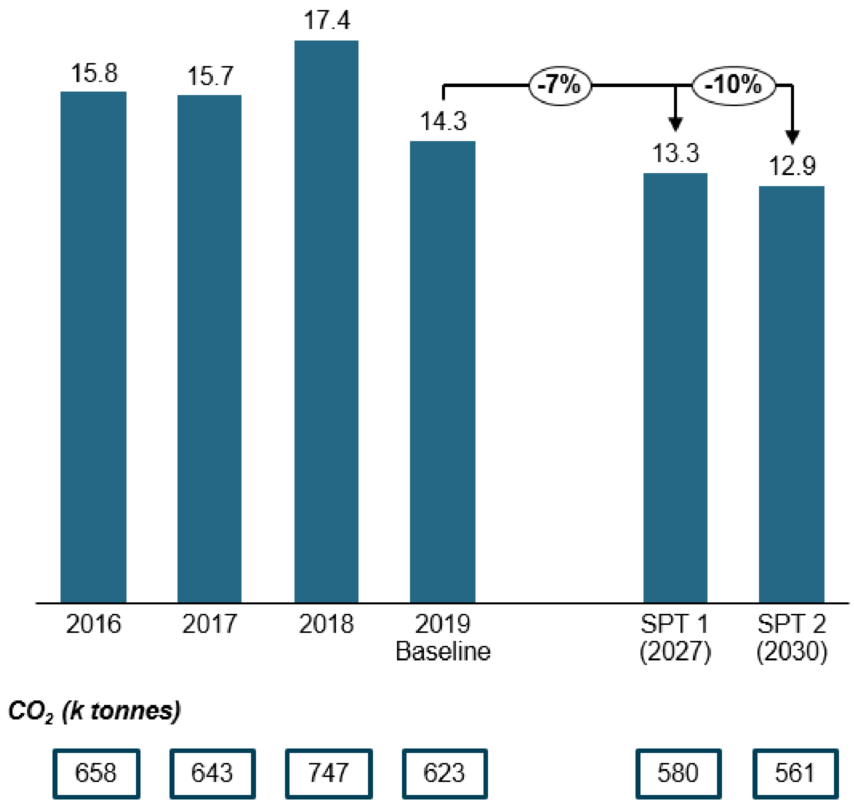
iii. Improvement of rail accessibility, number of trains and decrease of tariffs, improvement of bus accessibility and link the airport to the regional cycle lines network;

iv. Actions to raise awareness on airport's tenants for the procurement of green certified energy and the use of electric vehicles; and

v. Raising awareness initiatives and working group with handlers for the usage of hybrid/electric vehicles and incentive policies.

Historical performance:

Scope 3 Emissions (excluding aircrafts sources) per passenger (Kg/CO_2)



2. Calibration of Sustainability Performance Targets (SPTs)

SPT 1: To decrease absolute Scope 1 and 2 emissions by 53% by 2027 from a base year of 2019

By 2027, ADR wants to reduce carbon emissions by 53% by December 31st, 2027, compared with the base year of 2019.

The SPT is ambitious as it supports ADR's ambition to become net zero emissions by 2030 and net zero carbon by 2050. It represents a material improvement over the life of the financings, when compared to ADR historic trend of performance. Indeed from 2016 to 2019 ADR has reduced CO_2 emissions by 2 kt/year. With net zero commitment by 2030, the reduction from 2019 to 2030 will be in excess of 24x, for a total amount of 59 kt/year.

SPT 2: To maintain an ACA Level 4+ when the certification will be reviewed in every 3 years

Now that ADR has achieved the highest accreditation by the ACA, ADR wants to maintain this achievement when the certification is reviewed in six years' time (2027).

The SPT is ambitious as Level 4+ (Transition) confirms that ADR intends to align with the objectives of the Paris Agreement to limit the increase of global average temperature to 2°C above pre-industrial levels and aim to not exceed by 1.5°C.

SPT 3: To reduce per passenger Scope 3 (excluding aircrafts sources) emissions by 7% by 2027 from a base year of 2019

By 2027, ADR wants to reduce per passenger CO_2 emissions by 7% by December 31st, 2027, compared with the base year of 2019.

