

# AutoWallis GROUP

**AutoWallis Group**  
**Green Finance Framework**  
**Issuer: AutoWallis Nyrt.**

June 2021

The Green Finance Framework was prepared by:



Your responsible partner in renewal:  
**MKB Consulting Zrt.**

## Introduction

The objective of AutoWallis Nyrt., whose shares are listed in the Premium category of the Budapest Stock Exchange and are included in the BUX and BUMIX indices, is to become the leading car dealership and mobility service provider of the Central and Eastern European region by the end of the decade and to continuously expand its investment portfolio that focuses on automotive investments (real estate portfolio and automotive related services) .

The AutoWallis Group operates in 14 countries in the Central and Eastern European region and is engaged in the retail and distribution of motor vehicles and parts, servicing activities and short-term and long-term car rental. The brands represented by the Group include BMW passenger cars and motorcycles, Citroën, Dacia, Isuzu, Jaguar, Land Rover, Maserati, MINI, Nissan, Opel, Peugeot, Renault, Ssangyong, Suzuki, Toyota, Saab parts and Sixt rent-a-car.

According to the company's latest activity, AutoWallis gains possession of one of the largest and most modern BMW dealerships in Central and Eastern Europe. The building meets the latest international architectural and engineering standards of BMW, while also satisfying several criteria for environmentally friendly architecture, such as the thermal insulation of doors, windows and facades or rainwater harvesting for the watering of plants. The most important eco-design element is a 49-kW solar power station built by ALTEO Plc. This unit will be sufficient for covering about 30 percent of the dealership's energy usage, which translates into an annual reduction of GHG emissions by 20,000 tons.

### **1. Commitment to green values – The Green Strategy guideline of AutoWallis**

AutoWallis is highly committed to green objectives and goals, and it strives to reach its aims soon. The company is also prepared to adopt to automotive industry transitions. The industry value chain is in transformation and AutoWallis has defined three field of the chain where it has started the turnover process: urbanization and mobility, online sales, and technology transformation.

Regarding to urbanization and mobility, the company offers alternative mobility solutions, car sharing and long-term retail rental solutions. AutoWallis aims to transform its business field more sustainable and environmentally friendly via e.g., increasing the zero-emission vehicle ratio within the fleet. According to online sales, the company plans to introduce innovative business model, online sales solutions which partly will take over classical dealership services. The sales process is already online, average dealership visit per purchase is under 2 already. The technology transformation is a long-term progress which will change the ecosystem of the industry. While self-driving technology and transformation is somewhat slower than expected earlier it is clearly visible that EU fleet electrification is accelerating.

AutoWallis is undergone to define its vision and mission accompanied with green objectives and awareness to prepare for ESG objectives. The company believes that these commitments will truly reflect the company green values and a high level of transparency for investors and the public also.

According to green values, the company

- consciously takes responsibility for contributing to climate goals,
- is committed to sustainability, and
- has started preparations to align with ESG aspects.

Responsibilities and main objectives linked to green turnover in the following fields:

- applying an environmentally awareness business model
- environmental and social responsibility strategic
- strategic cooperation partnerships
- consumer centrality

## **Sustainability approach**

Simultaneously with the ESG aspects AutoWallis has been determined and clarified below, the company intends to obtain the following actions:

- The company intends to reduce the climate impact, to analyze and reduce the harmful environmental effects.
- In the business and investment decisions the company will consider certain metrics and indicators in order to mitigate environmental and social risks to align with the goals of the Paris Agreement and contribute to the UN Sustainable Goals.

## **BMW Sustainability in new and existing dealerships**

AutoWallis intends to strengthen its real-estate portfolio by acquisitions of commercial estates. The selection of those potential investments will be aligned with the mandatory green and sustainability requirements set by the OEMs, alias the producers. Currently, only BMW Group (BMW, MINI, Rolls-Royce) has possessed such criteria which will be mandatory for any investments connected to BMW Group dealership real-estate projects.

The BMW and MINI dealerships where the AutoWallis Group conducts the retail trade of motor vehicles are the largest in Hungary, both in terms of the number of cars sold and floor space. As a result of that, BMW's guidelines are mandatory for AutoWallis as well. The BMW Building and Equipment Consultancy, based on the BMW Building and Equipment Process, is mandatory for newly planned dealerships, modernizations of dealerships (interior and exterior) and for reinstallation of brand-specific equipment of the showroom. The dealer, in that case AutoWallis, shall consider the recommendations given by the BMW Building and Equipment Consultancy in its projects.

