



ALD

POSITIVE IMPACT BOND

INITIAL USE OF PROCEEDS REPORTING AS OF 30 JUNE 2018

SEPTEMBER 2018

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The financial information presented for the quarter and half year ending 30th June 2018 was reviewed by the Company's Board of Directors on 1st August 2018 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date. The limited review procedures on the condensed interim financial statements at 30th June 2018 carried out by the Statutory Auditors have been completed and the Statutory Auditors' Review Report on the half-yearly financial information for 2018 has been delivered on 1st August 2018.

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Portfolio Overview

- Number of Selected Eligible Vehicles: 14,348
- The fleet of Selected Eligible Vehicles spans 13 countries
- 24% of Electric vehicles (EV) and 76% of hybrid electric vehicle (HEV) and plug-in hybrids vehicles (PHEV) with tailpipe CO2 emissions at or below 85 grams of CO2 per kilometer

Impact Reporting

Clear positive impact in terms of Climate Change (life cycle approach):

- GHG emissions reduction for one year, at fleet level: 17,000 tons of CO2 equivalent
- Impact: -22% (comparison between Selected Eligible Fleet and Baseline GHG emissions for one year)

Robust & Transparent Impact Measurement

This reporting has been prepared with the life-cycle-assessment tool developed by Quantis



1 PORTFOLIO

PORTFOLIO SNAPSHOT



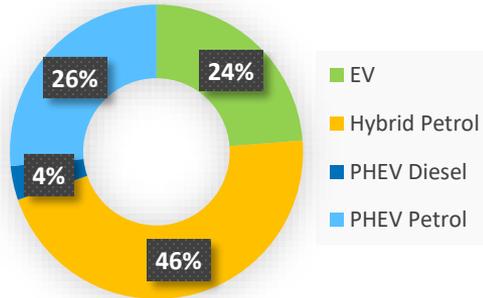
Use of Proceeds

Portfolio of Selected Eligible Vehicles

Reporting date	30 June 2018
Total Net investment amount	EUR 500,612,961
Number of Vehicles	14,348

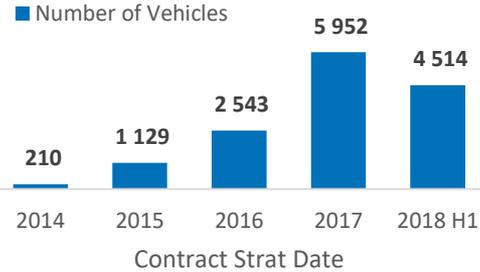
100% allocation at issue date

Vehicles Motorisation (# cars)

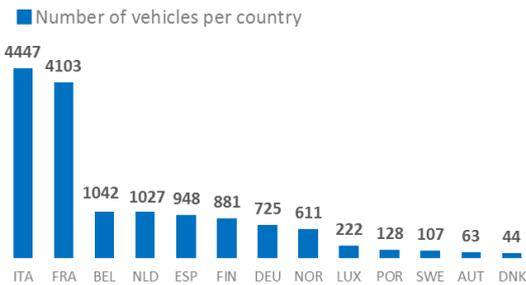


4 different engine technologies

Seasoning of Vehicles



91% are new vehicles (>2016)



