



Autonom

Towards a Sustainable Mobility

Sustainability Strategy Review
September 2024

prototype reflects flexibility and adaptability, just like the solutions we offer. The new office can accommodate a workspace for 3 colleagues, including two 22kwh electric car charging stations and is in the Ikea Pallady parking lot in Bucharest.

Another project launched with great pride last year and worked on intensively over the last two years was the **ride-sharing service Blue**, developed by a subsidiary of the holding company, which also became an important client for Autonom Services. Following an investment of €5 million, Blue started with a fleet of 100 Tesla cars in Bucharest and is focused on the quality standards demanded in the market, to offer a less polluting and more efficient alternative for urban mobility.



In the second half of 2023 we went through the necessary steps (**B Impact Assessment**) to assess the possibility of applying for B Corp certification, the only international certification that measures a company's social and environmental impact and performance. We are currently under analyzing process assessment of the submitted report.

For two consecutive years, 2022 and 2023, we voluntarily engaged in the project of **BVB Research on ESG Scores** that aims to present the relevant ESG metrics for companies listed or with financial instruments listed on the BVB (Bucharest Stock Exchange), with the scores resulting from the analysis being calculated based on publicly available reports and information by Sustainalytics and subsequently published on a voluntary basis, with the consent of the issuers. We are pleased to see that the score for 2022 shows a positive appreciation (lower risk) compared to the previous year's result (-0.7p) and is the best ESG risk score among the analyses prepared and published on BVB Research. It also ranks the company in the top 5% in terms of the size of unmanaged risk (ranked 4th out of 73 companies analyzed by Sustainalytics in this subsector globally, up from 7th out of 71 in 2021).



One international project that we were happy to be part of was the **CFO Manual** study, where we had the opportunity to present, together with 29 other companies, our perspective on the role of executive management in sustainability governance and the influence it has on investment decisions and the achievement of targets. The findings have been summarized in the form of a guide released during the events that were part of Climate Week in New York. The guide is intended to inspire, challenge and support Chief Financial Officers (CFOs) around the world in their work to accelerate the low-carbon climate transition and implement specific decarbonization plans. The full document can be found [here](#).

We have an internal risk management process which integrates all business risks analysis (strategic, operational, liquidity, market, reputational/image, credit and compliance risk). These assessments were supplemented with risk analyses on climate change, driven by implementation of the **TCFD (Task Force on Climate Related Disclosures)** in 2022. The results showed a deeper understanding of specific climate change risks for our business financial area. The full report can be accessed [here](#).

While developing our Sustainability Strategy in 2021, we have made internal scenarios analysis to identify how we can work towards a 2-degree Celsius mitigation plan considering our business development and the effort in operational fleet substitutions, considering adding more LEVs (low emission vehicles) through the time considering a medium to long term scenarios 2020÷2025÷2030. We have evaluated our fleet substitution scenarios considering also the market perspective and enforcement of the new legal EU requirements. The main indicator considered in this evaluation was the WLTP (gCO₂/km) average rate of the active fleet.

The scenarios considered a fleet increase of 140% by 2030 and helped us better understand at that time the sustainability indicator towards we can commit for medium- and long-term perspective. As a significant M&A occurred later, our fleet oversized our increase and structure expectations.

In 2024 we introduced a more granular approach of the fleet by type, passenger cars and vans and adjust consequently the targets and KPIs to adapt to this breakdown.

In 2022 we also assessed in depth scenario analyses based on science- based emission reduction targets aligned with the SBTi's target-setting criteria. We aimed to understand better if our organization can commit and in what extent to greenhouse gas emissions reduction targets that are in line with the level of decarbonization required to meet the goals of the Paris Agreement, to limit global warming to well-below 2°C

above pre-industrial levels and pursue efforts to limit warming to 1.5°C, considering the current limitations for Scope 3 within the SBTi focus and the relevance for our core activity, as a mobility provider company. Currently, the commitment for Scope 3 in our sector is related to developing a Net Zero Strategy that we are working on it. We will consider a potential commitment to SBTi if possible, by the End of 2025 and we will define the level of decarbonization required to meet the goals of the Paris Agreement.

In 2021, Autonom announced the issuance of the first Sustainability-Linked Bonds, a first on the Romanian capital market, in the amount of EUR 48.03 million, part of a MTN (Medium Term Notes) program totaling EUR 250 million. Sustainalytics considered the objectives assumed by the Framework Document as „ambitious”, and the Key Performance Indicator (KPI) chosen was classified as „very strong”, the document also confirming the alignment with the ICMA (International Capital Market Association) Principles.

The following year, 2022, the company attracted EUR 15 million in funding from the European Investment Bank, the first loan of its kind for a local entrepreneurial company, which has helped increase the use of electric and low-carbon vehicles by Romanian companies.

For Autonom, from the perspective of our voluntary objectives to contribute to the transition to a sustainable economy, the EU Taxonomy provided a means to assess which of our current and future relevant activities can be classified as environmentally sustainable and we decided to include this chapter for the first time in our Sustainability Report as a good exercise and best practice share, even if we were below the average number of 500 employees threshold where mandatory requirements applied from.

2.3. Understanding the organization and its context

To plan, develop, support, and continuously improve our Sustainability Strategy and its management, we used the SWOT analysis to determine the context of our organization and the main risks and opportunities. The SWOT analysis was conducted by the management team and all responsible persons deeply involved in sustaining the Sustainability Strategy into operation.

Potential influences deriving from political, economic, social, technologic, legal and environmental factors were identified which could end up into a risk or opportunity for the organization. Some of the opportunities which could be used further to achieve performance with different stakeholders are identified in the same analysis.

Also, the stakeholder analysis, as a basis for identification of main stakeholder’s groups and their interest in the organization, was performed as a start in defining our Sustainability Strategic inception

During the analysis, all business conditions were considered in a wide spectrum of operation:

- SWOT analysis which brings insights of main strengths, weaknesses, threats and opportunities for the organization.
- List of needs and expectations of stakeholders and stakeholder mapping.



Risks and Opportunities which derive from the stakeholder and materiality analyses were considered in the development of the Sustainability Strategy. Market conditions, EU legislation, data and reporting processes supported its review in 2024

Stakeholder Mapping

From board members to management team and employees, our organization has a constant engagement activity with specific business professional, educational and networking organizations and these activities will continue in diversifying as part of our community involvement and our stakeholder engagement process in the future. By participating in various working groups and events, we encourage constructive discussions and exploring opportunities with our partners, while aiming to make a significant contribution to raising awareness on sustainability issues.

We are convinced that the future belongs to those who adapt and innovate in this field, and we want to be an example of best practice for companies that are just starting to define and implement their sustainability strategy, data collection and reporting according to sustainability standards.

Through our affiliation to various organizations and associations that represent the interests of our members in the economic, political and public spheres, we have access to the accumulated expertise in national and international best practices, while maintaining close cooperation with all the important actors in our field of activity. Some of them are mapped below:



In 2022, Autonom joined the largest international initiative in the field of sustainability, the **UN Global Compact**, confirming its commitment to the 10 Principles in the areas of human rights, working conditions, environment and professional ethics.

By „**stakeholders**” (internal and external) in relation to the Autonom value chain, we define any person or group of persons who is affected by the work of our organization or who influences or may influence our results and values in the future.

Stakeholder Engagement

Involving stakeholders in the implementation of sustainable activities within Autonom means collaborating and consulting with them to integrate economic, social and environmental principles into all aspects of the business.

As stakeholders are an integral part of the context in which our organization operates, their main typologies and interests in relation to the organization are listed below. These determine the relevant obligations, which are considered for maintaining the management system:

- *Groups / people / companies that interact with the organization.*
- *Groups / people / companies that have authority over the organization.*
- *Groups / people / companies that are influenced by the organization.*

The scope of analysis and identification of stakeholders in relation with our company is extremely wide and varied, therefore their identification was done by segmentation according to the intensity of the relationship:

- *Central area - ongoing relations (employees, management, shareholders etc.).*
- *Border area - occasional relations (contextual) (universities, Professional associations, NGOs etc.).*
- *External zone - discontinuous (on & off) relationships (customers, suppliers, neighbors, insurers,).*

Considering the specific needs of the stakeholders, with those groups with medium & high influence on the organization, Autonom develops specific engagement activities, thus transparently creating frameworks for collaboration on medium- and long-term perspective and a common understanding of mutual needs and expectation of both parties. The engagement activities are meant to be diverse and specific for each specific group of stakeholders.

Below is our latest list of stakeholder groups and desired engagement processes which we consider empowers a good relationship with them:

Key stakeholder categories - evaluation of power/influence

Main stakeholder groups	Type of stakeholders (Internal/External)	Level of interest in the organization (Low, Medium, High)	Level of Power/influence (Low, Medium, High)	Desired type of interaction
Shareholder/Senior Management (Autonom)	Intern	High	High	Intense dialogues, engagement process with specific actions
Divisional / Regional / Department / Branch / Deputy Director (Autonom)	Intern	High	High	Intense dialogues, engagement process with specific actions
Agency employee / department, support function (Autonom)	Intern	High	Medium	Intense dialogues, engagement process with specific actions
Customer	External	High	High	Intense dialogues, engagement process with specific actions
Auto / raw materials / utilities / services supplier	External	High	High	Intense dialogues, engagement process with specific actions
Investor/Analyst/Bank Representative/Rating Company	External	High	High	Intense dialogues, engagement process with specific actions
Public Authority / City Hall	External	Medium	Medium	Information, communication and meeting expectations
University / School / Kindergarten	External	Medium	Medium	Information, communication and meeting expectations
International NGO / Local NGO / Professional Association	External	Medium	Medium	Information, communication and meeting expectations
Media (press / social media)	External	Medium	Medium	Information, communication and meeting expectations
Competitor	External	Medium	Low	Information
Owner rented space by company / Neighbor	External	Medium	Low	Information

External Stakeholder engagement examples:

- Business meetings and dialog for long-term collaboration.
- Working visits.
- Direct promotion of the transition to green mobility.
- Consultations and working groups.
- Assessing customer satisfaction.
- Online questionnaires and assessments.
- Community projects.
- Thematic events.

Internal Stakeholder engagement examples:

- Consultations and working groups.
- Collecting internal feedback 3 months.
- Collecting feedback from exit interviews.
- Online questionnaires and assessments.
- Thematic training.
- Access to books, coaching, mentoring and personal development plans.
- Community projects.



2.4. Our material topics

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

We consider it of utmost importance to identify and define our materiality aspects to have a clear view also on deliverables on environment, social and governance levels, but mainly on the impact our approach has on our stakeholders. We review them annually and adjust accordingly the materiality matrix, to express the most relevant topics for our business.

The **Sustainability Strategy** developed and published in 2021 was based on the identification and analysis of material topics relevant to our business from our experience so far, with a medium-term horizon of 2025 and a long-term horizon of 2030. As it is embedded in the overall business strategy, it is very important for us to calibrate it with the implementation through concrete actions and monitor our progress from one year to the next. Materiality analysis is relevant both from the perspective of reporting and transparent disclosure of information on Autonom's progress around the ESG pillars but also from the perspective of analyzing potential new areas of influence where we would like to intervene.

For the latest year, 2023, based on the concept of **double materiality**, we have assessed both the impact of our business on the environment and society, as well as external influences that could affect our business from a financial and business relevance perspective, being able to identify related risks and opportunities.

We conducted the double materiality analysis through an extensive value chain analysis process, followed by an identification of material themes and converging issues aligned with the mandatory requirements to be addressed under the CSRD, but also considering the key relevant aspects of the activity of Autonom.

