



SUSTAINABILITY-LINKED FINANCING FRAMEWORK 2023

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ABOUT ASTM

ASTM S.p.A. ("**ASTM**" or the "**Company**") is a holding company operating in the sectors of motorway management, large infrastructure engineering and construction projects and transport and mobility technology through its subsidiaries (ASTM together with its subsidiaries, the "**ASTM Group**" or the "**Group**").

The Group is present in 15 countries and with over 17,000 employees and collaborators as of 31st December 2022. In the area of concessions, the Group is the second largest private operator in the world in the management of motorway infrastructures with a network of approximately 6,200 km, of which over 1,400 km in Italy, 4,700 km in Brazil through the listed company EcoRodovias, and 84 km in the United Kingdom through a participation in Road Link. In the USA the Group is developing its concessions business through ASTM North America, which has won the concession to modernize, construct and maintain 34 elevators in 13 stations of the NY Subway, a project sponsored by the Metropolitan Transit Authority to comply with the American Disability Act to provide accessibility to disabled users.

Large infrastructure design work is carried out through SINA, the Group's engineering company, while ITINERA is an international player in the construction of transport infrastructure (roads, motorways, railways, subways, bridges, viaducts, tunnels) and civil construction projects (hospitals, large shopping centres, airports). In particular, ITINERA has a significant presence in the US market through Halmar International, one of the leading companies in the metropolitan area of New York for transport infrastructure construction, and

in Brazil, through Itinera Construções.

The Group operates in the technology sector through SINELEC, a company specialised in the design, construction and management of advanced security, info-mobility, toll collection systems and ITS (Intelligent Transport Systems).



SUSTAINABILITY AT ASTM GROUP

ASTM's **purpose** is to contribute to the growth, sustainability and development of the regions in which the Group operates.

ASTM's **mission** is to provide the best possible service to the Group's clients through a safe and secure infrastructure and innovative, robust and sustainable solutions. ASTM Group's operations are based on the respect of certain ethics that must inspire every action and conduct. The **values** that underpin Group's actions are rooted in the concepts of lawfulness, integrity, responsibility, and transparency. ASTM, through its subsidiaries, addresses its Stakeholders with a constant commitment towards safeguarding the environment, implementing road safety policies and developing the regions where the Group operates.



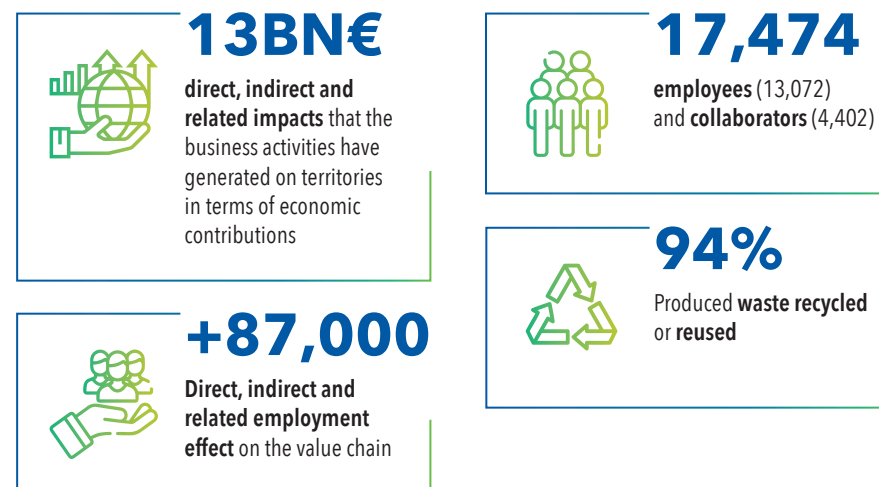
ASTM undertakes to operate responsibly and to integrate sustainability principles and best practices into its business model following an approach of **continuous improvement**, constant **performance monitoring**, **development of competitiveness**, and **transparency** towards all Stakeholders.

ASTM recognizes sustainability as a fundamental element to improve Group industrial and economic performance and to create value in the medium to long term for all its Stakeholders.

The pillars of sustainability for the Group are:

- Corporate governance in line with ESG best practices;
- Sustainability planning with long-term concrete Science Based Targets;
- Remuneration system linked to sustainability objectives;
- ESG risks integrated into the Risk Management System;
- Policies, procedures and management systems for relevant ESG issues;
- Sustainability reporting according to GRI Standards and best practices.

Main 2022 highlights¹



¹ Source 2022 ASTM Sustainability Report

SUSTAINABILITY INDICES AND RATINGS

ASTM has been rated by the following rating agencies which have assessed the Group's environmental, social and governance (ESG) performance.



CDP CLIMATE CHANGE

In 2022, ASTM was confirmed to be a global leader in the fight against climate change by CDP (formerly Carbon Disclosure Project), a global non-profit environmental organisation, and was awarded an A- rating. The Group was assessed based on the actions it introduced to reduce emissions, mitigate climate risks and develop a low-carbon emission economy.



STANDARD ETHICS RATING

Standard Ethics, an independent sustainability rating agency, confirmed ASTM's sustainability rating (Standard Ethics Rating, SER) in 2022, with an EE rating ("Strong"), acknowledging that the Company had adopted ESG reporting models and sustainability strategies aligned with the international indications promoted by the UN, the OECD and the European Union, addressing environmental, social and safety issues. The outlook attributed to ASTM is "Positive", forecasting a Long-Term Expected SER over 1-2 years of EE+ ("Very strong").



SUSTAINALYTICS

The ESG rating of Sustainalytics measures how companies manage environmental, social and governance matters. The rating provides an assessment of the ability of companies to mitigate risks and exploit opportunities. Sustainalytics assigned a Top-Rated award to ASTM in its geographical area (Europe). ESG Risk Rating attributed ASTM a score of 11.1 (Low), i.e. the economic value potentially at risk due to ESG factors not managed is low.



MSCI

ASTM achieved an MSCI ESG rating of A (Average). The MSCI ESG rating is designed to measure the resilience of a company to long-term environmental, social and governance (ESG) risks in the sector. The ESG ratings vary from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).

I. ASTM'S GOVERNANCE STRUCTURE FOR SUSTAINABILITY

ASTM has defined the organisational structure for sustainability, formalising roles and responsibilities. ASTM's **Board of Directors** establishes strategic sustainability guidelines with a view to creating medium- to long-term value for all Stakeholders and approves the Sustainability Plan and Sustainability Report (which qualifies as the Consolidated Non-Financial Disclosure Statement).

ASTM's Board of Directors has also established a **Sustainability Committee**, consisting of three directors, which provides proposals and consulting to the Board of Directors with regards to sustainability matters.

