

Second-Party Opinion

MAIRE Group Sustainability-Linked Financing Framework



Evaluation Summary

Sustainalytics is of the opinion that the MAIRE Group Sustainability-Linked Financing Framework aligns with the Sustainability-Linked Bond Principles 2023 and the Sustainability-Linked Loan Principles 2023. This assessment is based on the following:

- Selection of Key Performance Indicators** The MAIRE Group Sustainability-Linked Financing Framework defined two KPIs: i) Absolute scope 1 and 2 GHG emissions; and ii) Category 1 – purchased goods and services scope 3 GHG emissions intensity (see Table 1). Sustainalytics considers KPI 1 and KPI 2 to be adequate based on materiality, relevance, scope of applicability and comparability to external benchmarks.
- Calibration of Sustainability Performance Targets** Sustainalytics further considers SPT 1 as highly ambitious and SPT 2 as moderately ambitious based on based on past performance, peer performance and alignment with science-based trajectories.
- Instrument Characteristics** MAIRE Group has linked the instruments' financial characteristics to its performance on the SPTs. Failure to achieve an SPT will trigger a step up in the margin of the relevant instrument. This is aligned with the Sustainability-Linked Bond Principles 2023 and the Sustainability-Linked Loan Principles 2023.
- Reporting** MAIRE Group commits to report on an annual basis on its progress on the KPIs in its sustainability report published on its website. The reporting commitments are aligned with the Sustainability-Linked Bond Principles 2023 and the Sustainability-Linked Loan Principles 2023.
- Verification** MAIRE Group commits to have external limited assurance conducted against each SPT for each KPI at least once a year, which is aligned with the Sustainability-Linked Bond Principles 2023 and the Sustainability-Linked Loan Principles 2023.

Evaluation Date	September 8, 2023
Issuer Location	Rome, Italy

The SPTs contribute to the following SDGs:



Overview of KPIs and SPTs

KPI	Baseline	Strength of KPI	SPT	Ambitiousness of SPT
Absolute scope 1 and 2 GHG emissions	2018	Adequate	Reduce absolute scope 1 and 2 GHG emissions by 35% by 2025	Highly Ambitious
Category 1 - purchased goods and services scope 3 GHG emissions intensity	2022	Adequate	Reduce Category 1 – purchased goods and services scope 3 GHG emissions intensity by 9% by 2025	Moderately Ambitious

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Scope of Work and Limitations

MAIRE Group has engaged Sustainalytics to review the MAIRE Group Sustainability-Linked Financing Framework dated September 2023 (the "Framework") and provide an opinion on its alignment with the Sustainability-Linked Bond Principles 2023 (SLBP)¹ and Sustainability-Linked Loan Principles 2023 (SLLP).²

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent³ opinion on the alignment of the Framework with the SLBP, as administered by ICMA.

As part of this engagement, Sustainalytics exchanged information with various members of MAIRE Group's management team to understand the sustainability impact of their business processes and SPTs, as well as the reporting and verification processes of aspects of the Framework. MAIRE Group's representatives have confirmed that:

- (1) They understand it is the sole responsibility of issuer to ensure that the information provided is complete, accurate and up to date;
- (2) They have provided Sustainalytics with all relevant information; and
- (3) Any provided material information has been duly disclosed in a timely manner.

Sustainalytics also reviewed relevant public documents and non-public information. This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with the Framework. Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and MAIRE Group. Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated SPTs of KPIs but does not measure KPI performance.⁴ The measurement and reporting of the KPIs is the responsibility of the issuer. No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that MAIRE Group has made available to Sustainalytics for the purpose of this Second-Party Opinion.

The Second-Party Opinion is valid for issuances aligned with the respective Framework for which the Second-Party Opinion was written and aligned with the methodology to calculate the KPI performance outlined in the Second-Party Opinion up to 24 months or until one of the following occurs:

- (1) A material change to the external benchmarks⁵ against which targets were set;
- (2) A material corporate action (such as a material M&A or change in business activity) which has a bearing on the achievement of the SPTs or the materiality of the KPIs.

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¹ The Sustainability-Linked Bond Principles are administered by the International Capital Market Association and are available at: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

² The Sustainability-Linked Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association and are available at: <https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/>

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

⁴ Sustainalytics has provided an opinion based on the understanding that the financial characteristics of instruments issued under this Framework will be tied to the achievement of SPTs corresponding to each of the KPIs included in the Framework.

⁵ Benchmarks refers to science-based benchmarks.

Introduction

MAIRE Group S.p.A. (“MAIRE Group” or the “Company”) is a global engineering, procurement and construction (EPC) company that provides technology-driven solutions for the energy, infrastructure and natural resources industries. The Company’s EPC business spans across several sectors, including fertilizers, hydrogen and circular carbon, fuels and chemicals, and polymers. With headquarters in Rome, Italy, MAIRE Group has 6,500 employees as of 2022.

MAIRE Group has developed the Framework under which it intends to issue or obtain sustainability-linked bonds or loans. MAIRE Group engaged Sustainalytics to review the Framework, dated September 2023, and provide a Second-Party Opinion on the Framework’s alignment with the Sustainability-Linked Bond Principles 2023 and Sustainability-Linked Loan Principles 2023. The Framework will be published in a separate document.

MAIRE Group has defined the following KPIs and SPTs:

Table 1: KPI Definitions

KPI	Definition
Absolute scope 1 and 2 GHG emissions (tCO ₂ e)	<p>KPI 1 measures the absolute scope 1 and 2 GHG emissions of companies operated by MAIRE Group expressed in tonnes of carbon dioxide equivalent (tCO₂e).</p> <p>MAIRE Group follows the GHG Protocol standard in measuring and reporting its scope 1 and 2 GHG emissions.⁶ Scope 1 emissions represent GHG emissions from MAIRE Group’s operations in project sites and its offices including direct stationary combustion emissions (i.e. natural gas, diesel fuel) for power production and mobile combustion of the company fleet (i.e. LPG, petrol, diesel). Scope 2 GHG emissions include GHG emissions from consumption of purchased electricity and heat used in MAIRE Group’s operations.</p>
Category 1 - purchased goods and services scope 3 GHG emissions intensity (tCO ₂ e/value added)	<p>KPI 2 measures the intensity ratio of MAIRE Group’s Category 1 scope 3 GHG emissions from selected purchased goods and services clusters. The KPI is derived by dividing the total emissions from these product and services clusters by the value added attributable to these products and services.</p> <p>The KPI’s numerator, Category 1 scope 3 GHG emissions from selected clusters of purchased goods services, is calculated based on the GHG Protocol standard,⁷ expressed in tonnes of carbon dioxide equivalent (tCO₂e). MAIRE Group used both actual quantities purchased as well as spend data in calculating the emission factors associated with the selected clusters. The denominator, value added, is the sum of the operating profit and personnel costs attributable to the relevant product and services clusters.</p> <p>The product clusters included in the KPI are control systems, electrical components and systems, handling systems, packages, rotating equipment and static equipment.</p>

