

# ADIF - Alta Velocidad

Fixed Income Investor Presentation

January 2025



# Adif - Alta Velocidad

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# Adif - Alta Velocidad

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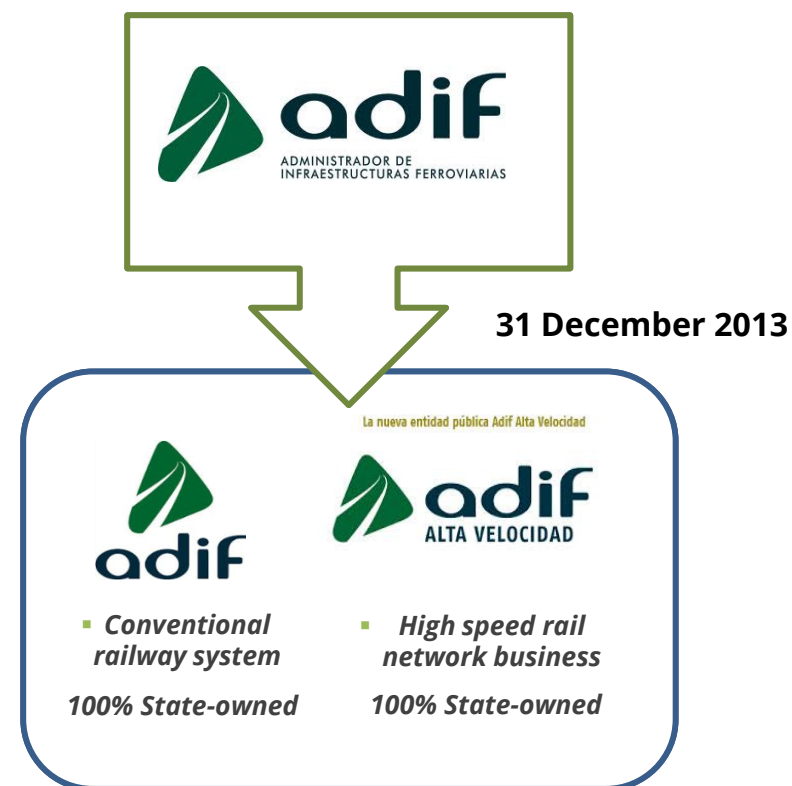
# Agenda

## 1. Company Overview

2. Financial Information
3. Credit Highlights
4. Sustainability Strategy
5. Green Financing & EU Taxonomy
6. Transaction Summary

# Adif - Alta Velocidad - Company Overview

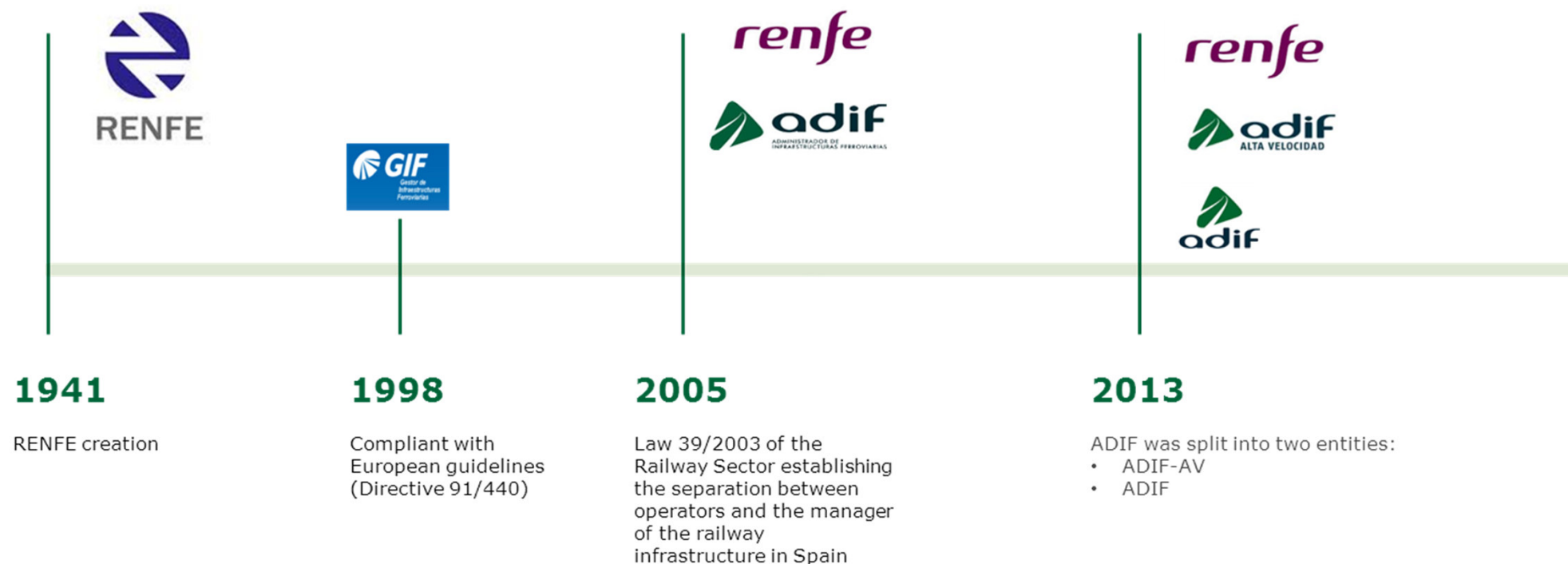
- RDL 15/2013 approved by the Spanish Government established, since 31st December 2013 the split of ADIF, the railway infrastructure management entity, into two separate entities: ADIF-AV to manage the high speed rail network and ADIF in charge of the conventional rail network
- ADIF-AV is a 100% State-owned *Entidad Pública Empresarial* (public corporate entity) created under Law 6/1997 on Organization and Functioning of the State's General Administration <sup>(1)</sup>. It operates under the supervision of the *Ministerio de Transporte y Movilidad Sostenible* (Ministry of Transport and Sustainable Mobility)
- The new entity is responsible for the construction and management of Spain's high speed rail network in line with the political directives fixed by the Government