While assisting the Board of Directors, the Sustainability Committee:

- offers supervision on sustainability issues linked to corporate activities and interactional dynamics with all Stakeholders;
- examines the Sustainability Plan before it is submitted for approval to the Board of Directors and monitors its implementation; and
- examines the content of the periodic non-financial disclosure before it is submitted for approval to the Board of Directors.

The **Audit and Risk Committee**, consisting of three directors, assists the Board of Directors in:

- assessing the suitability of the periodic non-financial disclosure, in terms of adequately representing the Company's business model and strategies, as well as the impact of its activities and its performance, (coordinating with the Sustainability Committee); and
- examining the content of the periodic non-financial disclosure in terms of information about the internal audit and risk management systems.

With a view to create sustainable value, the Sustainability Committee interacts with the other committees, notably with the **Audit and Risk Committee** and with the **Remuneration Committee**, encouraging both, within its remit, to increase the integration of sustainability into corporate governance.

In order to encourage **innovation** and **continuous improvement** in its sustainability performance, ASTM has also established a dedicated **Sustainability function**.

The Sustainability function – which reports directly to the Chief Executive Officer – contributes to establishing the Group's Sustainability strategies with the ultimate goal of creating sustainable value for all Stakeholders in the medium to long term.

ASTM's Sustainability function is also responsible for advising top management on the constant improvement of the Group's Sustainability model, preparing the Sustainability Report, promoting a sustainability culture within the Group and the identification and analysis of Stakeholders' expectations by encouraging a constant dialogue.

In order to better integrate ESG topics in the Group's strategy, since 2019, material links to sustainability targets were introduced (i) in the ASTM remuneration policy, for the CEO and Key Management Personnel - specifically, both short (MBO) and long (LTI) term incentives are linked to sustainability targets (20% weighting); (ii) in the financial structure of the Group and (iii) in the Group risk management system.

II. SUSTAINABILITY PLAN AND SDGS ROADMAP

Sustainability is a key component of the Group's overall strategy and continues to drive its operations and engagements with the communities where the Group is present.

In July 2022 ASTM's Board of Directors approved the Group Sustainability Plan 2022-2026 based on the following three pillars: People, Planet and Prosperity.



In line with the guidelines published by the World Business Council for Sustainable Development (WBCSD), ASTM has defined a roadmap to improve the Group's contribution to achieving the UN Sustainable Development Goals (SDGs) by 2030.

In particular, this involves the assessment of consistency, validity and application of the UN SDGs to ASTM's sustainability issues, materiality and policies, also taking into account the context, reference sector and the main impacts generated and experienced by the Group along its value chain.

ASTM has identified the following UN SDGs as the most relevant for its business, and these continue to guide and inspire ASTM's ESG efforts and ambitions:



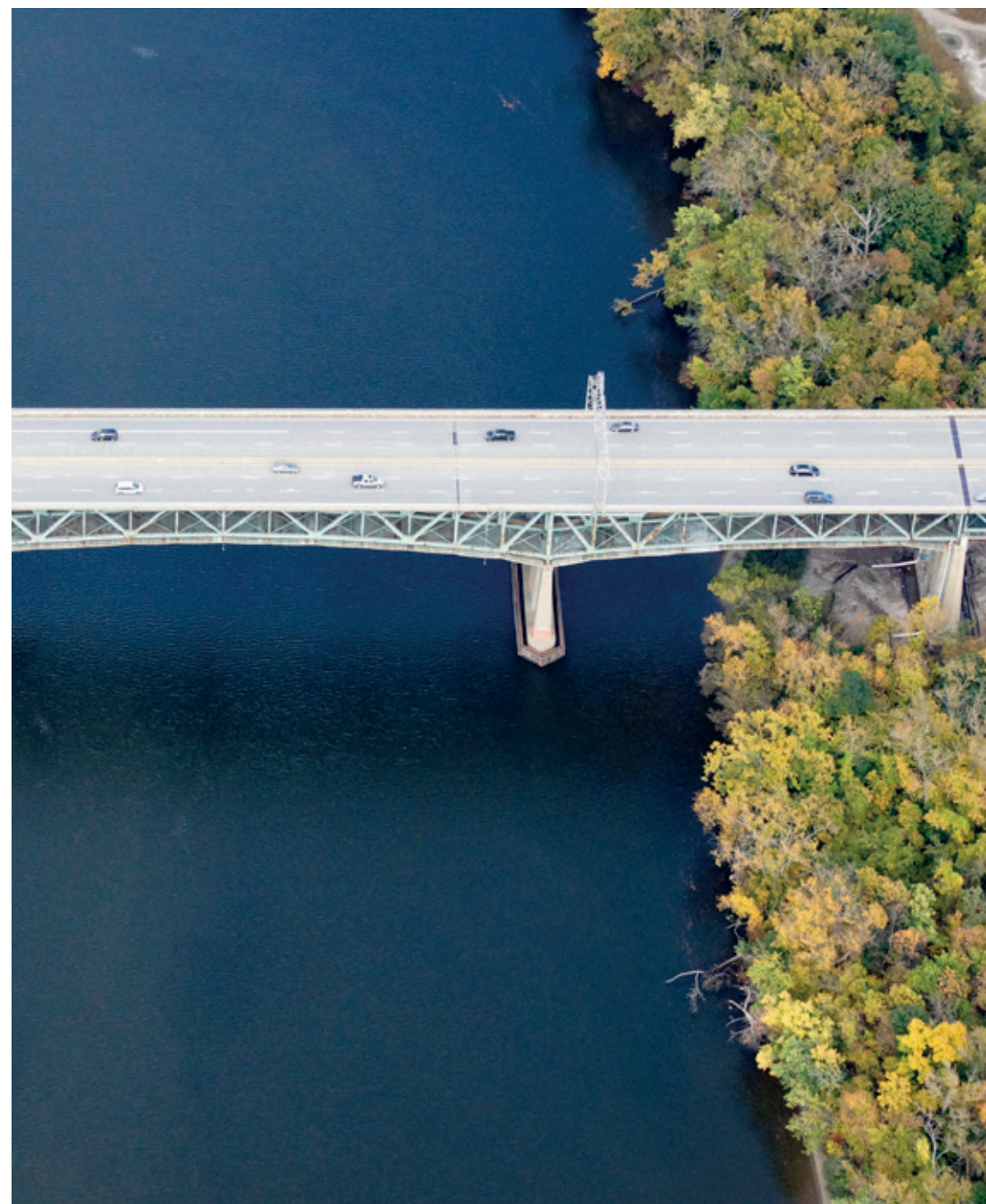
SDG 9 - Industry, innovation and infrastructure – given that the Group is committed to developing quality, reliable, sustainable and resilient infrastructure



SDG 11 - Sustainable cities and communities – which reflects the Group's commitment to providing access to safe and sustainable transport systems and improving road safety



SDG 13 - Climate action – considers the Group commitment to reduce the amount of greenhouse gas produced through its activities and value chain



SUSTAINABILITY AS A CORE GUIDELINE OF ASTM'S BUSINESS STRATEGY

In line with the objectives defined in the Sustainability Plan, the Group's companies have been implementing the following actions to limit their environmental impact:

- development of **energy saving policies** and work sites with reduced environmental impact, while promoting the adoption of these policies also by **subcontractors**;
- diffusion of **efficient lighting systems** on motorways, through increased use of LEDs;
- development of **noise abatement plans** for motorway infrastructures;
- promotion of the use of recycled materials to support the **circular economy**, as part of the activities for maintenance and modernization of motorway infrastructures; and
- protection of local areas, reduction in land use and safeguarding of **biodiversity**.