New BMW dealership buildings have to fulfil the "BMW Group Sustainability" target level of 100 - out of a maximum of 150 - points according to the „BMW Group Sustainable Dealership Standard" which is defined in the "Green Building Manual". The dealer can select in his discretion by which green building measures wants to meet the "BMW Group Sustainability" target level of 100 points.

The 100 points level has to be confirmed by a third-party authority or by a documented self-assessment. Alternatively, an official Green Building certificate equivalent to the "BMW Group Sustainability" target level (e.g., US LEED level silver, BREEAM level very good) is accepted.

New and existing BMW dealership buildings must feature a "Building Management System" allowing a constant measurement and controlling of energy consumption and the impact of the realized sustainability measures and efficiencies.

A minimum of the following key indicators has to be measured:

- Total energy consumption in MWh per sqm
- Total water consumption in m3 per sqm (drinking water)
- Total wastewater in m3 per sqm
- Metric tons of waste for disposal per sqm
- Metric tons of waste for recycling or other recovery per sqm
- Gross floor area of dealership in sqm

A selection of the most relevant key indicators for the dealer must be made visible for customers/ stakeholders on a display system in the interior of the building. The dealer must make the energy key indicators available to BMW Group NSC on request for analysis purposes.

Alignment with the BMW's mandatory guidelines AutoWallis has concluded an agreement on the acquisition of DALP Kft., which owned the dealership property. The property has already been in use by a subsidiary of the group, as Wallis Motor Pest has been renting it since 2016 when it opened one of the largest and most modern dealerships for BMW and MINI vehicles in Central and Eastern Europe. The building meets the latest international architectural and engineering standards of BMW, while also satisfying a number of criteria for environmentally friendly architecture, such as the thermal insulation of doors, windows and facades or rainwater harvesting for the watering of plants. The most important eco-design element of the investment is a small, 49 kW solar power station built by ALTEO Plc. This unit will be sufficient for covering about 30 percent of the dealership's energy usage, which translates into an annual reduction of greenhouse gas emissions by 20,000 tons.

## **ESG aspects in corporate strategy**

AutoWallis is actively working on the progress of greening which will affect the internal operation methods, processes, and mechanisms also. In a manner of ESG, the following actions and missions have been determined:

### **Environmental:**

Reducing the carbon footprint and applying clean technologies: The car trade has a high environmental exposure, with transport accounting for 15-25% of global carbon emissions of which 75% comes from road transport. The development of environmental regulations is encouraging the automotive industry to move towards carbon-neutral car manufacturing and trade. The prevalence of the use of electric cars among consumers depends on the performance of the cars and the availability of infrastructure.

### **Social:**

Demographic Impacts and Safety Management: Social exposure will occur in the longer term as a result of changing consumer habits, for which the company is already beginning to prepare. Demographic impacts: an aging society, changes in car ownership and use patterns among young people, changing living standards and lifestyles. Safety management: ensuring the safe use of new technologies and innovations. Strengthening employee engagement. Provide ongoing training for employees to prepare for new technologies.

### **Governance:**

Cooperation along the entire value chain, development of strategic partnerships. Incorporating ESG aspects into the corporate governance mechanism, publishing ESG indicators. Strengthen management ESG preparedness.

## **Green finance solutions**

AutoWallis sets up Green Finance Framework to prioritize green investment goals:

- Supports the carbon transition through the issuance of green finance instruments
- Enables financing opportunities for green projects through its green finance framework
- ESG certification is underway to strengthen investor confidence

AutoWallis undertakes all the UN 2030 Sustainable Development Goals (SDGs) to share joint responsibility for the environment and the planet. AutoWallis has defined those SDGs where it can have the greatest impact. These include:

- **Goal 7:** Affordable and clean energy
- **Goal 11:** Sustainable cities and communities
- **Goal 12:** Sustainable consumption and production

AutoWallis is convinced that green finance instruments are an effective tool for channeling investments to projects that have environmental benefits and thereby contribute to achievement of the SDGs and the Paris Agreement. AutoWallis believes that such green finance instruments will help to diversify the company's investor base and strengthen the ties with existing investors.

The proceeds planned to be complied with the following financial goals:

- Finance new projects in part or in full. Partial projects refer to adding green features to existing projects through new investment in support of existing projects for associated eligible green projects/activities defined in this Framework.

The projects financed by the Green Bond or the Green Loan contribute to the high-level environmental objectives of 'Climate change mitigation' and 'Pollution prevention and control', with the following benefits:

- savings in energy consumption,
- savings in water consumption and re-use of rainwater,
- renewable energy produced,
- CO<sub>2</sub> avoided/or reduced.

