



Green bond

Allocation and Impact report

30.06.2023. – 30.06.2024.





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Management statement

In capitalism and a market economy, conviction alone is not enough; we must forge business advantage and virtue from environmentally and socially conscious operations, making our everyday decisions accordingly as inhabitants of this planet, as human beings.

We are proud that AutoWallis Nyrt., as the first from the Premium category of the Budapest Stock Exchange, successfully issued green bonds worth a total of HUF 6.6 billion at the end of July 2021. Since then, AutoWallis has contributed nearly HUF 3.3 billion to eligible green projects and towards achieving its own sustainability goals.

Since 2021, the AutoWallis Green Finance Committee has approved a total of four green projects where green fund transactions were realized. These included the construction of a partition glass wall at the Wallis Motor Pest showroom to help reduce electricity consumption, the construction of the most modern BB-rated EPC Jaguar Land Rover dealership in the Central and Eastern European region, and the inauguration of the Sixt Car Rental technical base in Vecsés. The fourth project, AW Property, involves the construction of a multi-brand car dealership and service center in compliance with BREEAM certification rules. The total green fund value of these projects was HUF 3.3 billion.

Between June 30, 2023, and June 30, 2024, the AutoWallis Green Finance Committee approved the preparation of several green projects, including the greening of the fleet with EV and hybrid powertrain vehicles up to a total limit of HUF 1.5 billion within the Green Fleet Financing project; energy efficiency investments at the sites in Trzin and Nova Gorica, Slovenia, through lighting modernization; the replacement of doors and windows at the Ljubljana site to improve energy efficiency; and the expansion of the solar panel system and installation of a solar collector system at the Hungária Krt. 95 (H95) site.

*For these projects, no actual green fund disbursement had occurred as of June 30, 2024.



Gábor Székely
Director of Investor Relations and ESG



Sustainability at AutoWallis

AutoWallis demonstrates continuous progress in the areas of E, S, and G

Green Finance

- In July 2021, AutoWallis Nyrt. issued green bonds worth HUF 6.6 billion to finance green and sustainable projects.
- AutoWallis has contributed nearly HUF 3.3 billion to eligible green projects and towards achieving its own sustainability goals.
- AutoWallis has initiated the preparation of several new green projects for the Green Finance Committee, which are expected to be implemented during the next review cycle (June 30, 2024, to June 30, 2025).
- Among the existing projects, a significant change and advancement for AW Property is that the real estate development can achieve full EU Taxonomy compliance.

ESG

- AutoWallis has now published its sustainability report for the third consecutive year, which is available [here](#).
- According to the latest report, AutoWallis has set a goal to measure CO2 emissions across the entire value chain for the vehicles sold, starting from the base year of 2024.
- In some cases, the previous 2022 emission values have also changed, thanks to improving data collection and measurement.
- There has also been progress in the social domain, as new departments have been established to unify corporate culture, standardize HR processes, and develop internal regulations.



Green bond in a nutshell






Main features of the issued green bonds

First listed company in Budapest Stock Exchange Premium Category to issue a green bond	Volume of issued capital HUF 6.6 billion	ISIN: HU0000360664
Scheduled maturity at 2031	Coupon rate fixed 3% , payment dues annually	100% of green proceeds for finance projects in part or full



Green Finance Framework

Use of Proceeds

Eligible category	Eligible projects	Contribution to the SDGs	Eligibility Project Portfolio	Further commitments*
Clean transportation	Development of e-mobility and mobility-as-a-service		<ul style="list-style-type: none"> Increasing the number of EV charging stations at dealerships Increasing the ratio of zero emissions vehicles in the total fleet 	<ul style="list-style-type: none"> Number of EV charging stations +50% Installation of Mode 4 charging stations +10 Ratio of zero-emission and/or hybrid vehicles +20%
Energy efficiency	Projects related to green investments	 	<ul style="list-style-type: none"> Real-estate retrofitting New commercial buildings. Investments in manufacturing and mobility services 	<ul style="list-style-type: none"> Energy savings min. 20% Rainwater reuse 20% Annual water saving 10%
Renewable energy	Installation of renewable energy solutions for commercial building		<ul style="list-style-type: none"> Installation of photovoltaic systems for power generation 	<ul style="list-style-type: none"> Increase the ratio of energy provided by renewable energy solutions by 30%
Energy efficiency	Improvement of auxiliary infrastructure and energy usage		<ul style="list-style-type: none"> Renewal of lighting in commercial buildings Renewal of cooling-heating systems Centralizing energy purchase 	<ul style="list-style-type: none"> LED ratio will be min. 50% and energy savings 30% <ul style="list-style-type: none"> Annual energy savings 10% Ratio of renewable energy 30%