ASTM Group is determined to contribute to the protection of the Planet by progressively minimizing the environmental impacts associated with its operations. The Group is committed to guarantee the protection of local areas, responsible use of natural resources, efficient energy consumption, management of atmospheric emissions and protection of biodiversity.

ASTM Group is also committed to promote the energy transition of mobility by enabling the circulation of vehicles with zero direct (tailpipe) CO₂ emissions, thus contributing to the reduction of indirect Scope 3 emissions from vehicles. The Group has prepared through its licensee companies specific dissemination plans for electric vehicle charging services. These efforts go beyond the standards defined by the EU Directives and national legislation for the dissemination of electric mobility on motorways. The implementation of the aforesaid plans, based on compliance with the principles of technology neutrality and market openness, is still ongoing also thanks to the commitment of the operators active in service areas.

In addition to climate, ASTM Group considers protection of biodiversity and development of circular economy projects as essential part of its endeavour to minimise its environmental impact and protect the planet's resources.

As part of its ESG ambitions, ASTM recognizes the relevance of becoming a global leader in sustainability by establishing ambitious commitments and goals, with the hope to inspire others to follow this journey.

ASTM has taken key steps that will allow the Group to further improve its sustainability efforts:

- in April 2023 ASTM announced new, more ambitious 2030 GHG emission reduction goals validated by the **Science Based Targets initiative (SBTi)** to contribute to limiting the increase in the average global temperature to **1.5°C for its Scope 1 and 2 GHG emissions** with respect to pre-industrial levels, as defined in the Paris Agreement. ASTM also commits to reduce absolute Scope 3 GHG emissions from purchased goods and services by 2030. ASTM was the first motorway operator in Europe and the largest worldwide in terms of kilometres managed to set science-based targets for GHG emission reduction. ASTM's GHG emission goals, as approved by SBTi, are to reduce absolute Scope 1 and 2 GHG emissions 54% by 2030 from a 2020 base year. ASTM also commits to reduce absolute Scope 3 GHG emissions from purchased goods and services 11.1% by 2030 from a 2021 base year.
- As part of its overall sustainability effort and in line with current strategy, ASTM has developed its funding strategy to include and enhance debt in sustainable debt format, as the Group perceives the sustainable finance market as the most suitable platform to take its ESG commitments another step forward. The debt instruments that are issued under this framework are the perfect tools to allow ASTM to substantiate its sustainability efforts and aspirations, but also permit investors and Stakeholders to participate actively in ASTM the Group's journey towards sustainable business growth.

III. TRANSPARENT AND ACTIVE ENGAGEMENT WITH STAKEHOLDERS

The Group undertakes to identify and establish an open and transparent dialogue with all its Stakeholders, i.e. all parties of any kind that contribute to the Group's activities or are influenced by them.

Establishing and maintaining constant dialogue with Stakeholders over time allows the Group to identify the most important sustainability issues and evaluate how to best integrate them into industrial and management activities.

In accordance with international guidelines (Sustainable Development Goals, Global Compact, OECD Guidelines for Multinational Enterprises), the applicable standards and frameworks (AA1000 Stakeholder Engagement Standard, Reporting Principles of GRI Standards, recommendations of the Task Force on Climate-Related Financial Disclosures) and the applicable legislation (Italian Legislative Decree 254/2016), ASTM has defined its own materiality analysis in order to identify the most relevant sustainability issues. Through this process, the Group has identified material topics that represent the organization's most significant impacts on economy, environment and people, including the impact on human rights.

For more information on the Stakeholder map, their expectations, and methods of involvement, please refer to the Company's website. For more information on engagement initiatives implemented by the Group please refer to ASTM's Sustainability Report available on the Company's website.

IV. ESG RISKS INTEGRATED INTO THE RISK MANAGEMENT SYSTEM

ASTM and its main operating subsidiaries have adopted a Risk Management System conforming to the best practices identified by CoSo ERM and ISO 31000, defining the organisational structure and assigning clear roles and responsibilities in this regard. Risks connected with the attainment of strategic corporate objectives are assessed, including ESG risks.

V. POLICIES, PROCEDURES AND MANAGEMENT SYSTEMS FOR RELEVANT ESG ISSUES

In order to strengthen ESG controls, ASTM has adopted specific policies on relevant sustainability issues, which can be found on the Company's website, and promoted their adoption by the main operating subsidiaries which, taking into account their own operations and organisational structures, have adopted them through their relevant corporate governance bodies.



**ANTI-CORRUPTION
POLICY**



**DIVERSITY AND
INCLUSION POLICY**



**SUPPLIERS CODE
OF CONDUCT**



**HUMAN RIGHTS
POLICY**



**ENVIRONMENT
MANIFESTO**



**BIODIVERSITY
POLICY**

In accordance with a continuous improvement approach, various operating companies have implemented procedures and management systems for relevant ESG issues (e.g. ISO 14001, ISO 45001, ISO 9001 certified Management Systems). The quality, safety and environmental management systems are periodically updated, based on newly issued ISOs, maintaining all existing certifications.

In order to strengthen its commitment towards human rights, ASTM and its main operating subsidiaries have adopted a Human Rights Policy. The Policy supplements the Group's Code of Ethics, Suppliers Code of Conduct and other sustainability policies. ASTM promotes the adhesion to the principles of this Policy by any entity having a relationship with the Group. ASTM, Itinera S.p.A. (Italian perimeter), Euroimpianti S.p.A., Tubosider S.p.A. and Ro.ss S.p.A. implemented a management system with SA8000 certification, a voluntary verifiable standard based on the Universal Declaration of Human Rights, ILO documents and other domestic and international norms on human and employment rights, to develop and protect individuals following under the control and influence of the organisation.

ASTM has signed the Women's Empowerment Principles (WEPs), the principles promoted by the United Nations Global Compact that offer guidance to businesses on gender equality in the workplace, on the market and in the community.

ASTM, Itinera S.p.A., Sinelec S.p.A., Tubosider S.p.A., Ecorodovias Infraestrutura e Logística S.A. and Ecorodovias Concessões e Serviços S.A. have voluntarily implemented an anti-corruption management system certified in compliance with international standard ISO 37001.

