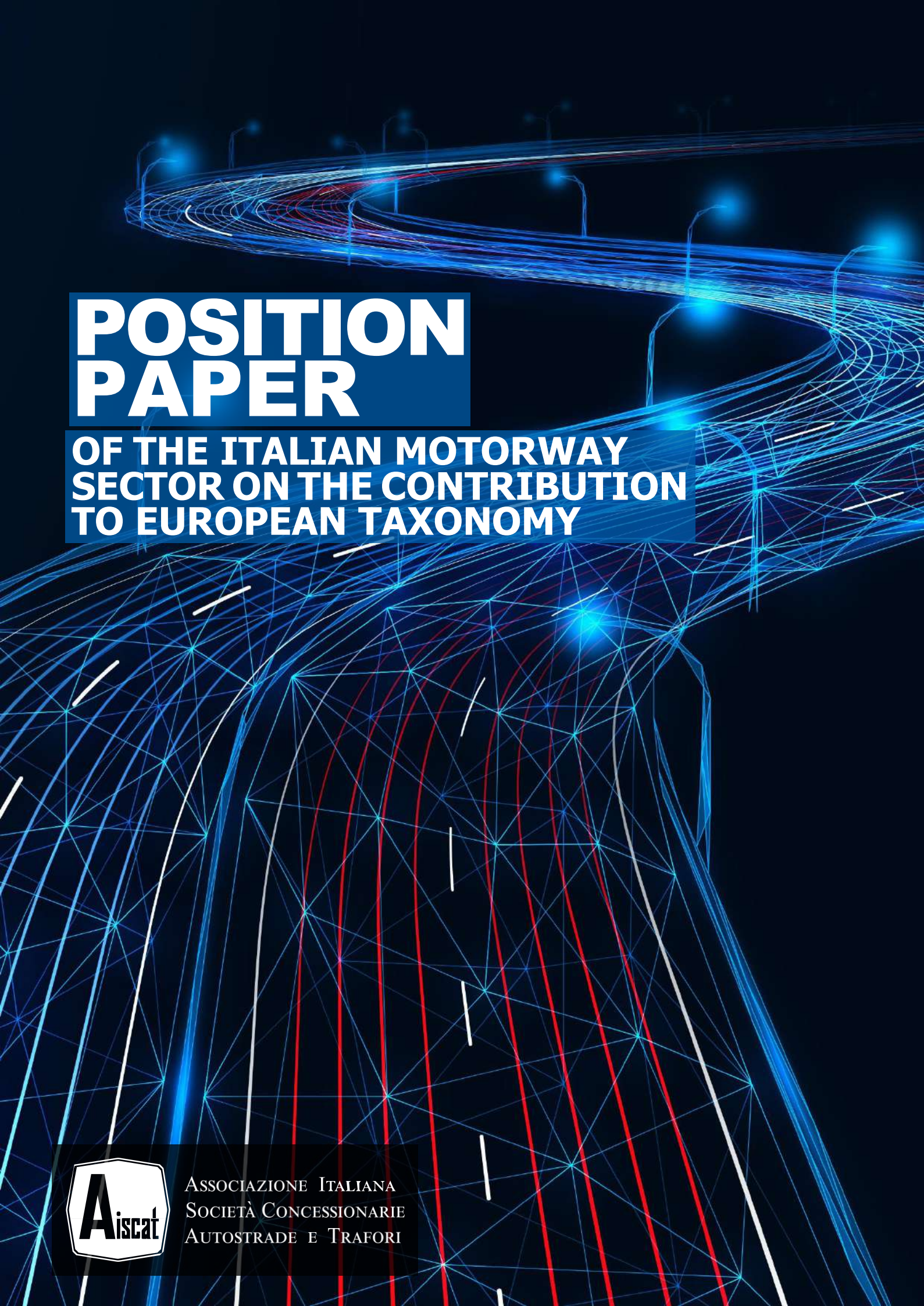


POSITION PAPER

OF THE ITALIAN MOTORWAY SECTOR ON THE CONTRIBUTION TO EUROPEAN TAXONOMY

Associazione Italiana
Società Concessionarie
Autostrade e Trafori

TABLE OF CONTENTS

Executive summary 2

1. Introduction - Main elements of the Regulation 3
2. Sustainable mobility 5
3. Importance of investments in the motorway sector 7
4. Sustainable finance 8
5. Taxonomic footprint of the motorway sector: consistent interpretation and revision of criteria 9
6. Conclusions 13

Glossary 14

EXECUTIVE SUMMARY

The motorway sector positively considers the development of European legislation on sustainable finance, which it considers to be an important opportunity to access the capital market on an objective and shared basis.

To seize this opportunity, the typical infrastructure sustainability of motorway infrastructures (design, construction, operation, maintenance, etc.) and the strategic nature of their contribution to the evolution of sustainable mobility, shoved be correctly recognised.

On the basis of the experience gained with taxonomy reporting in recent years and in compliance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) for sustainability reporting, the motorway concessionaires represented in AISCAT have considered it appropriate to present some elements and considerations in this position paper.

The motorway infrastructure is the same for all types of vehicles travelling on it, regardless of their emission levels, and is therefore an enabler for zero CO_2 emission vehicles.