The materiality analysis methodology followed the concept of dual materiality, the quantitative assessment of the material topics of Autonom considering:

- business relevance and financial impact analysis / **outside - in perspective**
- social and environmental impact of the organization in the community / **inside - out perspective**

The relevant material topics for the company, according to the latest analysis, are:

Material Topic	Specific material aspects	Description
ENVIRONMENT		
GHG emissions and Climate Impact	Impact mitigation and management Scope 1 and Scope 2, Impact reduction and management Scope 3, Low emission mobility	Global warming due to GHG (greenhouse gas) emissions from human activities is a challenge for mankind. We are committed to contributing to mitigation through a transition towards sustainable mobility that is in line with our customers' requirements. The decarbonization targets we have set are ambitious and we are striving through consistent measures to achieve them.
Pollution	Air quality, Air pollution, Hazardous substances, Refrigeration and AC in buildings	We are aware that a large part of the cars in Autonom's fleet, being cars with combustion engine, can lead to air pollution on public roads or to potential accidental pollution, during their use and during repair and maintenance works. In line with this, Autonom manages the relationship with customers to encourage the substitution of fossil fuel cars with LEVs (Low Emission Vehicles) and maintains the proper relationship with mechanical workshops to mitigate any potential pollution by properly managing the maintenance process.
Resource Management	Energy consumption at agency level, Fuel consumption of own fleet, Water consumption at agency level, Reduction measures, Other - Offsetting	Proper management of energy, fuel and other resources involved in the daily routine of our operations can lead to environmental, social and economic benefits. We recognize that resource mismanagement can lead to a negative impact on our business, the environment or the community, so we constantly assess and mitigate this impact through internal measures.
Circular economy	Automotive waste management: Used oil, Used tires, Hazardous materials management, Reuse and refurbishment, Digitalization for sustainability, Separate collection	The results of our work can generate some significant negative environmental and economic impacts. We strive to manage waste properly by maintaining appropriate recycling and recovery actions. We internally run a program with a target of „Zero Paper Waste” in our operations.
Biodiversity	Reforestation, Direct drivers of biodiversity loss, impacts on species status, impacts on the extent and condition of ecosystems, Impacts and dependencies on ecosystem services.	Mobility is a stress factor for biodiversity, and we are aware of this. We try to make key stakeholders aware of the importance of protecting biodiversity and are involved in various reforestation projects. We want to contribute and minimize our direct or indirect negative impact on biodiversity.
PEOPLE & COMMUNITY		
Our team	Employee health and safety, Employee well-being and development, Working conditions, Diversity, Equality and human rights	Our employees are among our company's most important assets, playing a critical role in the success of our business. We have created an organizational culture that is based on continuous evolution, ethics, tolerance, respect, encouragement of equal opportunities and respect for human rights. Attracting and retaining talented people is accomplished by providing a friendly and safe working environment, t, where positive attitude is the key to the wellbeing of our employees. We emphasize personal development as a daily practice and focus on this topic in our half-yearly appraisals. We value gender equality and have a strong position on women in leadership positions.

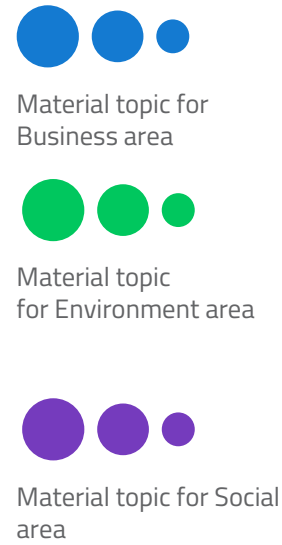
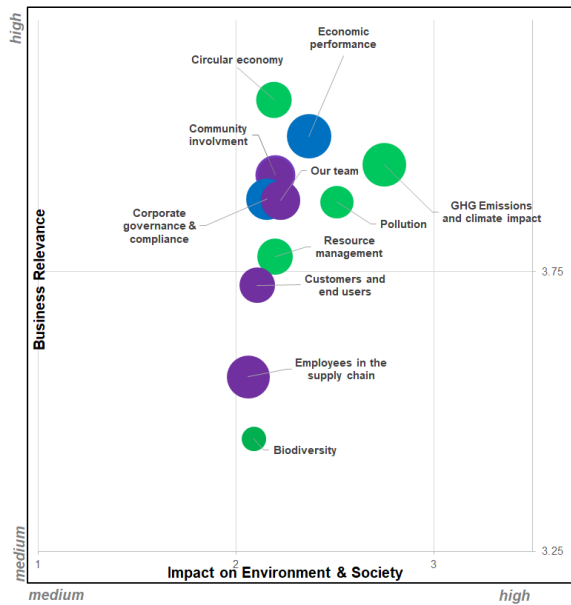


Community involvement	Education quality, youth development, educational infrastructure development, financial support and scholarships, urban and inclusive mobility.	The responsibility to get involved in the community has materialized through the CSR campaigns carried out in most of which the Autonom Foundation is also involved. Also, our employees are constantly involved in educational, social and sports projects or different volunteer projects.
Customers and end-users	Customer data security, Customer satisfaction (NPS), Sales and marketing practice, Personal safety of customers and/or end users, Responsible marketing practices	We consider fair practices as the only tools that can help us to show respect for the development of the market and its demanding requirements. We will always be ready to develop new services and approaches to continue to be one of the leading mobility providers in Romania, while having responsible marketing practices. Data security, customer and supplier satisfaction is important to us, and we pay great attention to their fulfillment.
Employees in the supply chain	Partnerships with local providers / Equal treatment & opportunities for all, protected units – UPA	Through partnerships we promote Autonom’s values in our social and business interactions, including the value chain. We have a close relationship with car dealers and together we develop tailor-made services and approach relationships by applying equal opportunity principles.
SUSTAINABLE BUSINESS & GOVERNANCE		
Corporate Governance and Compliance	Corporate culture and governance, Compliance and risk management, Business model resilience, Business ethics and transparency, Supplier relationship management, including payment practices, Fair and responsible business practice	The conduct of our business is based on the principles of integrity, transparency and respect for society and the environment, with a systematic and very careful approach to risk management and compliance. Fair market practices, business ethics and proper management of relationships with our customers and suppliers is imperative for a resilient business. We respect our competitors and focus primarily on market needs through a fair approach. The agility with which we approach challenges, adaptability and flexibility are key points that characterize us having a culture based on the evolution of our colleagues and „peace of mind for our customers”.
Economic Performance	Sustainable Finance, Investor Relations, Business Growth and Development	The fulfillment of our strategic goals and objectives leads to business growth and development and contributes to the local economy (by paying salaries and taxes, by supporting and collaborating with other economic entities) and supports economic development by providing solutions for sustainable mobility in local communities and business segments. We attract sustainable funds that we direct into dedicated investments as a constant concern for business development.

We launched stakeholder consultations in the form of a questionnaire each year since 2021 and in March 2024, we conducted also the **Impact - Risks and Opportunities Analysis (IRO Analysis)**.

The questionnaire consultation was conducted with stakeholders from Romania and other countries. The IRO analysis was conducted under external coordination, considering a specific analysis methodology based on the financial impact recommendations from the ESRS double materiality appendix. The facilitation of the working group on the IRO Analysis was able to help us to capture very well the business-critical aspects of current and potential impacts, as well as to identify risks and opportunities for the business.

The results of the consultation process through questionnaires as well as interviews helped us to refine the previous materiality matrix as well as to highlight a list of risks and opportunities.



Interpretation of results

Business relevance

The quantification of the business relevance of each material issue was determined based on data collected in internal focus groups and individual interviews, which provided information on the opportunities and risks associated with each material issue.

The impact of the organization on the community

The quantification of the organization’s impact on the community considered both positive and negative effects generated by each material aspect in terms of environmental and social factors. The inputs were the ratings given by stakeholders in the online questionnaire. The matrix reflects the importance of material issues from the stakeholders’ decision-making perspective and highlights those material topics that may have an impact on the environment or society.

We are determined and engaged to assume our settled materiality aspects, to define suitable approaches which will lead us to proper actions that need to be taken to contribute to a sustainable business model. We are aware that, to achieve this goal, we need to focus on the impact we generate on environmental, societal and economic level.

Within the IRO analysis, we have identified risks and opportunities, some of which we have selected below. These are well known internally, and processes are in place to address them. Opportunities are prioritized to be seized quickly, and risks are managed through various actions to prevent negative outcomes or undesirable financial impact.



Environment	Limiting resources where we have no control. Uncontrolled price increases or rationing of resource use.	Supporting customers in the transition to low carbon mobility (e.g. electric, hybrid)
	Poor nationwide infrastructure for charging	Income generation and partnerships in waste recycling and recovery.
	Business reluctance to transition to low emission cars due to lack of charging infrastructure or the downtime associated with car charging.	Proactive approach by offering fossil fuel cars for intercity travel only. Promote the use of LEVs in urban areas.
	There is insufficient data on the long-term maintenance costs or resale value of LEVs.	Purchase of long-range LEVs. Customer awareness and education.
	We work with assets that pollute. Risk of stranded assets.	We provide sustainable mobility solutions and make the transition conscious for our customers.
Social	The loss of interest among young people in education/skills in general may lead to staff shortages in the future.	Internal and external collaborations at the top of the pyramid of needs.
	Overwork from customers can lead to stress.	Entrepreneurial education of young/potential employees of Autonom. Pleasant working conditions, permanent care for employees.
	The pay zone has a significant impact in attracting people with skills.	We support and make room for innovation as a continuous opportunity. Maintaining organizational culture. „Learning Organization“, the confidence we give employees in the power of transformation.
Business	Marketing or communication events that go against organizational culture and principles.	Potential to grow the business by diversifying the portfolio of services offered but also to increase the maturity of the markets in which we operate.
	Business development coupled with the need for digitization can lead to operational syncope.	
	Intensified cyber-attacks are leading to the migration of the organization's systems to the Cloud, which does not mitigate the risks altogether	Testing new, more secure systems with very low risk of breaches. Continuous testing already exists at organizational level.
	Low dealer availability for LEV (low emission) cars. Late delivery times for cars and equipment can lead to customer dissatisfaction.	Satisfied customers will recommend Autonom services further.
	Long-range LEVs are more expensive than similar cars with full-range fuel.	Raising awareness among customers for substitution and transition to low-emission cars, with a focus on other advantages (e.g. reduced maintenance, legal and fiscal advantages, cost optimization).
	The state does not incentivize LEV fleet substitution.	

2.5. GHG Baseline Emission inventory

The interest in the environmental impact of products and services is becoming increasingly important among producers, retailers, administrators and even responsible consumers. Not to mention that for the mobility/transportation sector this is widely important as they are acting in the B2C economic sector.

On the downside, climate change has anchored awareness of the problems caused by greenhouse gases. An indicator of quantifying a potential impact by highlighting this aspect is the Carbon Footprint of the Organization (CCF). This provides information on the total greenhouse gas emissions, involvement and responsibility of an organization throughout its life cycle. Therefore, a concrete analysis can identify with relatively little effort, options for improvement (potential changes in the operational segment) or even the staggering of new products or services.

The carbon footprint is expressed in CO₂ equivalent emissions and provides transparent, easy-to-understand and communicable results.

Greenhouse gas emissions imply high costs. The irresponsible consumption of energy will not only generate a high amount of emissions, but also financial burdens, which will be reflected as impact on financial health or the organization.

Autonom has undertaken to calculate the greenhouse gas emissions that are associated with its agencies' activities and its customer fleet. It should be emphasized that this calculation had an important role in developing the Sustainable Strategy, since it provides an overview for the consumption of resources and energy on a wide spectrum of operation considering life cycle perspective (downstream, activity, upstream).

In developing the Sustainability Strategy, in 2021, using the GHG Protocol Standard methodology for calculating the carbon footprint, we assessed emissions for the first time by **Scope 1 / (direct emissions), Scope 2 / (indirect emissions) and Scope 3 /Scope 3 (indirect emissions)**, limited to the operational fleet, the most important part of the value chain in terms of direct use by our customers (rental - short and medium term and operational leasing - long term).