ASTM and its relevant operating subsidiaries have implemented a **whistleblowing** reporting system to allow all its Stakeholders to report, even anonymously, alleged or known violations of rules, laws, procedures, company policies or the values of the Code of Ethics.

VI. SUSTAINABILITY REPORTING ACCORDING TO GRI STANDARDS AND BEST PRACTICES

On an annual basis ASTM publishes a Sustainability Report, qualified as Consolidated Non-Financial Statement (NFS) pursuant to the Italian Legislative Decree 254/2016, which implements the EU Directive 95/2014 on disclosure of non-financial and diversity information. The 2022 Sustainability Report approved by the ASTM Board of Directors on 23 March 2023 has been reviewed by PricewaterhouseCoopers S.p.A. that issued a limited assurance report on 11 April 2023.

ASTM implemented the "Procedure for Drafting, Approving and Publishing the Non-Financial Disclosure Pursuant to Italian Legislative Decree 254/2016", which defines the operating process for drafting, approving and publishing the NFS based on indications established under Legislative Decree 254/2016 and the GRI Sustainability Reporting Standards. The procedure has the aim of identifying the main parties involved in the NFS reporting, preparation and approval process, defining the related roles and responsibilities in brief.

For additional information related to the topic described above, please refer to the 2022 ASTM Sustainability Report available on Company's website.

ASTM GROUP'S CLIMATE STRATEGY

ASTM Group is determined to contribute to the protection of the Planet by progressively minimizing the environmental impacts associated with its operations.

The Group is aware of the risks that climate change and environmental degradation pose to humanity. With the support of its Stakeholders, ASTM aims at developing the Group's business and activities with a responsible and sustainable approach. The Group pays attention to the development of environmental legislation in force in the countries and territories where it operates, being constantly committed to ensuring compliance with applicable laws and regulations.

With reference to the Group's climate strategy, the process of aligning with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations has been implemented with the intention to strengthen the Group's commitment relative to climate change and, in particular, help meet the objective of limiting the increase in the average global temperature, as defined in the Paris Agreement. The main goal of the TCFD recommendations is to help companies to inform their Stakeholders, clearly and in a comparable fashion, about risks and opportunities linked to climate change, with reference to four thematic areas representing the fundamental pillars of an organization: **Governance, Strategy, Risk Management, Metrics and Targets**.



GOVERNANCE

The organisation's governance with regards to climate-related risk and opportunities.

STRATEGY

The effective and potential impacts of climate-related risks and opportunities on an organisation's assets, strategy and financial planning.

RISK MANAGEMENT

The processes used by the organisation to identify, evaluate and manage climate-related risks.

METRICS AND TARGETS

The metrics and targets used to evaluate and manage climate-related opportunities and risks.

GOVERNANCE

To promote the sustainable success of the Group also through environmental performance monitoring of the impacts of climate change on its operations and financial results, the Group has created a governance model in line with ESG best practices, which guarantees top management are involved in the definition of strategic sustainability guidelines. Further, each Group company, based on their operations, considers the impacts of climate change in their risk management policies, financial planning, operating activities and investment planning, as well as in designing and monitoring organizational performance objectives. Moreover, ASTM has appointed a Group Energy Manager.

In 2022, ASTM was confirmed by CDP (formerly Carbon Disclosure Project) as a global leader in the fight against climate change, achieving an A- rating.

STRATEGY

The medium/long-term planning, starting from the first Sustainability Plan “Going Global Sustainably”, takes account of the UN’s 17 Sustainable Development Goals (SDG) for 2030, including target 13.1 “Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries”. The Group Sustainability Plan 2022-2026 includes, among the other things, GHG emissions reduction targets aligned with the 1.5°C ambition, and incorporates in the carbon footprint perimeter EcoRodovias Group and the S.I.T.A.F Group, whose control was acquired by ASTM during 2021.

The Group’s strategic guidelines include the promotion of energy efficiency policies, specifically through objectives and measurable actions for every area, over the medium/long term.

Since 2020 ASTM introduced climate scenario analysis to its process to develop strategy to:

- Assess how risks and opportunities linked to the climate influence all the Group's business areas;
- Investigate the Group’s resilience/robustness in the face of risks and opportunities linked to the climate;
- Identify a strategy to reduce the Group's GHG emissions over the medium/long-term.

The scenarios used for analysis reflect various future possibilities, specifically the “Transition Scenarios”, the technological and economic changes needed to mitigate climate change and the “Physical Scenarios”, how the Earth’s climate reacts to changes in concentrations of greenhouse gases (GHG).

Physical scenarios analyze the most significant impacts connected to physical climate variables (for example: temperature increase, extreme precipitation, etc.) which could directly influence the Group’s activities, in particular infrastructure resilience and road safety.

According to this analysis the most important physical effects, which over the long term have the highest probability of impacting the ASTM Group’s business in the geographic areas of greatest interest (Europe and Latin America), include:

- Increased damages associated with floods and landslides, overflowing of rivers and coastal erosion;
- Increase in water scarcity and consequent restrictions on water use; and
- Increase in damage due to extreme heat and forest fires.

Relative to the transition scenario applied to Group business, various scenarios were selected in compliance with TCFD recommendations: the scenarios “2DS”, “Well Below 2°C” and “1.5°C” (designed by the Science Based Target initiative - SBTi and the International Energy Agency - IEA), used for target setting to assess the maximum available “carbon budget” and to obtain plausible emissions reduction trajectories used to assess regulatory and technological changes in the geographic area in which ASTM Group operates.

This analysis made it possible to assess the feasibility of Science Based Targets and update the mapping of climate-linked risks and opportunities as described below.

RISK MANAGEMENT

As part of its responsibilities regarding the Internal Audit and Risk Management System, the Board of Directors ensures that the main corporate risks are identified and managed in line with the strategic objectives identified. Management of ESG risks is integrated into the Risk Management System implemented by ASTM and its main operating subsidiaries. Risk mitigation actions also include opportunities for development which could lead to a competitive advantage over time.

Climate change and its effects on the economic activities represent a potential risk factor for the operations of the Group companies and the resilience of the infrastructure managed by ASTM Group. However, at the same time, the energy and technology transition currently under way could create important opportunities for growth and development. The risk assessment process considers both physical and transition risks. The first category includes the occurrence of extreme weather events (intense rain, flooding, landslides), caused by changes in climate conditions which could damage motorway infrastructure; the second includes changes in the market, increasingly sensitive to sustainability issues, or developments in environmental regulations, with the introduction of new minimum environmental requirements and new limitations on GHG emissions.

The Group concession companies implemented a specific integrated methodology to monitor infrastructure health, identify problems and define the necessary interventions, functional to ensure over time the safety, functionality, robustness and durability of works on all the infrastructure under concession.