* Commitments will be monitored via annual energy audit

AutoWallis is on its way to reach long-term targets

Eligible projects	Impact indicators	Targets for 2031
Development of e-mobility and mobility-as-a-service	<ul style="list-style-type: none"> • Installation of new EV charging stations • Increasing the number of EVs in the fleet 	<ul style="list-style-type: none"> • 100 Charging Stations • 250 Electric Vehicles
Projects related to green investments	<ul style="list-style-type: none"> • Reducing the consumption of natural gas for new commercial sites via usage of heat exchanger heating-cooling solutions. 	<ul style="list-style-type: none"> • ZERO natural gas consumption
Installation of renewable energy solutions for commercial building	<ul style="list-style-type: none"> • Installation of a 49-kWp solar power station for each new commercial sites. 	<ul style="list-style-type: none"> • 1 solar power station for every new commercial site
Improvement of auxiliary infrastructure and energy usage	<ul style="list-style-type: none"> • Installation of LED lighting fixtures for new commercial sites. • CO2 emission reduction via centralized energy management and renewable energy purchase. 	<ul style="list-style-type: none"> • 10.000 LEDs • 1000t of CO2

Briefing on all ongoing eligible green projects

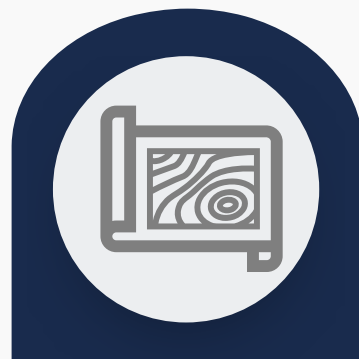
Based on the decisions made during the Green Finance Committee's 2024 meetings, an additional loan framework has been opened for new green projects that fit within the established Green Finance Framework.

Additionally, the financing of existing projects has also been modified. Among the eligible green projects approved by the Green Committee, only one new item was accounted for during the review period. Based on this, the company's allocation of funds for green projects is as follows:



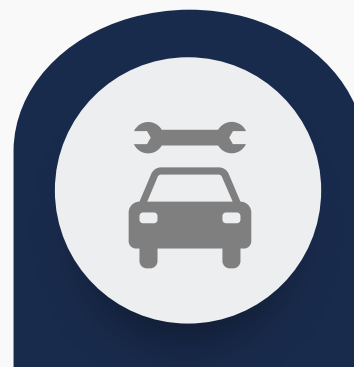
VCT78
Jaguar Land Rover
dealership
construction

HUF 1.35 billion



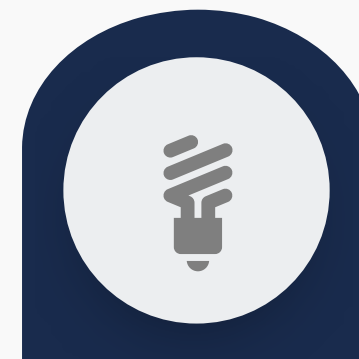
AW Property
Építész str. – land
purchase and
groundwork

HUF 1.2 billion



Vecsés, Sixt car
rental company –
construction of a
new technical base

HUF 355 million



H95 Energy Efficiency
Investments

HUF 9 million



Overview of eligible green projects

Overview of ongoing eligible green projects



VCT78 - Overview

The Region's Newest Jaguar and Land Rover Dealership

- The total project cost for the property development was HUF 2.8 billion, part of which was covered by AutoWallis's green bonds. As of June 30, 2024, AutoWallis allocated HUF 1.35 billion in green funding to the project.

