

Autonom Services S.A

Type of Engagement: Sustainability-Linked Bond Annual Review

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Introduction

Autonom Services S.A (“Autonom”, the “Issuer” or the “Company”) is a provider of mobility and automotive services that covers leasing, used car sales, road assistance, fleet management, airport shuttle services and short-term vehicle rentals. The Company was founded in 2006 and is headquartered in Bucharest, Romania.

In October 2021, Sustainalytics provided a Second-Party Opinion¹ on the Autonom Sustainability-Linked Bond Framework (the “Framework”) and assessed the selected Key Performance Indicator (KPI) as being relevant and material to Autonom’s overall business and its sustainability objectives.² Autonom issued a Sustainability Linked Bond (SLB),³ under the Framework, where the coupon rate of the bond is tied to the achievement of a Sustainability Performance Target (“SPT”), reflective of progress on a material sustainability-related issue for the Company. If the SPTs are not achieved by the observation dates set forth in the SLB’s documentation, a coupon rate adjustment will be implemented on the bond. The final observation date of the issuance is 31 December 2025, and therefore, reporting occurs on the 31 of December of each year.

In April 2023, Autonom engaged Sustainalytics to review the progress on the achievement against the SPTs as of the end of 2022. This is Sustainalytics’ second review of Autonom’s progress on the SPTs, having completed the previous review in April 2022.⁴

Evaluation Criteria

Sustainalytics evaluated Autonom’s measurement of and reporting on its progress toward achieving its SPTs, and its adherence to its reporting commitments under the Framework:

1. Calculation and measurement of the KPI;
2. The reporting practice of the Issuer on the KPI; and
3. The progress toward achieving the SPTs outlined in the Framework.

Table 1 lists the KPI and SPTs agreed upon for the SLB.

¹ Sustainalytics, “Autonom Sustainability-Linked Bond Framework Second-Party Opinion”, (2021), at: [https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/autonom-services-sa/autonom-sustainability-linked-bond-framework-second-party-opinion-\(2021\)/autonom-sustainability-linked-bond-framework-second-party-opinion](https://www.sustainalytics.com/corporate-solutions/sustainable-finance-and-lending/published-projects/project/autonom-services-sa/autonom-sustainability-linked-bond-framework-second-party-opinion-(2021)/autonom-sustainability-linked-bond-framework-second-party-opinion)

² Autonom, “Autonom Sustainability-Linked Bond Framework”, (2021), at:

https://www.autonom.com/assets/uploads/sustainability/Autonom_Sustainability-Linked_Bond_Framework_Second_Party_Opinion.pdf

³ Autonom issued an SLB in the amount of EUR 48 million on the December 8, 2021, and is traded under the code AUT26E.

⁴ Autonom, “Autonom Services S.A Annual Review”, (2022), at: https://www.autonom.ro/assets/uploads/sustainability/Opinie_Autonom-Sustainability-Linked-Bond-Annual-Review-2022.pdf

Table 1: SPT and KPI Description in the Framework

KPI	KPI Description	SPT 2025	SPT 2030	Baseline year 2020
KPI: Operational CO ₂ intensity (average WLTP gCO ₂ /km for the operational fleet)	<p>The KPI is a measure of the CO₂ intensity of the operational fleet (in gCO₂/km), calculated based on the manufacturers' information related to Worldwide Harmonized Light Vehicles Test Procedure ("WLTP"), set out by EU Commission Regulation 2017/1151.</p> <p>The KPI covers all CO₂ emissions from the operational fleet consisting of rent-a-car services, fleet operational leases, as well as the Company's own-use vehicles (scope 1 and 3), which represent more than 99% of Autonom's total emissions. The Company's emissions inventory was prepared in accordance with the Greenhouse Gas Protocol's corporate reporting standards. For detailed information, please refer to Appendix 1.</p>	Reduce operational CO ₂ intensity by 25% from a 2020 baseline.	Reduce operational CO ₂ intensity by 51% from a 2020 baseline.	153.57 WLTP gCO ₂ /km

Issuing Entity's Responsibility

Autonom is responsible for providing accurate information and documentation relating to the details of the KPI's calculation and performance.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Autonom's progress towards the SPTs as described in the Framework. The work undertaken as part of this engagement included a collection of documentation from Autonom's employees and a review of documentation to confirm the conformance with the agreed upon details of the SLB.