For the whole CO₂ emissions inventory performed for the years 2018-2023, we benefited of the support of an external advisor with a solid experience and track-record in the field of sustainability and consultancy in the Central and Eastern Europe, part of INOGEN Alliance.

We conducted the assessment considering three-year data (2018 – 2020) and continued the analysis annually thereafter. In this regard, we consider and use for calculation the following consumption parameter

Scope 1

Input data

- Gasoline consumption for company fleet
- Diesel consumption for company fleet
- Natural gas consumed for heating

Scope 2

Input data

- Electricity consumption

Scope 3

Input data

- Gasoline and diesel used for clients' cars
- Electricity used for clients' electrical cars
- Number of tires used for company fleet
- Number of tires used for clients' cars
- Quantity of oils used for company cars
- Quantity of oils used for the customer fleet
- Gasoline and diesel production
- Electricity losses

Our Corporate Carbon Footprint results

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

Total GES emissions (t CO2)				
Source of emissions	Unit	2021	2022	2023
Scope 1	tCO2	250	395	576
Scope 2	t CO2	51	73	138
Scope 3 *limited	t CO2	43,780	58,890	64,147

Note: We used for our GHG Inventory calculation the methodology of the standards - The Greenhouse Gas Protocol: The Corporate Accounting and Reporting Standard, WRI & WBCSD

In terms of coverage within Scope 3, we integrated data for the following categories, in order of materiality:

- category 3.13 (Downstream leased assets) - emissions from fossil fuel combustion and electricity consumption by vehicle fleets used by operational leasing or rent-a-car customers.
- category 3.3 (Fuel & energy related services) - emissions resulting from the production of fuels used by customers' fleets and own fleets, as well as emissions associated with losses in electricity transmission and



distribution.

- category 3.1 (Purchased goods and services) - emissions related to the purchase of automotive consumables (lubricants and tires) but excluding all purchases of goods and services.

Over the last 3 years, the direct impact on the company’s carbon footprint from own consumption has been less than 1%, the difference being an indirect impact derived from the usage of the car fleet by our customers.

Through the 48 locations located nationwide in Romania and 2 in Hungary, we understand the direct impact that Autonom can generate in terms of energy consumption (electricity, gas and fuel). We constantly strive to monitor and reduce energy consumption and are in constant discussions with the owners of the premises we rent to explore solutions for energy efficiency and increasing the use of renewable energy sources to power these locations.

In most of our locations, our way of working is predominantly office-based, being needed both direct interaction with clients in our premises and effective interaction within teams, regardless of their size. Where possible, we have considered hybrid working. Energy and natural gas consumption in Autonom’s locations may increase because of the expansion of the premises required for operational activities, either by opening new working points or resizing existing ones and the change in the mix of vehicles for company use, predominantly electrical. The total surface area of our work points increased in 2023 by 22.21% compared to the previous year. We need to closely monitor and have a clear reduction plan for direct emissions.

In terms of positive environmental impact, at the Piatra Neamț site in 2023, we produced 122.59 MWh and obtained 175 compensations in the form of certificates of guarantees of origin, equivalent to 175 MWh. This can fully offset the 138 tons CO₂e of GHG emissions from Scope 2 and partially offset the GHG emissions from Scope 1, i.e. 37 tons CO₂e.

Our collaboration with OMV Petrom and their partnership with Climate Partner has also enabled us to offset a share of the direct emissions related to the fuel run through this supplier. As of March 2021, to date, we have received carbon allowances in the equivalent of 12,999 metric tons of CO₂e, of which the equivalent of 5,508 metric tons of CO₂e in 2023. As the fuel turnover is generated by the direct use of the operational fleet, we consider that this value can partially cover the GHG emissions related to Scope 3, of course only as an additional measure to the efforts to reduce the negative impact of fleet size and the transition to a low emissions fleet.

Indicators	2023	2022
Energy produced (MWh)	122.59	50.28
Offsets with guarantees of origin	175 (equivalent 175 MWh)	28 (equivalent 18.21 MWh)

Total possible offset 2021

3,973 tCO₂

Total possible offset 2022

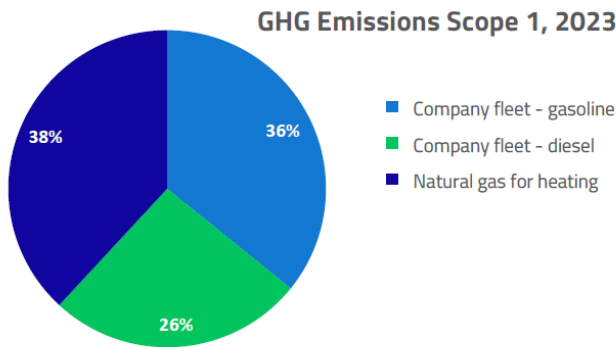
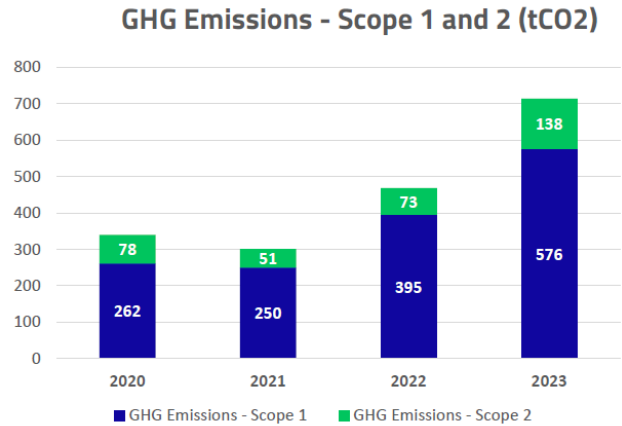
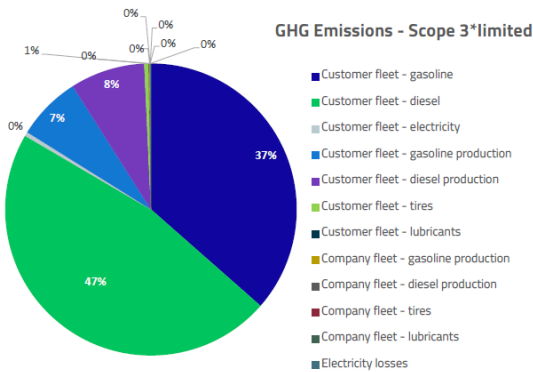
4,475 tCO₂

Total possible offset 2023

5,508 tCO₂



CCF is a very good exercise to understand the structure of emissions from our carbon footprint and the limitations of the impact we can have, as Scope 3 and is related to the fleet in direct use by our customers, beyond our direct control in terms of utilization, and therefore emissions generated by their operation.



In 2023, diesel cars accounted for 47% of total greenhouse gas (GHG) emissions in Scope 3, while gasoline cars contributed 37% and electric cars with 1%. Of our Scope 3 emissions, 15% are related to the production of diesel and gasoline used by our customers, while less than 1% is generated using oil and tires. The largest share of emissions still comes from the diesel fleet, as they serve many companies in the operational active fleet, which require extensive mobility, currently unmet only by electric cars. However, the share of diesel emissions in the total fell from 46% in 2022 to 39.76% in 2023.

An important observation worth mentioning is that the growth rate in the number of kilometers travelled by Autonom customers in 2023 was 7% compared to 2022, while the operational leasing fleet increased by 51% and the rent-a-car fleet grew by 12%. This translates into a lower rate of growth for the total GHG emissions related to Scope 3 (8.9%).

the impact at a global level among our partners. Of course, the objectives have also considered the outlook for the evolution of the automotive market and the European regulations in the transport sector.

In the short-term rental fleet, the possibility of intervening in the purchase decision and substituting a fossil-fueled car with a lower-emission vehicle is higher, although customer preferences in the rental area indicate minor changes in behavior in recent years. The option of choosing such a car primarily for commuting is still low, especially for longer-distance rentals, which are directly dependent on the nationwide electric charging infrastructure and the downtime associated with charging.

Moreover, the fleet for long-term rental, already engaged in operational leasing contracts, has an even lower possible speed of substitution, generated both by customer preferences, increased charging time at the expense of the time needed to carry out productive activity, and by the capacity of the electricity grid and charging infrastructure at the geographical level in Romania.

An argument that supports our awareness of the necessity of the transition, besides the reduced impact on the environment is the reduced maintenance of the EVs compared to fossil fuel, that may balance the other operational costs. Of course, we consider also the higher risks of the residual value where the EVs market is not mature yet to make accurate predictions due to short history for setting the trend and the exponential growth rate of technology associated with EVs, mainly the battery range and the elements related to comfort and security.

Taking into account the above-mentioned aspects, as well as the close relationship with upstream (vehicle suppliers) and downstream (short, medium and long term customers) value chain partners and public authorities, we considered that the indicator that can best quantify both our activity and the relationship with the above-mentioned partners is the **WLTP (Worldwide Harmonized Light Vehicle Test Procedure)** value measured in gCO₂/km, available for each individual car based on the manufacturer's information and official documents of each vehicle.

As a result, the environmental impact reduction scenarios for the time horizon 2020 - 2030 had as KPI the average WLTP of the active operational fleet, consisting of rent-a-car and operational leasing, at the end of each year.

The evolution of the WLTP indicator and progress towards the targets set in our Sustainability Strategy published in 2021 can be found in the following table:

Operating fleet at year end	Reference 2020	Actual 2021	Actual 2022	Actual 2023	Target 2025	Target 2030
Average WLTP CO ₂ g/km	153.57	149.32	143.78	142.06	115.13	75.87
%r discount	-	-3%	-6.4%	-7.49%	-25%	-51%

In terms of the share of low-emission cars in the total fleet and the progress towards the assumed objectives, the growth trend is expected to be maintained also in 2024, a result also supported by the order of the first batch of 200 TESLA electric cars, integrated into the operational fleet as of April 2023.

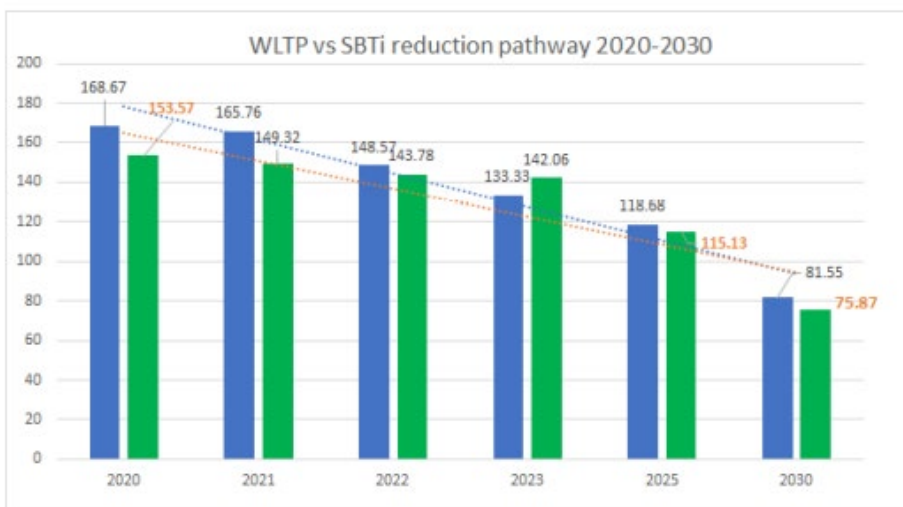
Since the inception of our Sustainability Strategy, we have made internal scenarios analysis to identify how we can work towards a 2°C mitigation plan considering our business development and the effort in operational fleet substitutions, by increasing the “green fleet” share through the medium to long term timeframe scenarios 2020÷2025÷2030 and kept monitoring the progress on an annually basis.