Table 2: SPTs and Past Performance

KPI	2020	2021	2022	SPT 2025
KPI 1: Absolute scope 1 and 2 GHG emissions	14,402	17,989	20,327	SPT 1: Reduce absolute scope 1 and 2 GHG emissions by 35% by 2025 from a 2018 baseline
KPI 2: Category 1 purchased goods and services scope 3 GHG emissions intensity	0.50	0.55	0.57	SPT 2: Reduce Category 1 – purchased goods and services scope 3 GHG emissions intensity by 9% by 2025 from a 2022 baseline

⁶ Greenhouse Gas Protocol, “Corporate Standard”, at: <https://ghgprotocol.org/corporate-standard>

⁷ Greenhouse Gas Protocol, “Corporate Value Chain (Scope 3) Standard”, at: https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Alignment of the MAIRE Group Sustainability-Linked Financing Framework with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles

Sustainalytics is of the opinion that the MAIRE Group Sustainability-Linked Financing Framework aligns with the five core components of the SLBP and SLLP.



Selection of Key Performance Indicators

Relevance and Materiality of KPIs

In its assessment of materiality and relevance, Sustainalytics considers: i) whether an indicator speaks to a material impact of the issuer's business on environmental or social issues; and ii) to what extent the KPI is applicable.

KPI 1: Absolute scope 1 and 2 GHG emissions

KPI 2: Category 1 - purchased goods and services scope 3 GHG emissions intensity

Sustainalytics notes that KPIs 1 and 2 collectively address the issue of MAIRE Group's GHG emissions related to its operations. Hence, Sustainalytics has taken a combined approach in assessing these KPIs' relevance and materiality. Sustainalytics considers the KPIs to be material and relevant, given that:

- Sustainalytics' Industry Report identifies Carbon – Own Operations as a Material ESG Issue for the Construction & Engineering industry, as energy consumption in this sector is high and mostly powered by fossil fuels.^{8,9} Further, MAIRE Group's internal ESG materiality assessment identifies climate change and GHG emissions as material issues for the Company in line with Global Reporting Initiative (GRI) guidelines.¹⁰
- The International Energy Association reports that building operations and construction emissions account for more than one-third of the global energy-related emissions, underscoring the need for the industry to enact mitigation and adaptation measures across the buildings value chain.¹¹ Regarding scope 3 emissions, CDP identifies emissions from Category 1 – purchased good and services as a relevant material issue for the engineering and construction industry. In 2021, category 1 represented the second largest category for contractors' scope 3 emissions, accounting for 32% of total scope 3 emissions, and 30% of total scope 1, 2 and 3 emissions of the sector.¹²
- The KPIs' applicability is assessed on a combined basis, as both KPIs are an integral part of the Company's decarbonization strategy, which addresses scope 1, 2 and 3 GHG emissions. In 2022, scope 1 and 2 accounted for approximately 1% of MAIRE Group's emissions, and scope 3 accounted for 98%. MAIRE Group's scope 3 target is limited to the purchased good and services category, more specifically to selected product and services clusters (control systems, electrical components and systems, handling systems, packages, rotating equipment, static equipment) responsible for 27% of the Company's GHG emissions. The Company selected these clusters on account of its high degree of control over the

⁸ Carbon – Own Operations refers to the company's management of risks related to its own operational energy use and GHG emissions (scope 1 and 2). It also includes parts of scope 3 GHG emissions.

⁹ Sustainalytics, "Industry Report – Construction & Engineering", (2022), at:

https://morningstaronline.sharepoint.com/sites/sa/Resources/sfs/Shared%20Documents/001SFS%20Projects/01%20Projects/SLB%20+%20SLL/MAIRE/Supporting%20Documents/Construction_&_Engineering_ESGRiskRating_IndustryReport.pdf

¹⁰ MAIRE, "Creating Value - 2022 Sustainability Report", (2022), at: https://www.MAIREtecnicmont.com/media/filer_public/b4/6f/b46f5247-4233-4f92-9104-66503ce43a50/MAIRE_-_2022_sustainability_report.pdf

¹¹ IEA: "Buildings", at: <https://www.iea.org/energy-system/buildings>

¹² CDP, "CDP Technical Note: Relevance of Scope 3 Categories by Sector", at: https://cdn.cdp.net/cdp-production/cms/guidance_docs/pdfs/000/003/504/original/CDP-technical-note-scope-3-relevance-by-sector.pdf

supplier and technical selection process for these products and services. In aggregate, the KPIs cover 28% of the Company’s total GHG emissions.

KPI Characteristics

In its assessment of the KPI’s characteristics, Sustainalytics considers: i) whether it uses a clear and consistent methodology; ii) whether it follows an externally recognized definition; iii) whether the KPI is a direct measure of the issuer’s performance on the material environmental or social issue; and iv) if applicable, whether the methodology can be benchmarked against an external contextual benchmark.¹³

KPI 1: Absolute scope 1 and 2 GHG emissions

Sustainalytics considers MAIRE Group’s definition and methodology for calculating KPI 1 to be clear and consistent with the Company’s historical disclosures on scope 1 and 2 GHG emissions. KPI 1 follows the GHG Protocol standard and supports benchmarking against external GHG emissions reduction trajectories such as SBTi’s absolute contraction approach.^{14,15} Sustainalytics considers KPI 1 to be directly linked to MAIRE Group’s performance on the material environmental issue of GHG emissions.