60% of the vehicles in Italy & France

Geographical distribution



13 European Countries



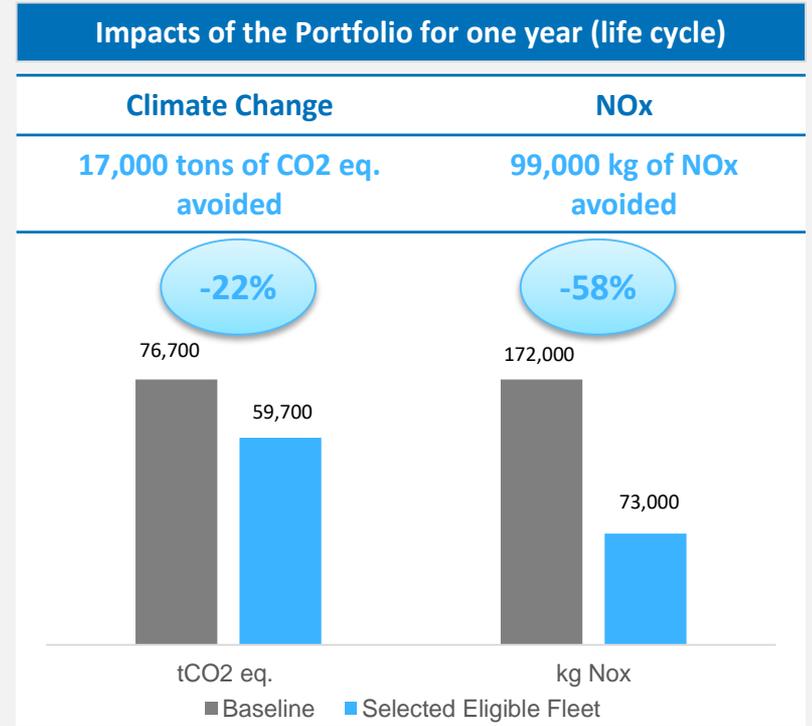
2 IMPACT REPORTING

PORTFOLIO IMPACT ASSESSMENT



AVOIDED IMPACTS FOR ONE YEAR: CLIMATE CHANGE AND NOx EMISSIONS

- The comparison between Selected Eligible Fleet and Baseline for one year, demonstrates a **clear positive impact in terms of Climate Change and NOx emissions**
- **Results vary** greatly according to engine technology and country electricity mix, but all vehicles selected show positive impacts on both indicators
- **Battery Electric Vehicles** show the greatest overall positive impact on climate change with -47% CO2 eq. emissions vs baseline-
- For the selected portfolio, vehicle and electricity production are the main sources of emissions (both for GHG and NOx)
- For baseline petrol or diesel engines, **tailpipe emissions** represent the majority of CO2 and NOx emissions
- Even greater positive impact in terms of climate change and NOx emissions when focusing on usage phase only (-33% and -76% for CO2 and NOx emissions respectively)



- Selected Eligible Fleet Tailpipe emissions only (scope 1): 15,852 tons CO2 eq. per year