Year/	2020	2021	2022	2023	2025	2030
Fleet HEV, PHEV, BEV	3.75%	6.42%	12.91%	14.21%	18.23%	41.13%
of which, electrical	0.49%	1.68%	2.21%	3.46%	9.43%	27.39%

In terms of alignment with the **SBTi (Science Based Targets Initiative)** scenarios on environmental impact reduction, considering the 2DS (2 degrees Celsius) Target modelling, in line with the [SBTi transport calculation tool](#), we have updated yearly the calculation by including data for the active operational fleet at the latest 2023 level.

The benchmarking analysis shows the potential intensity reduction needed for our fleet emissions and the main areas that need to be considered for fleet substitution to meet the compliance rate required by the EU Directive and create added value in reducing our company’s overall footprint. This comparison considers the direct linear decrease options for WLTP and could reflect a potential effort for substitutions.

The analysis confirms the downward trend in emissions at the 2023 operational fleet level, aligned with the other results presented above.



Over the past 5 years we could see significant improvements in the rate of adoption for passenger cars, as charging infrastructure develops and we were able to actively support this transition.

To better prepare for the future and have consistency both with EU recommendations and our business model, starting with 2024, we decided to adjust the Sustainability Strategy and split the monitoring and reporting of the fleet into passenger cars and vans. Considering that for the last 5 years, passenger cars constantly consisted of a share of over 85% of our total fleet and we plan no change in the business model, we consider that for the 2030 roadmap the yearly threshold would remain at least the same.

Considering the updates of the Sustainability Strategy in 2024, the Targets for 2025 would represent a 23% reduction from Baseline 2021 vs a 25% reduction from Baseline 2020, to maintain the same level of ambition for 2025 set to 115.13 CO₂g/km WLTP (as per the initial Sustainability Strategy).

Considering the review year 2024 and the ending year of our roadmap, we introduced as midterm year 2028 with a target reduction rate for passenger cars fleet of 30% from 2021 Baseline and an absolute value of 96gCo₂/km WLTP.

WLTP roadmap (g/km) EoY	unit	2020	2021	2022	2023	2024*	2025*	2028*	2030*
Total Active Fleet (passenger cars + vans)	gCo ₂ /km	153.57	149.32	143.78	142.06	136.62	115	0.00	75.87
%reduction from Baseline 2020	%	Baseline	-2.77%	-6.37%	-7.49%	-11.04%	-25%	-	51%
%reduction from new Baseline 2021	%	-	Baseline	-3.71%	-4.86%	-8.51%	-23%	-	-49%
Active Fleet, Passenger Cars	gCo ₂ /km	141	137	132	130	126	106	96	62
%reduction from new Baseline 2021	%	-	Baseline	-4%	-5%	-8%	-23%	-30%	-55%

Note: Real 2020 - 2023, *Estimated 2024* - 2030*

We are confident that by setting more ambitious targets related to the passenger fleet 2030 target (55% reduction from Baseline 2021 vs 51% from Baseline 2020 established through the 2021 Sustainability Strategy), we will have at least the same ambitious impact that we already set.

2.6. Operational fleet assessment and increasing scenarios impact analysis

We are aware that our main activities could lead to an important impact on the environment, especially in terms of CO₂ emissions. Through evaluating our fleet substitution scenarios also considering the market perspective and the enforcement of the new legal EU requirements in the transportation sector, we agreed that the major sustainability indicator towards we should commit for medium- and long-term perspective is the average WLTP gCO₂/km of the active operational fleet.

Our business model might add a potential increase in time of the operational fleet car numbers, thus, we consider valuable to assess the impact of the increase considering also the new EU Automotive Directive requirements (EU/Directive 631/2019, and EU/Directive 1161/2019 on which Autonom as entity should comply and we also should proactively engage our operational activities to achieve these targets.

The European Union uses 2021 Baselines to define reduction targets for 2025 and 2030 as part of the Fit for 55 package and Regulation (EU) 2019/631. The targets aim to reduce CO₂ emissions progressively to meet climate goals and for new passenger cars are set to:

- **2025-2029 Targets: 93.6 g CO₂/km (representing a 15% reduction from the 2021 baseline)**
- **2030 Targets: 49.5 g CO₂/km (representing a 55% reduction from the 2021 baseline)**

These differentiated baselines and targets recognize the different emission profiles and usage patterns of passenger cars and light commercial vehicles, aiming for realistic and achievable reductions across the transport sector and this is the main reason why we chose to review our Sustainability Strategy to better reflect this approach.

Also, considering the market potential, the EU Directive 2019/1161, amends the Clean Vehicles Directive (2009/33/EC) and sets **mandatory minimum public procurement targets for clean vehicles**, defined as low- and zero-emission vehicles. These targets reflect the percentage of clean vehicles that must be included in the total number of light-duty vehicles procured during the specified periods, apply to contracts awarded from 2 August 2021 onwards and are split into two reference periods: 2021-2025 and 2026-2030.

For passenger cars and vans, the directive mandates the following minimum procurement targets range from 16% to 38.5% depending on the Member State, **Romania's Target: 18.7%**.

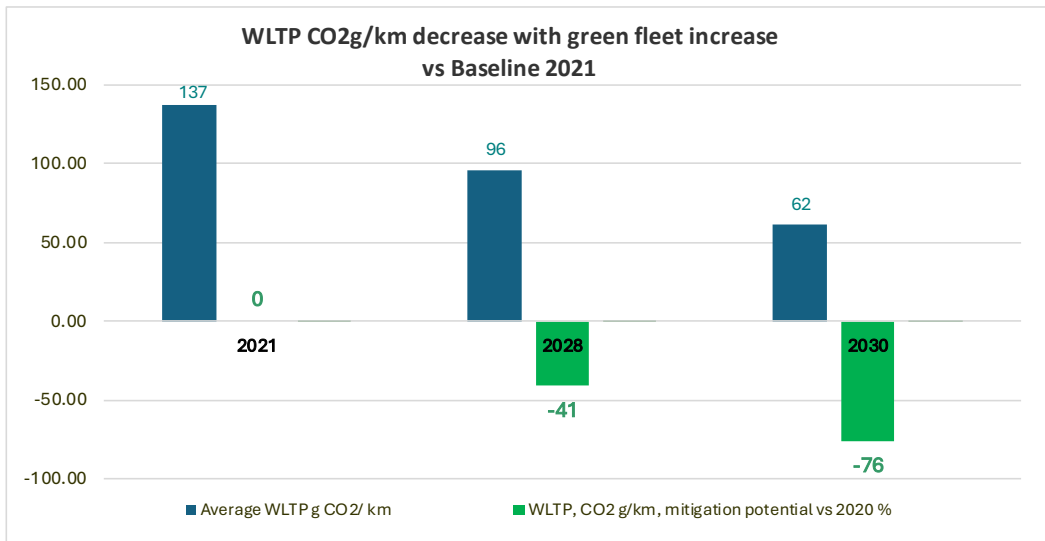
Based on our review of the Sustainability Strategy and materiality threshold for passenger cars, we have set a long-term goal to reduce the operational CO₂ intensity by 55% until 2030, with an intermediary target

of 30% by 2028, leading from a level of 137 gCO₂/km in 2021 to 96 gCO₂/km in 2028 and 61 gCO₂/km in 2030, in WLTP figures.

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

GOAL/TARGET	KPI definition	Baseline 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Reducing the CO ₂ intensity by 30% until 2028 and by 55% until 2030	Average WLTP gCO ₂ /km for the passenger cars fleet	137	132	130	126	107	105	102	96	84	62
% reduction from baseline		-	-4%	-5%	-8%	-23%	-24%	-26%	-30%	-39%	-55%

Therefore, the committed targets are forecasted to represent an absolute reduction of the end-year fleet in average CO₂ emissions g/km of 41 g/km in 2028 and of 76 average CO₂ g/km in 2030, versus the 2021 Baseline.

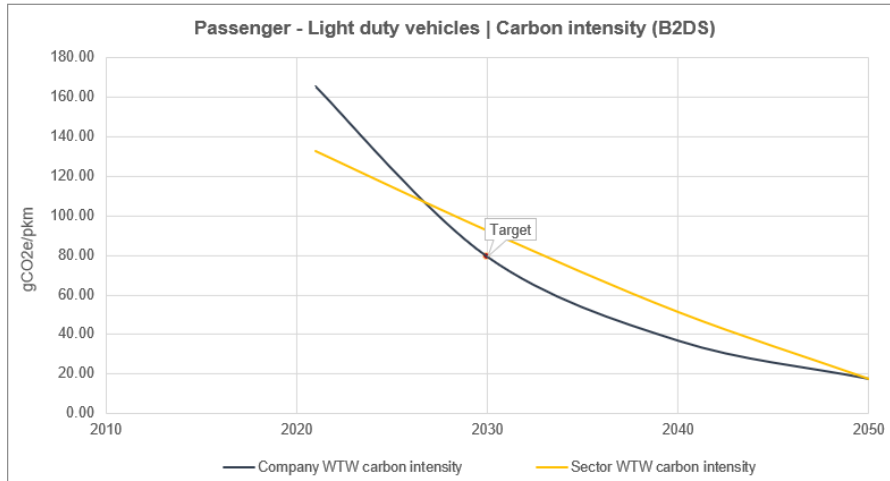


We also considered the SBTi scenarios in reduction of the environmental impact for our passenger cars fleet considering the Target modelling for 2DS (2 degree Celsius). The Target modelling for 2DS according to the reviewed SBTi transport calculation tool (<https://sciencebasedtargets.org/sectors/transport>) sets an updated sector growth rate of about 9.09% for the period 2021÷2030 and the following targets:

- For WTW (Well to Wheel) carbon intensity (gCO₂e/km) of about 79.38 gCO₂ g/km (for 2030), which considers a 52.11% reduction potential considering the baseline for 2021.
- For TTW (Tank to Wheel) carbon intensity (gCO₂e/km) of about 69.08 g CO₂e/km (for 2030), which considers a 52.90% reduction potential considering the baseline for 2021.

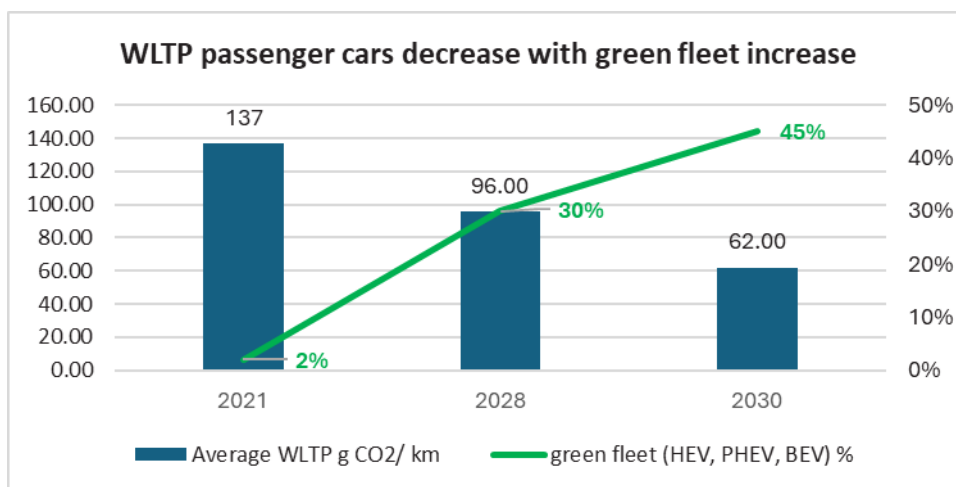
The comparison analysis shows the intensity reduction potentially needed for our fleet and gave us the main areas to be considered for the fleet substitutions to meet the compliance rate imposed by the EU Directive as well as the added value towards lowering the CO₂ intensity for our company footprint. This

comparison considers a direct linear decreasing option for WLTP which could be taken into account and reflects a potential effort for substitutions.