KPI 2: Category 1 – purchased goods and services scope 3 GHG emissions intensity

Sustainalytics considers MAIRE Group’s definition and methodology for calculating KPI 2 to be clear and consistent with the Company’s disclosures on scope 3 GHG emissions. KPI 2 follows the GHG Protocol standard and supports benchmarking against the SBTi’s economic intensity reduction approach.¹⁶ Sustainalytics considers KPI 2 to be an indirect measure of the Company’s performance on scope 3 emissions given that it is an intensity metric that weighs selected category 1 scope 3 GHG emissions against the Company’s financial output.

Overall Assessment

Sustainalytics considers KPI 1 to be Adequate given that it: i) represents a direct measure of MAIRE Group’s climate performance; ii) reflects a moderate scope of applicability in combination with KPI 2; iii) follows a clear and consistent methodology that is externally defined; and iv) supports benchmarking against external GHG emissions reduction trajectories.

Sustainalytics considers KPI 2 to be adequate given that it: i) represents an indirect measure of MAIRE Group’s climate performance; ii) reflects a moderate scope of applicability; iii) follows a clear and consistent methodology that is externally defined; and iv) supports benchmarking against external GHG emissions reduction trajectories.

KPI(s)	Strength of KPI(s)			
KPI 1: Absolute scope 1 and 2 GHG emissions	Not Aligned	Adequate	Strong	Very strong
KPI 2: Category 1 - purchased goods and services scope 3 GHG emissions intensity	Not Aligned	Adequate	Strong	Very strong



Calibration of Sustainability Performance Targets

Alignment with MAIRE Group’s Sustainability Strategy

MAIRE Group has set the following SPTs for its KPIs:

- SPT 1: Reduce absolute scope 1 and 2 GHG emissions by 35% by 2025 from a 2018 baseline.

¹³ External contextual benchmarks provide guidance on alignment with ecological system boundaries. This criterion is not applied to social KPIs or impact areas for which such contextual benchmarks are not available.

¹⁴ Greenhouse Gas Protocol, “A Corporate Accounting and Reporting Standard revised edition”, at: <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

¹⁵ Science Based Targets initiative, “Corporate Manual”, (2023), at: <https://sciencebasedtargets.org/resources/files/SBTi-Corporate-Manual.pdf>

¹⁶ Science Based Targets initiative, “Corporate Manual”, (2023), at: <https://sciencebasedtargets.org/resources/files/SBTi-Corporate-Manual.pdf>

- SPT 2: Reduce Category 1 – purchased goods and services scope 3 GHG emissions by 9% by 2025 from a 2022 baseline

In assessing the alignment of the SPTs with MAIRE Group's overall strategy, Sustainalytics reviewed MAIRE Group's sustainability strategy and notes that MAIRE Group has identified environmental sustainability as its first out of four strategic priorities.¹⁷ MAIRE Group has also identified climate change and GHG emissions and energy use and efficiency as material topics. The Company aims to reduce its GHG emissions through its climate commitments, including the development of its Net Zero Plan, which aims to achieve carbon neutrality for scope 1 and 2 by 2030 and for scope 3 by 2050.¹⁸ MAIRE Group has included the following targets in its overall sustainability targets: i) to reduce MAIRE Group's carbon footprint by committing to achieve carbon neutrality for scope 1 and 2; and ii) to become enablers of energy transition by implementing decarbonization and circular economy solutions to reduce its environmental impact.¹⁹

Please refer to Section 2 for an analysis of the credibility of MAIRE Group's sustainability strategy.

Strategy to Achieve the SPTs

MAIRE Group intends to achieve the SPT through the following strategy:

SPT 1 – Reduce absolute scope 1 and 2 GHG emissions by 35% by 2025 from 2018 baseline

MAIRE Group intends to:

- Increase the energy efficiency of MAIRE Group's offices and job sites through management and technological procedures. Regarding its management procedures, the Company intends to comply with its energy-saving policies. The policies are a result of an in-depth analysis of MAIRE Group's energy consumption and operations in which energy efficiency best practices were identified. In terms of technological solutions, MAIRE Group has in place an investment plan focused on collecting and monitoring information on the Company's energy consumption.
- Purchase energy from certified renewable sources in the EU through power purchase agreements.
- Undertake preliminary project studies to gauge the applicability of decarbonization measures in construction sites, starting with those in North and Central Africa and the Middle East. These measures include: solar power installations, replacement of car fleet with hybrids and electric vehicles, switching to green fuels (biodiesel), connection to the local power grid, support of a dedicated site energy manager, staff training, and periodic energy audits.

SPT 2 – Reduce Category 1 – purchased goods and services scope 3 GHG emissions by 9% by 2025 from a 2022 baseline

MAIRE Group intends to:

- Engage with relevant suppliers to jointly reduce emissions in the industry. Suppliers will be chosen based on sector leadership, sustainability credentials and presence in countries with climate targets and strong climate strategies.
- Implement an engagement process with its suppliers consisting of: i) identify relevant suppliers based on its leadership in the industry and sustainability aspects; ii) monitor identified suppliers' activity; iii) collaborate with suppliers to set carbon neutral goals and define tasks to achieve them. Monitoring will occur through procedures and the Carbon Tracker. The Carbon Tracker calculates suppliers carbon footprint from suppliers' preliminary data.

Ambitiousness, Baseline and Benchmarks

To determine the ambitiousness of the SPTs, Sustainalytics considers: i) whether the SPTs go beyond a business-as-usual trajectory; ii) how the SPTs compare to targets set by peers; and iii) how the SPTs compare with science-based trajectories.²⁰

MAIRE Group has set the baseline for SPT 1 at 2018 given that its climate mitigation actions were initiated in 2019. The baseline for SPT 2 was set at 2022 reflecting the most recent available data for MAIRE Group's SPT 2. Sustainalytics notes that annual targets have not been set for the SPTs, although the Company has indicated that

¹⁷ MAIRE, "Creating Value – 2022 Sustainability Report", (2022), at: [Sustainability strategy | MAIRE \(MAIREtecnicmont.com\)](https://www.maire.com/MAIREtecnicmont.com)

¹⁸ MAIRE, "Carbon Neutrality Plan within 2030", at: [3_carbon.jpg \(3488x2526\) \(MAIREtecnicmont.com\)](https://www.maire.com/3_carbon.jpg)

¹⁹ Ibid.

