

Second-Party Opinion

ATM Green Financing Framework

Evaluation Summary

Sustainalytics is of the opinion that the ATM Green Financing Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021 and the Green Loan Principles 2023. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds, Clean Transportation, Renewable Energy and Green Buildings, are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7, 9 and 11.



PROJECT EVALUATION AND SELECTION ATM's Green Finance Committee will evaluate, select and monitor eligible projects. The committee comprises the General Manager of ATM, CFO – CRO of the group, Head of Finance, Head of Sustainability, Head of Budget, Planning and Control, and the Legal Counsel. ATM has internal processes to address environmental and social risks associated with the eligible assets. Sustainalytics considers these processes to be in line with market practice.



MANAGEMENT OF PROCEEDS ATM's Budget Planning and Control Department and Finance Department will track the allocation of proceeds using an internal tracking system. ATM intends to allocate all proceeds within 24 months from issuance. Pending allocation, unallocated proceeds will be temporarily invested according to ATM's liquidity management policy. This is in line with market practice.



REPORTING ATM commits to report on allocation of proceeds on its website on an annual basis until maturity. The report will include the total amount of proceeds allocated to each category, descriptions of representative projects from each category, breakdown by types of expenditures, share of financing versus refinancing, contribution to the EU environmental objectives where applicable, and balance of unallocated proceeds. In addition, ATM intends to report on relevant impact metrics. Sustainalytics views ATM's allocation and impact reporting as aligned with market practice.

Second-Party
Opinion



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SUSTAINALYTICS

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Introduction

Azienda Trasporti Milanese S.p.A. (“ATM” or the “Group”) is the operator of public transport in Milan, Copenhagen and Thessaloniki. The Group operates four types of transport, namely 5 underground railways, 135 bus lines, 17 tram lines and 4 trolley bus lines. Established in 1931 and headquartered in Milan, Italy, the Group serves approximately 3.3 million people and has 10,000 employees as of December 2022.¹

ATM has developed the ATM Green Financing Framework dated March 2024 (the “Framework”) under which it intends to issue green bonds, obtain loans² and green guarantees, including bid bonds and performance bonds and use the proceeds to finance or refinance, in whole or in part, existing and/or future projects that are expected to deliver positive impact on the decarbonization of Europe’s public transportation sector. The Framework defines eligibility criteria in three areas:

1. Clean Transportation
2. Renewable Energy
3. Green Buildings

ATM engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP)³ and the Green Loan Principles 2023 (GLP).⁴ The Framework will be published in a separate document.⁵

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁶ opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA, and the Green Loan Principles 2023, as administered by LMA, APLMA and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds;
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of ATM’s management team to understand the sustainability impact of its business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. ATM representatives have confirmed that: (1) they understand it is the sole responsibility of ATM to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and ATM.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market

¹ ATM Group, “Integrated Annual Report 2022”, (2023), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

² ATM has confirmed to Sustainalytics that loans do not include revolving credit facilities.

³ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

⁴ The Green Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association and are available at <https://www.lsta.org/content/green-loan-principles/>

⁵ The Green Financing Framework is available at: <https://www.atm.it/en/IlGruppo/ChiSiamo/Pages/Attivita.aspx>

⁶ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that ATM has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the ATM Green Financing Framework