Climate change and related policies and regulations of the countries in which the Group operates also generate new opportunities that could impact the competitive mechanisms of the various sectors in which the Group operates. For example, with reference to motorway management, technological innovation plays an increasingly important role in guaranteeing ever higher user service standards through a digital transformation of infrastructure able to communicate with next generation connected vehicles, use automatic driving assistance systems and mitigate and better manage traffic, thereby reducing road accidents and monitoring technical and climatic parameters.

With reference to the EPC sector, clients are increasingly requesting infrastructure and civil and industrial works which are designed and constructed to have low environmental impact and with high LEED ratings (Leadership in Energy and Environmental Design).

METRICS AND TARGETS

ASTM Group consumption and GHG emissions are monitored and certified annually by an independent external company in order to identify and assess any changes and, additionally, are used to calculate the Group's carbon footprint in line with the guidelines contained in the GHG Protocol "Corporate Accounting and Reporting Standard"² and the "Global Reporting Initiative Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI).³

The Group confirms its commitment to be at the forefront of energy transition and fight against climate change by setting greenhouse gas emission reduction targets on a scientific basis.

"The validation of our targets confirms the ASTM Group's commitment and determination to continue along the path of sustainability that has been taken, aware of the responsibilities that we must all safeguard the planet and the environment that surrounds us. Sustainability is a part of ASTM's DNA, which is why we are the first European motorway operator to receive the approval on a scientific basis of our objectives for the reduction of GHG emissions."

Umberto Tosoni, CEO of ASTM

² GHG Protocol "Corporate Accounting and Reporting Standard": <https://ghgprotocol.org/corporate-standard>

³ GRI "Global Reporting Initiative Sustainability Reporting Standards": <https://www.globalreporting.org/standards/>

RATIONALE FOR SUSTAINABILITY-LINKED FINANCING FRAMEWORK

ASTM recognizes the importance of the role that sustainable finance is playing in guiding companies towards a more sustainable economy. As a major motorway operator, ASTM believes that Sustainability-Linked Financing further enhances the Group's ESG commitments by linking its financing activities with meaningful and ambitious targets; this is why ASTM published its inaugural Sustainability-Linked Financing Framework in November 2021.

ASTM strives to continually improve the Group's sustainability performance and enhance its sustainability ambitions. The present updated Sustainability-Linked Financing Framework (the "**Framework**") aims to reflect its latest ESG strategy, in particular with regards to ASTM's new GHG emission targets validated by the SBTi.

ASTM intends to develop a comprehensive framework that allows the use of Sustainability Linked Instruments including Sustainability-Linked Bonds ("**SLBs**") and Sustainability-Linked Loans ("**SLLs**") and/or, to the extent practicable, any other Sustainability-Linked instruments (e.g. Commercial Paper, derivatives instruments or other forms of debt financial instrument available).



SUSTAINABILITY-LINKED FINANCING FRAMEWORK

ASTM's Framework is based on principles and guidelines stated in the **Sustainability-Linked Bond Principles (SLBP) 2020 version⁴**, as administered by the International Capital Markets Association ("ICMA"), and the Sustainability-Linked Loan Principles ("SLLP") 2023 version⁵ as administered by the Loan Markets Association ("LMA").

The Framework is based on the following five core components:

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 above mentioned Sustainability Linked Instruments falling within this version of the Framework will be those issued and/or executed after the publication of this version of the Framework on ASTM's website at <https://www.astm.it/en/sustainable-finance/>.

⁴ The Sustainability Linked Bond Principles (SLBP) were launched by ICMA in June 2020. They are administered by the ICMA and are available at: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

⁵ The Sustainability Linked Loan Principles (SLLP) are administered by the LMA and are available at: [Sustainability-Linked-Loan-Principles-Feb-2023.pdf](#)

1. Selection of Key Performance Indicators (KPIs)

Key Performance Indicators (the "KPIs") included in the Framework have been selected as they are core, relevant and material to ASTM Group's business. ASTM has decided to focus on environmental KPIs, which represents a material focus for both ASTM and its Stakeholders, as outlined in the Group's materiality analysis included in the Group Sustainability Report and the Group's contribution to achieving the SDGs by 2030. Moreover, the KPIs selected are believed to address the ever-increasing urgency for climate action perceived by all Stakeholders including governments, regulators and investors.

Therefore, the following 3 KPIs were deemed the most credible, ambitious targets aligned with ICMA's SLBP requirements and with sustainable finance market practices:

- KPI #1: Absolute Scope 1 and 2 GHG Emissions
- KPI #2: Absolute Scope 3 GHG Emissions from purchased goods and services
- KPI #3: Percentage of Service Areas along the network operated by ASTM Group covered with electric vehicle charging stations

Such three KPIs contribute positively to the three following SDGs.



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



11.2 By 2030, provide **access to safe, affordable, accessible and sustainable transport system** 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



13.1 **Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries**

KPI #1

Absolute Scope 1 and 2 GHG emissions, calculated in tonnes of carbon dioxide equivalent (tCO₂eq)

KPI: Combined amount (in tCO₂eq) of Scope 1 GHG Emissions (direct emissions), which includes emissions from own sources or sources controlled by the organization, and Scope 2 Emissions (indirect emissions – market based), which includes emissions produced from electricity use.

KPI #1 contributes to the following SDGs: 9; 11; 13

KPI #1 contributes to the EU environmental objective: climate change mitigation



Rationale: As a major motorway operator, ASTM Group wants to actively contribute to the objectives of the Paris Agreement for the development of a low - carbon economy, including greater adoption of clean and environmentally sound technologies for sustainable infrastructure. One of the key focus areas of the Group's decarbonization path is the reduction of GHG emissions coming from own sources and from the use of electricity, contributing to develop safe, affordable, accessible and sustainable transport systems for all. Although Scope 1 and 2 GHG emissions represent a limited share of ASTM Group's total carbon footprint (4% in 2022, 4% in 2021⁶, 6% in 2020⁶), ASTM considers a core component of its environmental strategy and responsibility to minimise the environmental impact of its own operations.

Methodology and Scope: The total amount of GHG Scope 1 and 2 emissions (in tCO₂eq) is calculated in accordance with the Global Reporting Initiative Sustainability Reporting Standards issued by GRI Global Reporting Initiative (the GRI Standards) and with the Greenhouse Gas Protocol (GHG Protocol).

KPI #1 covers 100% of total Scope 1 and Scope 2 emissions.