To align our business scenarios with the compliance EU targets we have handled 3 scenarios which were considered into definition of our future Sustainability Target for our company.

After assessment we considered that the Scenario 1 reflect better the future growth of our business and the substitution perspective which will allow us to comply with the binding obligation in the market for our business sector and could help us defining a meaningful sustainable development business goal and target to mitigate our Environmental Footprint.



Social Enforcement

In terms of social aspects, based on our corporate culture and the materiality assessments conducted, our team and the constant development of our employees, no matter the professional level and gender structure, remain the focus area.

We are dedicated to providing professional and personal growth opportunities, regular training, competitive benefits and a balanced work environment for our employees to ensure talent retention and the continued commitment of our team.

Employee satisfaction and development are critical to the success of our business, which is why we invest in the quality of life at work. We offer a customized benefits package to give them the confidence to achieve their professional and personal goals. These benefits reward performance, autonomy, job security and the initiatives that help us constantly improve.

All our employees have completed or are in the process of completing higher education (university diploma).

The company does not have a human resources department. Managers allocate 30% of their time to employee development and activities specific to this area. Integrity, adaptability and flexibility are core values for us. We train our managers on D&I importance in recruiting and mentoring new and existing employees, fostering a culture away from prejudices as they will share this practice further on with their teams.

Performance evaluation takes place every 6 months in each team, according to an evaluation sheet that includes well-defined categories such as goals achieved vs proposed goals, books read, courses/training completed vs proposed and community involvement. The results are discussed with the managers to develop a plan for the next period using the systemic approach.

The evaluation performance sheet contains the following criteria:

- performance and job specific tasks (accomplished vs. proposed).
- books (read vs. to read).
- courses, training, new skills.
- proposed learning objectives for the next 6 months.
- values.
- proposals for innovation, improvement.
- community involvement and
- team data. (only for those who have other colleagues in subordination)

They aim to strengthen employees' leadership skills and increase their involvement.

As a confirmation of this intensive focus related to the development of our employees, in our Sustainability Strategy established in 2021, we took the natural step forward towards committing to set a target of minimum of 50 hours of training per FTE each year until 2030.

We have a strong representation of women in management roles, and we believe this representation in terms of diversity and inclusion brings a strong and balanced vision and development of our team.

At the end of 2023, there were 15 female managers and 26 males, from our acknowledgement, higher than our benchmark. We consider these results as a validation of our business model and our corporate culture based on continuous learning and innovation.

With our strong focus on evolving daily, we embrace diversity and inclusion in all aspects of our business and on all career levels, creating a safe and optimal place for equal opportunities where talent can grow and reach top Management positions.

Considering all these above, analyzing our historical data on training hours and the enforced EU regulations on gender balance and upcoming Social EU Taxonomy, we reviewed our Sustainability Strategy to include a more granular approach on gender development trends and the potential to reach and retain Management positions.

GOAL/TARGET	KPI definition	2021	2022	Baseline 2023	2024	2025	2026	2027	2028	2029	2030
Evolve Daily. Gender parity in training and development, ensuring that women represent at least 46% of Management level by 2030	% of women at Management level	39%	37%	37%	38%	40%	41%	42%	43%	45%	46%
Estimated available positions	Women	16	15	15	16	17	18	19	20	21	22
	Men	25	26	26	26	26	26	26	26	26	26

Note: values for 2021 – 2023 are real, 2024 – 2030 estimated.

Our employees form a dedicated and talented team. They share our vision and work passionately to achieve our common goals. They are our most valuable resource and actively contribute to the company’s success and growth through their experience, creativity and constant commitment.

We support diversity and equal opportunities by providing all employees with working conditions appropriate to the work they do. Our policy guarantees the absence of any form of discrimination in recruitment, employment and promotion, regardless of gender, marital status, sexual identity, religion, political opinions, ethnicity, race, nationality, genetic characteristics, age or other characteristics. The company’s internal rules include clear rules on non-discrimination and elimination of any form of violation of dignity. The collective bargaining agreement regulates the rights and obligations of employees and the employer, including, among other things, the notice period,



provisions for consultation and negotiation and guaranteeing equal pay for equal work.

We believe that the agility of our company is maintained by our team members, which is why we constantly invest in their education and development, supporting their continuous evolution.

“Sustainability includes how you run your business, and my bottom line includes how you treat your people. Sustainability starts with your staff.” — Tom Douglas

Our team is growing year on year. Thus, compared to a total of 474 employees with active contracts as of December 31, 2022, at the end of 2023 the Autonom team consisted of 531 employees, of which 34.08% were female and 65.92% were male, and the average age was 31.37 years.

The company places great importance on the education of its employees, providing them with a personalized learning experience through training, coaching, courses and support from company leaders.

AUTONOM does not have a human resources department. Managers allocate 30% of their time to employee development and activities specific to this area.

By setting specific targets to include more women in Management positions, we promote gender equality but also benefit from the diverse perspectives that women bring to leadership roles. This diversity fosters innovation, enhances decision-making, and leads to better business outcomes. Additionally, by creating an inclusive work environment, we can better understand the needs and requirements of our customers and other relevant stakeholders and act in a proactive way, increasing our ability to innovate, ultimately hoping for long-term success in a competitive global market, as a company embedding sustainability should be.

Considering all these above, analyzing our historical data on training hours and the enforced EU regulations on gender balance and upcoming Social EU Taxonomy, we reviewed our Sustainability Strategy in 2024 to include a more granular approach on gender development trends and the potential to retain Management roles.

Performance evaluation is carried out for all Autonom employees, regardless of position, with the direct manager and the system is laid down in the Collective Labor Agreement. The evaluation is based on performance and development objectives, including operational objectives, personal development and social involvement objectives.

The evaluation process takes place every 6 months and is transparent (with clear and precise rules on assessment and grading), objective and fair.

Based on the results of the evaluation and the findings from the development dialogue, employee development needs are identified and included in a customized training plan.

The evaluation also contributes to the implementation of the succession plan by providing the context in which employees can be identified to take up managerial or specialist positions in key roles. To develop the



professional and personal competencies required for these positions, specific training and development programs are implemented on each occasion.

We are committed to diversity, equity and inclusion within our organization. We are committed to treating all employees with respect and dignity, with equal opportunities for advancement and career success.

3. Sustainability Strategic Pillars

We defined our Sustainability Strategic pillars considering our main future positive impact. Our priority in sustainability pillars definition was to be linked with ESG principles of operation and to be aligned with the most relevant EU strategies towards a sustainable business operation.

Because our business core values are important, these pillars are aligned with the organizational cultural performance matrix. Our strategy was defined and aligned with our sustainable vision, mission and values. We defined our Sustainability Strategy in 2021 with a time horizon of 2030 and an intermediate 2025 timeline. In 2024 we introduced a new intermediate 2028 target. We aligned our strategic goals with the Sustainable Development Goals of Agenda 2030. The baseline for the target horizon was changed in 2024 and the year 2021 Baseline replaced the previous 2020 Baseline.

Our Vision

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

Our Mission

- ✓ AUTONOM is a long-term family company that understands that sustainability is an essential element of the future. The success for us is given by the satisfaction of the clients and by the evolution of the colleagues.
- ✓ The management system and daily decisions are based on autonomy and filtered through our value system.
- ✓ Autonom is a learning organization. We encourage the personal development of everyone and support the continuous transformation of the company.
- ✓ We have a positive impact on society and the environment, by supporting education, being an active part in our communities and using resources responsibly.

Our Values

- ✓ THE TEAM: We are a team of teams. Respect, common sense and smiles are our secrets.
- ✓ CUSTOMERS: We do what is necessary to help our customers
- ✓ CONTINUOUS EVOLUTION: We evolve daily.






- ✓ RESILIENCE AND AGILITY: We are adaptable and flexible. Simplicity is our way. We learn from every experience.
- ✓ INTEGRITY: Honesty, integrity and transparency are fundamental to the company's development.
- ✓ AUTONOMY: We have the responsibility of freedom for our decisions.

Our Organizational Culture

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

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

Our Sustainability Strategic pillars, Goals / Targets

 <p>Environment</p>	 <p>People & Community</p>	 <p>Sustainable Business & Governance</p>
<p>Friendly with our Planet</p> <p>Reducing our ecological footprint will be driven by a responsible consumption of different resources that we need for our operations.</p> <p>According to climate change awareness, we settled priorities, in order to reduce the Corporate Carbon Footprint.</p>	<p>Friendly with our People and Community</p> <p>Community involvement represents a big part of what we are engaged in regarding society's needs; We are developing different kind of actions through Autonom Group, actions closely related to ESG education, sports, youth engagement and general community support.</p> <p>Our people are the most important assets for us, and we are committed to develop our people thus to have an agile organization.</p>	<p>Friendly with our Partners</p> <p>Our business is driven by values with a strong sense of ethics, transparency and integrity. These being the major aspects we will follow and respect in all our actions, and the only ways which will lead us to a successful business.</p> <p>We aim to offer to our customers sustainable mobility solutions.</p>

<p>PILLAR – ENVIRONMENT</p>	<p>Reducing the CO2 g/km intensity of the passenger cars fleet by 30% until 2028, and 55% until 2030; Contributing to a circular economy by mitigating paper usage in administrative and operational activities with 10% per year; Assuring 50% recyclability for used tires by 2030;</p>
<p>PILLAR – PEOPLE & COMMUNITY</p>	<p>Community involvement in the area of education, developing projects with high impact, with investment of minimum 2% of the net profit in community projects; Evolve. Daily. Personal development of the employees; Increasing the share of women in management roles with 46% by 2030. High rate of client satisfaction (measured by the Net promoter score).;</p>
<p>PILLAR - SUSTAINABLE BUSINESS & GOVERNANCE</p>	<p>Business driven by transparency and simplicity, empowering the sustainability responsibility. Optimizing resources and processes through digitalization; top 5 in our industry in Romania in terms of Business Visibility and Brand awareness.</p>

Our sustainability view

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



4. Governance Structure - Sustainability Committee

To have a clear governance of our strategic goals and to achieve results we set up a Governance structure to promote sustainable business activities -from strategic planning to operation and implementation. The following map describes the roles and responsibilities in Autonom to sustain the Sustainability Strategic implementation and further revision of our strategy per internal needs:

The role of the Sustainability Committee will be to:

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

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

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



5. Sustainability Strategy ROADMAP

The following roadmap shows a foreseen scenario to achieve our set up targets

Strategic Sustainability Pillars	KPI definition	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
OBJECTIVES/TARGETS												
ENVIRONMENT												
ENV 1 – Reducing the operational CO2 intensity for passenger cars by 30% until 2028, and 55% until 2030	Average WLTP gCO2 /km of the operational passenger cars fleet	141	137	132	130	126	106	105	102	96	84	62
ENV 2 – Contributing to a circular economy by mitigating paper usage in administrative and operational activities with at least 10% per year, Zero paper target by 2030	Tons of wastepaper/ year	3.53	2.28	2.02	1.77	1.52	1.27	0.83	0.53	0.34	0.21	0
ENV 3 – Increase recyclability for used tires by 2030	%Tone of tires waste recycled/year	0	10	15	20	25	30	30	35	40	45	50
PEOPLE AND COMMUNITY												
PEC 1 – Community involvement in the area of education, developing projects with high impact. Investment of minimum 2% of the net profit in community projects	% Total euro of net profit	15	>=2	>=2	>=2	>=2	>=2	>=2	>=2	>=2	>=2	>=2
PEC 2 – Evolve. Daily. Personal development of the employees.	Number of training hours / FTE	38.6	>=50	>=50	>=50	>=50	>=50	>=50	>=50	>=50	>=50	>=50
PEC 3 - Gender parity in training and development ensuring that women represent at least 43% of Management level by 2028 and at least 46% by 2030.	% of women in management roles	39	39	37	37	38	40	41	42	43	45	46
PEC 4 - Business driven by transparency and simplicity, empowering sustainability responsibility. High rate of client satisfaction	Net promoter score	82	>=80	>=80	>=80	>=80	>=80	>=80	>=80	>=80	>=80	>=80
SUSTAINABLE BUSINESS AND GOVERNANCE												
SBG1 – Optimizing resources and processes through digitalization	Number of digitized processes /organizations	3	4	5	6	6	6	7	7	8	9	10
SBG 2 – Business visibility and brand awareness	Top 5 in our industry RO	Top 5	-	**	-	-	**	-	-	**	-	**



6. Autonom’s Sustainability Performance Targets explanations

To achieve our sustainability goals, we have already considered some important measures that started with our Sustainability Strategy setting. We divided our main SPTs considering the three pillars of the sustainability holistic approach: Environment, Social and Business Governance.