Sustainalytics is of the opinion that the ATM Green Financing Framework is credible and impactful and aligns with the four core components of the GBP and GLP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories, Clean Transportation, Renewable Energy and Green Buildings are aligned with those recognized by the GBP and GLP.
 - ATM has defined a look-back period of 36 months for refinancing under the Framework, which Sustainalytics considers to be in line with market expectations.
 - Sustainalytics notes that ATM intends to acquire equity stakes in entities that derive 90% or more of their revenue from activities that comply with the eligibility criteria in the Framework. Sustainalytics believes that project- and activity-based investing generally result in more direct environmental benefits and enhance compliance with the criteria in the Framework. However, Sustainalytics acknowledges that using green bond proceeds to make equity investments into pure play companies is a commonly accepted approach that is likely to generate positive impacts by supporting the end activities of the pure play companies.
 - Under the Clean Transportation category, ATM may finance or refinance the following:
 - The establishment, acquisition, expansion, renewal, maintenance and operation of zero emissions vehicles, including electric buses and minibuses, trams and metro lines, and their enabling systems and equipment, such as electric transport charging stations, opportunity chargers for buses, battery replacements for electric buses and ticketing systems. ATM confirmed to Sustainalytics that only electric vehicles will be financed under the Framework. For expenditures that affect all transport modes, such as ticketing systems, ATM will use a pro rata approach to calculate the share related to electric vehicles. In these cases, the Group will use the number of passengers per kilometre on electrified public transportation over the total number of passengers per kilometre on both electric and diesel transportation.
 - The acquisition, renewal, maintenance and operation of zero emissions personal mobility transport devices propelled by the physical activity of the user, by a zero emissions motor, or by a zero-emissions motor combined with physical activity, such as electric assist bikes.
 - The construction or adaptation of existing or new supporting infrastructure, including electric bus depots and electric transport charging stations. ATM confirmed that roads, road bridges and parking facilities will be excluded from the Framework.
 - Sustainalytics notes that the Framework excludes financing assets and expenditures dedicated to fossil fuel-based transportation. Sustainalytics considers this to be in line with market practice.
 - Under the Renewable Energy category, ATM may finance or refinance the installation, maintenance and repair of:

- Solar photovoltaic systems in depots and their ancillary technical equipment, such as inverters, racking equipment and performance monitoring equipment. Sustainalytics considers this to be in line with market practice.
- Under the Green Building criteria, ATM may finance or refinance the following in Italy:
 - Construction of new buildings with primary energy demand (PED) at least 10% lower than the PED resulting from the local nearly zero-energy building (NZEB) that implements the requirements from the Directive 2010/31/EU of the European Parliament and of the Council.⁷
 - Acquisition of buildings with the following criteria:
 - Buildings built before 31 December 2020 that have obtained EPC A or within the top 15% most energy-efficient buildings in the relevant area based on PED.
 - Buildings built after 31 December 2020 with PED at least 10% lower than the PED resulting from the local NZEB that implements the requirements from the Directive 2010/31/EU of the European Parliament and of the Council.⁸
 - Buildings certified with BREEAM Excellent,⁹ HQE Excellent¹⁰ or LEED Platinum.¹¹ Sustainalytics views these certification schemes as robust and credible.
 - Renovations that comply with one of the following criteria:
 - Applicable requirements for major renovation implementing Directive 2010/31/EU. Sustainalytics notes that the performance standard reflected in the EU Taxonomy, which requires meeting the relevant cost-optimal minimum energy performance requirements in accordance with the Energy Performance Building Directive, could vary among EU Member States. Sustainalytics, therefore, encourages ATM to report on the actual PED performance or energy savings achieved compared to the reference buildings as defined based on the existing building stock in the region.
 - A minimum 30% improvement in primary energy demand over pre-renovation levels.
- Sustainalytics considers this to be in line with market practice.
- Project Evaluation and Selection:
 - ATM has established a Green Finance Committee comprising the General Manager of ATM, CFO – CRO of the Group, Head of Finance, Head of Sustainability, Head of Budget, Planning and Control, and the Legal Counsel. The committee will meet at least on an annual basis and is responsible for evaluating, selecting and monitoring eligible assets against the eligibility criteria set in the Framework.
 - ATM will identify, manage and mitigate environmental and social risks through an internal enterprise risk management model overseen by the Green Finance Committee. ATM also has in place a Safety Prevention and Environment and Quality function that defines guidelines for quality, health and safety at work and the environment. For additional details, please see Section 2.
 - Based on the defined role and responsibility for project evaluation and selection and the presence of risk management processes, Sustainalytics considers ATM's project evaluation and selection process to be in line with market expectations.
- Management of Proceeds:
 - ATM's Budget Planning and Control Department and Finance Department will track the allocation of proceeds using an internal tracking system.
 - ATM intends to reach full allocation within 24 months from the issuance of any instrument. Pending allocation, proceeds will be temporarily invested according to ATM's liquidity management policy, including in cash or cash equivalents, overnight or other short-term liquid financial instruments.