(1) Formerly regulated pursuant to article 43.1(b) of Act 6/1997, of 14 April, on the Organisation and Function of the General State Administration (Ley 6/1997, de 14 de abril, de Organización y Funcionamiento de la Administración General del Estado) which was derogated by Act 40/2015, of 1 October, on Legal Status of the Public Sector (Ley 40/2015, de 1 de octubre, de Régimen Jurídico del Sector Público ("Act 40/2015")).

# Adif - Alta Velocidad - Company Overview

- Following the different EU Directives on train transportation, in 2003 the Spanish Parliament approved Law 39/2003 of the Railway Sector opening the sector to competition in transport activities and enforcing the separation between operators and managers of the railway infrastructure





# Adif - Alta Velocidad - Company Overview

- ADIF-AV is the main investor in rail infrastructure in Spain
  - ✓ Non-current assets amount to **51,254 M€** <sup>(1)</sup>
- **Total Assets** <sup>(1)</sup>: **52,421 M€**
- **Total Equity** <sup>(1)</sup>: **26,735 M€**
- **Total Debt** <sup>(1)</sup>: **18,361 M€**
- High Speed Rail Network<sup>(2)</sup>: 3,213 km
- Railway stations <sup>(2)</sup>: 45
- Kilometres – train(millions in a year)<sup>(2)(3)</sup>: 70.13

*(1) Data as of 3Q 2024*

*(2) Data as of 2023*

*(3) Kilometres-train is a ratio that is used as a market standard in the international railway sector and it means the sum of the total of the routes made by all trains using a specific railway infrastructure.*

Source: ADIF-AV

## High Speed Rail Network

	Line Length (km)
Madrid-Barcelona-French Border	820
Madrid-Castilla La Mancha-C. Valenciana-Región de Murcia	705
Madrid-Sevilla	474
Madrid-Valladolid-Palencia-León/Burgos	490
Córdoba-Málaga/Granada	247
Madrid-Toledo	21
Madrid-Galicia (Medina del Campo-Zamora-Taboadela)	317
Development of HSL to Extremadura	137
Other links (standard gauge)	2
<b>Total</b>	<b>3,213</b>



# Adif - Alta Velocidad - Company Overview

## ■ The strong link between ADIF-AV and the Spanish Government

### Legal Framework

- ADIF-AV is an *Entidad Pública Empresarial* (public corporate entity) with legal personality, management autonomy, its own resources different from that of the State General Administration, operating under the supervision of the Ministry of Transport and Sustainable Mobility.
- An *Entidad Pública Empresarial* is a State Body, dependent from or related to the State General Administration, created to perform functions considered of public interest, reserved to the State General Administration.
- ADIF-AV is subject to ongoing audit by the *Intervención General de la Administración del Estado* (the General Public Auditor) under supervision from the Ministry of Finance and Public Function.
- Contracting and management is carried out according to Rail Sector Law and state contract provisions, which are adapted to EU Directives.
- For the performance of its activities, ADIF-AV may receive transfers from the General State Budget, as well as from other Public Administrations.
- Given its legal nature ADIF-AV cannot become insolvent and may only be extinguished by way of an Act of Parliament or a Royal Decree Law approved by the Government.
- ADIF AV must operate under the principle of financial sustainability.