For each SPTs we defined a specific KPI which we will report on an annual basis. We defined our KPIs per each Sustainable Performance Target, and Observation Dates as End Year 2025 and 2028 as intermedial milestones and End Year 2030 as long-term

6.1. Environmental Performance Targets and KPIs

Our targets on Environmental Pillar are:


ENV 1 - Reducing the operational CO2 intensity by 30% until 2028, and 55% until 2030	<i>Consideration and Proposed measures to achieve the target</i>
<p>KPI 1 - Average WLTP gCO2/km for the operational passenger cars fleet</p> <p>Long-term goal: Reducing operational passenger cars fleet CO2 intensity by 55% by year end 2030 reported to 2021 (considering average WLTP rate per passenger cars fleet). That leads to an operational fleet reaching an average WLPT of about 62gCO2/km in 2030.</p> <p><i>We have an intermediate target for 2028 of about 30% That leads to an operational passenger fleet reaching an average WLPT of about 94 gCO2/km in 2028.</i></p>	<p>Rationale:</p> <p>Our Sustainability Performance Target was defined considering the indirect emissions coming from our operational passenger cars fleet.</p> <p>We considered also the business development in the next 5 to 10 years scenarios towards 2030, aligned with EU specific medium- and long-term targets. Part of the sustained growth of the fleet represents two M&As, BT Operational Leasing fleet integration in 2018 and Premium Leasing fleet integration in 2022.</p> <p>Reducing the CO2 emissions of our operational fleet represents the most important step into minimizing the impact that our main activity has on the environment. Considering our service system and business model we are confident that a balanced substitution can reduce our fleet CO2 emissions as per the WLTP indicator.</p> <p>Starting with 2021, monitoring the WLTP reduction pathway added value to the GHG emissions inventory related to our activity and differentiating it on Scopes provided us a clear overview of where our effort should be focused to maximize the impact.</p>



<p>The year 2021 has been chosen as a baseline because it gives us a more confident approach, considering the European transportation sector perspectives on the timeframe to 2030 also have the year 2021 set as Baseline for reduction targets related to CO2 emissions</p>	<p>Thus, we continue to believe that 'Increasing the share of green / lower and zero emission vehicles in our fleet and improving vehicle efficiency as well as being an active player in terms of awareness for supporting transition, should be the main Mitigation criteria'.</p> <p>Over the past 5 years we could see significant improvements in the rate of adoption for passenger cars, as charging infrastructure develops and we were able to actively support this transition</p> <p>To better prepare for the future and have consistency both with EU recommendations and our business model, starting with 2024, we decided to adjust the Sustainability Strategy and split the monitoring and reporting of the fleet into passenger cars and vans. Considering that for the last 5 years, passenger cars constantly consisted of a share of over 85% of our total fleet and we plan no change in the business model, we consider that for the 2030 roadmap the yearly threshold would remain at least the same.</p> <p>Considering the updates of the Sustainability Strategy in 2024, the Targets for 2025 would represent a 23% reduction from Baseline 2021 vs a 25% reduction from Baseline 2020, to maintain the same level of ambition for 2025 set to 115.13 CO2g/km WLTP (as per the initial Sustainability Strategy).</p> <p>We are confident that by setting more ambitious targets related to the passenger fleet 2030 target (55% reduction from Baseline 2021 vs 51% from Baseline 2020 established through the 2021 Sustainability Strategy), we will have at least the same ambitious impact that we already set.</p> <p>Measures foreseen:</p> <p><i>We plan for digitalization and automatization of the financial modelling for impact on the forecasted and real substitution, already monitored in Excel each January, starting 2022.</i></p> <p><i>Continuing client awareness campaigns and dedicated products to increase the willingness for LEVs operational leased / rented cars. The awareness campaign raises the information about mitigation of client environmental footprint by choosing LEVs but also raises information about a more sustainable service model for their own companies.</i></p> <p>We included CO2 emission data in every operational lease offer, and we will continue awareness action within our clients and plan to extend it to rent a car template offer as well.</p> <p>Increasing the share of "lower emission" (electrical, hybrid and plug-in hybrid) vehicles from the total vehicles leased or rented to an extent of about 30% until 2028 and a potential long-term 2030 target for 40-45%, if market conditions will allow.</p> <p>Analysis of potential commitment to the SBTi and deeper screening of potential decreasing scenarios to 1.5degrees, by End of 2024.</p> <p>Net Zero Strategy analysis, by End of 2025.</p> <p>Analyzing the impact of splitting passenger cars and vans in the GHG Emissions Inventory /Total Carbon Footprint by the End of 2024.</p> <p>The pre-Feasibility study for PV Electric Charging stations in Autonom locations over the country, conducted in 2022, having as result charging stations installed in our offices wherever infrastructure permitted, AC or DC type. We want to continue this plan and consider this facility for every new office and extend the existing charging capacity where possible.</p> <p>Extended package for Operational Lease, including charging stations in the list of optional components of the rent.</p>
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	<ul style="list-style-type: none"> • Support for charging stations suppliers in their national and regional extension plans, offering them operational leasing solutions via our equipment department. • RES (renewable energy source) from direct suppliers for our agencies, where possible. We will renegotiate contracts with energy suppliers and ask them to provide us with certificates of origin for the consumption that comes from green energy. • Considering implementation of PV solar power plants, where possible. We will continue increasing the capacity for PVs within the premises that we own and raise awareness among the landlords for the rented spaces for operational use. • Continuing the project with OMV Climate Partner for Offsets. Finding Carbon Offsetting projects, aligned with the organizational culture for further exploration of potential mitigation of corporate carbon footprint by external contribution. <p>To be noted that the offsetting projects are not considered in our Corporate Carbon Footprint.</p>
<p>ENV 2 - Contributing to a circular economy by mitigating paper usage in administrative and operational activities with at least >10% per year</p>	<p>Consideration and Proposed measures to achieve the target</p>
<p>KPI 1 – tone of paper waste/year</p>	<p>Rationale:</p> <p>We believe we can massively contribute to a circular economy by reducing the usage of paper in our daily routine, thus combating bureaucracy and its negative effects, through an intensive digitalization of all our working processes.</p> <p>Intermediate and long-term goal:</p> <p>We are committed to mitigate paper usage in both operational and administrative sectors with at least 10 % per year.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • Zero paper Project implementation •Increasing awareness of proper recycling methods among our employees •Knowledge share for all our both internal and external stakeholders regarding the importance of this aspect <p>Sustainable Performance Target is calculated as follows: the total quantity of paper waste derived from administrative/office or other operational areas by the end of the year</p>



ENV 3 - Increase recyclability for used tires by 2030	Consideration and Proposed measures to achieve the target
<p>KPI – tones of tire waste recycled/year</p>	<p>Rationale: Autonom, by its main activity, has an important number of cars, most of them with thermal engines. The full car maintenance is performed on Autonom’s own facility or by subcontractors. The tires are collected and treated according to the law. Nevertheless, we need to have a better traceability of these waste elimination, and we need to find proper collaboration to reuse, recycle and whenever possible contribute a circularity approach in this area.</p> <p>Intermediate and long-term goal: We target a 30% recyclability rate for tires until 2025 and a long-term target of 50% until 2030.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • Collaboration and partnerships with subcontractors in the field • Project with NGOs, in the up-cycling areas • Internal projects <p>Sustainable Performance Target is calculated as report from the total quantity of tires waste derived from car maintenance generated and recycled by the year End</p>
<p>SDGs alignment</p> 	<p>Our SPTs contributes to the following SDGs:</p> <p>7.2: By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>8.1: Sustainable Economic Growth</p> <p>9.2: Promote inclusive and sustainable industrialization</p> <p>11.6: Reduce the environmental impacts of cities</p> <p>13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>15.5: Protect biodiversity and natural habitat</p>
<p>Risks</p>	<ul style="list-style-type: none"> • Pandemic continuation for more than 2 years • Epidemics or other health market constraints • Restrictions imposed by different authorities • Poor infrastructure for EVs



6.2. People & Community Performance Targets and KPIs

Our targets on People & Community pillar are:

<p>PEC 1 - Community involvement in the area of education, developing projects with high impact. Investment of minimum 2% of the profit in community projects</p>	<p>Consideration and Proposed measures to achieve the target</p>
<p>KPI 1: % of Total Euro investment from the Net profit</p>	<p>Rationale:</p> <p>Our Sustainability Performance Target was defined considering our social responsibilities. Autonom is focused on sustaining the community by developing a higher range of actions in this regard and we encourage the direct involvement of the employees in all the processes.</p> <p>Most of our activities are related to youth engagement by developing educational programs, mentoring actions and sports activities. At the same time, we pay attention to the needs we may identify from a social point of view, and we supply different schools, kindergartens and clubs with learning materials, books and other kinds of supplies needed.</p> <p>Also, we are aware about the positive impact on our day-to-day evolution, including all Autonom’s employees.</p> <p>Intermediate and long-term goal: Autonom is engaged to increase its community engagement into education activities and thus to contribute to a better quality of education in Romania. The investment level in the community was always a must for us, and we want to continue to allocate at least 2% each year until 2030.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • Analyzing the market and the needs of specific projects in the education of young people for 5-year periods • "Devino AutonOM" Project, starting 2021 • Developing Autonom grant program (scholarships) and mentoring for talented young children • Supporting group activities (clubs) based on different abilities • Supporting educational activities in different ways • Defensive driving education <p>Sustainable Performance Target is calculated and reported yearly: the total sum of Euro invested per net profit by the year end</p>






<p>PEC 2 - Evolve Daily.</p> <p>Personal development of the employees</p>	<p>Consideration and Proposed measures to achieve the target</p>
<p>KPI 2 – Number of training hours/FTE</p>	<p>Rationale: We realize the huge importance of intensive knowledge sharing among our employees and we pay attention to their needs for both technical and soft skills. Training and different kind of instruction are the main activities our company enables through its easy knowledge access mission.</p> <p>Intermediate and long-term goal: We target a minimum of 50 hours of training per FTE each year until 2030.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • Analyzing the needs of our employees in terms of training • Creating a basic plan of training for each employee • Engaging the employees in teaching courses <p>Sustainable Performance Target Trigger is calculated and reported as follows: the total number of hours of training / FTE at the end of the year ended 2025 respectively end of 2030.</p>
<p>PEC 3 – Gender parity in training and development ensuring that women represent at least 43% of Management level by 2028 and at least 46% by 2030.</p>	<p>Consideration and Proposed measures to achieve the target</p>
<p>KPI 3 – % of women in management roles</p>	<p>Rationale: Our employees are some of the company’s most important assets, critical to the success of our business. We value gender equality and have a strong position of women in leadership positions as part of our organizational culture and core values. We want to be a company that promotes women in management positions based on their abilities and performance, not only on gender quota compliance needs. We have created an organizational culture that is based on continuous evolution, ethics, tolerance, respect, encouragement of equal opportunities and respect for human rights.</p> <p>Considering that women already represent the majority of our Board structure; we want to continue to promote the representation of women also on the extended Management level. In order to better monitor the progress, we have set also targets for this topic and we consider the values to be even more ambitious than the EU binding diversity quota for large, listed companies.</p>