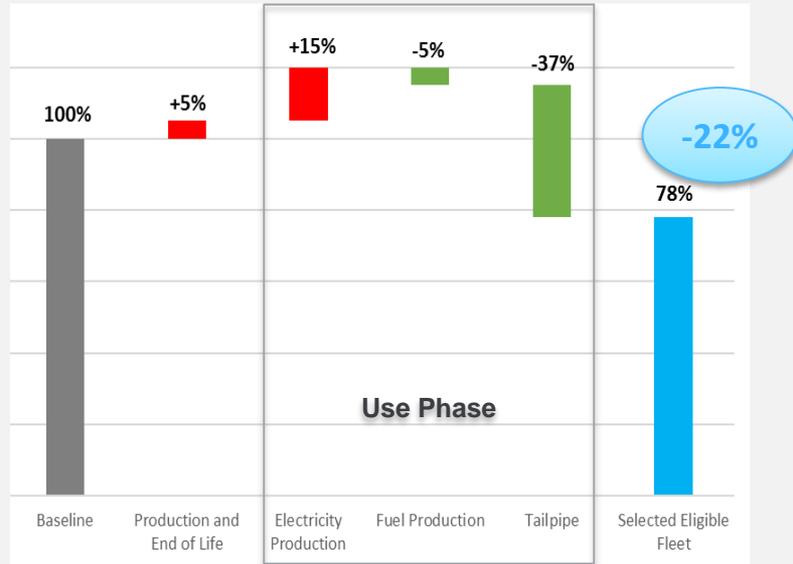
Source: ALD, Quantis

PORTFOLIO IMPACT ASSESSMENT

LIFE CYCLE ANALYSIS

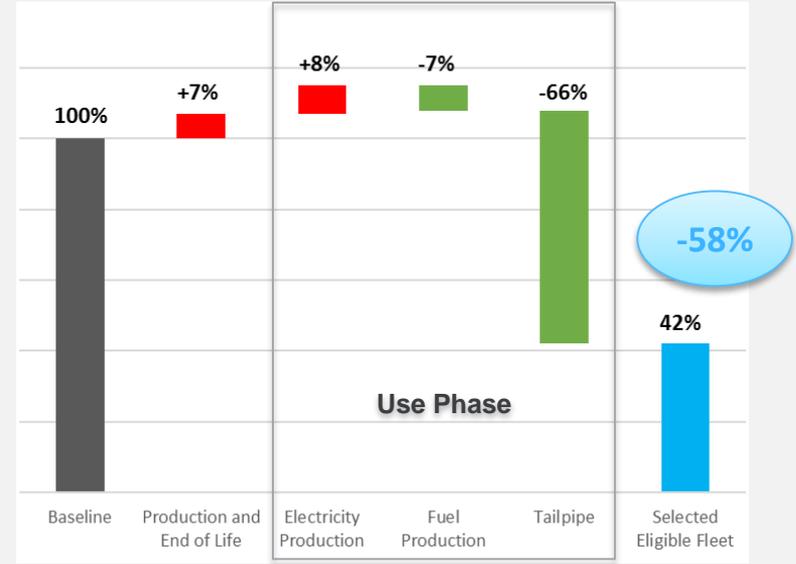


Climate Impact - CO2 eq emissions



Reduction of CO2 emissions during the Use Phase

NOx emissions



Massive reduction of NOx emissions during the Use Phase

Source: ALD, Quantis

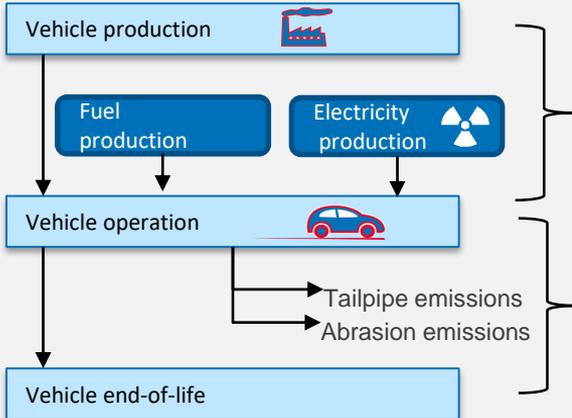
Comparison between Selected Eligible Fleet and Baseline for one year

PORTFOLIO IMPACT ASSESSMENT

IMPACTS FOR ONE YEAR: PARTICULATE MATTERS (PM)



- Aware of the importance to consider not only climate change but also environmental impacts at large, **ALD has extended the scope of the impact assessment methodology beyond GHG emissions** to NOx and PM emissions.
- However, the **PM impact raises methodological concerns, particularly:** lack of accurate PM tailpipe emissions theoretical data at the required granular level, lack of robust measurement of real life PM tailpipe emissions on baseline fleet. PM emissions are therefore excluded from the portfolio fine-tuning
- For the sake of transparency, here are the key findings that have emerged from the portfolio's assessment:



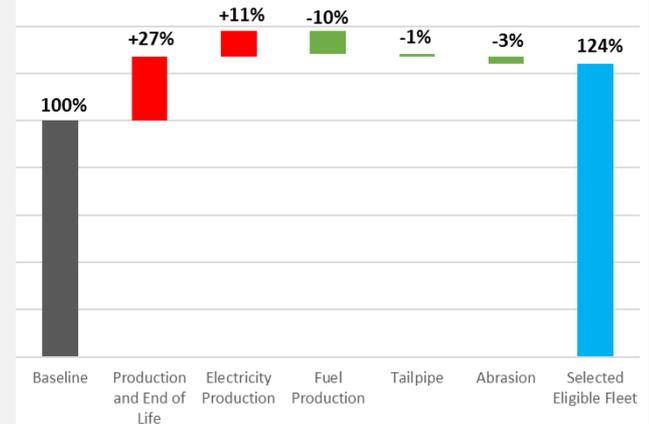
Majority of PM emissions – both for eligible and ICE vehicles – derive from production of vehicles and fuel/energy (i.e. mainly emissions in non-urban areas)

When considering the use phase (excluding fuel/electricity production), PM emissions are mostly generated by tires and brake abrasion.

Impacts of the Portfolio for one year

PM
(in Kg PM)

Additional 5,450kg



Comparison between Selected Eligible Fleet and Baseline for one year

Source: ALD, Quantis