Sustainability-focused Investment:

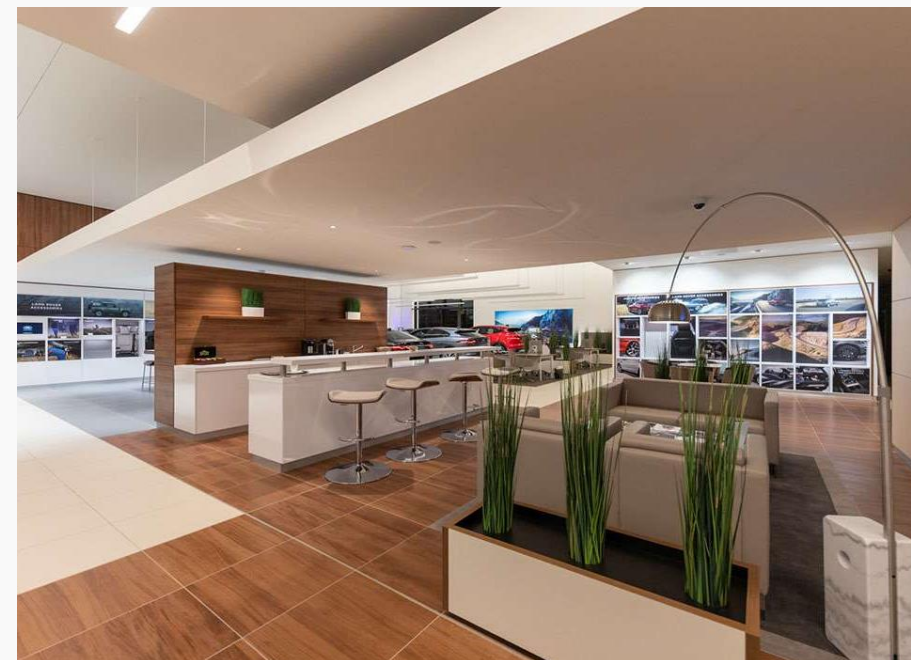
- Installation of a heat exchange system for heating and cooling
- Solar panel installation on the green roof
- The building achieved an A++ energy rating following the completion of the second phase of the project
- The facility provides 7 charging stations for electric vehicles

Green Achievements:

- Complete elimination of natural gas use
- Installation of a total of 7 EV charging stations
- Modernized lighting system with 100% LED fixtures
- Installation of a 49 kWp photovoltaic system, resulting in nearly 18 tons of CO₂eq savings from the generated solar energy in 2023

Upcoming Expected Developments:

- Rainwater harvesting system



■ **Project Name: VCT78**

■ **UN SDG Goals – 7, 11, 12**

■ **Current Status – Final Stage**

Sixt Vecsés - Overview

- Sixt Car Rental Opens New Technical Base in Vecsés, Near Budapest Liszt Ferenc International Airport – BB-rated EPC compared to pre-investment period HH
- The total budget for the investment project was HUF 705 million, part of which was funded by AutoWallis's green bonds. As of June 30, 2023, AutoWallis allocated HUF 355 million in green funding to the project.
- Based on the Green Committee's decision, the company provided an additional HUF 395 million in green funding by June 30, 2024, for financing electric and hybrid powertrain vehicles, as well as for replacing vehicles covered by previous financing.

Green Achievements:

- Installation of 11 Mode 3 EV chargers and 1 dual-head Mode 4 EV charger
- Modernized lighting system with 100% LED fixtures
- Installation of a 49 kWp photovoltaic system, resulting in nearly 19 tons of CO₂eq savings from the generated solar energy in 2023

Upcoming Expected Developments:

- Rainwater harvesting system
- Upgrading of the boiler system to reduce natural gas use



- **Project Name: Sixt Vecsés**
- **UN SDG Goals – 7, 11, 12**
- **Current Status – Final Stage**

AW Property - Overview

- On August 23, 2021, AW Property Kft., a 100% subsidiary of AutoWallis Nyrt., entered into a purchase agreement with First-Immo Hungary Kft., a member of the STRABAG Group.
- The company's plan is to develop a multi-brand car dealership and service center on the property. The concept has been officially approved, and preliminary environmental and archaeological assessments have been completed. The foundation and demolition work has been finished and was carried out according to LEED Gold standards.
- However, AutoWallis has decided that the further development will follow the BREEAM certification standards instead of LEED.
- Additionally, the property development is being carried out in full compliance with the EU Taxonomy.
- AutoWallis allocated HUF 1.19 billion in green funding for the project, covering the land purchase, demolition, and expert assessment phases.