The Green Finance Framework has been developed in alignment with the Green Bond Principles June 2021 (GBP) and Green Loan Principles February 2021 (GLP). The Framework is applicable for issuance of Green Finance Instruments including Green Bonds and Green Loans.

The Framework is aligned with the four recommended components of GBP and GLP as the following:

- **Use of Proceeds**
- **Process for Project Evaluation and Selection**
- **Management of Proceeds**
- **Reporting**





AutoWallis will start to explore what the EU Taxonomy will mean for the company’s activities. The company plans to assess its alignment with the Taxonomy in parallel with its preparation for the ESG-certification.

To confirm alignment with the GBP and GLP AutoWallis has retained SustainAdvisory as an external reviewer to provide a second party opinion on this framework. The Framework and the second party opinion will be published on the company’s website as further described in section 6.

**2. Use of proceeds**

According to the use of proceeds and the sustainability, environmental goals of the company, the use of proceeds will be categorized in the following eligible project categories. The following project categories are corresponded with the guidance of GBP and GLP. The examples of KPI’s of the certain eligible project criteria will be detailed later at the section of Impact Reporting. The eligible use of proceeds also contributes to the SDGs as listed below.

GBP Eligible Project Category as per GBP 2021		Eligible Projects	Contribution to the SDGs	Eligibility Project Portfolio
Climate change mitigation Pollution prevention and control	Clean transportation	Development of e-mobility and mobility-as-a-service		<ul style="list-style-type: none"> <li>➤ Increasing the number of EV charging stations at dealership sites</li> <li>➤ Increasing the ratio of zero emissions vehicles in the total fleet</li> </ul>

Climate change mitigation Pollution prevention and control	Energy efficiency	Projects related to green investments	 	<ul style="list-style-type: none"> <li>➤ Investments for real-estate retrofitting to reach higher energy efficiency by increasing renewable energy and other technical solutions.</li> <li>➤ Investments in new commercial buildings with high energy efficiency certified by an energy certificate.</li> <li>➤ Investments in manufacturing and mobility services which can contribute relative improvement in energy efficiency and GHG emission avoidance by reducing the transportation route.</li> </ul>
Climate change mitigation	Renewable energy	Installation of renewable energy solutions for commercial building		<ul style="list-style-type: none"> <li>➤ Installation of photovoltaic systems for power generation</li> </ul>
Climate change mitigation	Energy efficiency	Improvement of auxiliary infrastructure and energy usage		<ul style="list-style-type: none"> <li>➤ Renewal of lighting in commercial buildings</li> <li>➤ Renewal of cooling-heating systems</li> <li>➤ Centralizing energy purchase from green sources</li> </ul>

Eligible Project Category	AutoWallis's Commitments by Category
Clean transportation	<ul style="list-style-type: none"> <li>➤ Increase the number of EV charging stations at the dealership sites – +50% compared to the basis year 2020.</li> <li>➤ Installation of Mode 4 charging stations at all relevant sites of AutoWallis – +10 stations compared to 2020</li> <li>➤ Increase the ratio of zero-emission and/or hybrid vehicles in both fleets - +20% compared to 2020.</li> </ul>
Energy efficiency	<ul style="list-style-type: none"> <li>➤ Energy savings of at least 20% in comparison to the baseline performance of the building prior to the investments, validated by Energy Performance Certificate</li> <li>➤ Rainwater harvested and reuse in irrigation with the ratio of 20% of the total water usage, compared to the basis of 0%.</li> <li>➤ Annual water saving of 10% compared to the pre-investment by sanitation and other waterless solutions and technologies</li> </ul>

Renewable energy	<ul style="list-style-type: none"> <li>➤ Increase the ratio of energy provided by renewable energy solutions by 30% compared to the basis 2020</li> </ul>
Energy efficiency	<ul style="list-style-type: none"> <li>➤ Increase the number of LED lighting fixtures of the total lighting fixtures used – the LED ratio will be at least 50%</li> <li>➤ Energy savings from the usage of LED fixtures by 30% compared to the basis 2020.</li> </ul> <p>Cooling-heating solutions:</p> <ul style="list-style-type: none"> <li>➤ Annual energy savings by 10%, validated by Energy Performance Certificate compared to the basis of 2020.</li> </ul> <p>Energy management:</p> <ul style="list-style-type: none"> <li>➤ increase the ratio of renewable energy of the total centralized energy purchase by 30% compared to the basis 2020, besides, 30% of total energy usage will be generated from renewable sources</li> </ul>