The mobility of people and goods is not possible without the total interconnection of all the subsystems that make up a motorway infrastructure. In particular, Intelligent Transport Systems (ITS) are and will be even more an integral part of the infrastructure and fully contribute to enabling sustainable mobility.

This position paper presents the elements that make infrastructure as key to sustainable mobility and concludes by suggesting interpretative keys consistent with the actual contribution to mobility: current and prospective.

1. INTRODUCTION
MAIN ELEMENTS OF TAXONOMY

The Regulation (EU) 2020/852 ("Taxonomy Regulation"), which became effective on 12 July 2020, established a classification system for eco-sustainable economic activities with the goal of enhancing transparency and favouring the flow of capital into sustainable investments, consistent with the objectives of the European Union's green economy.

Under the Taxonomy Regulation, an economic activity is considered environmentally sustainable if it meets three requirements:

1. it contributes substantially to the achievement of at least one of the EU's environmental objectives, namely: climate change mitigation and adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems;
2. it does not significantly harm (DNSH) any of the environmental objectives;
3. it is carried out in compliance with the Minimum Safeguards in social and governance matters.

An economic activity is considered eligible for the Taxonomy if it is described in the Delegated Regulations and corresponds to one or more environmental objectives. It is qualified as aligned with the Taxonomy when it meets all the criteria for eco-sustainability.

The Taxonomy Regulation mandates that undertakings governed by the corporate sustainability reporting legislation[1] publicly disclose information (as outlined in Delegated Regulation (EU) 2021/2178) regarding the extent and manner in which their activities are associated with economic activities considered eligible and aligned under the Taxonomy.

More specifically, undertakings such as motorway companies must disclose the following indicators (KPIs):

1. turnover correspondig to the proportion of revenue from products or services associated with economic activities considered eco-sustainable under the Taxonomy;
2. capital expenditure (CapEx) representing the proportion of capital expenditures related to assets or processes associated with economic activities considered eligible and aligned under the Taxonomy;
3. the KPI relating to operating expenses (OpEx), which represents the proportion of direct non-capitalised costs associated with research and development, building renovation measures, short-term lease, maintenance and repairs, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment necessary to ensure the continued and effective functioning of assets or processes associated with economic activities considered eligible and aligned under the Taxonomy.

The KPIs must be presented both at the aggregate level and at the level of individual economic activity and environmental objective, and must highlight both the proportion of eligible activities and the proportion of activities aligned with the Taxonomy. Moreover, the KPIs should be supplemented with qualitative information that explains the calculation of the indicators, evaluates compliance with the Taxonomy, and provides additional context.

Furthermore, Taxonomy also plays a key role in defining the sustainability of banks' portfolios, as taxonomic activities are fundamental in computing the Green Asset Ratio (GAR), which assesses the significance of banking institutions' investments in economic activities considered sustainable by the European Green Deal. Therefore, a correct assessment of these activities in terms of their actual contribution to European objectives is essential for a consistent allocation of financial resources.

[1] Directive (EU) 2014/95, as amended by Directive (EU) 2022/2464.

The prevailing view is that the current Regulation reveals restrictive elements concerning the assessment of the road transport's contribution, more specifically the motorway sector, towards truly sustainable mobility and, more broadly, economic and social progress.
These elements will be considered in the next pages of this position paper.

2. SUSTAINABLE MOBILITY

Every day about 5 million vehicles enter the italian motorway system, producing an average flow on the routes of more than 40,000 vehicles, with peaks of more than 100,000 vehicles per day. Italy's car fleet comprises approximately 40 million vehicles. The European one comprises 250 million. Road mobility has served as a cornerstone of our economy and society[2].

Concerning emission impact, Italy's situation is essentially on par with the European average. The decarbonisation of transportation is a crucial aspect of Italy's obligations at both international and EU level. The European Union has approved the Fit for 55 programme, outlining specific actions and stringent targets to cut climate-changing emissions by 2030 and achieve carbon neutrality by 2050.

The challenge of implementing actions to mitigate climate change is intertwined with those linked to adaptation. In Italy, the modernisation of the motorway system certainly demands more attention compared to the rest of Europe, due to several factors: the network's complexity, with numerous delicate structures such as bridges, viaducts, and tunnels; the era of its construction (between the 60s and 70s); and the traffic loads, which have more than doubled from the original projections, often exceeding the saturation threshold on many stretches.

In summary, infrastructure is regularly updated and maintained to ensure maximum efficiency in handling traffic (beyond what was anticipated during the design and construction) and to (also) enhance its resilience against the impacts of climate change.

The expansion of the scope of analysis to include the social dimension highlights the materiality of road safety. Road transport, uniquely reliant on human drivers, inherently involves a higher risk of human error; it is accepted that 90% of accidents are the result of these kind of errors and distractions. Also in this case, the EU has established very challenging objectives. Initially, there was a reduction in road fatalities by half from 2010 to 2020, followed by the "vision zero" initiative, which aims for no deaths by 2050. This objective is difficult to achieve without the large-scale implementation of the technological innovations that have been developing.