Scope 1: direct emissions, coming from sources owned or controlled by the Group, including:

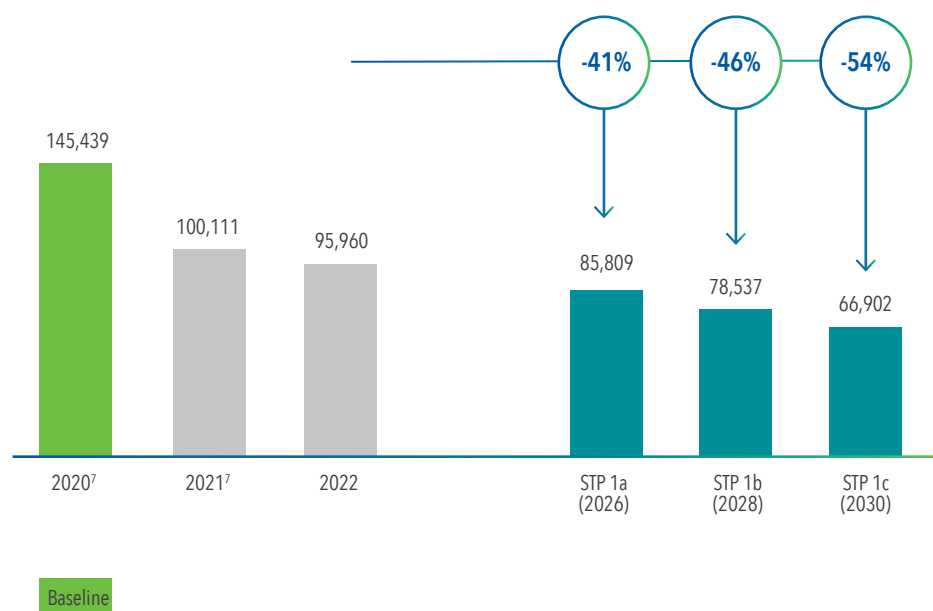
- Natural Gas,
- Heating fuel,
- Diesel fuel,
- Fuel oil,
- Petrol,
- LPG (Liquefied Petroleum Gas),
- Diesel fuel for electricity generation,
- Ethanol

⁶ Pro-forma audited data calculated considering ASTM and all its fully consolidated subsidiaries included in the 2021 Consolidated Financial Statements and as if EcoRodovias and SITAF had been fully consolidated for the entire fiscal year.

Scope 2: indirect emissions coming from the generation of electricity (from non-renewable sources) purchased externally and consumed by the Group (market-based approach).

Perimeter: ASTM and all its fully consolidated subsidiaries included in the 2021 Consolidated Financial Statements. For the purpose of the baseline and related SPTs, the KPI will be calculated pro-forma considering this 2021 perimeter (i.e. any additional subsidiary, and, for the avoidance of doubt, any new concession assigned to any such existing subsidiaries, included in the consolidation perimeter will not be accounted for).

Absolute Scope 1 and 2 GHG emissions (tCO₂eq)



⁷ Pro-forma audited data calculated considering ASTM and all its fully consolidated subsidiaries included in the 2021 Consolidated Financial Statements and as if EcoRodovias and SITAF had been fully consolidated for the entire fiscal year.



KPI #2

Absolute Scope 3 GHG emissions from purchased goods and services, calculated in tonnes of carbon dioxide equivalent (tCO₂eq)

KPI: Absolute GHG emissions (in tCO₂eq) from purchased goods and services (Scope 3).

KPI #2 contributes to the following SDGs: 9; 11; 13

KPI #2 contributes to the EU environmental objective: climate change mitigation

Rationale: Scope 3 emissions from purchased good and services represent the majority of ASTM Group's total GHG emissions (around 90% of ASTM Group's total carbon footprint in 2022, 89% in 2021⁸, 70% in 2020⁸). Therefore, ASTM considers the establishment of a dedicated Scope 3 target (from purchased good and services) as relevant, core and material to its ultimate sustainability goals in order to strengthen resilience to climate-related hazards and promote the development of safe, affordable, accessible and sustainable infrastructure through the involvement of the supply chain.

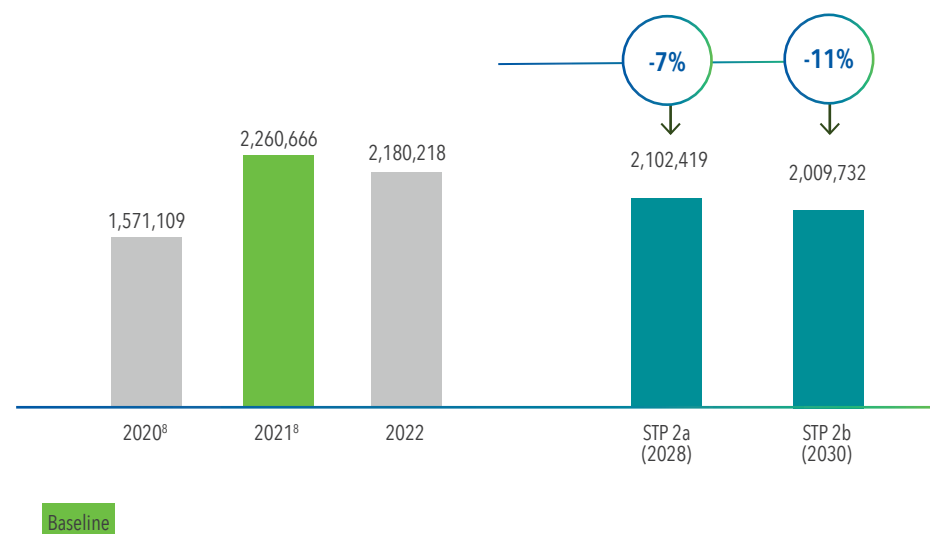
ASTM has selected the Scope 3 KPI because it is core and material to the business and measures the sustainability improvements of GHG emissions that are not under ASTM's direct control. Moreover, setting a Scope 3 target enables ASTM to mitigate value chain risks, unlock innovations and collaborations, and respond to the interest expressed by investors, customers, and civil society. Furthermore, ASTM has chosen an absolute metric, rather than an intensity metric, as ASTM is committed to reduce its carbon footprint independently of its growth.

Methodology and Scope: The total amount of GHG Scope 3 emissions is calculated in accordance with the Global Reporting Initiative Sustainability Reporting Standards issued by GRI - Global Reporting Initiative (the GRI Standards) and with the Greenhouse Gas Protocol (GHG Protocol)⁹. ASTM Group's Scope 3 GHG emissions considered in this KPI include 100% of emissions from purchased goods and services.

Scope 3 GHG emissions have been partially calculated using specific emission factors and partially estimated through "The Scope 3 Evaluator" screening tool, released by GHG Protocol in collaboration with Quantis.

Perimeter: ASTM and all its fully consolidated subsidiaries included in the 2021 Consolidated Financial Statements. For the purpose of the baseline and related SPTs, the KPI will be calculated pro-forma considering this 2021 perimeter (i.e. any additional subsidiary, and, for the avoidance of doubt, any new concession assigned to any such existing subsidiaries, included in the consolidation perimeter will not be accounted for).

Absolute Scope 3 (tCO₂eq)



⁸ Pro-forma audited data calculated considering ASTM and all its fully consolidated subsidiaries included in the 2021 Consolidated Financial Statements and as if EcoRodovias and SITAF had been fully consolidated for the entire fiscal year.

