

# Sustainability-Linked Bond Framework

Autonom Services SA - July 2021



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” Since the beginning of Autonom, our vision was to be an authentic business model with a positive impact on the society and the environment. Getting involved in the communities we are part of, through supporting education, is a major component of our organizational culture.

We understand the impact our company might have on the environment and within the community, as climate changes have become a great concern at a global level. It is the responsibility of each, company or individual, to contribute to the creation and preservation of a better, safer, and cleaner planet.”

*Marius Ștefan*

*CEO of Autonom*

# 1. INTRODUCTION

Autonom stands for integrity, transparency, authentic values, and open communication. We consider these characteristics as being the main pillars of our goal’s achievement in terms of business development.

Our activity started in 2006 when we began to offer short-term car rentals to our clients. Since then, our company has been involved in a continuous development and expansion, being able to deliver more different types of services for a large and varied range of clients. Thus, in 2021, we reached a point where we can deliver a wide range of services, all related with mobility, as for example:

Our most valuable assets are the people. We are keen on developing respectful and trustful

<b>Rent-A-Car</b>	Business Travel Rentals Business Mid-Term Rentals Rent-A-Van Temporary Fleet	<b>AutoRulate</b>	Used Car Sales
<b>Lease</b>	Operating Lease Equipment Operating Lease	<b>Road Assistance</b>	Road Assistance Car Replacement Towing Vehicles
<b>Drive</b>	Airport Shuttle InterCity Transfers Urban Transfers Special Transfers	<b>Fleet Management</b>	Fleet Management Car Wash

relationships with all our employees and we encourage smiles and positive vibe at the workplace. We are also aware that flexibility and adaptability at the market dynamics are representing the winning attitudes that we are determined to embrace in our day-to-day work. Together with our stakeholders we aim to strengthen the sustainable development of our community, adding also, besides our local impact, our contribution to a global positive impact.

We know for sure that these values will lead us to business success, professional evolution, and an added value to a global impact in terms of prosperity, balanced with a higher quality of life, while helping in greening the economy and the planet’s recovery.

Considering the major challenges of the planet, we are aware that acting before we reach irreversible tipping points will allow us to design that transformation in a timely manner, rather than react and adapt to it.

Enforcing sustainability practices places us among the top companies that are showing relevant concerns in matters like increased quality of life, ecosystem protection, natural resources preservation, all being results of the right implementation of sustainability actions.

We also associate sustainability as being a holistic approach managing under its wide range of duty, all our internal and external processes as a top to down approach. In order to become a resilient company, we consider sustainability concepts as a core area of concern for our further development and market intervention in our business industry. Thus, we are engaged to embrace into all our business activity practices that will lead our corporate sustainable performance.





**We, as an organization, are committed to contribute to a better, cleaner, and safer world, a friendly place to enjoy life and work.**

In order to plan, develop, support, and continuously improve our Sustainability Strategy and its management we use specific tools for **SWOT analysis** which brings insights of main strengths, weaknesses, threats and opportunities for the organization and **stakeholders mapping (Matrix Power/Interest)** which brings insights of the needs and expectation of stakeholders, their influence and interest in the organization.

From board members to management team and employees, our organization has a constant engagement activity with specific business professional, educational and networking organizations (ARIR, RBL, YPO, CEO Clubs, Teach for Romania, Entrepreneurship Academy, Industry and Commerce Chambers, Biz Club, etc.) and these activities will continue in diversifying as part of our community involvement and our stakeholder engagement process in the future.

We realize the impact generated by the kind of services we deliver on environmental, social and governance levels, and we are committed to empower more and more actions that lead our activity closely to the features of sustainable mobility.

We considered an important milestone to identify and define our materiality aspects to have a clear view also on deliverables on environment, social and governance levels, but mainly on the impact our approach has on our stakeholders. The materiality aspects defined within the company as per table below, will be addressed to each stakeholder category identified, by the end of 2021. Their feedback will adjust accordingly, as needed, the stakeholders mapping and engagement.

Materiality Aspects	Description
<b>ENVIRONMENT</b>	
<b>Energy &amp; Fuel Management</b>	We are aware that we need to involve consistent resources in managing all the energy and fuel involved in our business daily routine, in order to reach a level of optimization in this regard. We continuously work on maintaining appropriate database tools which can offer us a straight overview regarding our level of consumption, highlighting the areas which need improvement.
<b>Waste &amp; Hazardous Materials Management</b>	The outcomes from our activity can generate some important negative impacts on the environment and economy. We put efforts on making a correct waste management by maintaining proper recycling actions.
<b>GHG Emissions &amp; Climate Impact</b>	We fully understand our impact on climate change due to our activities. We are committed and willing to engage all efforts needed to reduce the CO2 emissions generated by our activity, directly and indirectly. We strongly believe that our actions in this regard will overcome important milestones for our business resilience.
<b>PEOPLE &amp; COMMUNITY</b>	
<b>Community involvement</b>	We took the responsibility of being involved in the community in a very strong sense, ever since we started our business. Beginning with 2013 we keep materializing our vision through more than 500 CSR campaigns carried out by Autonom Foundation. Furthermore, our employees are constantly engaged in other projects (education, social, sports), without the