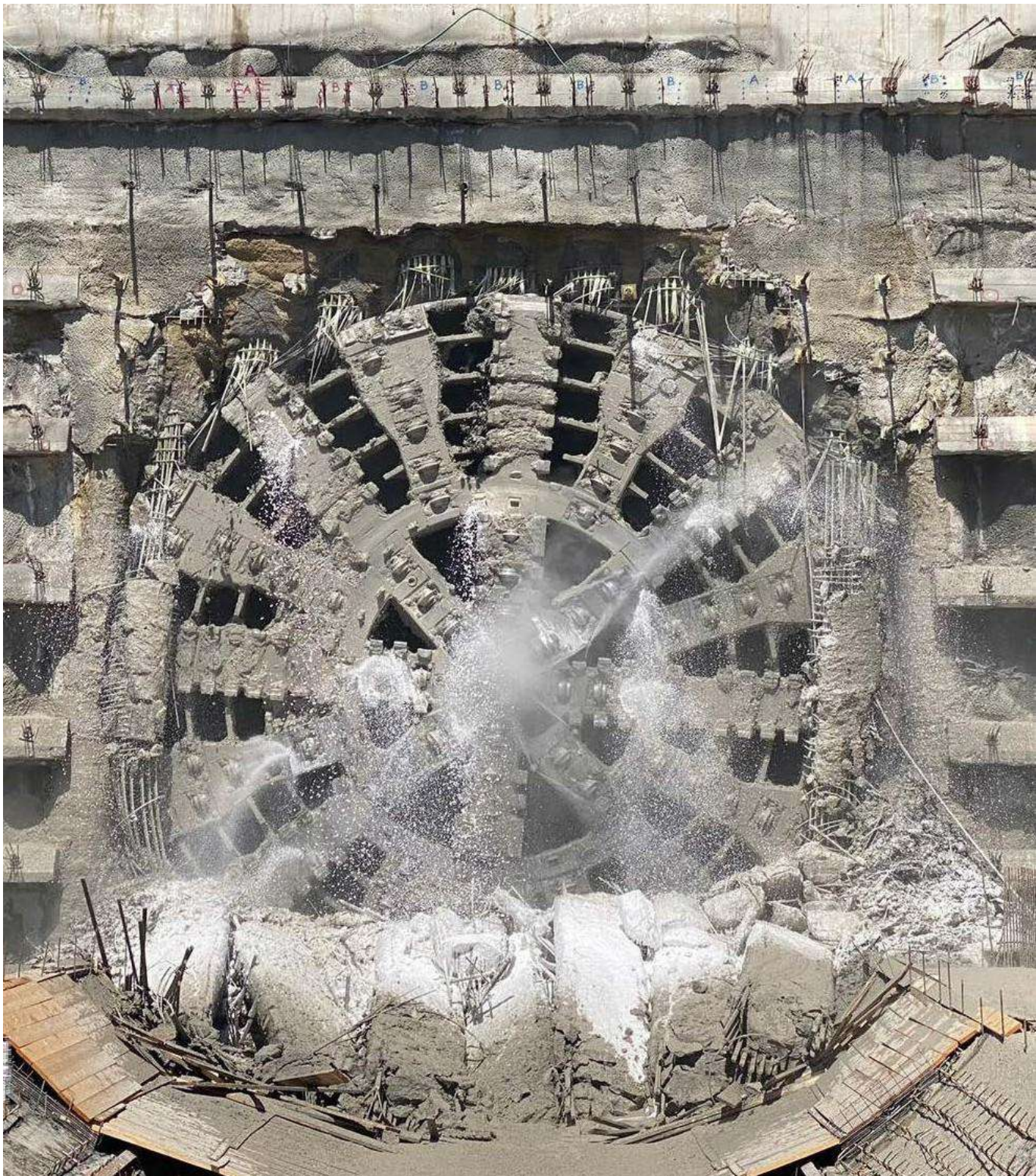
In summary, infrastructure modernisation, decarbonisation, and safety represent enormous challenges that are crucial for achieving greater sustainability, encompassing not only environmental, but also social and economic aspects. These challenges must be addressed with the awareness that the entire transport system is in a phase of profound transformation. The most obvious elements of this process include the development of new energy carriers, advances in assisted, autonomous and connected vehicles, the digitisation of all system components and new smart mobility services.

Roads are and will continue to be at the centre of this innovation, as they are expected to remain the primary mode of transportation in the coming decades, which means they will play a crucial role in the economic, social and environmental development of the Country, since a significant modal replacement is not anticipated in the near future. Motorways are set to become the pivotal infrastructure for accelerating these processes and directing them towards a virtuous path, providing services that are increasingly efficient, safe, and sustainable, which will act as a guiding element for the widest possible road mobility.

To understand this phenomenon, it is necessary to consider the motorway infrastructure in an integrated sense, comprising the physical structure, the technological components for operation and maintenance (ITS for traffic management, tolling, connectivity, autonomous driving, safety, and monitoring), and the devices that facilitate new mobility modes, including the charging network and the distribution of green fuels.