⁹ According to the GHG Protocol Scope 3 Standard the following emission categories are included: Purchased goods and services, Fuel-and-energy-related activities, Waste generated in operations, Capital goods, Upstream transportation and distribution, Employee commuting and Investment.

The other emission categories of the GHG Protocol Scope 3 Standard were deemed not applicable or not relevant.

KPI #3

Percentage of Service Areas along the network operated by ASTM Group covered with electric vehicle charging stations

KPI #3 contributes to the following SDGs: 9; 11; 13

KPI #3 contributes to the EU environmental objective: climate change mitigation

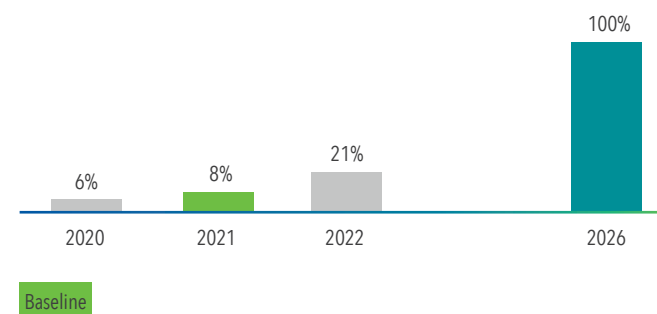


Rationale: ASTM is committed to promote sustainable mobility and to address the indirect Scope 3 emissions from the vehicles using ASTM Group's network. While those emissions are beyond the direct control, we believe ASTM Group can be an enabler for the achievement of the global decarbonization goals by facilitating the spread of electric mobility through the deployment of electric vehicle charging stations.

Methodology and Scope: Percentage of Service Areas along the network operated by ASTM Group covered with electric vehicle charging stations. The KPI covers 100% of the Italian and Brazilian motorway networks managed by ASTM's subsidiaries wholly consolidated in the 2021 Consolidated Financial Statements.

- In Italy, ASTM, through concession subsidiaries, currently manages approximately 1,415 km of network and is the leading operator in the north-west of the country, one of the areas with the highest per capita income in Europe.
- Through EcoRodovias, one of the largest player in the infrastructure sector in the country, ASTM manages approximately 4,700 km of roads in Brazil.

Perimeter: The electric vehicle charging station installation plan covers the whole network operated by ASTM's subsidiaries wholly consolidated in the 2021 Consolidated Financial Statements. For the purpose of the baseline and related SPTs, the KPI will be calculated pro-forma considering this 2021 perimeter (i.e. any additional subsidiary, and, for the avoidance of doubt, any new concession assigned to any such existing subsidiaries, included in the consolidation perimeter will not be accounted for).



2. Calibration of Sustainability Performance Targets (SPTs)

In October 2021, ASTM received external validation from the Science Based Target initiative (SBTi) for its 2030 Scope 1 and 2 emissions reduction targets (in line with a well-below 2°C scenario) and Scope 3 emissions from purchased goods and services.

Due to ASTM's successful GHG emissions reduction strategy so far and solid ESG ambition, the Group decided to commit to more stringent GHG emission reduction targets, which SBTi validated in April 2023 and which are in line with a 1.5°C scenario for Scope 1 and 2.

Factors that support and/or might put at risk the achievement of the SPTs will be disclosed, where relevant, in the documentation of the relevant sustainability linked transactions, according to applicable regulations and market practice.

SPT #1a: Reduce Scope 1 and 2 GHG emissions by 41% by 2026 compared to 2020 levels

SPT #1b: Reduce Scope 1 and 2 GHG emissions by 46% by 2028 compared to 2020 levels

SPT #1c: Reduce Scope 1 and 2 GHG emissions by 54% by 2030 compared to 2020 levels



SPT #1

As of the SPT #1 observation dates, Scope 1 and 2 GHG emissions (market based) reduction, compared to the 2020 baseline, will have to be at least equal to the thresholds outlined below:

Observation Year	2026	2028	2030
SPT	-41%	-46%	-54%

Target Observation Dates: 31st December 2026, 31st December 2028, 31st December 2030

2020 baseline: 145,439 tonnes CO₂eq (Scope 1=72,544 and Scope 2 Market based=72,895). Figures have been calculated considering ASTM and all its subsidiaries wholly consolidated in the 2021 Consolidated Financial Statements and as if EcoRodovias and SITAF had been fully consolidated for the entire fiscal year.

The 2020 Baseline was audited through a limited assurance engagement by PWC in accordance with International Standard on Assurance Engagements ISAE 3000 Revised - Assurance Engagements other than Audits or Reviews of Historical Information ("ISAE 3000 Revised") and also referring to International Standards on Assurance Engagements 3410 - Assurance Engagements on Greenhouse Gas Statement ("ISAE 3410") issued by the International Auditing and Assurance Standards Board for limited assurance engagement.

Action plan: To achieve GHG emissions reduction targets, ASTM Group is implementing energy efficiency initiatives, including:

- Strengthening of the governance of energy consumption (e.g. implementation of Energy Management System according to the ISO 50001:2018 Standard);
- Renewal of vehicle fleet and construction site vehicles with models that have low environmental impact;
- Monitoring of motorway infrastructures through innovative technologies (e.g. drones, sensors) to reduce kilometres driven across the network;

- Definition of a sustainable re-lamping plan with LED technology;
- Implementation of dynamic management systems for infrastructure and office lighting and HVAC (Heating, Ventilation, Air Conditioning) to minimize energy consumption;
- Self-production of renewable energy (e.g. solar panels);
- Implementation of other energy efficiency technologies and initiatives (e.g., buildings' heating systems) to reduce the carbon footprint of operations and corporate buildings;
- Research and innovation for the development of energy recovery technologies;
- Purchase of renewable energy (with Guarantees of Origin certificates).

Ambition of the targets

- The 2030 target has been validated by SBTi in April 2023 as aligned with a 1.5°C scenario, which is the most ambitious scenario they can validate targets against.

SPT #2

SPT #2a: Reduce Scope 3 GHG emissions from purchased goods and services by 7% by 2028 compared to 2021

SPT #2b: Reduce Scope 3 GHG emissions from purchased goods and services by 11.1% by 2030 compared to 2021

As of the SPT #2 observation dates, Scope 3 GHG emissions from purchased goods and services reduction, compared to the 2021 baseline, will have to be at least equal to the thresholds outlined below:

Target Observation Dates: 31st December 2028, 31st December 2030

Observation Year	2028	2030
SPT	-7%	-11.1%

2021 baseline: 2,260,666 tonnes CO₂eq. The figure has been calculated considering ASTM and all its subsidiaries wholly consolidated in the 2021 Consolidated Financial Statements and as if EcoRodovias and SITAF had been fully consolidated for the entire fiscal year.