	direct involvement of the Autonom Foundation. Furthermore, during the Covid Crisis in 2020 we engaged immediately and developed the HELP 100 project, offering 100 free usages of cars to ONGs and organizations directly involved in COVID-19 combat.
<b>Employees Health and Safety</b>	We value our employee’s integrity driven by the awareness regarding their role in our business success. Therefore, we always pay attention to their needs in terms of equipment, devices, and instructions necessary to ensure a safe workplace.
<b>Employee Wellbeing &amp; Development</b>	We put emphasis on a relaxed and friendly atmosphere at the workplace, being sure that a positive attitude is the right key for our employee’s wellbeing. Also, we show openness when it comes to needs of development and we are careful to take into consideration everybody’s professional development goals. We have a consistent training budget available for everybody and we emphasize personal development as daily practice (Ex: ED_ Evolve Daily Project and focus on topic in biannual evaluations).
<b>Quality Education</b>	We consider the business domain as being one of the most entitled actors in the society regarding knowledge sharing. This belief turned into a strong motivation for Autonom and leads us to a strong involvement in our communities, with positive impact in environmental and educational issues. We will continue our projects promoting learning and reading in our communities and within our partners (ex: “A book I recommend” initiative), also increasing awareness on a more sustainable behavior and climate actions.
<b>Equality Diversity &amp; Human Rights</b>	In Autonom, we accept and encourage diversity and we do not tolerate any kind of hostile behavior in this regard. We will always treat this aspect with maximum attention, and we will make sure that Human Rights are always respected in our company and other external contexts related to our company. We value gender equality, and we have a strong position regarding women in management positions.
<b>Working conditions</b>	We are engaged in providing the best solutions for our employees, in order to have proper working conditions. We customize and supply all our working areas with suitable assets for our business nature.
<b>SUSTAINABLE BUSINESS &amp; GOVERNANCE</b>	
<b>Corporate Governance &amp; Compliance</b>	Autonom is led by its primely settled pillars, which empower all our corporate governance. We are driven by integrity and transparency with a systematic approach on risk management and compliance. We are sure that only by following our values and motivations we will reach satisfaction in all areas of our business, but mainly we will ensure the resilience of our business.
<b>Supply Chain Management</b>	We recognize the role of successful partnerships in our business, and we struggle to ensure and maintain a structured approach along the entire supply chain. We have a close relationship with car dealers, and we develop customized services together. We always promote the values of Autonom within our social and business interactions, value chain included.
<b>Business Ethics &amp; Transparency</b>	We identify this materiality aspect as constituting the foundation of our company. We are clearly devoted to respect and promote all our motivations regarding our business: strong ethics, total transparency and full integrity.
<b>Data Security</b>	Our decision to provide high level services to our clients, involves strong awareness for data security. We enroll the right solutions to be able to further ensure the security of all client data we manage.



<p><b>Customer Satisfaction, Selling &amp; Market Practice</b></p>	<p>We consider the loyal practices as being the only tools which can help us to show respect to the market's development and its exigent requirements. We also respect our competitors, and we focus mainly on the market's needs. We will always be ready to develop new services and approaches in order to continue to be one of the most important providers of mobility in Romania.</p>
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We are determined and engaged to assume all our already settled materiality aspects, to define suitable approaches which will lead us to proper actions needed to be taken in order to contribute to a sustainable business model. We are aware that, to achieve this goal, we need to focus on the impact we generate on environmental, societal, and economic levels and for addressing this issue we also use this specific tool: **The Materiality Matrix**.

To better define the overall impact on environment, we considered relevant to analyze holistically the GHG emission level from our activities considering the value chain perspective (upstream activities, downstream impact).

For the whole CO2 emissions inventory performed for the years 2018-2020, we benefited of the support of DENKSTATT, an external advisor, member of INOGEN Alliance, with a solid experience and track-record in the field of sustainability and consultancy in the Central and Eastern Europe. To obtain the most accurate results, we used the GHG Protocol Standard methodology, to have an overview on our emission level for the Scope 1, 2 and limited Scope 3.

Based on these inputs, our Corporate Carbon Footprint results are the following:

		Total GHG Emissions (t CO2)		
Source of emissions	Unit	2018	2019	2020
Scope 1	t CO2	191	253	262
Scope 2	t CO2	69	107	78
Scope 3	t CO2	21,604	34,004	37,909

As the Scope 3 emissions category represents 99% of our total emissions, according to the latest **GHG Inventory**, we have undertaken to calculate the greenhouse gas emissions that are associated with our agencies' activities and our customers' fleet, including for the Scope 3 emissions, which are rarely disclosed by the companies in the sector. Thus, CO2 emissions as related to our operational fleet (lease and rent a car fleet) become the source with the highest mitigation potential.

We have an internal risk management process which integrates all business risks analysis (strategic, operational, liquidity, market, reputational/image, credit, and compliance risk). These assessments will be supplemented in the future with risk analyses on climate change. The risks analysis on climate change for our business will be driven by implementation of the TCFD framework. The future results will show a deeper understanding of specific climate change risks for our business financial area. We target to have the climate risk mapping until the mid of 2022.