⁷ European Parliament, "Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010", (2010), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32010L0031>

⁸ Ibid.

⁹ BREEAM: <https://bregroup.com/products/breeam/>

¹⁰ HQE: <https://www.hqegbc.org/en/qui-sommes-nous-alliance-hqe-gbc/la-certification-hqe/>

¹¹ LEED: <https://www.usgbc.org/leed>

- ATM has communicated to Sustainalytics that instruments issued under the Framework may include multi-tranche loan facilities. ATM intends to label only those tranches of such facilities whose proceeds will be allocated according to the eligibility criteria in the Framework.
- Based on the presence of an internal tracking system and disclosure of temporary allocation of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - ATM will report on the allocation of proceeds within one year of issuance, and annually thereafter until maturity of any outstanding green financing instruments in a separate non-financial report, which will be available on ATM's website.
 - Allocation reporting will include the total amount of proceeds allocated to each category, descriptions of representative projects in each category, a breakdown by type of expenditure, the share of financing versus refinancing, contribution to the EU environmental objectives where applicable, and the balance of unallocated proceeds.
 - Impact metrics may include annual estimated carbon emissions reduced or avoided in tCO₂e, annual absolute GHG emissions in tCO₂e, number of eligible vehicles financed, annually generated renewable energy, kWh/m² of gross building area per year and share of energy use reduced or avoided versus a local baseline or building code, type of scheme, certification level and gross building area, and annual GHG emissions reduced or avoided in tCO₂e versus a local baseline or baseline certification level.
 - ATM will appoint an independent auditor to provide an annual assurance report confirming the allocation of proceeds and related impact.
 - Based on ATM's commitment to report on allocation and impact, Sustainalytics considers this process to be in line with market practice.

Alignment with the Green Bond Principles 2021 and Green Loan Principles 2023

Sustainalytics has determined that ATM's Green Financing Framework aligns with the four core components of the GBP and GLP.

Section 2: ATM's Sustainability Strategy

Contribution to ATM's sustainability strategy

ATM's 2021 sustainability strategy outlines a commitment to developing a sustainable mobility service protecting environmental resources. The implementation of ATM's sustainability strategy is coordinated at group level.¹²

The strategy defines sustainability goals and targets under three key environmental pillars: i) zero-emission transport; ii) responsible consumption; using minimum and necessary resources to increase ATM's efficiency; and iii) sustainable supply chain; engaging with suppliers to incorporate ESG considerations into their business. Under the zero-emission transport pillar, ATM aims to achieve net zero emissions in transport by transitioning to 100% electric-drive rolling stock by 2030 through its Full Electric Plan, which aims to replace ATM's current bus fleet with 1,200 electric vehicles.¹³ As of 2022, ATM has allocated EU 63.9 million to the renewal of the company's fleet.¹⁴ In addition, 27.4% of ATM's car fleet are hybrid or electric and 72.4% of the total kilometres travelled by the Group's rolling stock were connected to electricity, compared to 27.6% related to diesel traction.¹⁵

Sustainalytics is of the opinion that the ATM Green Financing Framework is aligned with the ATM's overall sustainability strategy and initiatives and will further the Group's action on its key environmental priorities.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental or social impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues involving: i) emissions, effluents and waste generation during construction; ii) land use and biodiversity

¹² ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

¹³ Ibid.

¹⁴ Ibid.

¹⁵ ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

issues associated with large-scale infrastructure development; iii) occupational health and safety (OHS) of workers; iv) community relations and stakeholder participation; and v) business ethics.

Sustainalytics is of the opinion that ATM is able to manage or mitigate potential risks through implementation of the following:

- Regarding risks related to emissions, effluents and waste generation during construction, and land use and biodiversity issues associated with large-scale infrastructure developments, ATM follows an environmental management system which complies with ISO 14001:2015¹⁶ on management of environmental resources and environmental emergencies and the assessment of environmental impacts. ATM monitors its yearly production of waste and engages with different suppliers to ensure each type of waste is treated appropriately.^{17,18} ATM's Ecology Department is responsible for the analysis and management of environmental processes, including the control and monitoring of efficient and responsible water use.¹⁹
- Regarding risks related to OHS, ATM's Code of Conduct and Integrated Policy for Quality, Environment and Security is drafted in accordance with ISO 45001²⁰ and outlines the minimum standards for a healthy and safe working environment. ATM also performs internal quality, health, safety and environment system audits in all subsidiaries which comply with SA8000:2014,^{21,22} and provides yearly training on OHS for its employees. Sustainalytics notes that achieving SA8000:2014 certification indicates that ATM has in place a healthy working environment and has implemented measures to prevent work-related accidents and injuries.²³
- With respect to community relations and stakeholder participation, ATM promotes interactions and initiatives with direct and indirect stakeholders,²⁴ including: i) customer satisfaction surveys for customers; ii) working table groups between ATM, the municipality and other institutions; iii) whistleblowing channels for employees and their families to report on violations of company procedures or laws; iv) due diligence, risk assessment, performance tracking and monitoring for suppliers and sales partners in accordance with SA8000L:2014²⁵ management system certification; v) conference calls, publication of regular financial reports, information disclosure on its website with investors; and vi) relationship building with trade union representatives.²⁶
- Through its Code of Ethics, ATM encourages transparency, ethics, fairness, loyalty, protection the quality of life of communities and excellence as guiding principles for the Company's employees and stakeholders. Since 2012, it has a management system for Social Responsibility in place which is consistent with SA8000:2014²⁷ and ISO 26000²⁸. ATM also has a whistleblowing system for its employees and third parties to report suspected violations to the code of ethics' requirements.²⁹
- Sustainalytics notes that financing under the Framework will take place in Italy, Denmark and Greece which are recognized as a Designated Countries under the Equator Principles,³⁰ indicating the presence of strong environmental and social governance legislation systems and institutional capacity to mitigate common environmental and social risks.

Based on these policies, standards, and assessments, Sustainalytics is of the opinion that ATM has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

¹⁶ ISO 14001:2015: <https://www.iso.org/standard/60857.html>

¹⁷ Special waste includes metal waste (Fe, Al, Cu, etc.), batteries, oils and tires.

¹⁸ ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

¹⁹ Ibid.

²⁰ ISO 26000: <https://www.iso.org/iso-26000-social-responsibility.html>

²¹ SAI, Guidance document for social and accountability 8000", (2014), at: <https://sa-intl.org/wp-content/uploads/2020/02/SA8000-2014-Guidance-Document.pdf>

²² ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

²³ Ibid.

²⁴ ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

²⁵ SAI, SA8000:2014: <https://sa-intl.org/resources/sa8000-standard/>

²⁶ ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

²⁷ SAI, SA8000:2014: <https://sa-intl.org/resources/sa8000-standard/>

²⁸ ISO 26000: <https://www.iso.org/iso-26000-social-responsibility.html>

²⁹ ATM Group, "Integrated Annual Report", (2022), available at: <https://risultati2022.atm.it/files/integrated-annual-report.pdf>

³⁰ Equator Principles: <https://equator-principles.com/about-the-equator-principles/>

Section 3: Impact of Use of Proceeds

The three use of proceeds categories are aligned with those recognized by the GBP and GLP. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

Importance of clean transportation investments in Italy

Approximately 25% of total GHG emissions in the EU come from the transport sector as of 2022.³¹ Between 1990 and 2022, transport emissions globally grew at an annual average rate of 1.7%, making it the second fastest growth among end-use sectors.³² In order to meet the EU goal of achieving climate neutrality by 2050, transport emissions need to decline by 90% from 2020.³³ In Italy, the transport sector accounted for approximately 25% of total GHG emissions and 31% of total CO₂ emissions in 2019.³⁴ Although overall GHG emissions declined by 19% in Italy between 1990 and 2019, the transport sector’s emissions grew by 3.2% in the period.³⁵ Similar to the EU at large, transport still is the second-largest emitter of CO₂ emissions despite a drop from 33% in 2019 to 29% in 2020 in its share in Italy’s total CO₂ emissions.³⁶ Renewables, largely liquid biofuels, accounted for just 5% of the transportation sector’s energy use in 2021.³⁷