The 2021 Baseline was audited through a limited assurance engagement by PWC in accordance with International Standard on Assurance Engagements ISAE 3000 Revised - Assurance Engagements other than Audits or Reviews of Historical Information ("ISAE 3000 Revised") and also referring to International Standards on Assurance Engagements 3410 - Assurance Engagements on Greenhouse Gas Statement ("ISAE 3410") issued by the International Auditing and Assurance Standards Board for limited assurance engagements.

Action plan:

- Strengthening of the governance of energy consumption (e.g. implementation of Energy Management System according to the ISO 50001:2018 Standard);
- Optimizing ASTM Group operational processes resulting in reduced demand for goods and services;
- Implementation of a green procurement policy to make different purchasing decisions favouring low-carbon products or services and to purchase from suppliers with a low carbon footprint;
- Involvement of the supply chain partners to raise awareness and promote their transition to green technologies and materials;
- Contribution to technological innovation on materials, decarbonization of the energy mix, efficiency and electrification trends;
- Business model innovation also through the use of technologies (such as artificial intelligence) for predictive planning of motorway maintenance interventions, to ensure a higher degree of infrastructure resilience.

Ambition of the targets

- These absolute reduction targets have been submitted and validated by the SBTi in April 2023.

SPT #3

SPT 3: Increase the % of Service Areas along the network operated by ASTM Group covered with electric vehicle charging stations to 100% by 2026

Observation Year	2026
SPT	100%

Target Observation Dates: 31st December 2026

Action plan:

- The Group has prepared through its licensee companies specific dissemination plans for charging services.

Ambition of the targets

- The electric vehicle charging station installation plan defined by ASTM Group goes beyond legal requirements: In Italy the relevant regulation¹⁰ requires having a charging station every 60 km, while ASTM Group is committed to install a charging station every 30 km on average;
- In Brazil EcoRodovias does not have any requirement by law or regulation to install electric vehicle charging stations. The installation plans will ensure to have a charging station every 60 km on average.

As at 31st December 2022 there were 35 charging stations (14 in Italy and 21 in Brazil) covering 21% of the Service Areas along the network operated by ASTM's subsidiaries wholly consolidated in the 2021 Consolidated Financial Statements.

¹⁰ Please refer to (i) Article 3 of the Proposal for a "Regulation of the European Parliament and of the Council" on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU of the European Parliament and of the Council. https://eur-lex.europa.eu/resource.html?uri=cellar:dbb134db-e575-11eb-a1a5-01aa75ed71a1.0001.02/DOC_1&format=PDF and to (ii) And to the "Measures for definition of model tender notices to be complied with by motorway concessionaires for the award of EV charging services" issued by the Italian "Transport Regulation Authority" https://www.autorita-trasporti.it/wp-content/uploads/2022/11/Annex-A-to-Decision-no.-130_2022.pdf



3. Financial characteristics

The proceeds of ASTM's Sustainability-Linked Instruments will be used for general corporate purposes.

All financings incurred under this Framework will have a sustainability-linked feature that will result in a coupon or margin adjustment, or a premium payment, as the case may be, if a Trigger Event occurs. The relevant KPIs, SPTs, step-up coupon or margin adjustment or premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction (e.g., in case of SLBs, in the relevant Final Terms).

A Trigger Event occurs if:

- One or more of the selected KPIs have not achieved the SPT(s) on the Target Observation Date, or
- The verification of the SPT(s) has not been provided and made public as set out in the External Verification section of this Framework and the relevant contractual documentation.

For the avoidance of doubt, in case of SLLs the interest rate may be decreased or increased, subject to the achievement or not of the relevant SPT(s), while for SLBs no decrease in the interest rate is envisaged. In the cases of SLBs, if the KPI(s) achieved its SPT(s) and reporting and verification of the SPT have been provided in accordance with the reporting and verification section of this Framework and the relevant contractual documentation, the financial characteristics of the security will remain unchanged.



4. Reporting

ASTM will report the Group performance against the various SPTs at least on an annual basis on its website and/or in its Sustainability Reports until maturity of any outstanding SLLs or SLBs (the Sustainability-Linked Financing Progress report).

Reporting may include:

- I.** up-to-date information on the performance of the selected KPIs, including the baseline where relevant;
- II.** with reference to each selected KPI, up-to-date information on the SPT outlining the performance against the SPT and the related impact, and timing of such impact, on a financial instrument performance;
- III.** any relevant information enabling investors to monitor the progress vis-a-vis the SPTs; and
- IV.** a verification assurance report relative to the reporting including the above points.

Information may also include when reasonably feasible and available:

- V.** qualitative or quantitative explanation of the contribution of the main factors behind the evolution of the performance/KPIs on an annual basis (e.g. M&A activities);
- VI.** illustration of the positive sustainability impacts of the performance improvement; and/or
- VII.** any re-assessments of KPIs and/or restatement of the SPTs and/or pro-forma adjustments of baselines or KPI scope, if relevant.

5. Verification

This Framework and the associated annual reporting will benefit from three layers of external verification:

- I.** a Second-Party Opinion by a recognised ESG agency on the alignment of the Framework with the SLBP and SLLP, including an assessment of the relevance, robustness and reliability of selected KPIs, the rationale and level of ambition of the proposed SPTs, the relevance and reliability of selected benchmarks and baselines, and the credibility of the strategy outlined to achieve them, based on scenario analyses, where relevant;
- II.** an annual limited assurance statement by an auditor on the KPI information included on its website and/or in its Sustainability Reports until maturity of any outstanding SLLs or SLBs;
- III.** a verification assurance certificate issued confirming whether the performance of the KPI(s) meets the relevant SPT(s), published on ASTM's website following a target observation date, until maturity of any outstanding SLLs or SLBs

Both the Sustainability-Linked Financing Framework and the Second Party Opinion are available on ASTM's website at <https://www.astm.it/en/sustainable-finance/>.

6. Recalculation Policy

The Company will consider recalculating the SPT(s) referred to in this Framework, as needed, to reflect significant changes that would otherwise compromise the related target's relevance (e.g. change in methodology or material mistakes, where applicable).

DISCLAIMER

This Sustainability-Linked Financing Framework provides general information on ASTM's management's current view and strategy, which is limited and is non-exhaustive. In addition, this Framework contains forward-looking statements which are based on assumptions that may not be correct because they are subject to uncertainties and other unplanned risks that could impact on ASTM Group's results, performance and achievements and cause the latter to vary from the targeted or expected results.

ASTM does not have any obligation to update, amend or modify this Framework in the future or the statements contained in it so as to take into account changes in factors, assumptions, and strategy. Nor does ASTM intend to notify Stakeholders in case any information, forecast or estimate changes or becomes incorrect.

This Sustainability-Linked Financing Framework is not intended to be distributed and published in, or used by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to Law or regulations.

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