Also, until mid-2022 we would like to deepen scenarios analyses based on science-based emission reduction targets aligned with the SBTi's target-setting criteria. We aim to understand better if our organization can commit and in what extent to greenhouse gas emissions reduction targets that are



in line with the level of decarbonization required to meet the goals of the Paris Agreement, to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C, considering the current limitations for Scope 1 and 2 within the SBTi focus and the relevance for our core activity, as a mobility provider company.

We have made internal scenarios analysis to identify how we can work towards a 2°C mitigation plan considering our business development and the effort in operational fleet substitutions, by increasing the “green fleet” share through the medium to long term timeframe scenarios 2020÷2025÷2030.

We have evaluated our fleet substitution scenarios also considering the market perspective and the enforcement of new legal EU requirements in the transportation sector. These scenarios helped us better understand the major sustainability indicator towards we should commit for medium- and long-term perspective.

Our strong brand and recognition have been revealed through the years by receiving different prizes or recognition placement by different organizations, such as:

- ✓ Fitch Rating in June 2020: IDR – Long Term Issuer Default Rating B+, updated in June 2021 from ‘negative’ to ‘stable’;
- ✓ Receiving for 5 years in a row the title of “Best Employer” (2014 – 2018);
- ✓ Autonom was recognized by the “WorldBlu” among the 123 worldwide companies as promoting democratic principles and freedom in the workplace;
- ✓ In 2018, we have been the first Romanian company to be included in BERD’s Program: Blue Ribbon;
- ✓ Autonom has been selected in the first edition of “Made in Romania”, organized by the Bucharest Stock Exchange, as being among the 15 representative companies for sustaining the development of the Romanian economy.

## Our Vision

AUTONOM's vision is to be an authentic and sustainable business model.

## Our Mission

AUTONOM is a long-term family company that understands that sustainability is an essential element of the future. The success for us is given by the satisfaction of the clients and by the evolution of the colleagues.



- ✓ The management system and daily decisions are based on autonomy and filtered through our value system;
- ✓ Autonom is a learning organization. We encourage the personal development of everyone and support the continuous transformation of the company;
- ✓ We have a positive impact on society and the environment, by supporting education, being an active part in our communities and using resources responsibly.

## Our Values

**THE TEAM:** We are a team of teams. Respect, common sense and smiles are our secrets;

**CUSTOMERS:** We do what is necessary to help our customers;

**CONTINUOUS EVOLUTION:** We evolve daily;

**RESILIENCE AND AGILITY:** We are adaptable and flexible. Simplicity is our way. We learn from every experience.

**INTEGRITY:** Honesty, integrity and transparency are fundamental to the company's development;

**AUTONOMY:** We have the responsibility of freedom for our decisions.

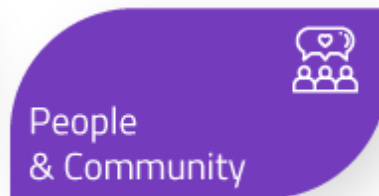
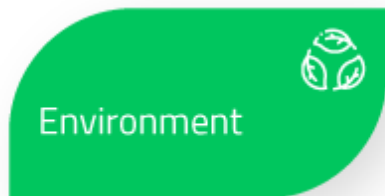
## Our Organizational Culture

We consider our organizational culture as being a strong characteristic driving forward our business and our employees. Beside our values that we consider key for our business, our organizational matrix is based on four principles:

- ✓ Continuous development mindset of our employees; reading at least 1 book / month is a duty;
- ✓ Flexibility, working program and conditions included;
- ✓ Permanent community involvement, with or without Autonom Foundation;
- ✓ Encouraging innovation: each employee should propose an innovative idea each month.

## Our Sustainability Strategic pillars, Goals / Targets

Within our Sustainability Strategy, we have set the goals and targets we aim to reach, on the three pillars, as presented below:



### Friendly with our Planet

- Reducing our ecological footprint will be driven by a responsible consumption of different resources that we need for our operations;
- According to climate change awareness, we settled priorities, in order to reduce the Corporate Carbon Footprint.

### Friendly with our People and Community

- Community involvement represents a big part of what we are engaged in regarding society's needs; We are developing different kind of actions through Autonom Group, actions closely related to ESG education, sports, youth engagement and general community support;
- Our people are the most important assets for us and we are committed to develop our people thus to have an agile organization.

### Friendly with our Partners

- Our business is driven by values with a strong sense of ethics, transparency and integrity. These being the majos aspects we will follow and respect in all our actions, and the only ways which will lead us to a successful business;
- We aim to offer to our customers sustainable mobility solutions.