# Adif - Alta Velocidad - Company Overview

## ■ The strong link between ADIF-AV and the Spanish Government

### Corporate Organization

- The Chairman of ADIF-AV is proposed by the Ministry of Transport and Sustainable Mobility, and appointed by the Government.
- The rest of the members of the Board of Directors are appointed and removed by the Ministry of Transport and Sustainable Mobility.

### Principal Sources of Funds

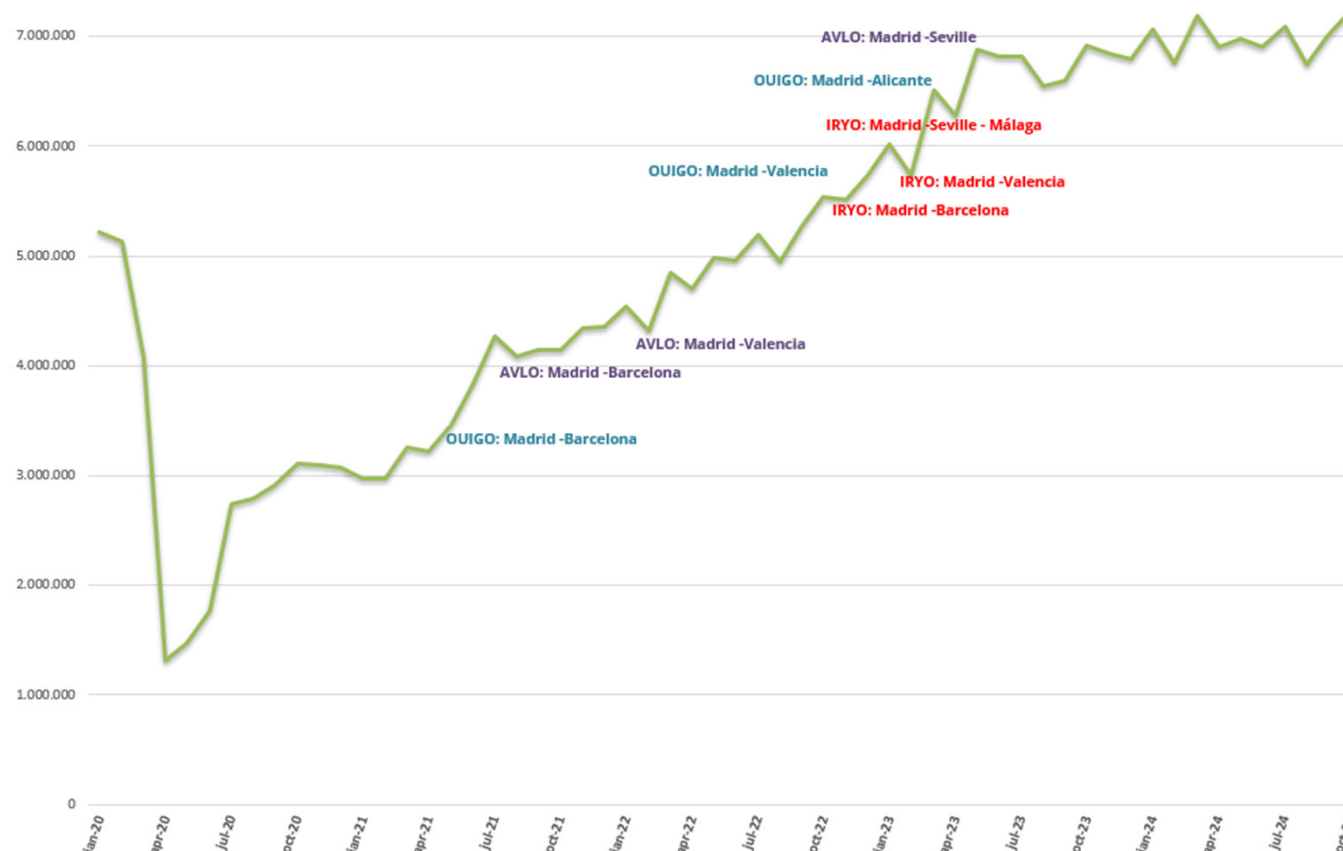
- The largest part of ADIF-AV's resources are:
  - Charges for the use of the rail infrastructure
  - State contributions
  - European Union subsidies for the construction of high speed rail infrastructure
  - Debt operations (within the annual limits approved in the State General Budget). Currently, main creditor is EIB (61% of debt).