[2] Il Sole 24 ORE, *La rivoluzione della mobilità sostenibile parte dalle autostrade,* 2023

Accordingly, the sustainability of infrastructure should not be judged solely by the sustainability practices of the user. Infrastructure is sustainable if it is inherently so (encompassing the materials used, the impact on the land and biodiversity, and resilience to climate change), and not only to the extent that it allows sustainable mobility. The role of management is also particularly noteworthy since - unlike other forms of transport - the demand for mobility is highly independent, and therefore not "controllable" by the infrastructure manager, since the customer is free to decide independently how to arrange its journeys without prior communication to the operator. Motorway companies need to undertake considerable investments and costs to guarantee an adequate level-of-service. To consider only the aspects directly linked to low-emission mobility as eligible for financing from a sustainability perspective, as deduced from the Regulation, is to overlook the complexity and the contributions of all interconnected elements in the ongoing transformation process.



3. IMPORTANCE OF INVESTMENTS IN THE MOTORWAY SECTOR

The current state of Italian infrastructures, the technological transformation underway, and the need to address the effects of climate change require the motorway sector to carry out a substantial investment plan in the coming years. With the Italian motorway network's replacement value exceeding one trillion euros, even a minor fraction of this sum constitutes a considerable figure, demanding a strategic approach to capital market access.

As a result of these initiatives, the motorways of the coming decades are expected to differ significantly from today's: they will likely be more accessible, better interconnected with urban areas, safer, and more environmentally sustainable.

In short, investments in motorway assets activate direct, indirect and induced economic production, ensuring the connection of the regions crossed.

As a matter of fact, in order to ensure that Italian motorways continue to play their role, it is necessary to intervene with projects related to:

1. the network's strengthening and expansion: for instance, increasing the number of lanes on motorway sections, constructing new junctions, and building access roads;
2. regenerative maintenance: to extend the nominal lifespan of the existing network and adapt it to technical standards that ensure greater durability of structures such as bridges, viaducts, tunnels, and barriers;
3. adaptations to new safety standards: for instance, the redevelopment of safety barriers and the safety adaptation plan in tunnels;
4. works and systems for adapting extreme weather events inside and outide the motorway carriageway;
5. works that pursue environmental objectives: for example, plans for acoustic remediation and protection of biodiversity;
6. the interventions that pursue sustainability and technological innovation can also help mitigate and adapt to climate change, by reducing emissions across the entire sector's value chain. These include initiatives focused on digitising the network from both an infrastructural and a plant perspective.

In conclusion, implementing the aforementioned investment allows the necesary renewal of the Country's infrastructure legacy, the achievement of sustainable technological advancement in mobility, as well as an opportunity to generate economic wealth and cultivate valuable technical skills within the Country.

4. SUSTAINABLE FINANCE

In order to get the needed funds to carry out major infrastructure projects to upgrade and modernize the country's network, and to finance concrete actions both to reduce climate-changing emissions and to adapt infrastructures to extreme weather phenomena, Italian motorway companies will continue to rely on international financial markets as well as the banking system.

Generally, sustainable businesses are increasingly attractive to investors, who see them as an opportunity to generate long-term returns and contribute to a more sustainable future.

Furthermore, investors also take into consideration that companies which invest in sustainability tend to be less exposed to financial risks related to climate change, reputation, and social controversies.

The existence of interpretative gaps and the omission of a considerable part of companies' investments from the Taxonomy risk diminishing the entire sector' s opportunities to secure funding.

Although the context remains uncertain, some motorway companies have already used new forms of sustainable financing, such as Sustainability-Linked Bonds, Green Bonds, and Sustainability-Linked Facilities. In particular, some companies, prior to the SLB issuances, drew up a document known as the Sustainablity Linked Financing Framework, which links financing strategies to sustainability goals, tying the financial conditions of a loan or a bond to the issuer's specific sustainability indicators (KPIs).

For instance, reducing greenhouse gas emissions, establishing a charging network for electric vehicles, analysing accident rates, and addressing the gender gap. The entire document is subject to the assessment of internationally recognised external parties, which express a Second Party Opinion (SPO), whereby they evaluate the significance of the indicators and the level of ambition of the proposed goals.

To date, motorway companies hold a debtshare that is 60%, reliant on sustainability-linked instruments.

In relation to banks, the Taxonomy has introduced a metric known as the Green Asset Ratio (GAR)[3], a measure intended to assist stakeholders in comprehending the role that financial institutions have in achieving European climate and environmental goals. In addition, based on the Commission's clarifications in the recent FAQs (Commission Notice 21.12.2023), banks must endeavour to acquire adequate documentary proof to certify that companies producing goods and providing services bought by retail customers comply with the applicable technical screening criteria (TSC) and minimum social protection safeguards (MS) to calculate their Taxonomy-aligned exposures. Despite the fact that the European Commission's numerous FAQs have provided answers to many uncertainties, discrepancies are still anticipated in the reports for the year 2024, the first year banks are required to disclose their own alignment with the Taxonomy.

[3] The GAR is provided for Delegated Regulation 2021/2178.

5. TAXONOMIC FOOTPRINT OF THE MOTORWAY SECTOR

INTRODUCTION

European Taxonomy serves as a key regulatory tool for the European Commission to address climate change challenges and guide the EU's ecological transition. In this regard, the Commission has immediately declared its intention to prioritise sectors that are pivotal in actively pursuing the ultimate goal of attaining climate neutrality by 2050. According to the European Commission, road transport operations consume one third of all energy in the Union and account for approximately 23 % of total direct greenhouse gas emissions in the Union[4]. Moreover, given that the construction and demolition sector is responsible for 37 % of waste in the Union, an effective transition to a circular economy is inseparable from the increasing utilisation of re-used or recycled (secondary raw) materials in the construction of buildings, roads, highways, and other civil engineering projects[5].