<b>PILLAR – ENVIRONMENT</b>	Reducing the CO2 g/km intensity by 25% until 2025, and 51% until 2030; Contributing to a circular economy by mitigating paper usage in administrative and operational activities with 10% per year; Assuring 50% recyclability for used oil and tires by 2030;
<b>PILLAR – PEOPLE &amp; COMMUNITY</b>	Community involvement in the area of education, developing projects with high impact, with investment of minimum 2% of the net profit in community projects; Evolve. Daily. Personal development of the employees;
<b>PILLAR - SUSTAINABLE BUSINESS &amp; GOVERNANCE</b>	Business driven by transparency and simplicity, empowering the sustainability responsibility. High rate of client satisfaction (measured by the Net promoter score); Optimizing resources and processes through digitalization; top 5 in our industry in Romania in terms of Business Visibility and Brand awareness.



## Our sustainability view

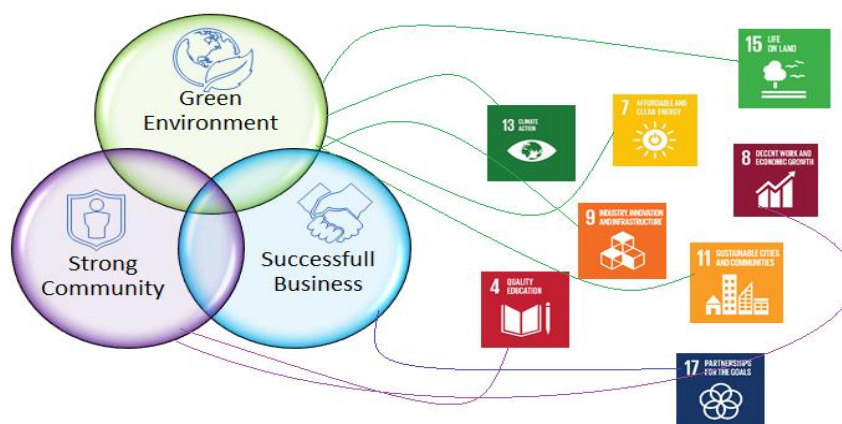
The main drivers of our Sustainability Strategy Inception were:

- The 2030 Agenda for Sustainable Development and the SDGs
- Paris Agreement
- The European Green Deal and 'Fit for 55'
- The European Climate Pact's goals and target
- EU Taxonomy
- EU legislation in the field of transportation (EU/Directive 631/2019, and EU/Directive 1161/2019)
- REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088
- The Romanian perspective on sustainable development, National Sustainable Development Strategy of Romania – Horizons 2013-2020-2030.

For our Sustainability strategy implementation, we aim to invest financial, human and social capital. Thus, we are confident that we could overcome our expectations. Our mindset is focused on the statement that it is better to under promise followed by being able to over deliver.

We will consider financial and human resource allocation each year for different programs, projects or actions that will be delivered or implemented under the umbrella of the Sustainability Strategy.

We strongly believe in a harmonious coexistence of three main pillars, which will fulfill all three parties (ENVIRONMENT, COMMUNITY, BUSINESS) needs.



## GOVERNANCE STRUCTURE - SUSTAINABILITY COMMITTEE

To have a clear governance of our strategic goals and to achieve results we set up a Governance structure to promote sustainable business activities -from strategic planning to operation and implementation.

The following map describes the roles and responsibilities in Autonom to sustain the Sustainability Strategic implementation and further revision of our strategy per internal needs:



The Sustainability Committee is chaired by our CEO and is comprised of managers representing several functional areas within the organization; its main role is to:

- Integrate sustainability into the business strategy, developing policies and procedures embedding sustainability into every business day operation
- Select and monitor the KPIs and relative Targets included in the Sustainability Strategy
- Track performance with respect to the implementation of the Sustainability Strategy, progress vs targets, KPIs and SPTs, in any relevant operational area
- Oversee the correct implementation of the Sustainability Strategy
- Monitor the publication of the Sustainability annual performance reporting
- Monitor the on-going evolution in sustainable finance markets and funding instruments, to be in-line with market best practices and analyze opportunities
- Manage any future updates of the Sustainability Strategy, including supervising the engagement of independent providers.

The Sustainability Committee will meet twice per year and will have a Sustainability Management Review.

On specific topics, representatives of any other teams may also be included as deemed appropriate.

## 2. RATIONAL FOR ESTABLISHING A SUSTAINABILITY-LINKED BOND (“SLB”) FRAMEWORK

As a company whose strategy and business model aims the sustainable development of its business, with the ultimate objective to have a positive impact from all its activities, we decided to issue a general corporate purpose bond under an MTM Program, with sustainability-linked features. This will allow us to fulfil our sustainable business objectives and contribute to the development and progress of sustainable capital market in Romania. The approach is to create a link between our sustainability strategy as issuer, to the terms of general corporate purposes bond.

In this respect, we commit to specific outcomes, setting ambitious timelines for achieving the Sustainability Performance Target that is relevant, core and material to the business we carry out.

We wish to foster best market practices as reflected in the Sustainability-Linked Bond Principles (“SLBP”) and thus, we decided to establish a Sustainability-Linked Bond Framework.

Our bond issues under this framework will be focused on contributing to SDG 11 (Sustainable Cities and Communities).