Sustainalytics has relied on the information and the facts presented by Autonom with respect to the KPI and the SPTs. Sustainalytics is not responsible, nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by Autonom.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Internal Review Committee to provide oversight over the assessment of the review.

Conclusion

Based on the limited assurance procedures conducted,⁵ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, Autonom measurement of and reporting on its progress toward achieving its SPTs do not conform with its commitments in the bond document.

Detailed Findings

In Table 2, Sustainalytics provides the details of its assessment, that formed the foundation of the overall assessment.

⁵ Sustainalytics' limited assurance process includes reviewing the documentation relating to the details of the KPIs and SPTs that have been agreed upon, including data on performance of the KPIs, KPI reporting, calculations and verification conducted for the baseline data. The Borrower is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Table 2: Detailed Findings

Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Sustainability Performance	Review of achieved performance on KPI to determine if it is aligned with the SPTs mentioned in the bond document as outlined in Table 1.	Autonom has progressed towards the achievement of the SPTs by reducing the average WLTP gCO ₂ /km for its operational fleet by 6.28% in 2022 from 2020. Please see Appendix 1 for more details.	None
Reporting	Review of the reporting practices to make and keep readily available up-to-date information relating to the SPTs mentioned in the bond document.	Autonom has confirmed that reporting will be included in its Sustainability Report which will be made public on its website before 31 May 2023. Autonom has also committed to disclosing relevant information that affects the KPI performance, such as any relevant information enabling investors to monitor the progress of the SPT.	None
Calculation and measurement of KPI	Review of calculation and methodology used for the KPI.	Autonom's approach to measuring the KPI is clear and consistently applied across the years under observation and on the historical performance as outlined within the Framework and within Appendix 2.	None

Appendices

Appendix 1: Progress towards the Sustainability Performance Targets

Autonom's operational fleet and carbon intensity as of 31 December 2022.

Reporting indicator	2020	Percentage of Total	2021	Percentage of Total	2022	Percentage of Total
Combustion Engine Vehicles ⁶	7,839	96.25%	8,898	93.75%	11,791	86.97%
Hybrid vehicles	187	2.29%	464	4.88%	1,463	10.79%
Electric vehicles	116	1.42%	125	1.32%	300	2.21%
No fuel ⁷	2	0.02%	4	0.04%	4	0.03%
Total:	8,144	-	9,491	-	13,558	-

KPI	Baseline 2020	2021	2022	SPT 2025	SPT 2030
Operational CO ₂ intensity (average WLTP gCO ₂ /km for the operational fleet)	153.57	149.32	143.92	115.13	75.87
Percentage Improvement	-	2.77%	6.28%	25.03%	50.60%

⁶ Considering diesel, benzina and GNC in combustion engine vehicles.

⁷ No fuel vehicle comprises non-motorized trailers.

Appendix 2: KPI Autonom Services Carbon Emissions Assessment Methodology

The following is a summary excerpt of the carbon footprint assessment methodology used included in Autonom's Sustainability-Linked Bond Framework and mentioned by Autonom to Sustainalytics:

Autonom calculates its GHG emissions inventory in accordance with the GHG Protocol's corporate reporting standards and the methodology used is also consistent with the definitions provided by the Global Reporting Initiative (GRI). Additionally, the WLTP value adheres to the manufacturers' information related to Worldwide Harmonized Light Vehicles Test Procedure ("WLTP"), set out in Commission Regulation (EU) 2017/1151. Autonom communicated to Sustainalytics that it uses public data regarding the WLTP values, provided by the vehicle manufacturer's documentation and publicly available data available on the Romanian Automotive Register ("RAR") website. Further, to ensure accuracy when assessing this data, the Company uses artificial intelligence to collect and compare it. Once collected, the data is stored in Autonom's main software that the company uses for its main operational and financial activities.

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