²⁰ We refer here to contextual benchmarks that indicate the alignment of targets with ecosystem boundaries.

it has an internal interim target of 20% reduction in scope 1 and 2 GHG emissions by 2023 compared with the 2018 baseline.

SPT 1: Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance, peer performance and science-based trajectories.

With regard to past performance, Sustainalytics notes that MAIRE Group’s scope 1 and scope 2 emissions decreased at an annual rate of 4.39% between 2018 and 2022. To achieve SPT 1, MAIRE must further reduce these emissions by an average annual rate of 7% between 2022 and 2025. Therefore, Sustainalytics notes that the targeted rate of reduction in absolute scope 1 and 2 GHG emissions is above MAIRE Group’s historical performance.

Analysing the performance of seven peers in the engineering and construction industry, Sustainalytics notes that the Company’s SPT 1 is generally above the targets set by these peers.

For comparison with science-based decarbonization trajectories, Sustainalytics notes that the SPT is aligned with a 1.5°C scenario under the SBTi’s absolute contraction approach.²¹

SPT 2: Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance, peer performance and science-based trajectories.

Regarding historical performance, Sustainalytics notes that MAIRE Group’s intensity ratio for category 1 scope 3 emissions declined by an annual rate of 6% between 2019 to 2022. To achieve SPT 2, the Company must further reduce this ratio by an average annual rate of 3% between 2022 and 2025. Therefore, Sustainalytics notes that MAIRE Group’s SPT 2 is below MAIRE Group’s historical performance.

Analysing the performance of seven peers in the engineering and construction industry, Sustainalytics notes that the Company’s SPT 2 is generally aligned with the targets set by these peers. MAIRE Group commits to reducing its intensity ratio for category 1 scope 3 emissions, while its peers either do not have clear scope 3 targets or have absolute emission reduction targets.

For comparison with science-based decarbonization trajectories, Sustainalytics notes that SPT 3 can be compared against the SBTi’s scope 3 GHG Emissions per Value Added (GEVA) economic intensity reduction approach. Targets set using the GEVA method require an annual reduction of at least 7% in tCO₂e per value added to be aligned with a decarbonization trajectory that is between the 2°C and the well-below 2°C scenarios.²² Given this threshold, Sustainalytics notes that MAIRE Group’s SPT 3 is not aligned with SBTi’s decarbonization pathway under the GEVA economic intensity reduction approach.

Overall Assessment

Sustainalytics considers the SPTs to align with MAIRE Group’s sustainability strategy and SPT 1 to be highly ambitious given that it: i) is above historical performance; ii) is generally above the targets set by MAIRE Group’s peers; and iii) is aligned with the SBTi’s 1.5°C scenario under the absolute contraction approach.

Sustainalytics considers MAIRE Group’s SPT 2 to be moderately ambitious given that: i) it is below historical performance but represents a continuous material improvement; ii) it is generally aligned with the targets of MAIRE Group’s peers; and iii) it is not aligned with the decarbonization pathway under the SBTi’s scope 3 GEVA intensity reduction approach.

SPT(s)	Ambitiousness of SPT(s)			
SPT 1: Reduce absolute scope 1 and 2 GHG emissions by 35% by 2025 from a 2018 baseline	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious
SPT 2: Reduce Category 1 – purchased goods and services scope 3 GHG emissions by 9% by 2025 from a 2022 baseline	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious

²¹ The absolute contraction approach is a method for companies to set emissions reduction targets that are aligned with the global annual emissions reduction rate that is required to meet the 1.5°C or well-below 2°C targets.

²² Science Based Targets, “SBTi Corporate Manual”, (2023), at: <https://sciencebasedtargets.org/resources/files/SBTi-Corporate-Manual.pdf>



Instrument Characteristics

MAIRE Group has disclosed that the financial characteristics of the instruments issued under the Framework will be tied to achievement of the SPTs. The financial characteristics will be adjusted if the Company has not achieved an SPT at the relevant observation date. Failure to achieve one of the SPTs will result in a step up in the applicable margin of the relevant instrument. Sustainalytics notes that the relevant characteristics of the sustainability-linked instruments are aligned with the SLBP and SLLP.

Sustainalytics recognizes that MAIRE Group can issue multiple sustainability-linked bonds and loans under the Framework. Sustainalytics encourages MAIRE Group to include both KPIs and their associated SPTs for each bond issuance or loan transaction under the Framework.



Reporting

MAIRE Group commits to report on an annual basis on its progress on the KPIs in its sustainability report to be published on its website. MAIRE Group further commits to disclose relevant information enabling investors to monitor the level of ambition of the SPTs, including updates to its sustainability strategy, recalculation of GHG emissions or changes to baselines, and other information relevant to the analysis of KPIs and SPTs. These commitments are aligned with the SLBP and SLLP.



Verification

MAIRE Group commits to have an external verifier provide limited assurance against each SPT for each KPI at least once a year, which is aligned with the SLBP and SLLP on verification.

Section 2: Assessment of MAIRE Group's Sustainability Strategy

Credibility of MAIRE Group's Sustainability Strategy

MAIRE Group has developed its sustainability strategy around five areas: environment, people, innovation, community and governance. In line with this, the Company set six priority targets based on its analysis of material ESG issues: i) improving the carbon footprint by committing to achieve carbon neutrality for scope 1 and 2 emissions by 2030 and scope 3 by 2050; ii) reducing environmental impact as an enabler of the energy transition; iii) enhancing innovation through technological development; iv) creating positive economic and social impact and shared value for communities; and v) improving health, safety and environment (HSE) impact.²³

For achieving carbon neutrality, the Company's MET ZERO Task Force was established in 2021, divided into three working groups to address CO₂ emission reduction from different sources (offices and mobility, construction sites, procurement of goods and services and logistics). To reduce its impact on the environment, the Company is developing an action plan focusing on waste, water as well as nature protection at project sites where biodiversity is threatened.²⁴ With regard to technological innovation, the Company has identified focus areas in four sectors where it has significant operations: i) fertilizers; ii) hydrogen and the circular economy; iii) fuels and chemicals; and iv) polymers, and is conducting a number of research projects focusing on low-carbon and circular technologies in collaboration with universities and research institutions.²⁵