The investments will generate the following expected benefits:

- Indirect positive contribution to GHG emission avoidance via increasing the number of EV charging stations supported by high-performance charging stations as well.
- Direct positive contribution to GHG emission avoidance via increasing the ratio of zero-emission and/or hybrid vehicles in the fleets.
- Relative improvement in energy performance and indirect positive contribution to GHG emission avoidance via improvement of auxiliary infrastructure and energy usage.
- Indirect positive contribution to GHG emission avoidance via increasing the number of low-energy consumption LED lighting fixtures.
- Direct positive contribution to GHG emission avoidance via installation of renewable energy solutions and increasing the ratio of green energy of the total centralized energy purchase.
- Positive environmental contribution via increasing recyclability of rainwater and by reducing the water consumption.

### 3. Process for project evaluation and selection

AutoWallis has been established a Green Finance Committee (GFC or Committee) which will be responsible for the eligible project evaluation and selection processes. The GFC will be supervised by the company's Board of Directors. The Green Committee will be responsible for the development of the Company's Green strategy and its objectives (e.g., ESG and sustainability strategy, greening of the Company's internal operations, green strategic cooperation, etc.).

The GFC will comprise permanent representatives from the Board of Directors. The Chairman will be elected from the members of the Board, supervised by the Board of Directors. The members of the Committee will be elected by the Board. The Committee will be responsible for the dissemination and enforcement of green practices in the operation of the Group, taking



measures to reduce negative environmental impacts. The responsibilities and tasks of the Committee may be extended to other tasks in accordance with the ESG preparation.

At this stage, the mandates of the GFC includes the participation in the whole process of decision-making and the project monitoring. The Committee will monitor the use of proceeds for the eligible green projects and compliance with the set of criteria of the Green Finance Framework for further and ongoing investment decisions. All decisions will be made in consensus. The CFC will meet at least quarterly.

Also, the GFC will review and verify potential eligible green assets, as well as will be responsible to the Green Finance Investor reporting. The GFC will cover the process from the project identification towards to evaluation, approval, implementation and provide high-level of transparency.

The selection and evaluation are based on:

- expected eligible amounts
- pre-defined set of eligibility criteria described below

**Green Committee Green Finance Selection Criteria:**

GBP 2021 Eligible Project Category	Eligible Projects	Eligibility Project Criteria
Clean transportation	Development of e-mobility and mobility-as-a-service	<ul style="list-style-type: none"> <li>➤ CO<sub>2</sub> emissions reduced/avoided in tCO<sub>2</sub></li> <li>➤ Number of EV charging stations</li> <li>➤ Geographical coverage of the EV charging stations in km<sup>2</sup></li> <li>➤ Ratio of zero-emission vehicles compared to the total fleet</li> </ul>
Energy efficiency	Projects related to green investments	<ul style="list-style-type: none"> <li>➤ CO<sub>2</sub> emissions reduced/avoided in tCO<sub>2</sub></li> <li>➤ Annual energy savings in MWh</li> </ul>
Renewable energy	Installation of renewable energy solutions for commercial building	<ul style="list-style-type: none"> <li>➤ Capacity of renewable energy plants to be served in MW</li> <li>➤ Annual renewable energy generation in MWh/GWh</li> </ul>
Energy efficiency	Improvement of auxiliary infrastructure and energy usage	<ul style="list-style-type: none"> <li>➤ Number of LED lighting fixtures with lumen/watt</li> <li>➤ Energy use reduced/avoided vs. local baseline/building code</li> <li>➤ Ratio of green energy compared to the total consumption in %</li> </ul>

Only such assets and projects that comply with the set of criteria defined in this section are eligible to be financed with green finance instruments.

The GFC will monitor the developments of the green finance market and the developments are undergoing and may update the Green Finance Framework to reflect future market practices and to align the updated versions of GBP and GLP and the EU Taxonomy.

The GFC initiates and supervises the introduction and implementation of the Green Finance Framework, selects the Green Finance Framework verification, second party opinion experts depending on the form of external review required. It supervises the compliance of the Green Finance framework, initiating the revision, amendment, and renewal of the framework, if necessary. The committee is responsible for the dissemination and enforcement of green practices in the operation of AutoWallis, taking measures to reduce negative environmental impacts. Furthermore, it is responsible for the dissemination of circular economy practices in the operation of the company.