Therefore, the economic activities of the management of road transport infrastructure and the maintenance of roads and motorways, primarily the responsibility of Motorway Concessionaire Companies, have been included by the European Commission among those that can potentially support the environmental objectives of the Taxonomy. More specifically, the following taxonomic activities have been identified:

ENVIRONMENTAL OBJECTIVE	TAXONOMIC ACTIVITY
Climate change mitigation	6.15 "Infrastructure enabling low-carbon road transport and public transport"
Climate change adaptation	6.15 "Infrastructure enabling road transport and public transport"
Circular Economy	3.4 "Maintenance of roads and motorways"

Since 2021, the implementation of the Regulation has resulted in various interpretations regarding the methods of conducting checks for compliance with the technical screening criteria for substantial contribution and compliance with the "Do No Significant Harm" (DNSH) principle. This has resulted in the adoption of varied positions within the sector, both at the European level and among concessionaire companies operating in Italy motorway network, leading to limitations in the effective comparability of the KPIs required by the Regulation.

Considering the strategic role of the motorway sector within the national framework and the pursuit of Taxonomy objectives, the experience gained has highlighted several key issues. These issues are crucial for developing a unified methodological approach across the sector, which also incorporates the provisions of the Ministerial Decree from the Ministry of the Environment and Energy Safety dated 5 August 2024. This decree pertains to the "*Adoption of minimum environmental criteria for the awarding of design and execution services for the construction, maintenance, and upgrading of road infrastructure (CAM roads)*.

[4] See Delegated Regulation (EU) 2021/2139, recitals 33 and 36.
[5] See Delegated Regulation (EU) 2023/2486, recital 16

THE DEFINITION OF "INFRASTRUCTURE"

The correct interpretation of the legislation initially hinges on the definition of road "infrastructure." Considering the concrete actions a concessionaire company may take to meet the Taxonomy environmental objectives, "infrastructure" may only be construed as "the road surface, structures and facilities as a whole, under the responsibility of the owner, concessionaire or manager, necessary to guarantee the functionality and safety of the road itself"[6].

Furthermore, considering the discussions emerging at the European level, we can trace the acknowledgement of the role of road infrastructure as a facilitator in achieving the climate change mitigation objective also in the paper published in 2022 by the Association of Infrastructure Contractors and Concessionaires (SEOPAN)[7].

The European Commission's recent clarifications, published on Nov. 29, 2024, suggest, however, that only "activities that are instrumental and dedicated to the operation of zero tailpipe CO_2 emissions vehicles, i.e., electric charging points, electricity grid connection enhancement, hydrogen refueling stations, and electric road systems (ERS)" should be considered among the infrastructures required for zero tailpipe CO_2 emissions transport under Activity 6.15 "Infrastructure enabling low-carbon road and public transport».

ECONOMIC ACTIVITY 6.15 "INFRASTRUCTURE ENABLING LOW-CARBON ROAD TRANSPORT AND PUBLIC TRANSPORT"

Consistent with the "enabling activity" role as defined by the legislation, road infrastructure would only contribute to the climate change mitigation objective when it facilitates the movement of vehicles with zero CO_2 emission from the exhaust.

However, when referring to an "infrastructure" dedicated to vehicles with zero CO_2 emissions from exhaust, the criteria for substantial contribution within the Regulation include a list of infrastructure elements (*electric charging points, electricity grid connection upgrades, hydrogen fuelling stations or electric road systems (ERS*). In this sense, it is important to note that the mobility of vehicles with zero CO_2 emissions from the exhaust is enabled not merely by the components listed previously, but by the comprehensive motorway infrastructure.

From this perspective, if on one hand the primary role of concessionaire companies appears to make the necessary investments to fulfil this objective within the network, namely, the installation of electric or hydrogen vehicle charging points, on the other hand it should also be considered that:

- the actual usage of zero-emission vehicles on the infrastructure is subject to external factors beyond the direct control of concessionaire;
- the implementation of plans for disseminating alternative solutions depends on the participation of third parties, such as Charging Point Operators (CPOs), who are selected through a public tender process (see Resolution ART 130/2022) and are ultimately accountable for carrying out the investment.

The issue of the services associated with intelligent transport systems (ITS), which are crucial for managing vehicle traffic and combating road congestion due to rising CO_2 emissions, also warrants special attention[8]. As specified in the Commission Notice of 20 October 2023 (C/2023/267), "'*Intelligent transport system' activities (ITS) could be eligible engineering and technical consultancy services under activity 6.15 (CCM), when they consist in systems enabling connected and automated multimodal mobility of passengers, traffic flow optimisation, congestion reduction, facilitation of energy efficiency in road transport, and/or electronic tolling systems*". On the one hand, the Commission's clarification extends the eligibility perimeter;

