

# AMAG Leasing AG

**Type of Engagement:** Annual Review

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## Introduction

In September 2021, AMAG Leasing AG (“ALAG” or the “Company”) issued a green bond (the “2021 Green Bond”) under the AMAG Leasing AG Green Finance Framework<sup>1</sup> (the “Framework”) to finance or refinance leasing contracts for electric and low-carbon vehicles with the intent to reduce emissions in the transportation sector. Sustainalytics provided a Second-Party Opinion<sup>2</sup> on the Framework in August 2021. In September 2023, ALAG engaged Sustainalytics to review the assets financed and refinanced between June 2022 and June 2023 in Switzerland with proceeds from the 2021 Green Bond (the “Nominated Assets”) as to whether they met the use of proceeds criteria and the reporting commitments outlined in the Framework. This is Sustainalytics second annual review, following a previous one provided in September 2022.

ALAG raised a total of CHF 475 million and allocated all of the proceeds as at June 2023. Of the total allocated amounts, a share of 21.1% was allocated to plug-in hybrid electric vehicles (PHEVs) and 78.9% to battery electric vehicles (BEVs).

## Evaluation Criteria

Sustainalytics evaluated the Nominated Assets based on whether they:

- Met the use of proceeds and eligibility criteria outlined in the Framework; and
- Reported on at least one of the key performance indicators (KPIs) for each use of proceeds criteria outlined in the Framework.

**Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs**

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>Battery Electric Vehicles (BEVs)</li> <li>Plug-in Hybrid Electric Vehicles (PHEVs) that have a maximum of 50 gCO<sub>2</sub> emissions per kilometre</li> </ul>	Carbon emission savings from the use of BEVs and PHEVs compared to vehicles with combustion or other engines
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>Acquisition and installation of onsite photovoltaic technology</li> </ul>	Capacity installed (MWh)

<sup>1</sup> AMAG, AMAG Leasing AG Green Finance Framework, at: <https://www.amag-leasing.ch/de/investor-relations>

<sup>2</sup> Sustainalytics, Second-Party Opinion “AMAG Leasing AG Green Finance Framework”, at: <https://www.amag-leasing.ch/de/investor-relations>

	and related infrastructure	
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## Issuer’s Responsibility

ALAG is responsible for providing accurate information and documentation relating to the details of the funded assets, including description, amounts allocated and impact.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of ALAG’s use of proceeds from the 2021 Green Bond. The work undertaken as part of this engagement included collection of documentation from the Company’s employees and review of documentation to assess conformance with the Framework.

Sustainalytics has relied on the information and the facts presented by ALAG with respect to the Nominated Assets. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by ALAG.

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

## Conclusion

Based on the limited assurance procedures conducted,<sup>3</sup> nothing has come to Sustainalytics’ attention that causes us to believe that, in all material respects, the Nominated Assets are not in conformance with the use of proceeds and reporting criteria outlined in the Framework. ALAG has disclosed to Sustainalytics that proceeds from the 2021 Green Bond were fully allocated as at June 2023.

## Detailed Findings

**Table 2: Detailed Findings**

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
<b>Use of Proceeds Criteria</b>	Verification of the Nominated Assets to determine if they aligned with the use of proceeds criteria outlined in the Framework.	All assets reviewed complied with the use of proceeds criteria.	None
<b>Reporting Criteria</b>	Verification of the Nominated Assets to determine if impact was reported in line with the KPIs outlined in the Framework. For a list of KPIs reported, please refer to Appendix 2.	All assets reviewed reported on at least one KPI per use of proceeds category.	None

<sup>3</sup> Sustainalytics’ limited assurance process includes reviewing the documentation relating to the details of the assets funded, including description, estimated and realized costs, and project impact, as provided by the Issuer, which is responsible for providing accurate information. Sustainalytics has not conducted onsite visits to projects.

## Appendices

### Appendix 1: Allocation Reporting per Eligibility Criteria

ALAG financed and refinanced financial assets with a total allocation of CHF 475 million (USD 532 million). See below a summary of the reported allocated amount per category.

Use of Proceeds Category	Environmental Impact Reported by Eligibility Criteria	Net Bond Proceeds Allocation (CHF)
Clean Transportation <sup>4</sup>	Plug-in Hybrid Vehicles <sup>5</sup>	100,118,000
	Battery Electric Vehicles	374,882,000

### Appendix 2: Reported Impact per Use of Proceeds Category

Use of Proceeds Category	Indicators	Impact Reported
Clean Transportation	Carbon emission savings from the use of BEVs and PHEVs compared to vehicles with combustion or other engines	14,373 tCO <sub>2</sub> /year <sup>6</sup>

<sup>4</sup> Financing took place solely in Switzerland.

<sup>5</sup> PHEVs include PHEV petrol and PHEV diesel vehicles that meet a direct emissions threshold below 50 gCO<sub>2</sub> per kilometre.

<sup>6</sup> ALAG's estimate based on the manufacturers' declared emission figures for each vehicle in ALAG's green investments. Calculations include assumptions on fuel used by a consumer for a hybrid engine, location where the vehicle was driven (e.g. in the city or open road) and average mileage per year. The expected CO<sub>2</sub> reduction is calculated as the difference between the financed cars in ALAG's green investments pro-rated to the issuance amount and the average emissions of newly registered cars in 2022 in Switzerland.

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