The SPT is ambitious as it monitors ADR Scope 3 emissions that ADR doesn't control. On Scope 3 emissions ADR can only provide guidance and influence the stakeholders. From 2016 to 2019 Scope 3 CO_2 emissions per passenger (excluding aircraft sources) were decreased by 1.4 kg/passenger/year. With -10% commitment by 2030 the reduction from 2019 to 2030 will be another 1.4 kg/passenger/year.

SPT 3 supports ADR's ambition to maintain ACA 4+ certification providing targets also for some Scope 3 emissions sources.

3. Financing's characteristics

- The financial characteristics of the instrument will be impacted depending on the achievement or failure to meet the SPTs indicated in the previous section of this Framework. Performance against the SPTs, representing the instrument's trigger events, will be observed at each observation date.
- The exact mechanism and impacts of the achievement or failure to reach the pre-defined SPTs will be detailed for each financing in the relevant documentation.

The proceeds of ADR's Sustainability-Linked Financing (s) will be used for general corporate purposes. ADR's Sustainability-Linked Financing have a sustainability-linked feature that will result in a margin/coupon adjustment, or a premium payment as the case may be, if the Group's performance does not achieve the stated SPT(s). The relevant KPI, SPTs, step-up margin amount or the premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction (e.g. Final Terms of the relevant Sustainability-Linked Financing). Furthermore, such documentation may include provisions allowing for the redetermination (also on a *pro forma* basis, if any) of the CO_2 emissions and/or related baselines as well as the resulting additional reporting obligations vis-à-vis investors in case of a redetermination (including an explanation of and the reasons behind the redetermination).

The Issuer will notify the investors of the achievement or not of the SPT as soon as possible and in any event by the deadline specified in the relevant financing documentation.

4. Reporting

ADR commits to report at least annually in its Sustainability Report and keep readily available and easily accessible on the Group's website:

- Up-to-date information on the performance of the selected KPI, including the baseline where relevant;
- A verification assurance report relative to the SPT outlining the performance against the SPT and the related impact, and timing of such impact, on a financial instrument performance, as defined in the Post-issuance part of the Verification section;
- Any relevant information enabling investors to monitor the ambition of the SPT including any update in the issuers sustainability strategy or on the related KPI/ESG governance, and more generally any information relevant to the analysis of the KPIs and SPTs; and
- Information regarding a redetermination of CO_2 emissions and/or related baselines if relevant.

5. Verification

Independent and external verification of performance level against each SPT for each KPI by a qualified external reviewer with relevant expertise such as the Group's auditor.

Pre-issuance

ADR's Sustainability-Linked Financing Framework has been reviewed by Sustainalytics who provided a Second Party Opinion ("SPO"), confirming the alignment with the SLBP administered by the ICMA. The SPO will be available on ADR's website.

Any other external review from consultants with recognized environmental and social expertise to provide an opinion on the sustainability benefit of this Sustainability-Linked Financing Framework as well as the alignment to the SLBP will also be made publicly available on ADR's website.

Post-issuance

Annually, and in any case for any date/ period relevant for assessing the KPI performance against the SPT leading to a potential financial adjustment, such as a step-up coupon or a premium payment on the Sustainability-Linked Financing, until after the KPI trigger event of a financing has been reached, ADR will seek independent and external verification of the performance level for the stated KPI by the Assurance Provider.

The Assurance Provider means ADR's external auditor, or any such other qualified provider of third party assurance or attestation services appointed by ADR, who will provide a verification assurance report in the form of a "Limited Assurance".

The verification of the performance of the KPIs, along with the Assurance Provider's verification report, will be made publicly available on ADR's website.

IV. Amendments to this Framework

ADR will review the contents of this Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. Over time, additional KPIs/SPTs may be added and new SPTs for KPI 1, 2 and/or 3 may be proposed.

