

AEROPORTI DI ROMA SPA GREEN BOND

DNV GL ELIGIBILITY ASSESSMENT

Scope and objectives

Aeroporti di Roma S.p.A. ("**ADR**" or "**Issuer**"), is the is an Italian corporation managing company of the Rome airport system and Italy's main operator with two airports – Fiumicino (FCO) and Ciampino (CIA) - serving the City of Rome and the surrounding areas. ADR is considering the issuance of a green bond of an aggregate principal amount of approximately EURO 300,000,000 (henceforth referred to as the "**BOND**") and would like to label the issuance as a "Green Bond" as defined within the Green Bond Principles 2018 ("**GBP**") set out by the International Capital Market Association ("**ICMA**").

ADR intends to use the proceeds of the BOND to refinance debts associated with the numerous projects and assets within Italy falling within the following categories:

- Renewable Energy (Solar)
- Green Buildings
- Pollution Prevention and Control (Wastewater, Waste, Recycling)
- Energy Efficiency (Lighting)
- Clean Transportation and infrastructure for low carbon transport (Cycleways)

DNV GL Business Assurance Italia S.r.l. ("**DNV GL**") has been commissioned by ADR to provide a "Green Bond" eligibility assessment of the BOND. Our methodology to achieve this is described under "Work Undertaken" below. We were not commissioned to provide independent assurance or other audit activities.

No assurance is provided regarding the financial performance of the BOND, the value of any investments in the BONDS, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the BOND has met the criteria established on the basis set out below.

The scope of this DNV GL opinion is limited to the GBP.

Responsibilities of the Management of ADR and DNV GL

The management of ADR has provided the information and data used by DNV GL during the delivery of this review. Our statement represents an independent opinion and is intended to inform ADR management and other interested stakeholders in the BOND as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by ADR. DNV GL is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV GL shall not be held liable if any of the information or data provided by ADR's management and used as a basis for this assessment were not correct or complete.

Basis of DNV GL's opinion

We have adapted our "Green Bond Principles" methodology, which incorporates the requirements of the GBP, to create an ADR-specific Green Bond Eligibility Assessment Protocol (henceforth referred to as "**Protocol**"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV GL's opinion. The overarching principle behind the criteria is that a green bond should "enable capital-raising and investment for new and existing projects with environmental benefits".

As per our Protocol, the criteria against which the BOND has been reviewed are grouped under the four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a green bond should outline the process it follows when determining eligibility of an investment using Green Bond proceeds, and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a green bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the use of bond proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

Work undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by ADR in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of an ADR-specific Protocol, adapted to the purpose of the BOND, as described above and in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by ADR on the BOND and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Discussions with ADR management, and review of relevant documentation; and
- Documentation of findings against each element of the criteria.

For the purposes of this opinion, DNV GNL, has examined the "Green Financing Framework" prepared by ADR, dated November 2020 (the "**ADR Green Financing Framework**").

Our opinion as detailed below is a summary of these findings.

Findings and DNV GL's opinion

DNV GL's findings are listed below:

1. **Principle One: Use of Proceeds.** ADR plans to use the proceeds of the BOND to refinance projects and assets including:
 - Renewable Energy (Solar)
 - Green Buildings
 - Pollution Prevention and Control (Wastewater, Waste, Recycling)
 - Energy Efficiency (Lighting)
 - Clean Transportation and infrastructure for low carbon transport (Cycleways)

ADR has also aligned its green categories with the United Nations Sustainable Development Goals (UN SDGs), including relevant underlying targets, and where appropriate to the Technical Annex to the EU Taxonomy Final Report (March 2020)".
 2. **Principle Two: Process for Project Evaluation and Selection.** The BOND's proceeds will be allocated to finance and/or refinance the assets as defined in Schedule 1. DNV GL has reviewed evidence that demonstrates that ADR regularly assesses opportunities for improvement and devises action plans and initiatives to mitigate negative environmental and social impacts from its operations.
 3. **Principle Three: Management of Proceeds** DNV GL has reviewed evidence showing how ADR plans to trace the proceeds from the Bond, from the time of issuance to the time of disbursement and can confirm that the proceeds arising from the BOND will be adequately managed. The full amount of the proceeds will be managed within ADR general account, and thereafter disbursed in accordance with the investment commitments and any debt obligations. The details of the disbursement and the outstanding value will be tracked using ADR's internal financial reporting system. At the end of each financial period, ADR will review the outstanding balance of the BOND. ADR will use its best efforts to substitute any projects in the case of divestment or if no longer eligible, as soon as practical once an appropriate substitution option has been identified. As stated above, DNV GL provides no assurance regarding the financial performance of the Bond, the value of any investments in the Bond, or the effects of the transaction.
- Principle Four: Reporting.** ADR has confirmed that it will provide an annual report on its website. This will include description of the green bond proceeds allocation, overview of the projects financed or refinanced and the environmental impact, until the full allocation of proceeds.