For community relations, MAIRE Group has established a multi-year strategic In-Country Value (ICV) programme covering areas such as employment, stakeholder engagement and communication, procurement and local community benefits. Based on this,

²³ MAIRE Tecnimont, "Sustainability report 2022", p.22, at: https://www.MAIREtecnimont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

²⁴ MAIRE Tecnimont, "Sustainability report 2022", p.95, at: https://www.MAIREtecnimont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

²⁵ MAIRE Tecnimont, "Sustainability report 2022", p.130, at: https://www.MAIREtecnimont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

the Company is developing the programme to be tailored in each of the Company's regions.²⁶ With regard to the health and safety of its employees and contractors, the Company has set an annual target of Lost Time Incident Rate (LTIR) lower than 0.135 and Total Recordable Incident Rate (TRIR) below 0.549 per million hours worked as well as 3% of hours spent on OHS-related training for all employees. In 2022, MAIRE Group achieved LTIR 0.062 and TRIR 0.309 per million hours worked, well below the targets for 2022.

Decarbonization Strategy of MAIRE Group

- The Company's MET Zero Task Force developed the MET Zero Plan in 2022, a decarbonization plan to achieve carbon neutrality for scope 1 and 2 emissions by 2030 and for scope 3 emissions, by 2050. To achieve these, MAIRE Group set an intermediate target to achieve 20% reduction of CO₂ emission by 2023 compared to 2018 baseline. The Company's MET Zero Task Force developed the MET Zero Plan in 2022, a decarbonization plan to achieve carbon neutrality. The emission reduction measures include reducing energy consumption by installing solar PV on project sites, improving the electricity network, and introducing biofuels, while also incorporating a combination of solutions for the remaining part of 'hard to abate' emissions. The decarbonisation strategy is also integrated into the MAIRE Group Group's new 2023-2032 business plan.²⁷
- Scope 3 emissions account for 99% of the Company's total emissions and, in particular, the Company's scope 3 emissions related to purchased goods and services which accounts for 98% of total scope 3 emissions, similar to other international EPC contractors. Pursuant to the MET Zero Plan, the Company has developed a roadmap for engaging its supply chain to reduce emissions from suppliers and the transport of people and goods. As a first step in the roadmap, MAIRE Group works alongside its suppliers to accurately measure their carbon footprint and to promote joint efforts to reduce emissions. Target suppliers will be selected on the basis of their leadership in their sector and overall sustainability effort as well as their presence in countries with strong climate strategies. The scope of the cooperation is to define common issues related to carbon neutral targets through training and pilot initiatives. In addition, the Company adopted a certification scheme, Carbon Tracker, to measure emissions from selected supplier groups using primary data. These measurements form the basis for identifying areas for intervention with the aim of setting reduction targets within the MET Zero Plan.
- The decarbonization strategy is developed by the Sustainability & Corporate Advocacy function in collaboration with the Sustainability Reporting function and in discussion with the internal Met Zero Task Force, in accordance with the guidelines set by the Internal Sustainability Committee. The decarbonization strategy is then discussed and approved by the Internal Sustainability Committee, reviewed and approved by the Control, Risk and Sustainability Committee as part of the overall sustainability strategy, and finally approved by the board of directors.
- MAIRE Group reports its scope 1, 2, and 3²⁸ emissions annually in its sustainability report. In addition, MAIRE Group confirmed its commitment to start reporting information on investments related to its decarbonization plan in the coming years.

Sustainalytics considers MAIRE Group to have a strong sustainability strategy and considers that the SLBs and SLLs will further support MAIRE Group's sustainability strategy.

MAIRE Group's Environmental and Social Risk Management

Sustainalytics recognizes that while MAIRE Group's defined targets are impactful, achieving the SPTs bears environmental and social risks. Sustainalytics' ESG Risk Rating identifies the environmental and social impact of products and services, community relations, human capital, and bribery and corruption as Material ESG Issues for the Construction & Engineering industry.

Sustainalytics comments below on MAIRE Group's ability to mitigate these potential risks;

- **Environmental and social impact of products and services:** To manage and mitigate the environmental and social impact of its products and services, the Company established a risk management system based on the following five-step process: i) identify, monitor and manage environmental and social risks in accordance with its Enterprise Risk Management (ERM) system both at corporate level on a quarterly basis and at project level, from the proposal preparation stage through all phases of the project lifecycle; ii) identify and assess risks and opportunities based on

²⁶ MAIRE Tecnimont, "Sustainability report 2022", p.161, at: https://www.MAIREtecnimont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

²⁷ MAIRE Tecnimont, "Sustainability report 2022", p.84, at: https://www.MAIREtecnimont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

²⁸ Referred to "Purchased Goods & Services", "Upstream Transportation", "Waste generated in Operations", "Business Travel" and "Employee Commuting" categories.

the precautionary principle; iii) plan and implement specific mitigation measures to compensate for the identified impacts; iv) consolidate and report project and portfolio level monitoring results to senior management and the organisation's governing body; and v) compile mitigation measures and their results in a database and incorporate into future projects.²⁹ For large-scale projects, environmental and social impact assessments are carried out at the feasibility study stage in accordance with local regulatory requirements, and project appraisal is conducted by licensed local experts.³⁰