## 3. ALIGNMENT WITH THE ICMA SUSTAINABILITY-LINKED BOND PRINCIPLES 2020

This Framework has been established in accordance with the International Capital Market Association (ICMA) Sustainability-Linked Bond Principles<sup>1</sup> published in 2020 and which are voluntary guidelines that outline best practices for financial instruments to incorporate forward-looking ESG outcomes and promote integrity in the development of the Sustainability-Linked Bond market by clarifying the approach for issuance of a SLB. The Framework will be the basis for the issuances executed after its publication on our website.

The following five components form the basis of our SLB Framework and alignment with:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Financial characteristics
4. Reporting on the above
5. Verification

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<sup>1</sup> ICMA Sustainability-Linked Bond Principles link:



### 3.1. SELECTION OF KEY PERFORMANCE INDICATORS (KPIs)

As part of our Sustainability Strategy and in line with our Roadmap, we will commit to specific environmental outcomes. The KPI selected for the scope of this sustainability-linked instrument, and which will determine the applicable financial characteristics as per the final terms, is as follows:

<b>KPI</b>	Average WLTP gCO <sub>2</sub> /km for the operational fleet
<b>SPT</b>	Reducing the operational CO <sub>2</sub> intensity by 25% until 2025, and 51% until 2030
<b>Baseline</b>	The year 2020 has been chosen as a baseline because it gives us a more confident approach, considering BTOL fleet integration in 2018 and the European transportation sector perspectives on the timeframe 2020 – 2030 and above.
<b>Rationale</b>	<p>Our Sustainability Performance Target was defined considering the indirect emissions coming from our operational fleet.</p> <p>We considered also the business development in the next 5 to 10 years scenarios and according to our projection we align to specific medium- and long-term targets.</p> <p>Reducing the CO<sub>2</sub> emissions of our operational fleet represents the first step into minimizing the impact of our main activity that has on the environment. Calculating our baseline overall fleet average WLTP (gCO<sub>2</sub>/km) and considering our service system and business model we could estimate that a balanced substitution in the next years can reduce our fleet CO<sub>2</sub> footprint as per the WLTP indicator.</p> <p>Calculating and monitoring the WLTP values will also add value to the GHG emissions calculation in the next years related to our activity; differentiating it on Scopes will provide us a clear overview where our effort should be focused to minimize the emissions related to our activity in the most efficient way considering also other areas.</p> <p>So, we target to <b>‘Increase the share of green / lower and zero emission vehicles in our fleet and improve vehicle efficiency’</b> as the main Mitigation criteria.</p>
<b>Methodology</b>	<p><b>Sustainable Performance Target Trigger is calculated as follows:</b></p> <p>The average CO<sub>2</sub> emissions intensity for the active fleet (in gCO<sub>2</sub>/km) is calculated for the year ended 2025 respectively end of 2030. This computation is based on the manufacturers’ information related to Worldwide Harmonized Light Vehicles Test procedure (‘WLTP’), set out in Commission Regulation (EU) 2017/1151.</p>
<b>SDGs</b>	<p>Our environmental aims of will contribute to the following SDGs:</p> <p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p>



	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
<b>Boundary</b>	100% of our activity

The KPI has been selected taking into consideration its materiality for our activity, the expectations and influence of our stakeholders, and the facts that it is core and relevant for the business we carry out.

### 3.2. CALIBRATION OF THE SUSTAINABILITY PERFORMANCE TARGETS (SPTs)

We are aware that our main activities could lead to an important impact on the environment, especially in terms of CO2 emissions.

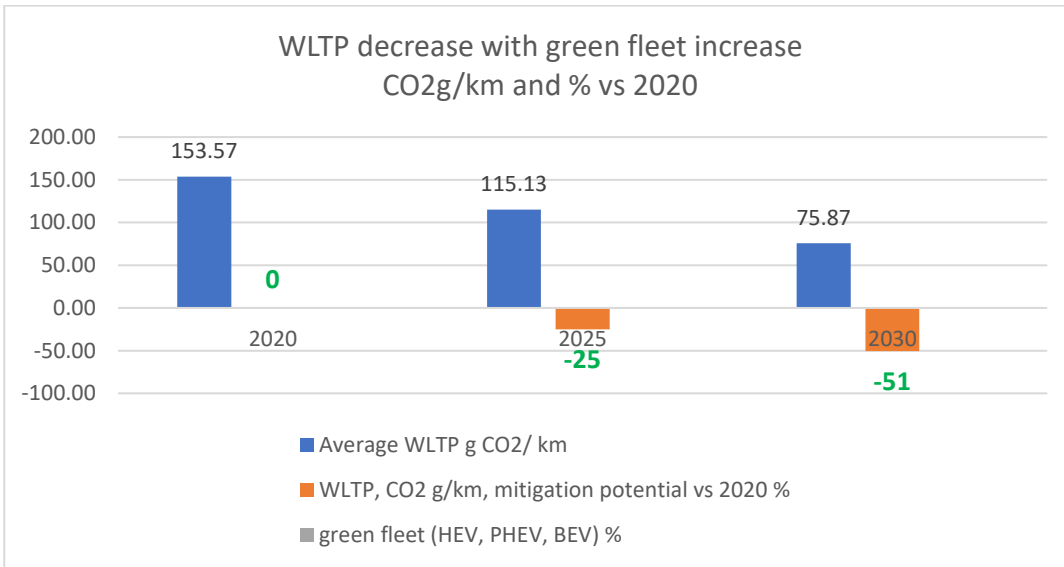
Our business model might add a potential increase in time of the operational fleet car numbers, thus, we consider valuable to assess the impact of the increase considering also the new EU Automotive Directive requirements (EU/Directive 631/2019, and EU/Directive 1161/2019 on which Autonom as entity should comply and we also should proactively engage our operational activities to achieve these targets. The EU Directives sets from 1 January 2025, a target equal to a 15 % reduction of the target in 2021 for the average emissions of the new passenger car fleet and from 1 January 2030, a target equal to a 37,5 % / 31 % reduction of the target in 2021 for the average emissions of the new passenger car fleet / vans, both in WLTP terms.