[6] Article 1, letter A) of Presidential Decree No. 142 of 30 March 2004

[7] GUIDE: European taxonomy applied to road projects - SEOPAN

[8] As also emphasised by the paper of SEOPAN - Association of Infrastructure Contractors and Concessionaires EUROPEAN TAXONOMY APPLIED TO SUSTAINABLE INFRASTRUCTURES of June 2023

however, it appears to be limited to engineering and technical consultancy services. This overlooks the exercise by motorway operators of the typical activities of motorway management that are based on ITS (from tolling, traffic management, vehicle-infrastructure communications, to the management of tolls based on km travelled and emissions generated – "Eurovignette") of equal importance in the perspective of reducing emissions with respect to infrastructure, of which they are an integral and not ancillary part. Furthermore, defining the assesment of the alignment is challenging due to the lack of concrete technical screening criteria applicable to ITS activities and the difficulty of applying the same criteria provided for in economic activity 6.15. Therefore, it would be desirable to integrate the criteria of substantial contribution or the development of an economic activity dedicated to ITS, so that it is possible to assess its alignment.

ECONOMIC ACTIVITY 6.15 "INFRASTRUCTURE ENABLING ROAD TRANSPORT AND PUBLIC TRANSPORT"

In the context of the climate change adaptation objective, it is noteworthy that a not insignificant portion of the investments made by concessionaire companies is dedicated to the objective of constructing and enhancing the resilience of road infrastructure. This means ensuring that the infrastructure can withstand both immediate and long-term acute and chronic physical risks posed by climate change without compromising its functionality and safety. In this context, both the design phase of the infrastructure as well as the ongoing monitoring activities are crucial. This is also emphasised by the legislation, which includes in activity 6.15 "*architectural services, engineering services, drafting services, building inspection services and surveying and mapping services and the like*". Furthermore, as clarified by the European Commission[9], to demonstrate the eligibility of an economic activity for the climate change adaptation objective, it is essential to put in place a plan that clearly outlines the planned adaptation solutions, and those possibly already implemented, for the road infrastructure to address the identified physical risks posed by climate change.

It seems evident that concessionaire companies may incorporate a portion of their road infrastructure investments into this economic activity. However, challenges persist in interpreting and applying the criteria to ensure alignment with the Taxonomy, particularly in the methods for calculating the carbon footprint and determining the shadow cost of carbon. While awaiting further clarification from the Commission, especially a definitive reference to the pertinent legislation/methodology, it is understood that the assessments conducted during the project planning phase concerning changes in traffic flow (such as traffic studies) resulting from the construction work are considered relevant solely in cases of new construction or significant renovation to ascertain the production of "additional relative greenhouse gas emissions". In any case, it is generally accepted that all maintenance and investment activities on the motorway contribute to enhancing traffic flow and improving the functionality and safety of the infrastructure network.

In the absence of further guidance from the European Commission, it is considered suitable to apply the principles outlined in the ENVISION protocol by concessionaire companies for the modernisation and enhancement of particularly important road infrastructures. The ENVISION protocol indeed serves as an analytical tool for assessing projects against the three pillars of sustainability: environmental, social, and governance. It enables the measurement of infrastructure within a framework that aligns with the Taxonomy DNSH criteria.

ECONOMIC ACTIVITY 3.4 "MAINTENANCE OF ROADS AND MOTORWAYS"

In 2023, the economic activity surrounding the maintenance of road and motor-

[9] "Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets" dated 20 October 2023 (C/2023/305)

way pavements was initiated as a step towards transitioning to a circular economy. This includes specific interventions related to pavement maintenance that must be reported. The pertinent technical screening criteria are primarily concerned with the types of materials utilised for maintenance, as well as the subsequent methods for their reuse, recycling, or disposal.

In the context of Italian motorways, the types of interventions commonly undertaken are diverse, ranging from work on individual pavement layers to generally more comprehensive projects involving the entire road superstructure and its underlying layers.

Furthermore, considering the above, the parameters outlined in the technical screening criteria pose significant challenges when interpreted within the Italian context's features and specificities, such as the useful life of the pavement. Additionally, the wording of some criteria can be complex to decipher, for instance, the concept of "equivalent primary raw materials." If for certain criteria a more immediate key to interpretation is necessary, especially considering requirements from other constraints, there remain some issues on which to consolidate a common position.

Building on what has been previously discussed, it is also plausible to consider that the Capital Expenditures (CapEx) and Operating Expenditures (OpEx) supported by Motorway Concessionaire Companies could contribute to three Taxonomy objectives. It is essential to consider the nature of the Capital Expenditure (CapEx) interventions by Motorway Concessionaire Companies, which typically encompass a variety of activities and, as a result, diverse expenditure items that may not always be separable from the economic framework of the overall intervention. Considering these factors, it is desirable for both CapEx and OpEx to contribute to the stated environmental objectives in accordance with their specific characteristics. This approach ensures a comprehensive depiction of the Motorway Concessionaire Companies' commitment to these environmental objectives.