- Community relations:** the Company has established a multi-year strategic In-Country Value (ICV) strategy, which aims to understand locally relevant issues and increase the knowledge and understanding of the regulatory framework for ICV in specific countries of interest. The strategy covers nine issues: i) employment; ii) stakeholder engagement and communication; iii) procurement; iv) local community benefits; v) technology transfer; vi) environmental protection; vii) training and education; viii) fiscal contribution and ix) properties and exports. The Company sets different weights for each region to reflect the needs and values of the local communities in that region. Based on this strategy, MAIRE Group is taking steps to create an action plan that considers a tailored approach for each region where the Company operates.
- Human capital:** To address risks related to Human Capital, MAIRE Group sets out its human rights policy on employment practices, supply chain and local communities, and states that it adheres to the United Nations Universal Declaration of Human Rights and the principles of the International Labour Organisation's fundamental conventions.³¹ To ensure human rights in the supply chain, the Supply Chain Policy outlines the implementation of fair labour practices and working conditions, guaranteeing health and safety standards, and the proper selection, management, development and training of personnel. It also ensures respect for fundamental human rights and prohibits all forms of forced and child labour, in accordance with the International Labour Organization Conventions and the Company's Human Rights Policy.³² In addition, its HSE and Social Accountability (HSE&SA) policy states that it complies with local and international standards through the HSE&SA management systems implemented by the certified companies under MAIRE Group.³³ MAIRE Group adheres to all applicable laws and regulations of the geographical locations in which it operates, and complies with the social accountability standard SA8000 in all its locations.³⁴ To promote HSE awareness at its offices and construction sites, MAIRE Group runs a number of training programmes. In 2018, the Company established the Safethink HSE Awareness Programme, which consists of a number of initiatives based on a multi-stakeholder approach. Among these initiatives, Safethink Rules for Life is a set of rules to prevent injuries, while the Stop&Coach programme uses a participatory method to train employees and contractors to understand and maintain high occupational health and safety (OHS) standards at the site. MAIRE Group has also launched an Emergency Management application in 2022, a web-based tool for real-time monitoring of the location of emergency team members at the Company's headquarters for effectively responding in case of an emergency.³⁵
- Bribery and corruption:** To address risks on bribery and corruption, MAIRE Group adopted a Group Code of Ethics in 2019, which outlines ethical principles, values, rules of conduct, internal controls and risk management systems.³⁶ In 2021, the MAIRE Group's Business Integrity Policy was revised in accordance with international guidelines and the ISO 37001 standard³⁷. The Business Integrity Policy is aligned with Principle 10 of the Global Compact, which rejects corruption "in all its forms, including extortion and bribery" and articulates the kinds of behaviour that are prohibited. The adoption and implementation of the Company's Code of Ethics and the Business Integrity Policy are mandatory for all companies directly or indirectly controlled by MAIRE Group.³⁸ The Company's Board of Directors has adopted

²⁹ MAIRE Tecnimont, "Sustainability report 2022", p.63, at: https://www.MAIREtecnicmont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

³⁰ MAIRE Tecnimont, "Sustainability report 2022", p.66, at: https://www.MAIREtecnicmont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

³¹ MAIRE Tecnimont, "Human Rights Policy", at: https://www.MAIREtecnicmont.com/media/filer_public/8b/e1/8be1f458-339a-4a76-89db-7da431622bdf/MAIRE_tecnicmont_human_rights_policy_en_0.pdf

³² MAIRE Tecnimont, "Supply Chain Policy", at: https://www.MAIREtecnicmont.com/media/filer_public/5c/35/5c355023-45f6-4fc7-8ec1-e45607d715b6/MAIRE_tecnicmont_supply_chain_policy_en_0.pdf

³³ MAIRE Tecnimont, "HSE&SA Policy", at: https://www.MAIREtecnicmont.com/media/filer_public/aa/ef/aaefe5f0-2479-44fd-86d3-b3f53ba11133/policy_hse_sa_met_signed_2.pdf

³⁴ Social Accountability International, "SA8000:2014 Standard", at: <https://sa-intl.org/resources/sa8000-standard/>

³⁵ MAIRE Tecnimont, "Sustainability report 2022", p.111, at: https://www.MAIREtecnicmont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

³⁶ MAIRE Tecnimont, "Code of Ethics", at: https://www.MAIREtecnicmont.com/media/filer_public/e1/4a/e14addde-59db-4298-95e5-011d42e2c8d7/en-code_of_ethics.pdf

³⁷ ISO, "Anti-bribery-management", at: <https://www.iso.org/iso-37001-anti-bribery-management.html>

³⁸ MAIRE Tecnimont, "Sustainability report 2022", P60, at: https://www.MAIREtecnicmont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

organization, management and control model, referring to the Italian Legislative Decree 231/2001³⁹ on the principle of administrative responsibility of companies for crimes committed by managers and individuals.⁴⁰ In line with this, the board of directors has established a supervisory body with autonomous powers and controls to ensure fairness and transparency in the management of the Company.⁴¹

In addition to the above, Sustainalytics notes that it has found no evidence of any major environmental or social controversies related to MAIRE Group. Overall, Sustainalytics considers MAIRE Group to have adequate management programmes and policies in place to mitigate risks that could arise in achieving the SPTs.

Section 3: Impact of the SPTs Chosen

Importance of reducing GHG emissions in the construction industry

In 2021, the buildings and construction sector accounted for 36% of global energy consumption and 37% of the energy-induced CO₂ emissions.⁴² Between 2022 to 2025, the construction industry is expected to grow at an average annual rate of 3.7%,⁴³ while the UN Environment Programme estimates that global material use will more than double by 2060, with one-third of the expected growth coming from the construction sector.⁴⁴ Specifically, concrete is expected to contribute 12% of global GHG emissions in 2060.⁴⁵ According to the Human Settlements Climate Action Pathway developed by the UNFCCC, in order to limit global warming to 1.5°C, the built environment should halve its emissions by 2030 and reduce embodied carbon by at least 40%.⁴⁶ In addition, all new and existing facilities must be net-zero across their entire lifecycle, including operational and embodied emissions, by 2050 at the latest.⁴⁷

In 2021, operational energy-related CO₂ emissions from the construction sector reached a record high of 10 GtCO₂, 5% above the 2020 level.⁴⁸ Based on these concerns, it is important to address the total emissions from the entire building life cycle and value chain (design, materials manufacturing, construction, operation and demolition) when considering decarbonisation in the construction industry.⁴⁹ In particular, material production (28%) and operation (69%) account for the majority of emissions.⁵⁰ It is therefore vital that GHG emission factors are reflected in both design and materials procurement, where EPC contractors such as MAIRE Group have an important role to play.

Sustainalytics is of the opinion that MAIRE Group's investments in emission reduction of the construction industry have the potential to deliver positive environmental impact and contribute to the transition to a low-carbon construction sector.