Also considering the market potential and target set up by the EU/Directive 1161/2019, for Romania is foreseen a **minimum procurement target** for the share of clean light-duty vehicles of about 18.7%, starting August 2021.

Through evaluating our fleet substitution scenarios also considering the market perspective and the enforcement of the new legal EU requirements in the transportation sector, we agreed that the major sustainability indicator towards we should commit for medium- and long-term perspective is the average WLTP gCO2/km of the active operational fleet. The scenarios considered an increase of the operational fleet of about 140% by 2030.

Based on our Sustainability Strategy and materiality assessment performed, we have set a long-term goal to reduce the operational CO2 intensity by 51% until 2030, with an intermediary target of 25% by 2025, leading from a level of 154 gCO2/Km in 2020 to 115,13 gCO2/km in 2025 and 75,87 gCO2/km in 2030, in WLTP figures. Therefore, the committed targets are forecasted to represent an absolute reduction of the end-year fleet in average CO2 emissions g/km of 38.5 g/km in 2025 and of 78.54 average CO2 g/km in 2030, versus the baseline.





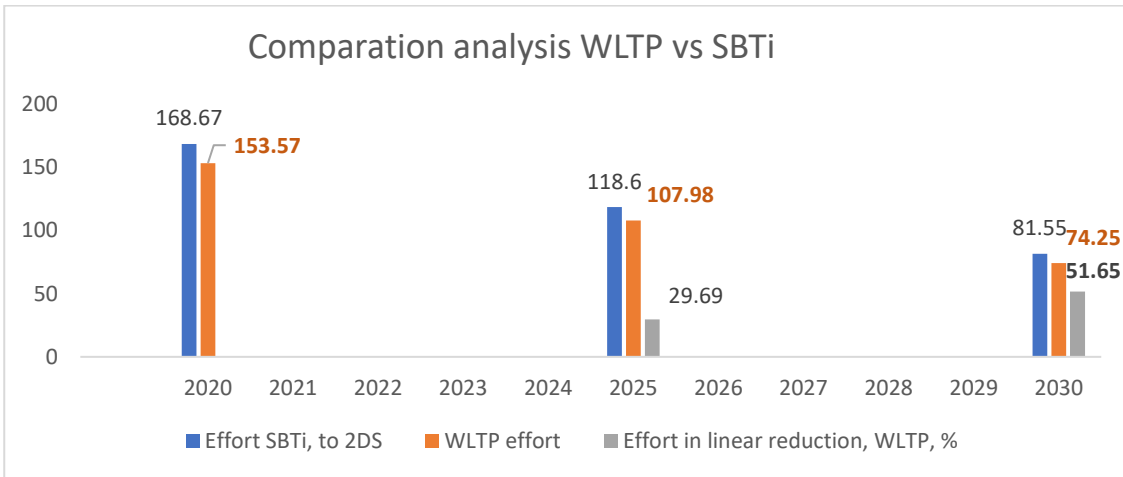
Starting from the historical figures as per 2018 and our Sustainability Strategy, the roadmap for achieving the SPT has been set as presented in the below table:

GOAL/TARGET	KPI definition	Real 2018	Real 2019	Baseline 2020	2021	2022	2023	2024	2025	2030
<b>ENVIRONMENT</b>										
Reducing operational intensity by 25% until 2025, and 51% until 2030	Average the CO2 gCO2/km for the operational fleet	149.71	154.14	<b>153.57</b>	144.51	136.48	130.26	124.86	115.13	75.87

We also took into account the SBTi scenarios in reduction of the environmental impact for our fleet considering the Target modelling for 2DS (2 degree Celsius). The Target modelling for 2DS according SBTi transport calculation tool (<https://sciencebasedtargets.org/sectors/transport>) sets a sector growth rate of about 17.42% for the period 2020÷2030 and the following targets

- For WTW (Well to Wheel) carbon intensity (g CO2e/pkm) of about 118.6 gCO2 g/pkm (for 2025) and 81.55 gCO2 g/pkm (for 2030), which consider a 51.65% of reduction potential considering the baseline for 2020.
- For TTW (Tank to Wheel) carbon intensity (g CO2e/pkm) of about 70.42 g CO2e/pkm (for 2030), which consider a 50.70% of reduction potential considering the baseline for 2020

The comparison analysis shows the intensity reduction potentially needed for our fleet and gave us the main areas to be considered for the fleet substitutions to meet the compliance rate imposed by the EU Directive as well as the added value towards lowering the CO2 intensity for our company footprint. This comparison takes into account a direct linear decreasing options for WLTP which could be taken into account and reflect a potential effort for substitutions.