The Green Committee advises about the compliance with the Green Finance Framework in the case of specific investment proposals. Furthermore, the Committee advises on decisions, supervises the selection of projects, acquisitions, and investments, and reviews the allocation of funds.

The Committee identifies and manages the social and environmental risk associated to the Projects taking measures to reduce negative environmental impacts.

The Green Committee supervises the alignment of the use of the funds to the Green Finance Framework. A list of the potential Green Projects is to be presented to the Green Committee.

The committee is responsible for the decision to acknowledge the project as green, in line with the Green Finance criteria. A decision to allocate net proceeds requires a majority decision by the Green Committee. The decisions made by the Green Committee are documented and filed.

The Green Committee controls the use of green resources - allocation and targeted environmental impact- and will monitor the development of green KPIs and the achievement of the set goals (in accordance with the financial and controlling regulations). In matters requiring special sustainability expertise, the committee will require the involvement of an external expert.

The Green Committee will ensure the development of monitoring and reporting procedures related to the use of green proceeds, with special attention to the Allocation Report and Impact Report.

### **Operating rules of the Committee**

- In other cases, the Chairman has the right to convene an extraordinary meeting.
- Any permanent member may propose a topic for discussion.
- The Committee has a quorum if at least 50% of permanent members and the Chairman are present.

Decisions are made by open voting, by a simple majority. In the event of a tie, the Chairman shall have the casting vote. It is not possible to abstain from voting. Members who have remained in the minority may request that their dissenting vote be recorded in the minutes:

- The result of the vote should be recorded in the minutes of the meeting.

- In the event of the Committee's inability to vote, the Board of Directors decides on urgent and extraordinary matters.

A separated account in the accounting and in reporting kept by the Finance Department tracks that an amount equal to the Green Finance net proceeds is allocated to Green Projects. The purpose of the separate account is to ensure that Green Finance net proceeds only support the financing of Green Projects or to repay Green Finance Instruments. The management of proceeds will be reviewed by auditors yearly.

## **Exclusions**

The proceeds of Green Finance Instruments will not be used to finance standalone projects connected to high-polluting activities, nuclear energy generation, weapons and defense, gambling or tobacco, and potentially environmentally negative resource extraction. Also, AutoWallis will not finance standalone projects connected to activities that would cause a significant harm to six objectives of the EU Taxonomy.

## **4. Management of Proceeds**

AutoWallis will allocate the net proceeds from the Green Finance Instruments to the Eligible Green Project Portfolio, selected in accordance the pre-defined set of criteria in the section of Use of Proceeds. All eligible projects have to be approved by the Green Committee.

Proceeds will be allocated to eligible green assets within a timeframe of 24 months of issuance.

The proceeds from the Green Finance will be managed by the Board and allocated to approved Eligible Green Projects following specific recommendations and decision by the Green Committee. The Finance Department will be establishing an internal record keeping system that will track the allocation of proceeds to the projects. The proceeds will be kept in a separate account and will be the subject of a separate accounting procedure. Pending allocation, the net proceeds may be invested in cash or cash equivalents in accordance with AutoWallis cash management policies not harming any of the environmental objectives.

By the end of each calendar year, the net proceeds of the issuance will be reduced by the amounts invested in eligible investment projects in the given annual period. The information about actual allocation will be published to investors and to be updated annually until full allocation.

The proceeds from the green finance instruments will be firstly allocated to the AW Szolgáltató Kft. which is a 100% subsidiary of the AutoWallis Nyrt. and a fully consolidated member of AutoWallis Group. AW Szolgáltató Ltd. is solely responsible for the financing services of all the companies incorporated to the AutoWallis Group. Hence, AW Szolgáltató Kft. will lend the certain amount of funds from green proceeds to the company which will conclude the green project within the Group. The amount of unallocated proceeds must be returned to AW Szolgáltató Kft. as the sole manager of the proceeds.

Throughout the life of the Instruments, AutoWallis will make and keep readily available information on the allocation of amounts equal to the Net Proceeds.

To ensure a high level of transparency the use of proceeds will be audited by an external auditor, to verify the internal tracking method and the allocation of funds from the Green Finance proceeds.

Pending the full allocation to the Eligible Green Project Portfolio, AutoWallis will invest the balance of the net proceeds, at its own discretion, in cash or in other liquid marketable instruments. AutoWallis invest such instruments that will not support any activities connected to significant harm to the environment.