6. CONCLUSIONS

Considering the arguments presented in the previous sections, the following points encapsulate the collective stance of the AISCAT affiliated companies regarding the implementation of the regulatory mandates provided for by the european Taxonomy, pertaining to the sector's own activities listed below:

- the Regulation of reference's framework refers to a restrictive definition of the concept of "infrastructure that enables low-carbon emissions road and public transport". The associated companies consider eligible under the Taxonomy only capital and operational expenses related to applications strictly aimed at the operation of zero tailpipe CO_2 emissions vehicles, such as electric charging stations, electricity grid connection enhancement, hydrogen refueling stations, electric road systems (ERS). This approach does not allow the enhancement of motorway operating revenues, as well as a significant portion of investments dedicated to motorway safety and not strictly related to the goal of climate change adaptation or pavement maintenance;
- management systems (ITS) for congestion, emissions reduction, and maintenance are crucial in contributing to the climate change mitigation objectives. Therefore, the revenues, investments, and costs associated with them should be considered as aligned with this objective subject to verification of compliance with DNSH criteria and Minimum Safeguards. In the absence of a specific technical screening criterion for the substantial contribution of these activities under Activity 6. 15 "Infrastructure enabling low-carbon emissions road transport and public transport," it may be reasonable to consider the definition of ITS provided by the Commission Communication of October 20, 2023 (C/2023/267) as a criterion for the substantial contribution of ITS to climate change mitigation (systems that enable automated and connected multimodal passenger mobility, traffic flow optimization, congestion reduction, energy efficiency of road transport, and/or electronic tolling systems). For DNSH criteria, however, refer to the criteria already defined for Activity 6.15 "Infrastructure enabling low-carbon emissions road and public transport."
- financial institutions, recognizing the sector's role in the climate transition, support the capital intensive activity of concession companies with sustainable finance instruments (e.g. green bonds, sustainability-linked bonds).

Moreover, the collective efforts of motorway concessionaire companies can significantly contribute to the ecological transition in mobility. As such, it is considered that the majority of the capital expenditures (CapEx) and operating expenses (OpEx) undertaken by the motorway may support the goals of the Taxonomy, especially in areas such as Climate change mitigation, Climate change adaptation, and the Transition to a circular economy.

Accordingly, the affiliated companies anticipate that the European Commission and the Technical Expert Group on Sustainable Finance (TEG) will:

- formally clarify the interpretation of the concept of integrated motorway infrastructure, with specific reference to activity 6.15 "Infrastructure enabling low-carbon road transport and public transport" addressed to the Climate change mitigation objective;
- provide eligibility and alignment criteria to assess the substantial contribution of the operation of management systems, including their adherence to Directives such as EETS, ITS, and Eurovignette, …;
- enhance and value, in future regulations, the socio-economic and environmental contributions of the motorway sector to the territories. This includes the direct impact, which is the economic and employment contribution directly linked to business activities; the indirect impact,

which is the economic and employment contribution from the value generated along the activated value chain; and the induced impact, which is the economic and employment contribution from the value generated through the demand for goods and services supported by staff employed along the value chain as well as the value of concession companies' investments to increase road safety.

These goals go towards the regulatory evolution in Europe and can be achieved with joint working groups with key stakeholders, for example, by identifying a new economic activity specifically aimed at fully describing the activities of a motorway operator.

Archivio fotografico Autostrade per l’Italia

GLOSSARY

CAM roads is the document that defines the Minimum Environmental Criteria for design and works related to the construction, maintenance and functional adaptation of road infrastructure.

Capex Capital Expenditures: cash outflows for the realisation of investments in fixed assets of an operational nature.

CDP (formerly the Carbon Disclosure Project) is the global disclosure system for managing the environmental impacts of the private sector, the largest and most widely used reporting system providing environmental information and data to investors and the market.

Circular economy is a production and consumption model that involves sharing, lending, reusing, repairing, reconditioning and recycling existing materials and products for as long as possible.

CPOs are the companies in charge of installing and recharging infrastructures with the aim of making the presence of recharging stations in our country increasingly widespread.

DNSH Do No Significant Harm: that the interventions envisaged by the national RRFs do not cause any significant harm to the environment: this principle is fundamental for accessing RRF funding.

EETS European electronic toll service is a new service that allows motorway users to pay tolls within the European Union via a single subscription contract with a single service provider and a single electronic tolling device.

Envision Protocol is the first rating system for assessing the sustainability of infrastructure thanks to its grid of criteria, adaptable to any infrastructure project or work.

ESG rating expresses a synthetic judgement certifying the soundness of an issuer, a security or a fund from the point of view of environmental, social and governance commitment.

Eurovignette Directive 2022/362/EC which provides for the application of differentiated tariffs according to pollution class.

Fit for 55 is a package of economic and social reforms and regulations promulgated by the European Union, focused on combating climate change and reducing greenhouse gas emissions.

GAR Green Asset Ratio is an indicator that banks are required to calculate as of 1 January 2024: it is the ratio of the value of the assets in the portfolio aligned to the taxonomy (at the numerator) to the total value of assets (at the denominator).

Green Deal European Green Deal is to achieve climate neutrality by 2050.

Gender gap special reference to gender differences and the social and professional inequality between men and women.

Green bond Any type of bond instrument whose proceeds are used exclusively to finance or refinance, in whole or in part, new and/or pre-existing environmental projects.

ITS Intelligent Transport Systems: range of technological tools to manage transportation networks, as well as the services for travelers.

KPI Key Performance Indicators: measurable value that demonstrates how a company is effectively achieving its mail business goals.

Opex OPerational EXpenditure: indicates the amount of cash flow that a company uses to operate a product, business or system.