Alignment with/contribution to SDGs

The Sustainable Development Goals were adopted by the United Nations General Assembly in September 2015 and form part of an agenda for achieving sustainable development by the year 2030. The sustainability-linked bonds issued under the Framework are expected to help advance the following SDG goals and targets:

³⁹ UNODC, "Legislative Decree 8 June 2001 No. 231 (English)", (2001), at: https://sherloc.unodc.org/cld/uploads/res/document/legislative-decree-8-6-2001-n-231_html/Legislative_Decree_8-6-2001_n_231_EN.pdf

⁴⁰ MAIRE Tecnimont, "Organization, Management and Control Model", at: https://www.MAIREtecnimont.com/media/filer_public/d5/a9/d5a927b0-a57b-44dd-82eb-5dc202a9f208/met_mod231_01_general_part.pdf

⁴¹ MAIRE Tecnimont, "Sustainability report 2022", P59, at: https://www.MAIREtecnimont.com/media/filer_public/7e/d9/7ed9fd48-43ac-40a4-aba9-81b090a2b9f2/MAIRE_-_2022_sustainability_report_2.pdf

⁴² Science Based Targets, "Decarbonizing the building sector opportunities and challenges", at: <https://sciencebasedtargets.org/blog/decarbonizing-the-building-sector-opportunities-and-challenges>

⁴³ World Cement, "Global Data: Global construction industry to grow by 5.7% in 2021", (2021), at: <https://www.worldcement.com/europe-cis/28072021/globaldata-global-construction-industry-to-grow-by-57-in-2021/>

⁴⁴ Angelica Y. Yang (2021) "Economy: Digitalization may cut carbon emissions from construction", at: <https://smartretirementreport.com/2021/09/20/digitalization-may-cut-carbon-emissions-from-construction/>

⁴⁵ UN Environment Programme, "Factsheet, Buildings and Constructions 2021", at: <https://www.unep.org/resources/factsheet/buildings-and-construction>

⁴⁶ UNFCCC, "Human Settlements - Climate Action Pathway", at: <https://unfccc.int/climate-action/marrakech-partnership/reporting-tracking/pathways/human-settlements-climate-action-pathway#Climate-Action-Pathway-2021>

⁴⁷ Ibid.

⁴⁸ UNEP, "2022 Global Status Report for Buildings and Construction", at: <https://www.unep.org/resources/publication/2022-global-status-report-buildings-and-construction>

⁴⁹ McKinsey & Company, "Call for action: Seizing the decarbonization opportunity in construction", at: <https://www.mckinsey.com/industries/engineering-construction-and-building-materials/our-insights/call-for-action-seizing-the-decarbonization-opportunity-in-construction>

⁵⁰ Ibid.

KPI	SDG	SDG Target
Absolute scope 1 and 2 GHG emissions Category 1 purchased goods and services scope 3 GHG emissions intensity	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
		7.3 By 2030, double the global rate of improvement in energy efficiency
	9. Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

Conclusion

MAIRE Group S.p.A. has developed the MAIRE Group Sustainability-Linked Financing Framework under which it may issue sustainability-linked instruments. MAIRE Group intends to tie the financial characteristics of the instruments to its performance against following SPTs:

- (1) Reduce absolute scope 1 and 2 GHG emissions by 35% by 2025 from a 2018 baseline
- (2) Reduce Category 1 – purchased goods and services scope 3 GHG emissions intensity by 9% by 2025 from a 2022 baseline.

Sustainalytics considers KPI 1 to be adequate, given that it represents a direct measure of MAIRE Group’s climate performance, reflects a moderate scope of applicability in combination with KPI 2, follows a clear and consistent methodology that is externally defined, and supports benchmarking against external GHG emissions reduction trajectories. Furthermore, KPI 2 is also considered adequate, as it represents an indirect measure of MAIRE Group’s climate performance, reflects a moderate scope of applicability, follows a clear and consistent methodology that is externally defined, and supports benchmarking against external GHG emission reduction trajectories.

Sustainalytics considers SPT 1 to be highly ambitious given that it is above historical performance, above the targets set by MAIRE Group’s peers and is aligned with the SBTi’s 1.5°C scenario under the absolute contraction approach. Sustainalytics considers SPT 2 to be moderately ambitious, as it is below historical performance, aligned with the targets of MAIRE Group’s peers, and not aligned with the decarbonization pathway under the SBTi’s scope 3 GEVA intensity reduction approach.

Based on the above, Sustainalytics considers the MAIRE Group Sustainability-Linked Financing Framework to be aligned with the five core components of the Sustainability-Linked Bond Principles 2023 and Sustainability-Linked Loan Principles 2023.

Appendix 1: Sustainability-Linked Bonds - External Review Form

Section 1. Basic Information

Issuer name: MAIRE Group S.p.A.

Sustainability-Linked Bond ISIN:

Independent External Review provider's name for second party opinion pre-issuance (sections 2 & 3): Sustainalytics

Completion date of this form: September 8, 2023

Section 2. Pre-Issuance Review

SCOPE OF REVIEW

The review:

- assessed the 5 core components of the SLBP (**complete review**) and confirmed the alignment with the SLBP.
- assessed only some of them (**partial review**) and confirmed the alignment with the SLBP; please indicate which elements:
 - Selection of Key Performance Indicators (KPIs) Bond characteristics
 - Calibration of Sustainability Performance Targets (SPTs) Reporting
 - Verification

ROLE(S) OF INDEPENDENT REVIEW PROVIDER

- Second Party Opinion Certification
- Verification Scoring/Rating
- Other (*please specify*):

Does the review include a sustainability quality score?

- Of the issuer Of the selected KPIs/SPTs
- Of the framework Other (*please specify*):
- No scoring

ISSUER'S OVERARCHING OBJECTIVES

Does the review include:

- An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?
- An identification and assessment of environmental, social and governance related risks of adverse impact through the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?
- A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

CLIMATE TRANSITION STRATEGY

Does the review assess:

- The issuer’s climate transition strategy & governance?
- The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?
- The credibility of the issuer’s climate transition strategy to reach its targets?
- The level/type of independent governance and oversight of the issuer’s climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer’s climate transition strategy to shareholders’ approval).
- If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?
- The alignment of the issuer’s proposed strategy and targets with appropriate science-based targets and transition pathways that are deemed necessary to limit climate change to targeted levels?
- The comprehensiveness of the issuer’s disclosure to help investors assess its performance holistically?