	<p>These targets reflect a commitment to gender equality and inclusivity both in training and development, especially in leadership roles. By setting more specific, measurable goals, we can track progress, identify gaps, and implement strategies to ensure equal opportunities for all employees. This not only supports internal diversity and inclusion initiatives but also enhances the company’s reputation and compliance with ESG standards.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> ▪ Structuring a Diversity & Inclusion Policy by the End of 2024. ▪ Specific training on Diversity and Inclusion and particularly Gender balance approach. ▪ Creating a whitelist for potential promotions, on gender structure, including development considerations and performance. ▪ Creating a succession plan for the Management level with gender structure. ▪ The retrospective part of the evaluation sheet will be fully automated as an export from the internal monitoring system HITS. ▪ Monthly monitoring of the training hours per gender and team structures. ▪ Quarterly reports to the management team. ▪ Formally collecting learning objectives and preferences in terms of personal development as discussed in the semestrial performance evaluation. ▪ Ensuring dedicated resources to support the advancement of female employees, promoting gender equality in career progression. ▪ Enhance the leadership capabilities and skill sets of women within the company, supporting their professional growth.
<p>PEC 4 - Business driven by transparency and simplicity, empowering the sustainability</p>	<p>Consideration and Proposed measures to achieve the target</p>
<p>KPI 4 - Net promotor score</p>	<p>Rationale:</p> <p>At Autonom, we put emphasis on clients’ satisfaction, and we consider this as being the handiest way to measure our services quality and to identify the right spots with needs of improvement. We consider this aspect as being the trigger of our motivation to go forward on our path to a desirable business. Measuring clients’ satisfaction ratio considering net promoter score is valuable for us. We have a very good rate for NPS in 2020, of 82%, and we want to keep this score and even increase it through the time.</p> <p>Intermediate and long-term goal: We want to keep the NPS above or equal to 80% each year, to reach 85% until 2025 and continuing with 85% at the level of 2030.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • Development of policies and corporate governance frameworks • Integrating sustainability issues in the Annual Report Communicating sustainability performances considering GRI reporting frameworks and indicators. The first Sustainability Report was issued for 2021






	<ul style="list-style-type: none"> Increasing awareness and responsibility on ESG issues <p>Sustainable Performance Target is calculated as follows: the NPS value in % by the year end</p>
<p>SDGs alignment</p>   	<p>Our SPTs contributes to the following SDGs:</p> <p>4.2: By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education</p> <p>4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>8.3: Promote policies to support job creation and growing enterprises</p> <p>8.6: Promote youth employment, education and training</p>
<p>Risks</p>	<p>Pandemics, epidemics or health and transportation restrictions may prevent us from direct physical activities.</p>

6.3. Sustainable Business & Governance Targets and KPIs

Our targets on Sustainable Business & Governance pillar are:

SBG 1 – Optimizing resources and processes through digitalization	Consideration and Proposed measures to achieve the target
<p>KPI 1 – Number of digitalized processes /organizations</p>	<p>Rationale: Autonom operates considering different important processes. Enabling a smooth process of service acquisition for our clients, also contributing to protecting the environment represents a very good approach for us and contributes to empowering our values and missions. Digitizing our processes will bring us more efficiency in delivering our activities but also tracking important dates which we need to measure and report. Considering that today we have 3 processes digitized, with a good rate in process improvements we consider increasing the numbers each year, covering all our important processes with digital systems.</p> <p>Intermediate and long-term goal: We target 6 internal processes to be digitized until 2025, reaching the level of 10 processes until 2030.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • Workflow automation • Re-arrange all data regarding the fleet • Structural changes in the way we collect data (fleet, utilities) • Reduce no of / better organize emails • Sustainability Data Management <p>Sustainable Performance Target is calculated as follows: the total of processes digitized by the year end</p>
SBG 2 – Business Visibility and Brand awareness	Consideration and Proposed measures to achieve the target
<p>KPI 2 – Top 5 in our industry RO</p>	<p>Rationale: We, as a business, need to be visible to continue to evolve, to be competitive and to show our commitments toward sustainable development. Thus, it is very important to stay among the TOP 5 in our industry in Romania.</p> <p>Intermediate and long-term goal: To understand our position on the market we will launch specific Market Surveys each 3 years, starting with 2022.</p> <p>Measures foreseen:</p> <ul style="list-style-type: none"> • To also engage our clients and partners, we find it appropriate to promote and organize Business Elite Events as special encountering and networking zones. We believe in interaction and in a collective benefit resulting from these kinds of actions.



	<p>Quality networking by specific connections between compatible partners.</p> <ul style="list-style-type: none"> • Educational moments with our customers. • Increasing visibility through Autonom ambassadors. • Continuing involvement in business and networking associations like ARIR, RBL, SER, etc. and joining new ones as considered appropriate to our strategy and business. <p>Sustainable Performance Target is calculated as follows: the survey result shows that Autonom is between TOP 5 in the industry in Romania by the year end or receive a certification / award granted by a dedicated jury.</p>
<p>SDGs alignment</p>   	<p>Our SPTs contributes to the following SDGs:</p> <p>8.2: Diversify, innovate and upgrade for economic productivity</p> <p>9.1: Develop sustainable, resilient and inclusive infrastructures</p> <p>17.6: Knowledge sharing and cooperation for access to science, technology and innovation</p> <p>17.17: Encourage effective partnerships</p>
<p>Risks</p>	<ul style="list-style-type: none"> • Unfair market competition • Health restrictions for live events

7. Resource allocation

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

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

Financial Resources

To fully implement our goals and targets we included Sustainability in our regular budget, at the beginning of each year, starting with 2022.

We aim to continue attracting sustainable finance capital like the SLBs issuance in 2021 followed by the Green Loan from EIB in 2022.

Human Resources

We have a dedicated team, led by a Sustainability Director.

Each individual department and regional director, being in the Sustainability Committee, will delegate employees for different projects, as needed.

On the other hand, considering our internal culture, our people embrace the volunteering role for specific community projects in the Sustainability area, that will make us proud and eager to later communicate internally and externally. The Ambassador program could facilitate the volunteering of our employees and partners.

We constantly conduct internal and external sustainability training, to increase awareness, knowledge and enforce implementation of the Sustainability Strategy and ease reporting requirements.

Starting 2024, to better prepare for CSRD compliance, we started internal auditing for nonfinancial data.



8. Holistic Conclusions

- Autonom is one of the most relevant companies in Romania acting in the field of mobility and its responsibility also includes an important range of activities closely related with needs of sustainability practices;
- Our company committed to and is willing to integrate in its processes everything that is needed in order to perform as a sustainable business model;
- Our targets and KPIs regarding all concerns settled and exposed above are meant to express our engagement regarding our company sustainability view on the main three pillars: environment, social and business governance;
- We identified actions already in place, supporting our sustainability strategic development, but also areas that need improvement;
- We fully understand that our businesses activities are bringing an impact on the environment as we counted the corporate carbon footprint and we are committed to show responsibility and to take immediate measures on mitigation of the reduction of these emissions;
- We are voluntarily taking action against climate change driven by our corporate responsibility culture approach;
- We hope our partners will embrace our view and together we will find new paths toward changing the attitude in order to boost a more sustainable approach of mobility in our industry.

“We do not inherit the Earth from our ancestors, we borrow it from our children.”

(Ralph Waldo Emerson)

9. Definitions and terminology

KPI – Key Performance indicator: The unit definition to track success at reaching our targets. We use measurable value that demonstrates how effectively Autonom is achieving key business objectives listed in the Sustainability Strategy Roadmap.

GHG Emissions Intensity: GHG emissions intensity means Scope 1 (emissions from direct operations) and Scope 2 (electricity purchased) and Scope 3 will be considered as a numerator of the indicator, net turnover as the denominator (tCO₂e/million RON).

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

GHG Emissions Intensity Reduction Percentage: means the proportion of GHG emissions intensity that is reduced (expressed as a percentage) and estimated according to the 2019 baseline

CO₂e: carbon dioxide equivalent, is a way of expressing all the different greenhouse gases as a single number

Scope 1 emissions: emissions from direct operations

Scope 2 emissions: electricity purchased

Scope 3 emissions: use of goods and services sold TCFD: Task Force on Climate-related Financial Disclosure ARIR: The Romanian Investor Relations Association

SER: Sustainability Embassy in Romania

RBL: Romanian Business Leaders

YPO: Young Presidents Organization, The global leadership community of extraordinary chief executives

10. Appendix 1 – Premises overview

Paris Agreement

The agreement aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, including by:

- a. Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;
- b. Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production; and
- c. Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

The European Green Deal

'Fit for 55': delivering the EU's 2030 Climate Target on the way to climate neutrality

In this spirit, the package of proposals aims to make the EU 'fit for 55' and deliver the **transformational change needed across our economy, society and industry**. This is a collective responsibility and opportunity that must be open to all, whether innovators and investors, companies and cities, or consumers, households and individuals.

- Objective: Striving to be the first climate-neutral continent
- Key objective of -55 % mitigation of CO2 emission until 2030 and a long target to EU carbon neutral until 2050 more ambitious targets for reducing the CO2 emissions of new cars and vans.
 - 55%reduction of emissions from cars by 2030
 - 50% reduction of emissions from vans by 2030
 - 0 emissions from new cars by 2035
- Making transport sustainable for all: transition to greener mobility will offer clean, accessible and affordable transport even in the most remote areas.
- Circular Economy Action Plan



- European climate law
 - EU Biodiversity Strategy for 2030
 - Biodiversity, “From Farm to Fork” Strategy, Sustainable agriculture, Clean energy, Sustainable industry, Building and renovating, Sustainable mobility, Eliminating pollution, Climate action
- The EU Commission also promotes the growth of the market for zero- and low- emissions vehicles. In particular, it seeks to ensure that citizens have the infrastructure they need to charge these vehicles, for short and long journeys. In addition, from 2026, road transport will be covered by emissions trading, putting a price on pollution, stimulating cleaner fuel use, and re-investing in clean technologies.

The European Climate Pact’s goals and target

The European Climate Pact aims to inform, motivate and mobilize a large number of individuals and organizations across Europe and different societal levels to participate in climate action and help build a greener Europe. Individuals or organizations can for example commit to (small or large) pledges for the climate, become volunteer Pact Ambassadors to inspire action in their communities and networks, take part in events and participatory processes, and connect with others to learn, share and develop solutions together.

Core target groups of the Pact’s activities are the so-called “Lukewarm” – individuals and organizations that are concerned by the consequences of climate change, but less keen or unsure how to take action. Another focus will be on stakeholders who belong to the Committed and Advocates as they are already leading the way in climate action and ready to champion the cause and encourage others to do so. The EU Climate Pact will lead the way to accelerate climate and environmental action on all fronts. The Climate Pact will provide a space for working together to tackle climate change and environmental degradation and to grasp the opportunities that come with decisive action and sustainable lifestyles. The Pact will connect people from all walks of life to improve their understanding of the challenges, to invite all Europeans to participate and benefit, to develop solutions big and small and to trigger and scale up positive change. The European Climate Pact will keep on growing and evolving over time, spurred by the engagement and creativity of all the citizens and stakeholders that will become part of it.



EU Taxonomy

The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. It could play an important role in helping the EU scale up sustainable investment and implement the European green deal. The EU taxonomy would provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. In this way, it should create security for investors, protect private investors from greenwashing, help companies to become more climate-friendly, mitigate market fragmentation and help shift investments where they are most needed.