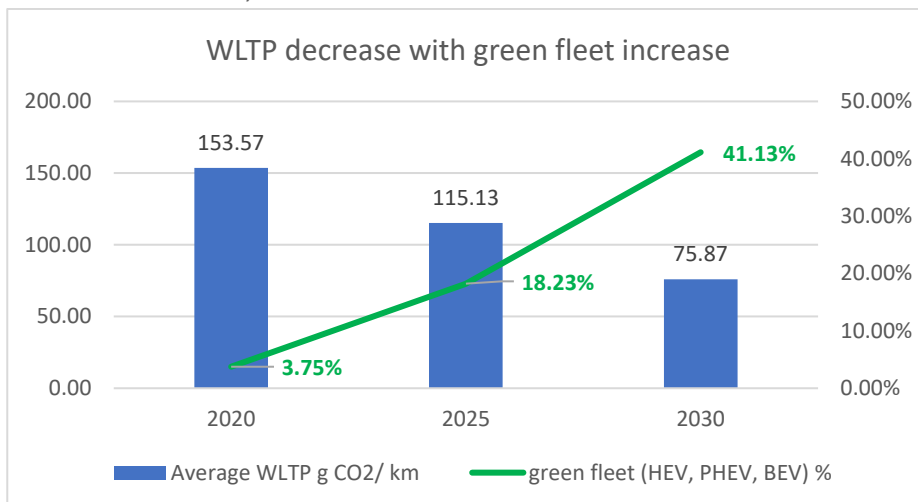


After assessment we considered that the Scenario chosen reflects the future growth of our business and also the substitution perspective which will allow us to comply with the binding obligation in the market for our business sector and could help us define a meaningful sustainable development business goal and target to mitigate our environmental footprint.

In Q1 of 2020, we started the shift towards the usage of hybrid cars for management. All the hybrid cars are gasoline powered and the results are visible in the fuel consumption mix, which showed a clear decrease of diesel consumption in 2020 compared to 2019 and increase in gasoline.

Starting from the assessments performed and based on the Sustainability Strategy developed, among the **measures** we have foreseen to achieve this SPT are the following:

- Increasing the share of “green” (low carbon, hybrid and electrical) vehicles from the total vehicles leased or rented to an extent of about 15-18% until 2025 and a potential long term target for 35-40%, if market conditions will allow; The following possible scenario has been foreseen, with respect to the rhythm of replacement of the fleet with lower carbon emissions vehicles, if the market conditions will allow:



- Financial modelling for impact on the forecasted and real substitution, each January, starting 2022;
- Pre-Feasibility study for PV Electric Charging stations in Autonom locations over the country, by mid-2022;
- Analysis of potential commitment to the SBTi and deeper screening of potential decreasing scenarios, by mid-2022;
- Analysis of potential implementing TCFD framework, by mid-2022;
- Creating client awareness campaigns and dedicated products in order to increase the willingness for LEVs operational leased / rented cars. The awareness campaign will mainly raise the information about mitigation of client environmental footprint by choosing LEVs but also will raise information about a more sustainable service model for their own companies.

Nevertheless, considering the CO2 emissions and their overall impact are important, we have foreseen also measures to mitigate the impact also considering actions such as:

- Continuing the project with OMV Climate Partner for Offsets
- RES (renewable energy source) from direct suppliers for our agencies, where possible
- Considering implementation of PV solar power plants, where possible
- Finding Carbon Off-setting projects, aligned with the organizational material areas for further exploration of potential mitigation of corporate carbon footprint by external contribution

To be noted that the offsetting projects are not considered in our Corporate Carbon Footprint.

### **3.3. SUSTAINABILITY-LINKED BONDS CHARACTERISTICS**

We will link the SPTs defined in this framework to the financial characteristics of our Sustainability-Linked bond issuances. The proceeds of our future Sustainability-Linked bond issuances will be used for general corporate purposes.

For any Sustainability-Linked issue aligned with this Framework, if the SPT has not been achieved by the Target Observation Date, a premium will be payable by us, as a step-up in coupon margin. The amount, timing, and mechanism for payment of the premium will be specified in the final terms of the issuances. If, for any reason, the following occurs:

- i)* performance level against the SPT(s) cannot be calculated or reported in satisfactory manner supported by a verification assurance certificate provided by an independent auditor/third party consultant, the premium payment will be applicable.
- ii)* we do not publish the relevant verification assurance certificate within the time limit as prescribed by the terms and conditions of the bond issue,

the premium payment will be applicable.