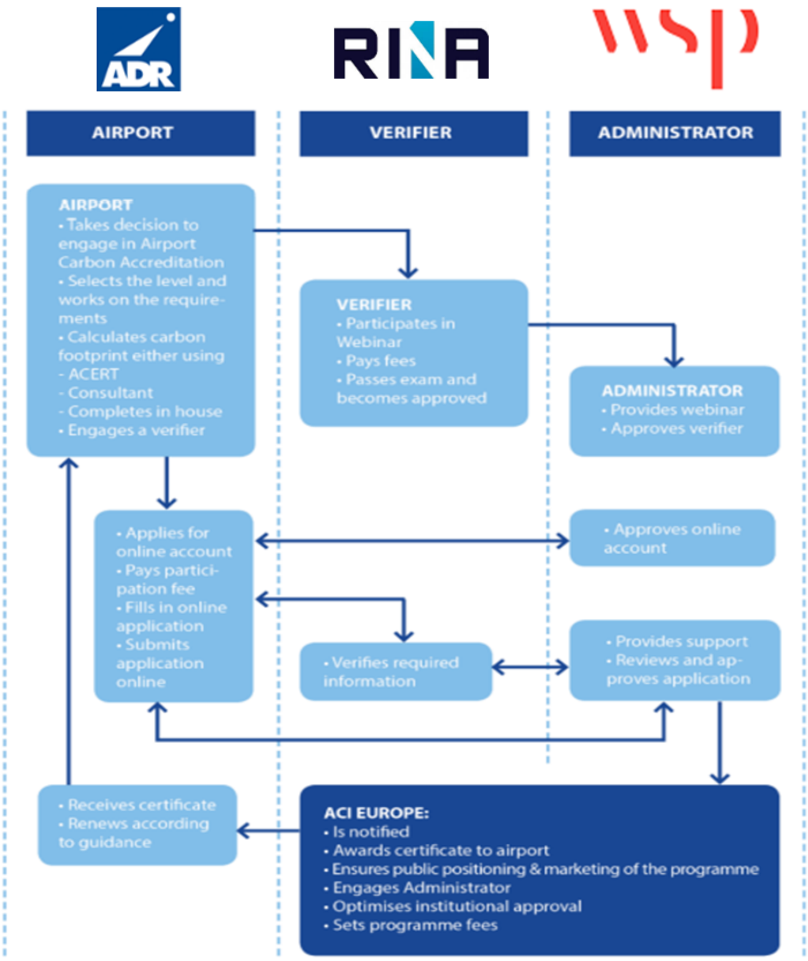
ADR will also review this Framework in case of significant changes affecting the calculation and observation of the KPIs and the SPTs significant or structural changes to the business model of ADR and/or an amendment to the Italian legal or regulatory framework directly and/or indirectly applicable to the operation of the FCO.

Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an external verifier. The updated Framework, if any, will be published on ADR's website.