Italy has committed to a 55% reduction in GHG emissions by 2030 compared to 1990 and to reach net zero emissions by 2050.³⁸ To enable this, the country has developed national climate and energy policies such as the 2015 National Adaptation Strategy and the 2021 Long-Term Strategy on the Reduction of GHG Emissions.^{39,40} To achieve carbon neutrality by 2050, Italy needs to cut its GHG emissions by 84-87%.⁴¹ To reach this, the Italian government aims to generate most of the country’s electricity from renewables, bringing along extensive electrification, with more than half of the energy demand of the transportation sector being met by electricity while encouraging a transportation demand shift from private cars to public and shared transportation modes.⁴² Italy committed to increase the share of renewable energy in the transport sector from 10.7% in 2020 to 21.6% by 2030.⁴³ Additionally, the Municipality of Milan, as signatory to the C40 Fossil Fuel Free Streets Declaration, targets to become a zero emission city by 2030.⁴⁴

Based on the above, Sustainalytics is of the opinion that ATM’s financing of low-carbon transport projects is expected to contribute positively to Italy’s national commitments and its transition to a decarbonized economy.

Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Green Financing Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Clean Transportation	11. Sustainable Cities and Communities	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

³¹ European Environment Agency, “High time to shift gear in transport sector” (2022), at: <https://www.eea.europa.eu/signals-archived/signals-2022/articles/high-time-to-shift-gear>

³² IEA, „Transport“, at: <https://www.iea.org/energy-system/transport>

³³ European Environment Agency, “Transport: increasing oil consumption and greenhouse gas emissions hamper EU progress towards environment and climate objectives”, (2023), at: <https://www.eea.europa.eu/publications/transport-increasing-oil-consumption-and>

³⁴ Ministero delle infrastrutture e dei transport, „Decarbonizing Transport: Scientific evidence and policy proposals“, (2022), at: https://www.mit.gov.it/nfsmitgov/files/media/notizia/2022-09/STEMI_Decarbonising_Transport_ENG.pdf

³⁵ Ibid.

³⁶ IEA, “Italy 2023 Energy Policy Review”, (2023), at: https://iea.blob.core.windows.net/assets/71b328b3-3e5b-4c04-8a22-3ead575b3a9a/Italy_2023_EnergyPolicyReview.pdf

³⁷ Ibid.

³⁸ Ministero delle infrastrutture e dei transport, „Decarbonizing Transport: Scientific evidence and policy proposals“, (2022), at: https://www.mit.gov.it/nfsmitgov/files/media/notizia/2022-09/STEMI_Decarbonising_Transport_ENG.pdf

³⁹ Climate Adapt, “Italy: National circumstances relevant to adaptation actions”, (2023), at: <https://climate-adapt.eea.europa.eu/en/countries-regions/countries-2021/italy>

⁴⁰ UNEP, “Long-term Italian strategy on reducing emissions of greenhouse gases”, (2021), at: <https://faolex.fao.org/docs/pdf/ita212678.pdf>

⁴¹ IEA, “Italy 2023 Energy Policy Review”, (2023), at: https://iea.blob.core.windows.net/assets/71b328b3-3e5b-4c04-8a22-3ead575b3a9a/Italy_2023_EnergyPolicyReview.pdf

⁴² Ibid.

⁴³ Ibid.

⁴⁴ C40 Cities, “Green & Healthy Streets”, (2023), at: <https://www.c40.org/what-we-do/scaling-up-climate-action/transportation/green-and-healthy-streets/>

		special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Green Buildings	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Conclusion

ATM has developed the Green Financing Framework under which it may issue green bonds and obtain loans and use the proceeds to finance and refinance projects in Clean Transportation, Renewable Energy and Green Buildings. Sustainalytics considers that the eligible projects are expected to contribute in the decarbonization of the public transportation sector in the EU.

The ATM Green Financing Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers that the ATM Green Financing Framework is aligned with the overall sustainability strategy of ATM and that the use of proceeds will contribute to the advancement of the UN Sustainable Development Goals 7, 9 and 11. Additionally, Sustainalytics is of the opinion that ATM has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that ATM is well positioned to issue green bonds and obtain loans and that the Green Financing Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021 and Green Loan Principles 2023.

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