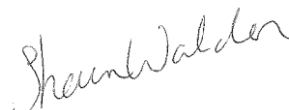
On the basis of the information provided by ADR and the work undertaken, it is DNV GL's opinion that the BOND meets the criteria established in the Protocol and that it is aligned with the stated definition of "Green Bonds" within the GBP. DNV GL has also concluded that ADR have appropriately mapped the Eligible Green Project Categories against the environmental objectives of the EU Taxonomy

for DNV GL Business Assurance Italia Srl

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About DNV GL

Driven by our purpose of safeguarding life, property and the environment, DNV GL enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk

methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

SCHEDULE 1: DESCRIPTION OF NOMINATED ASSETS TO BE FINANCED AND REFINANCED THROUGH ADR GREEN BOND

Project and asset data provided by ADR as at 11 November 2020.

Eligible Project Category	Project	ADR Net Exposure (mEuro)
Renewable Energy	Solar PV Projects	431.5
Green Buildings	Energy efficient buildings, terminals and building upgrades	
Pollution Prevention and Control	Wastewater management, solid waste reduction, recycling and compost projects, boiler efficiency	
Clean Transportation and infrastructure for low carbon transport	Cycleways	
Total		431.5

SCHEDULE 2: GREEN BOND ELIGIBILITY ASSESSMENT PROTOCOL

1. Use of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
1a	Type of bond	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitized Bond 	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - ADR Green Financing Framework <p>Discussions with ADR management</p>	<p>The reviewed evidence confirms that the BOND falls in the category: Green Use of Proceeds Bond.</p>
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilization of the proceeds of the bond which should be appropriately described in the legal documentation for the security.</p>	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - ADR Green Financing Framework - Sub Project Performance and Financial Documentation <p>Discussions with ADR management</p>	<p>As identified by the issuer disclosures the purpose of the BOND is to use the proceeds to finance and refinance projects and acquisitions for projects falling under the following categories:</p> <ul style="list-style-type: none"> • Green Buildings (Green Buildings, Efficiency Upgrades) • Renewable Energy (Solar) • Pollution Prevention and Control (Wastewater, Waste, Recycling) • Clean Transportation and infrastructure for low carbon transport (EVs and EV infrastructure, Cycleways) <p>DNV GL’s assessment concluded that these assets would present a low risk of GHG emissions relative to fossil fuels or baseline conditions and qualify for inclusion under the Green Bond Principles within all the categories above.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - ADR Green Financing Framework - ADR Asset Specifications <p>Discussions with ADR management</p>	<p>Renewable Energy (Solar)</p> <p>DNV GL reviewed the solar PV projects proposed to be included within the bond pool and confirmed their nature and type to reasonably include the generation of renewable energy, which is in line with the Use of Proceeds under the Green Bond Principles 2018.</p> <p>Green Buildings</p> <p>DNV GL reviewed the Green Building projects proposed to be included in the bond and confirmed the LEED Gold Certification of Aviazione Generale Ciampino, Molo A e corpo di collegamento, Avancorpo T1, Adeguamento T1, Piazzali 300, Business City Building, III° Torre uffici and Nuovo cerimoniale di Stato. In addition the aggregate of energy efficiency upgrades and low carbon buildings was confirmed to have resulted in energy efficiency gains of -40% energy usage and -29% drinking water usage relative to a 2012 baseline. The eligibility of projects as defined in the ADR framework benchmarks against minimum performance including defined energy efficiency performance upgrades or at least one of the following criteria: the LEED Gold, BREEAM Very Good, EPBD A. DNV GL Considers the performance benchmark to be sufficient for the categorisation of Green under the Green Bond Principles.</p> <p>The high efficiency LED lighting used in existing outdoor applications was reviewed by DNV GL and confirmed to present a demonstrable environmental benefit through energy efficiency gains.</p> <p>Pollution Prevention and Control</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
				<p>DNV GL reviewed the wastewater, waste and recycling projects nominated for inclusion in the green bond and confirmed these investments to effectively minimise wastes to landfill, increase resource recovery and reduce potable water wasted. The effectiveness of the Pollution Prevention and Control program was reviewed and confirmed to have resulted in an increase in recycled waste materials of +263% relative to a 2012 baseline.</p> <p>Clean Transportation and infrastructure for low carbon transport</p> <p>DNV GL reviewed the cycleways investment proposed for inclusion in the green bond and confirmed the eligibility of cycleways as a Low Carbon Transport investment.</p> <p>DNV GL also notes and confirms that the ADR Green Financing Framework has been aligned on a best effort basis with the current information available for the proposed EU Green Bond Standard at the time of our review.</p>
1d	Refinancing share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - Bond disclosure documentation - BOND Proceeds and reporting framework <p>Discussions with ADR management</p>	The proceeds of the BOND, as below, will be used for ~26% new finance and ~74% refinancing of existing assets.