Annex 1 – Overview of ACA Accreditation Process

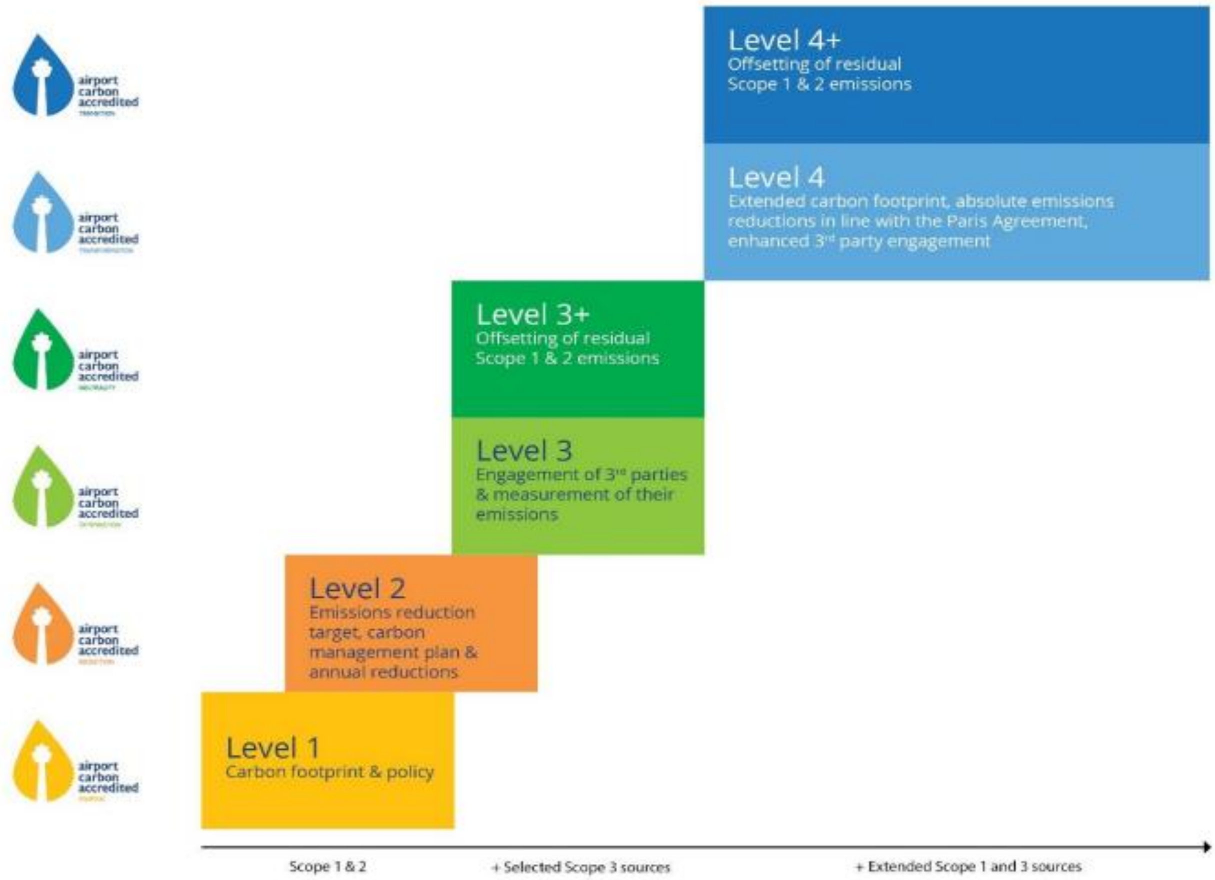
The ACA is owned and governed by ACI EUROPE (the European region of Airports Council International) in close cooperation with four ACI regions and with support of ACI World[5].

ACA is a global carbon management certification programme for airports. It independently assesses and recognizes the efforts made by airports in managing and reducing their carbon emissions through six levels of certification: 'Mapping', 'Reduction', 'Optimisation', 'Neutrality', 'Transformation' and 'Transition'.



The ACA follows the GHG protocol guidance to identify and categories direct and indirect emissions at each operational level.

[5] https://www.airportcarbonaccreditation.org/about/what-is-it.html



In 2020, Level 4 ("Transformation") and 4+ ("Transition") were added to the ACA programme to align it with the objectives of the Paris Agreement to limit the increase of global average temperature to 2°C above pre-industrial levels and aim to not exceed 1.5°C.

As at the end of 2020, around 340 airports in the world were certified by the ACA, 167 of which are based in Europe, including all the largest airports. Prior to the introduction of Levels 4 and 4+, approximately 125 held the highest accreditation of Levels 3 and 3+.

In March 2021, ADR became the first airport in Europe to achieve Level 4+ "Transition" following the submission of a verified application which contained carbon footprint, policy and other programme information relevant to ADR obtaining Level 4+ accreditation. Going forward, ADR would be expected to submit a verified application every second year subsequently as long as ADR remains at the same level of accreditation[6].

[6] https://www.rina.org/en
https://www.wsp.com/

Scope 1: Direct GHG emissions that occur from sources that are owned and/or controlled by the airport. These include:

Stationary sources	Boilers, furnaces, burners, turbines, heaters, incinerators, engines, firefighting exercises, flares, generators, etc.
Mobile sources	Automobiles (airside / landside), trucks, employee buses, ground power units, construction vehicles and plant, etc.
Process emissions	Onsite waste management, wastewater management, etc.
Other	Refrigerant losses, de-icing substances, leaks from plant particularly fire suppression CO2, fuel tanks etc.

Scope 2: Indirect GHG emissions from the generation of purchased electricity, steam, heat or cooling consumed by the airport. Scope 2 emissions physically occur at the facility where purchased electricity is generated.