## **5. Reporting**

In accordance with the recommendations from the GBP, AutoWallis will make and keep readily available reporting on the Eligible Green Project Portfolio and Green Debt Instruments outstanding. The company will report on the allocation of net proceeds and associated environmental benefits until the proceeds of each Green Debt Instruments have been fully allocated, and as necessary in the event of material changes of the eligible green projects.

AutoWallis will align its reporting, on a best effort basis, with the portfolio approach described in “ICMA – Harmonized Framework for Impact Reporting Handbook, June 2021”.

The company is firmly committed to high-level of transparency and will produce an annual Green Finance Investor Report including both Allocation reporting and Impact reporting requirements. The company’s Green Finance Investor Report will be available on the company’s webpage.

### **Allocation reporting**

AutoWallis will report one year after the issuance and on an annual basis thereafter, until full allocation. The allocation report may provide, on a portfolio basis, the following:

- The total amount of investments and expenditures in the Eligible Green Project Portfolio
- The amount or number of new and existing investments or projects
- The total aggregated proportion of net proceeds used per green project category
- The balance of unallocated proceeds

### **Impact reporting**

AutoWallis will report on the environmental impacts of the projects funded with the proceeds from Green Finance Instruments through annual impact reporting.

The Impact report will illustrate the expected and achieved environmental impact made by the new investments to which Green Finance proceeds have been allocated. It will be based on ex-ante estimates (calculated prior to project implementation) considering previous status for a representative year before the individual project is completed and operating at normal capacity. The calculation will be made by the individual projects comparing the impacts before the project had been started (base year 2020) with the impacts after implementation.

The calculation will be based on a company-wide energy audit the result of the audit will be represented the 2020 baseline for the relevant assets. The environmental impact calculation for each individual new project will be supported by AutoWallis strategic partner, the sustainable energy solution provider ALTEO.

The impact indicators will be measured and monitored regularly and published for assuring transparency of AutoWallis’s commitment to sustainable and green activities. Each value assigned to the impact indicators covers the total maturity period of the green finance instruments, i.e., 10 years.

As part of the Company's annual audit process, the internal monitoring system will follow the use of green resources and the results will be presented to the auditor. The figures about the use of Green Finance Proceeds, with respective descriptions and the amounts utilized, will be available in the Impact Report and will be published on the web site.

AutoWallis will align its reporting with the Handbook for Harmonized Framework for Impact Reporting – June 2021. The impact assessment will include e, but not limited to, the metrics listed below. The metrics are based on the ICMA Handbook.

Eligible Projects	Impact indicators	Target
Development of e-mobility and mobility-as-a-service	<ul style="list-style-type: none"> <li>➤ Installation of new EV charging stations</li> <li>➤ Increasing the number of EVs in the fleet</li> </ul>	<ul style="list-style-type: none"> <li>➤ 100 Charging Stations</li> <li>➤ 250 Electric Vehicles</li> </ul>
Projects related to green investments	<ul style="list-style-type: none"> <li>➤ Reducing the consumption of natural gas for new commercial sites via usage of heat exchanger heating-cooling solutions.</li> </ul>	<ul style="list-style-type: none"> <li>➤ ZERO</li> </ul>
Installation of renewable energy solutions for commercial building	<ul style="list-style-type: none"> <li>➤ Installation of a 49-kW solar power station for each new commercial sites.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 1 solar power station for every new commercial site</li> </ul>
Improvement of auxiliary infrastructure and energy usage	<ul style="list-style-type: none"> <li>➤ Installation of LED lighting fixtures for new commercial sites.</li> <li>➤ CO<sub>2</sub> emission reduction via centralized energy management and renewable energy purchase.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 10.000 LEDs</li> <li>➤ 1000t of CO<sub>2</sub></li> </ul>

**6. External review**

**Second Party Opinion (pre-issuance)**

The AutoWallis’s Green Finance Framework will be reviewed by Sustain Advisory who will issue a Second Party Opinion. Sustain Advisory will review the Eligible Green Projects, as well as the alignment of AutoWallis’s Green Finance Framework with ICMA’s 2021 Green Bond Principles and LMA’s 2021 Green Loan Principles. Sustain Advisory will provide a Second Party Opinion (SPO) that will be made available within the Investor Relations section on AutoWallis’s website.

The process to establish this Green Finance Framework for AutoWallis was conducted by **MKB Consulting**, acting as an adviser in the creation of the Green Finance Framework.

### **Verification (post-assurance)**

AutoWallis intends to obtain a Limited Assurance report by its auditor or any other qualified party on the allocation of the Green Finance Instruments proceed. Such report will be published starting year one after issuance and until full allocation.