Overall comment on this section:

The MAIRE Group Sustainability-Linked Financing Framework includes two KPIs: i) Absolute scope 1 and 2 GHG emissions; and ii) Category 1 – purchased goods and services scope 3 GHG emissions intensity. Sustainalytics considers KPI1 and KPI 2 to be adequate based on materiality, relevance, scope of applicability and comparability to external benchmarks, if applicable.

Section 3. Detailed pre-issuance review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

SELECTION OF KEY PERFORMANCE INDICATORS (KPIs)

Definition, Scope, and parameters

- Clear definition of each selected KPIs
- Clear calculation methodology
- Other (please specify):

Relevance, robustness, and reliability of the selected KPIs

- Credentials that the selected KPIs are relevant, core and material to the issuer’s sustainability and business strategy
- Evidence that the KPIs are externally verifiable, if that is not already the case
- Credentials that the KPIs are measurable or quantifiable on a consistent methodological basis
- Evidence that the KPIs can be benchmarked
- Current verification or assurance status
- Other (please specify):

Overall comment on this section:

Sustainalytics considers KPI 1 to be Adequate given that it: i) represents a direct measure of MAIRE Group's climate performance; ii) reflects a moderate scope of applicability in combination with KPI 2; iii) follows a clear and consistent methodology that is externally defined; and iv) supports benchmarking against external GHG emissions reduction trajectories.

Sustainalytics considers KPI 2 to be Adequate given that it: i) represents an indirect measure of MAIRE Group's climate performance; ii) reflects a moderate scope of applicability; iii) follows a clear and consistent methodology that is externally defined; and iv) supports benchmarking against external GHG emissions reduction trajectories.

CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS (SPTs)**Rationale and level of ambition**

- | | |
|--|---|
| <input checked="" type="checkbox"/> Evidence that the SPTs represent a material improvement compared to issuer's own performance over baseline | <input checked="" type="checkbox"/> Credentials on the relevance and reliability of selected benchmarks and baselines |
| <input checked="" type="checkbox"/> Evidence that SPTs are consistent with the issuer's sustainability and business strategy | <input type="checkbox"/> Other (<i>please specify</i>): |

Does the review assess if the specificities of the sector and/or local context have been identified and addressed?

- | | |
|---|-----------------------------|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| <input type="checkbox"/> Not applicable | |

Relevance and reliability of selected benchmarks and baselines

- | | |
|---|---|
| <input checked="" type="checkbox"/> Issuer's past performance | <input checked="" type="checkbox"/> Issuer's peer performance |
| <input checked="" type="checkbox"/> Science-based trajectories (<i>please specify the references</i>): SBTi | <input type="checkbox"/> Other (<i>please specify</i>): |

Does the review assess the credibility of the issuer's strategy and action plan to achieve the SPTs?

- | | |
|---|-----------------------------|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
|---|-----------------------------|

Does the review identify the key factors that may affect the achievement of the SPTs?

- | | |
|---|-----------------------------|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
|---|-----------------------------|

Does the review opine on:

- | | |
|--|---|
| <input type="checkbox"/> the timelines for the target achievement | <input type="checkbox"/> the target observation date(s) |
| <input type="checkbox"/> the trigger event(s) | <input type="checkbox"/> Other (<i>please specify</i>): |
| <input type="checkbox"/> potential recalculations or adjustments description | |

Overall comment on this section:

Sustainalytics considers the SPTs to align with MAIRE Group's sustainability strategy and SPT 1 to be Highly Ambitious given that it: i) is above historical performance; ii) is generally above the targets set by MAIRE Group's peers; and iii) is aligned with the SBTi's 1.5°C scenario under the absolute contraction approach.

Sustainalytics considers MAIRE Group's SPT 2 to be Moderately Ambitious given that it: i) below historical performance but represents a continuous material improvement; ii) is generally aligned with the targets of MAIRE Group's peers; and iii) is not aligned with the decarbonization pathway under a SBTi's scope 3 GEVA intensity reduction approach.

INSTRUMENT CHARACTERISTICS

Does the review assess whether the bond's financial and/or structural characteristics are commensurate and meaningful?

- Yes No

Does the review opine on the fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner?

- Yes No

Overall comment on this section:

MAIRE Group has linked the instruments' financial characteristics to its performance on the SPTs. Failure to achieve an SPT will trigger a step up in the margin of the relevant financial instrument. This is aligned with the Sustainability-Linked Bond Principles 2023 and the Sustainability-Linked Loan Principles 2023.

REPORTING

Does the review assess the commitments of the issuer to report:

Content:

- The performance of the selected KPIs Verification
 The level of ambition of the SPTs Assurance report
 Other (please specify):

Frequency:

- Annual Semi-annual
 Other (please specify):

Means of Disclosure

- Information published in financial report, or annual report and accounts Information published in sustainability report or sustainability suite of reporting
 Information published in ad hoc documents Other (please specify):

Overall comment on this section:

MAIRE Group commits to report on an annual basis on its progress on the KPIs in its sustainability report published on its website. The reporting commitments are aligned with the Sustainability-Linked Bond Principles 2023 and the Sustainability-Linked Loan Principles 2023.

Section 4. Post-issuance

CHANGE TO PERIMETER REVIEW *(if applicable)*

Material change:

- | | |
|---|--|
| <input type="checkbox"/> Perimeter | <input type="checkbox"/> KPI methodology |
| <input type="checkbox"/> SPTs calibration | <input type="checkbox"/> Other <i>(please specify)</i> : |

VERIFICATION

Level of verification:

- | | |
|--|---|
| <input type="checkbox"/> Limited assurance | <input type="checkbox"/> Reasonable assurance |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Frequency:

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Section 5. Additional Information

Useful links *(e.g. to the external review provider’s methodology or credentials, to the full review, to issuer’s documentation, etc.)*

Analysis of the contribution to the UN Sustainable Development Goals:

Additional assessment in relation with the issuer/bond framework:

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These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world’s leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. With 17 offices globally, Sustainalytics has more than 1500 staff members, including more than 500 analysts with varied multidisciplinary expertise across more than 40 industry groups.

For more information, visit www.sustainalytics.com

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