Scope 3: All other indirect emissions, which are a consequence of the activities of the airport but occur from sources not owned and/or controlled by the company (e.g., aircraft movements, vehicles and equipment operated by third parties, off-site waste management, etc.). Such sources can be located within or outside the airport premises (geographical boundary).

- The ACA distinguish the relevant emissions sources to determine where airports have control over emissions (Scope 1, 2 and airport operator staff business travel) and where they can guide or influence emissions from activities of other stakeholders (Scope 3).
- In particular Scope 3 indirect emissions that are not under the control of airports are defined by ACA as follows:

Scope 3 emissions sources	For which the airport company can provide guidance.	For which the airport company can only influence
Aircraft	Aircraft ground movements, engine start up to idle (run ups), engine reverse thrust, taxiing, APU, PCA, etc.	Take off, landing, approach, climb, cruise from origin to destination, etc.
Stationary Sources	Boilers, furnaces, burners, turbines, heaters, incinerators, engines, firefighting exercises, flares etc.	3rd party boilers, furnaces, burners, turbines, heaters, incinerators, engines etc.
Mobile sources	Vehicles, GSE equipment and ground power units operated by 3rd parties, staff travel in own vehicles / commute, haulage, construction vehicles and plant, etc.	Business travel (3rd parties), land or maritime surface access (passengers), staff travel / commute (3rd parties), 3rd party owned vehicles, etc.
Process emissions	Offsite management / disposal of airport waste, etc.	Management of waste where disposal arrangements are made by 3rd parties, etc.
Infrastructure	Grid power and fuel consumed by close partners, etc.	Grid power and fuel consumed by other 3rd parties, etc.
Other	Refrigerant losses, de-icing substances, leaks from plant particularly fire suppression CO_2, fuel tanks etc.	Refrigerant losses, de-icing substances, leaks from plant particularly fire suppression CO2, fuel tanks etc.

Accreditation at Level 4 has to be renewed every three years. The requirements to be fulfilled are:

- Submission of a verified carbon footprint as per Level 4 requirements;
- Revised Carbon Management Plan. The Plan shall demonstrate that the airport has achieved in a timely manner any relevant long-term target or interim milestone that had been set;
- Update of the Stakeholder Partnership Plan with information about the progress of stakeholder emissions reduction against the overall objective for the stakeholders;
- Annual submission of a non-verified carbon footprint in the interim years; and
- Every second renewal (i.e., every six years), the airport shall demonstrate that it is on track with the forecast trajectory to their long-term target or interim milestone.

DISCLAIMER

This document (the Sustainability-Linked Financing Framework) is intended to provide non-exhaustive, general information related to ADR approach to environmental and sustainability issues. This document may contain or make reference to public information not separately reviewed, approved or endorsed by ADR and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by ADR as to the fairness, accuracy, reasonableness or completeness of such information. This Sustainability-Linked Financing Framework contains statements about future events and expectations that are forward-looking statements. None of the future projections, expectations, forecasts, estimates or prospects such as, *inter alia*, the achievement by ADR of sustainable target described in this document should be taken as forecasts or promises of compliance with such projections, expectations, forecast, estimates or prospects nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the document. Being the forward-looking statements subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of ADR to control or estimate precisely. Unless otherwise stated, ADR has and undertakes no obligation to update, modify or amend this document or the statements contained herein to reflect actual changes in assumptions or changes in factors affecting these statements or to otherwise notify any addressee if any information, opinion, projection, expectations, forecast or estimate set forth herein changes or subsequently becomes inaccurate or impracticable. The information contained in this Sustainability-Linked Financing Framework does not purport to be comprehensive and, unless differently specified herein, has not been independently verified by any independent third party. This document is not intended to be and should not be construed as providing legal, financial or technical advice. It does not constitute an offer or invitation to sell or any solicitation of any offer to subscribe for or purchase or a recommendation regarding any “sustainability-linked bond” or other securities of ADR or provide financing to ADR, and nothing contained herein shall form the basis of any contract or commitment whatsoever and it has not been approved by any security regulatory authority. This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. Persons who might come into possession of it must inquire as to the existence of such restrictions and comply with them.