- **Project Name: AW Property**
- **UN SDG Goals – 7, 12**
- **Current Status – Concept approved, further developments initiated**

H95 - Overview

- At the Wallis Motor Pest Showroom on Hungária körút (H95), several green investments have been approved to improve energy efficiency.
- By June 30, 2024, a partition glass wall has been erected, separating the motor display area. The investment amounted to HUF 9 million, fully funded by green sources.
- According to the expert assessment related to the investment, the space partition is expected to result in a reduction of at least 5,000 kWh of electricity and the same amount of heating energy annually. Additionally, based on the assessment, AutoWallis can anticipate a decrease of nearly 3 tons in carbon dioxide emissions.
- Further green developments are expected at the site. According to the proposal approved by the Green Finance Committee, green funding equivalent to HUF 40 million may be used for the expansion of the solar panel system and the installation of a solar collector system.



- **Project Name: H95**
- **UN SDG Goal – 7**
- **Current Status – Glass wall investment completed**



Allocation report

Allocation of green proceeds

Key information	Amount in HUF
Green bond proceeds – August 2021	6 655 543 800
- Interest paid <i>in-house</i> for the period ended in March 2023	1 222 480 756 (273 796 915 + 948 683 841)
- Interest gain from investments for the period ended in June 2023	7 878 024 556
Net balance of interest income of AW Asset Management	3 301 414 604
Net balance of green proceeds	4
AW Property – Energy Efficiency and Green Investments	1 190 000 000
VCT78 – Energy Efficiency, Green Investments, Renewable Energy, and Clean Transportation	1 351 990 454
Sixt – Energy Efficiency, Clean Transportation, and Renewable Energy	750 424 150
H95 – Energy Efficiency and Renewable Energy	9 000 000
Balance of Remaining Green Funds	4 576 609 952

A close-up photograph of a small brown and white bird perched on the edge of a water fountain. The bird is leaning forward, drinking water that is being poured from the fountain. The background is a soft, out-of-focus green. A dark blue, semi-transparent rectangular overlay covers the middle portion of the image, and the text 'Impact report' is centered within this overlay in white. The text is in a bold, sans-serif font.

Impact report

Green investment impacts

Eligible category	KPIs	August 2021 - June 2024	Targets for 2031	Status
Clean transportation	<ul style="list-style-type: none"> Number of EV chargers Ratio of zero emissions vehicles in the total fleet 	<ul style="list-style-type: none"> 17 new EV chargers No investment in fleet development 	<ul style="list-style-type: none"> 100 Charging Stations 250 EVs 	<ul style="list-style-type: none"> 55 EV chargers in total N/A
Energy efficiency	<ul style="list-style-type: none"> NZEB new buildings Min. 20% energy efficiency improvement Decreasing natural gas consumption Water savings by min. 20% 	<ul style="list-style-type: none"> The EPC rating for Sixt is A++, and for VCT78, it is A. Sixt achieved a 227% improvement. VCT78 reached a ZERO value. No investment is required for the water system. 	<ul style="list-style-type: none"> ZERO 	<ul style="list-style-type: none"> VCT78 achieved
Renewable energy	<ul style="list-style-type: none"> Min. 49 KWp PV system for each new site 	<ul style="list-style-type: none"> Sixt achieved VCT78 achieved 	<ul style="list-style-type: none"> 1 solar power station for every new commercial site 	<ul style="list-style-type: none"> Sixt achieved VCT78 achieved
Energy efficiency	<ul style="list-style-type: none"> Min. 50% LED ratio of total lightning fixtures Min. 30% energy savings with LED Annual energy savings 10% Centralizing energy purchase 	<ul style="list-style-type: none"> 100% for Sixt and VCT78 Energy savings has not been measured directly for LED No investment in centralizing energy purchase 	<ul style="list-style-type: none"> 10.000 LEDs 1000t of CO2 saving 	<ul style="list-style-type: none"> For VCT78 and Sixt, the LED ratio is 100%.



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