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
2a	Investment-decision process	<p>The issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> • A process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles; • The criteria making the projects eligible for using the Green Bond proceeds; and • The environmental sustainability objectives 	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - ADR Green Financing Framework - Appendix 2 of the Green Financing Framework 	<p>As per the ADR Green Financing Framework, the issuer has set out the following criteria for project selection:</p> <p>Process for Project Evaluation and Selection</p> <p>A Green Finance Committee will review, evaluate and select the eligible projects to be financed/refinanced with the proceeds from Green Debt Issues. The Committee will be formed by representatives from Treasury, Finance, Sustainability, Operations and experts on the matter to ensure all relevant ADR stakeholders are represented.</p> <p>The Committee will be in charge of the following tasks:</p> <ul style="list-style-type: none"> i) To review and validate the pool of Green Eligible Projects, with reference to the criteria as set out in Section 3 of the ADR Green Financing Framework (Use of Proceeds) as well as ADR’s own internal Environmental Management System and other applicable environmental criteria for new projects; ii) To validate the annual report to investors; iii) To review the appropriate post-issuance report and address any issues arising; and iv) To review the content of ADR Green Financing Framework and update it to reflect changes in corporate strategy, technology, market developments <p>The committee will meet at least on an annual basis.</p> <p>DNV GL confirmed this process to define a clear and repeatable system by which projects maybe identified and included or excluded from the Green Bond project pool. The Criteria making the projects eligible for inclusion contained within the Green Financing Framework were in line with the Green Bond Principles eligible categories and can be expected to result in quantifiable environmental benefits.</p>
2b	Issuer’s	In addition to information disclosed	Review of:	DNV GL reviewed the ADR Governance Framework Documents

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
	environmental and social and governance framework	by an issuer on its Green Bond process, criteria and assurances, Green Bond investors may also take into consideration the quality of the issuer's overall framework and performance regarding environmental sustainability.	<ul style="list-style-type: none"> - ADR Sustainability and ADR Governance Framework - ADR Green Financing Framework <p>Discussions with ADR management</p>	<p>in addition to the Corporate Reporting and Budget Documentation.</p> <p>ADR Governance frameworks form the basis for clear stakeholder reporting of relevant metrics such a GHG emissions, Energy generation, waste management, technological rollouts and other social and environmental metrics. The proposed reporting associated with the ADR Green Bond is in line with their existing Governance Commitments and metrics to stakeholders and investors.</p> <p>DNV GL notes that the performance of the nominated assets within the Bond pool is to be reported as a part of ADR's periodic reporting as per the ADR Green Financing Framework. This is noted to include previous performance and upcoming performance targets, consistent with the principle of continuous improvement</p> <p>The selected reporting performance metrics for the nominated projects and assets as stated within the Green Financing Framework, are in line with the ADR Governance Framework demonstrated by ADR within the information provided on their website.</p> <p>We have also carried out a high-level media review of ADR. We have found no evidence to suggest that ADR or any of the assets are or have been operating in breach of national or local environmental regulations.</p> <p>Based on the evidence reviewed and the discussion we had with senior managers, we found nothing to suggest that ADR Governance Framework is not in line with good practice of the industry in which it operates.</p>

3. Management of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
3a	Tracking procedure	The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Green Projects.	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - Green Financing Framework <p>Discussions with ADR management</p>	<p>The evidence reviewed shows how ADR plans to trace the BOND's proceeds, from the time of issuance to the time of disbursement.</p> <p>The full amount of the proceeds will be managed within treasury or equivalent, and thereafter disbursed in accordance with the investment schedules and debt obligations.</p> <p>The details of the disbursement and the outstanding value will be tracked in ADR's internal financial system. At the end of each financial period, the outstanding balance of the BOND will be reviewed.</p> <p>We conclude that ADR tracks the use of proceeds in an appropriate manner and attested to by a formal internal process.</p>
3b	Tracking procedure	So long as the Green Bonds are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Issuance information - ADR Green Financing Framework <p>Discussions with ADR management</p>	<p>The evidence reviewed shows that ADR plans to trace the proceeds from the BOND, from the time of issuance to the time of disbursement, and reduce the net balance of proceeds by amounts in line with the assets investment and debt repayment schedules. At the end of each financial period, the outstanding balance of the Bond will be reviewed.</p> <p>We conclude that there is a clear process in place for the tracking of the balance taking into account disbursement.</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<p>Review of:</p> <ul style="list-style-type: none"> - ADR Green Financing Framework <p>Discussions with ADR management</p>	<p>The net proceeds of the Bond will be managed within ADR general account, tracked and will be fully and immediately disbursed where possible or held in equivalent green investments or cash equivalent until disbursement to the nominated assets as per the ADR Green Financing Framework.</p> <p>We conclude that ADR has appropriately disclosed how it will manage any unallocated proceeds within its liquidity portfolio.</p>

4. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV GL Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	Discussions with ADR management	ADR will provide dedicated annual Green Bond Reporting. This will include description of the project and value of the proceeds invested, as well as the associated qualitative and quantitative environmental impacts.