### **3.4. REPORTING**

The average CO2 emissions intensity for the active fleet (in gCO2/km, expressed in WLPT figures will be reported by us on an annual basis in our Annual Report – Non-Financial Statement (in 2021) or in the Annual Sustainability Report (starting 2022 intended), as published on our dedicated website ([www.autonom.com/sustainability](http://www.autonom.com/sustainability)).

Reporting may include:

- base year information and annual progress as per the roadmap presented above, data and explanations concerning any adjustments to previously disclosed data and scope of reporting, the performance of the selected KPI against the SPT
- verification assurance report ('limited assurance') relative to the SPT outlining the performance against the SPT and the related impact
- any relevant information enabling investors to monitor the progress of the SPT.

Information may also include when feasible and possible:

- Qualitative or quantitative explanation of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis,
- Illustration of the positive sustainability impacts of the performance improvement,
- Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope and or as a result of events not within our control (such as changes in the regulatory environment), and
- Updates on new or proposed regulations from regulatory bodies relevant to the KPI and the SPT, if available.

This report will be published during the February – May window coming after each calendar year-end.

### **3.5. VERIFICATION**

We have obtained and made publicly available a Second Party Opinion (SPO) from Sustainalytics, a consultant with recognized environmental and social expertise, confirming alignment of this Framework to the Sustainability-linked Bond Principles 2020. The SPO is available on our investor relations section of our website ([www.autonom.com/sustainability](http://www.autonom.com/sustainability)).

We will seek independent and external verification of the performance level for the stated KPI by a qualified external reviewer to a limited level of assurance. The verification of the performance of the KPI will be made publicly available in the form of a verification assurance certificate on the investor relations section of our website. The verification will be provided annually, at least until the date/period relevant for assessing the achievement of the SPT has been reached and in connection with any Trigger Event as specified in specific bond documentation.

## Disclaimer

This Sustainability-Linked Financing Framework (the “Framework”) is intended to provide non-exhaustive, general information. This Framework represents our current policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights, or obligations.

This document may contain or incorporate by reference public information not separately reviewed, approved or endorsed by us and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by us as to the fairness, accuracy, reasonableness, or completeness of such information.

Any notes issued under this Framework will also be subject to the terms and conditions included in the final issuance documents. No representation is made as to the suitability of any sustainability-linked bonds to fulfill environmental and sustainability criteria required by prospective investors. However, nothing in this Framework is intended to modify or add to any covenant or other contractual obligation undertaken by us in any sustainability-linked bonds that may be issued in accordance with this Framework. This Framework does not create any legally enforceable obligations against us; any such legally enforceable obligations relating to any SLBs are limited to those expressly set forth in the bonds governing such SLBs. Therefore, unless expressly set forth in the bonds (notes) governing such SLBs, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such SLBs if we fail to adhere to this Framework, whether by failing to provide investors with reports on environmental impacts as anticipated by this Framework, or otherwise. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether due to a change in the composition of the government or otherwise), changes in laws, rules or regulations, could limit the ability to achieve some or all of our objectives. Each potential purchaser of such bonds should determine for itself the relevance of the information contained or referred to in this Framework or the relevant documentation for such bonds.

This document may contain statements about future events and expectations that are forward-looking statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises 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.

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## Appendix

### Acronyms

**ARIR** – Romanian Association for Investors on the Romanian Stock-exchange

**BTOL** – BT Operational Leasing

**ESG** – Environment Social Governance

**KPI** – Key Performance indicator

**RBL** – Romanian Business Leaders

**SLB** – Sustainability-Linked Bond

**SPT** – Sustainability Performance Target

**TCFD** - Task Force on Climate-related Financial Disclosure

**YPO** – Young Presidents Organization, the global leadership community of chief executives



## Glossary

**Active operational fleet:** operational lease fleet and rent a car fleet, being under contract agreement at the end of each year

**Baseline:** The baseline is a fixed point of reference that is used for comparison to determine the measurement of the performance of the SPT.

**CO<sub>2</sub>e:** Carbon dioxide equivalent, is a way of expressing all the different greenhouse gases as a single number

**External Verifier:** Qualified provider of third-party assurance or attestation services appointed by the Issuer to review the Issuer's statements for GHG emissions intensity

**Green fleet:** mix compound of hybrid (HEV), plug in hybrid (PHEV) and battery electric vehicles (BEV)

**Key Performance indicator:** The unit definition to track success at reaching the targets.

**Scope 1 emissions:** Emissions from direct operations

**Scope 2 emissions:** Electricity purchased

**Scope 3 emissions:** Use of goods and services sold

**Sustainability Performance Target:** Measurable improvements in the key performance indicator on to which issuer commits to a predefined timeline.

**Sustainability Performance Target Observation Date:** The as of date that will determine if the sustainability performance target has been achieved

**The Greenhouse Gas Protocol:** The Corporate Accounting and Reporting Standard developed by the World Resources Institute & World Business Council for Sustainable Development

**Trigger Event:** The trigger event is the result of the observation whether a KPI has achieved or not a given predefined SPT that may cause a change in the financial and/or structural characteristics of the bond.

**WLTP:** the Worldwide Harmonized Light Vehicles Test procedure