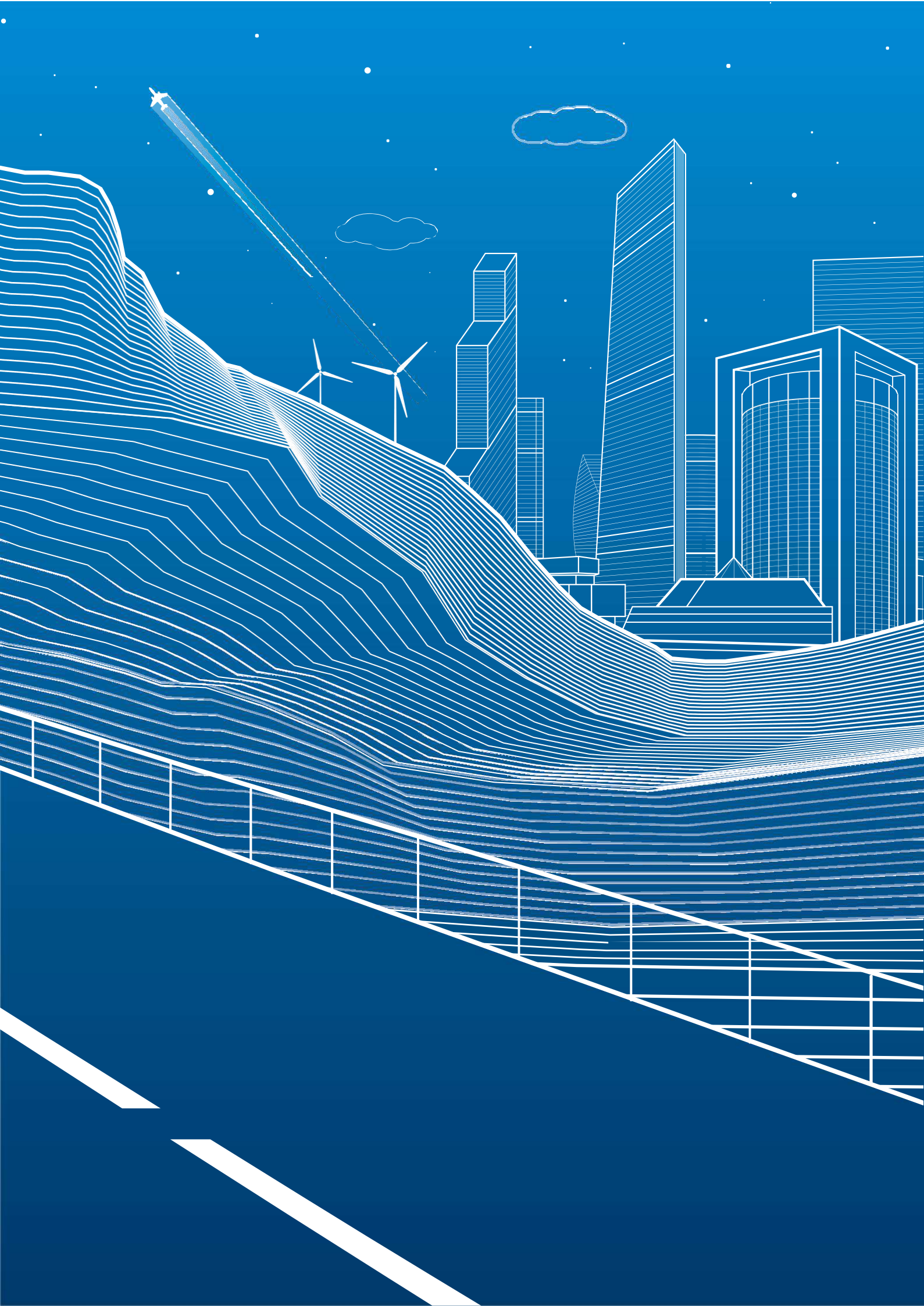
Regulation (EU) 2020/852 (Taxonomy Regulation) introduces a classification system for eco-sustainable economic activities, to increase transparency and encourage the orientation of capital flows towards sustainable investments, in line with the EU's Green economy objectives.

SBTI Science Based Targets Initiative: launched in 2015, promotes the setting of science-based decarbonisation targets to strengthen the competitive position of companies that want to move to a low-carbon economy.

Smart mobility is a tool to achieve sustainable development of mobility. The term encompasses a number of elements: technology, mobility infrastructure (parking, charging networks, signage, vehicles), mobility solutions (including new mobility models) and people.

SPO Second Party Opinion: provides an independent assessment of a accuracy and integrity of a bond, loan or a strategic framework used for investor decision-making.

SLBs Sustainability-linked bonds are any type of bond with financial and/or structural characteristics that may vary depending on whether or not the issuer achieves pre-defined sustainability/ESG objectives.

Sustainability linked financing framework represents a model by which financing strategies are linked to sustainability goals and more precisely, the financial conditions of a loan or bond are linked to specific sustainability goals of the issuing company.

TEG Technical Expert Group on Sustainable Finance: a group of experts - 35 members and more than 100 consultants - commissioned in 2019 by the European Commission to provide its recommendations on new regulations for sustainable finance. The task of the TEG was: to identify economic activities that can contribute to achieving zero emissions by 2050, and their selection criteria.