One of the cornerstones of the EU Sustainable Finance Action Plan is to bring clarity to the market regarding which economic activities can be considered sustainable with the aim of encouraging sustainable investing and preventing greenwashing.

The EU Taxonomy is an ambitious attempt to define these activities and the related technical standards for six environmental objectives.

REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, on
sustainability - related disclosures in the financial services sector

This Regulation lays down harmonized rules for financial market participants and financial advisers on transparency regarding the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability - related information with respect to financial products.

‘Financial adviser’ means:

- a. an insurance intermediary which provides insurance advice with regard to IBIPs;
- b. an insurance undertaking which provides insurance advice with regard to IBIPs;
- c. a credit institution which provides investment advice;
- d. an investment firm which provides investment advice;
- e. an AIFM which provides investment advice in accordance with point (b)(i) of Article 6(4) of Directive 2011/61/EU; or
- f. a UCITS management company which provides investment advice in accordance with point (b)(i) of Article 6(3) of Directive 2009/65/EC.



‘Financial product’ means:

- a. a portfolio managed in accordance with point (6) of this Article;
- b. an alternative investment fund (AIF);
- c. an IBIP;
- d. a pension product;
- e. a pension scheme;
- f. a UCITS; or
- g. a PEPP

‘Sustainable investment’ means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labor relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance;

‘Sustainability risk’ means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Review of Disclosures

Financial market participants shall ensure that any information published in accordance with Article 3, 5 or 10 is kept up to date. Where a financial market participant amends such information, a clear explanation of such amendment shall be published on the same website.

REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

This Regulation establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which an investment is environmentally sustainable.



This Regulation applies to:

- a. measures adopted by Member States or by the Union that set out requirements for financial market participants or issuers in respect of financial products or corporate bonds that are made available as environmentally sustainable.
- b. financial market participants that make available financial products;
- c. undertakings which are subject to the obligation to publish a non-financial statement or a consolidated non-financial statement pursuant to Article 19a or Article 29a of Directive 2013/34/EU of the European Parliament and of the Council (68), respectively. Article

Criteria for environmentally sustainable economic activities

- a. For the purposes of establishing the degree to which an investment is environmentally sustainable, an economic activity shall qualify as environmentally sustainable where that economic activity: contributes substantially to one or more of the environmental objectives set out in Article 9 in accordance with Articles 10 to 16;
- b. does not significantly harm any of the environmental objectives set out in Article 9 in accordance with Article 17;
- c. is carried out in compliance with the minimum safeguards laid down in Article 18; and complies with technical screening criteria that have been established by the Commission in accordance with Article 10 (3), 11(3), 12(2), 13(2), 14(2) or 15(2).

Environmental objectives

For the purposes of this Regulation, the following shall be environmental objectives:

- a. climate change mitigation.
- b. climate change adaptation;
- c. the sustainable use and protection of water and marine resources;
- d. the transition to a circular economy;
- e. pollution prevention and control;
- f. the protection and restoration of biodiversity and ecosystems.



Substantial contribution to climate change mitigation

An economic activity shall qualify as contributing substantially to climate change mitigation where that activity contributes substantially to the stabilization of greenhouse gas concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system consistent with the long-term temperature goal of the Paris Agreement through the avoidance or reduction of greenhouse gas emissions or the increase of greenhouse gas removals, including through process innovations or product innovations, by:

(a) generating, transmitting, storing, distributing or using renewable energy in line with Directive (EU)

2018/2001, including through using innovative technology with a potential for significant future savings or through necessary reinforcement or extension of the grid;

(b) improving energy efficiency, except for power generation activities as referred to in Article 19(3); (c) increasing clean or climate-neutral mobility.

Extras from Technical Annex 6 – of the Regulation - TRANSPORTATION AND STORAGE To achieve climate neutrality, a 90% reduction in transport emissions is needed by 2050 (compared to 1990). Road, rail, aviation, and waterborne transport will all have to contribute to the reduction.

Technical screening criteria and scope

There are several principal options for climate mitigation in the transport sector including:

- Increasing the number of low- and zero emission vehicles, improving vehicle efficiency and Infrastructure
- Increasing substitution of fossil fuels with sustainable alternative and net-zero carbon fuels
- Improving efficiency of the overall transport/mobility system

Examples of specific criteria

✓ Efficient, low- and zero direct emissions fleets

This category of criteria requires that operated fleets to become more efficient over time by linking eligibility to emissions performance below a certain threshold set to ensure substantially reduced emissions. Thresholds are based on performance metrics (vehicle km, passenger km or tone km).



✓ Fuel substitution to net-zero carbon fuels

The operation of vehicle fleets where fossil fuels are substituted with low- or net-zero carbon fuels such as advanced bio- and synthetic fuels can make a substantial contribution to CO₂ net emissions savings in the transport sector by enhancing climate neutral mobility.

A set of mitigation criteria and other considerations are set into the Technical Transport Regulation annex, which direct and guide for medium- and long-term actions implementation.

Set 6.5. Passenger cars and commercial vehicles

Applicable for Passenger cars, light commercial vehicles, and category L vehicles (this includes all M1, N1 and L category vehicles including where applicable NACE 49.32, 53.10, 53.20, 77.11). Rental and leasing of cars and light motor vehicles where these activities may include the operation of eligible vehicles.

Zero direct emission vehicles and vehicles with low and reducing emission intensities contribute substantially to climate mitigation and are aligned with

- increasing clean or climate neutral mobility,
- phasing out anthropogenic emissions of greenhouse gases, including from fossil fuels.

Mitigation criteria consideration:

Principles

Demonstrate substantial GHG emission reduction by:

- Increasing the number of low- and zero emission vehicles, and improving vehicle efficiency

Criteria

- CO₂ emissions per vehicle kilometer (gCO₂/km).

Do no significant harm assessment (DNSH) consideration:

Key environmental aspects to be considered for investments on passenger cars and light commercial vehicles are the following:

- Direct emissions to air from the exhaust gases of internal combustion engine: nitrogen oxides (NO_x), total hydrocarbon (THC), non-methane hydrocarbons (NMHC), carbon monoxide (CO), particulate matter (PM) and particle number, and from tire abrasion and brakes friction and noise emissions



- Indirect emissions to air from the production of fuels and energy carriers. However, this is out of the control of vehicle manufacturers and operators.
- waste generation (hazardous and non-hazardous) during maintenance and end-of-life of the vehicle.
- Recycling of materials in order to reduce consumption of critical raw materials and impact on ecosystems and natural capital.

EU legislation in the field of transportation (EU/Directive 631/2019, and EU/Directive 1161/2019 EU/Directive 631/2019)

This Regulation establishes CO₂ emissions performance requirements for new passenger cars and for new light commercial vehicles in order to contribute to achieving the Union's target of reducing its greenhouse gas emissions, as laid down in Regulation (EU) 2018/842, and the objectives of the Paris Agreement and to ensure the proper functioning of the internal market.

From 1 January 2020, this Regulation sets an EU fleet-wide target of 95 g CO₂/km for the average emissions of new passenger cars and an EU fleet-wide target of 147 g CO₂/km for the average emissions of new light commercial vehicles registered in the Union, as measured until 31 December 2020 in accordance with Regulation (EC) No 692/2008 together with Implementing Regulations (EU) 2017/1152 and (EU) 2017/1153, and from 1 January 2021 measured in accordance with Regulation

(EU) 2017/1151. Requirements:

- From 1 January 2025, the following EU fleet-wide targets shall apply: (a) for the average emissions of the new passenger car fleet, an EU fleet-wide target equal to a 15 % reduction of the target in 2021.
- From 1 January 2030, the following EU fleet-wide targets shall apply: (a) for the average emissions of the new passenger car fleet, an EU fleet-wide target equal to a 37,5 % reduction of the target in 2021.
- From 1 January 2025, a zero- and low-emission vehicles' benchmark equal to a 15 % share of the respective fleets of new passenger cars and new light commercial vehicles shall apply in accordance with points 6.3 of Parts A and B of Annex I, respectively.
- From 1 January 2030, the following zero- and low-emission vehicles' benchmarks shall apply in accordance with points 6.3 of Parts A and B of Annex I, respectively:



- (a) a benchmark equal to a 35 % share of the fleet of new passenger cars; and
- b) a benchmark equal to a 30 % share of the fleet of new light commercial vehicles. Note and definitions:
- ✓ 'average specific emissions of CO₂' means, in relation to a manufacturer, the average of the emissions of CO₂ of all new passenger cars or of all new light commercial vehicles of which it is the manufacturer;
 - ✓ 'EU fleet-wide target' means the average CO₂ emissions of all new passenger cars or all new light commercial vehicles to be achieved in a given period;
 - ✓ 'zero- and low-emission vehicle' means a passenger car or a light commercial vehicle with tailpipe emissions from zero up to 50 g CO₂/km, as determined in accordance with Regulation (EU) 2017/1151;
 - ✓ WLTPCO_{2,measured} is the average, for each manufacturer, of the measured CO₂ emissions combined of each new passenger car registered in 2020, as determined and reported in accordance with Article 7a of Implementing Regulation (EU) 2017/1153.

EU/Directive 1161/2019

Automotive directive consideration

In order to improve air quality in municipalities, it is crucial to renew the transport fleet with clean vehicles. Furthermore, the principles of the circular economy require the extension of product life. Therefore, vehicles that meet the clean vehicles or zero-emission vehicles requirements as a result of retrofitting should also be counted towards the achievement of the respective minimum procurement targets.

Light-duty and heavy-duty vehicles are used for different purposes and have different levels of market maturity, and it would be beneficial that public procurement provisions acknowledge those differences. The impact assessment recognized that markets for low- and zero-emission urban buses are characterized by increased market maturity, whereas markets for low- and zero-emission trucks are at an earlier stage of market development.

Setting minimum targets for the procurement of clean vehicles to be met in two reference periods ending in 2025 and in 2030 at Member State level should contribute to policy certainty for markets

where investment in low- and zero-emission mobility is needed. The minimum targets support market creation for clean vehicles throughout the Union.

This Directive shall apply to procurement through contracts for the purchase, lease, rent or hire-purchase of road transport vehicles awarded by contracting authorities or contracting entities in so far as they are under an obligation to apply the procurement procedures set out in Directives 2014/24/EU (*) and 2014/25/EU (**) of the European Parliament and of the Council.

Minimum procurement targets. Member States shall ensure that the procurement of vehicles and services referred to in Article 3 complies with the minimum procurement targets for clean light-duty vehicles set out in Table 3 of the Annex and for clean heavy-duty vehicles set out in Table 4 of the Annex. Those targets are expressed as minimum percentages of clean vehicles in the total number of road transport vehicles covered by the aggregate of all contracts referred to in Article 3, awarded between 2 August 2021 and 31 December 2025, for the first reference period, and between 1 January 2026 and 31 December 2030, for the second reference period. Minimum procurement targets for the share of clean light-duty vehicles in accordance with Table 2 in the total number of light-duty vehicles covered by contracts referred to in Article 3 at Member State level.

Member State	From 2 August 2021 to 31 December 2025	From 1 January 2026 to 31 December 2030
Romania	18,7 %	18,7 %

The Romanian perspective on sustainable development. National Sustainable Development Strategy of Romania – Horizons 2013-2020-2030:

The strategy vision is citizen centered and focuses on innovation, optimism, resilience, and the belief that the role of the state is to *serve the needs of each citizen in a fair, efficient, and balanced manner, all within a clean environment strategy.*

The main aim is to *reduce the socio-economic gap vis-à-vis the member states of the European Union.*

The clear goals are keeping with the 2030 Agenda for Sustainable Development and the relevant EU provisions, providing a roadmap for achieving the 17 SDGs.