### Control

- ADIF-AV's annual accounts are controlled by the General Public Auditor (*Intervención General de la Administración del Estado*).
- ADIF-AV's annual budget and capex plans have to be initially approved by the Ministry of Transport and Sustainable Mobility, and are included in the General State Budget approved by Spanish Parliament.
- Any new indebtedness must be contracted within the limits approved in the General State Budget and subject to the Ministry of Finance and Public Function and the Ministry of Economy, Trade and Business' approval.
- ADIF-AV's activities are monitored and controlled by the Ministry of Transport and Sustainable Mobility.
- ADIF AV is classified as a "Non-Financial Corporate" for Eurostat purposes (operating income over operating expenses plus net financial expense > 50%). The Ministry of Finance and Public Function will check this classification quarterly.

# Evolution of km-train figures<sup>(1)</sup> and railway liberalization process

From January 2020 to October 2024



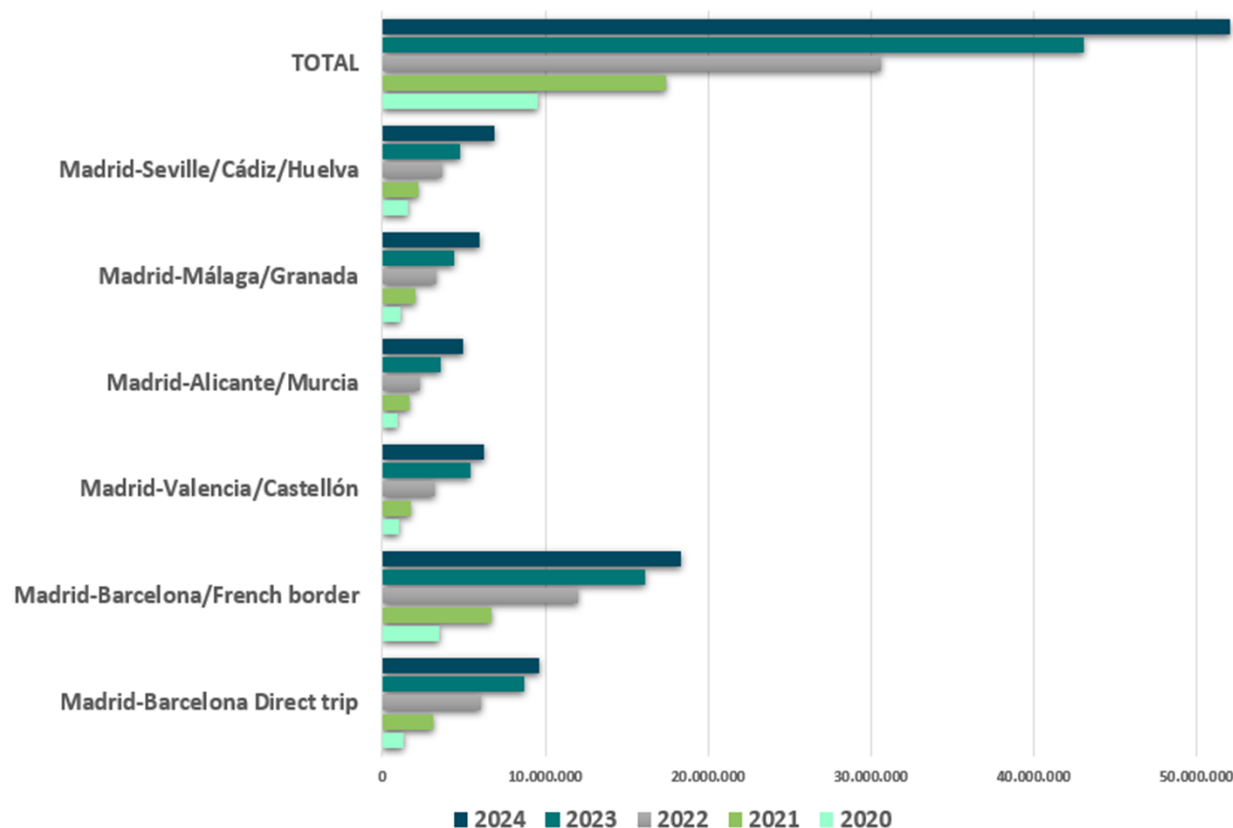
- Use of the infrastructure has increased since the pandemic, currently surpassing even the 2020 figures.
- As a result of the liberalization process, since 2021 three new companies are now operating.
- Second stage of liberalization process will open new corridors to free competence.

(1) Kilometres-train is a ratio that is used as a market standard in the international railway sector and it means the sum of the total of the routes made by all trains using a specific railway infrastructure.

Source: ADIF-AV

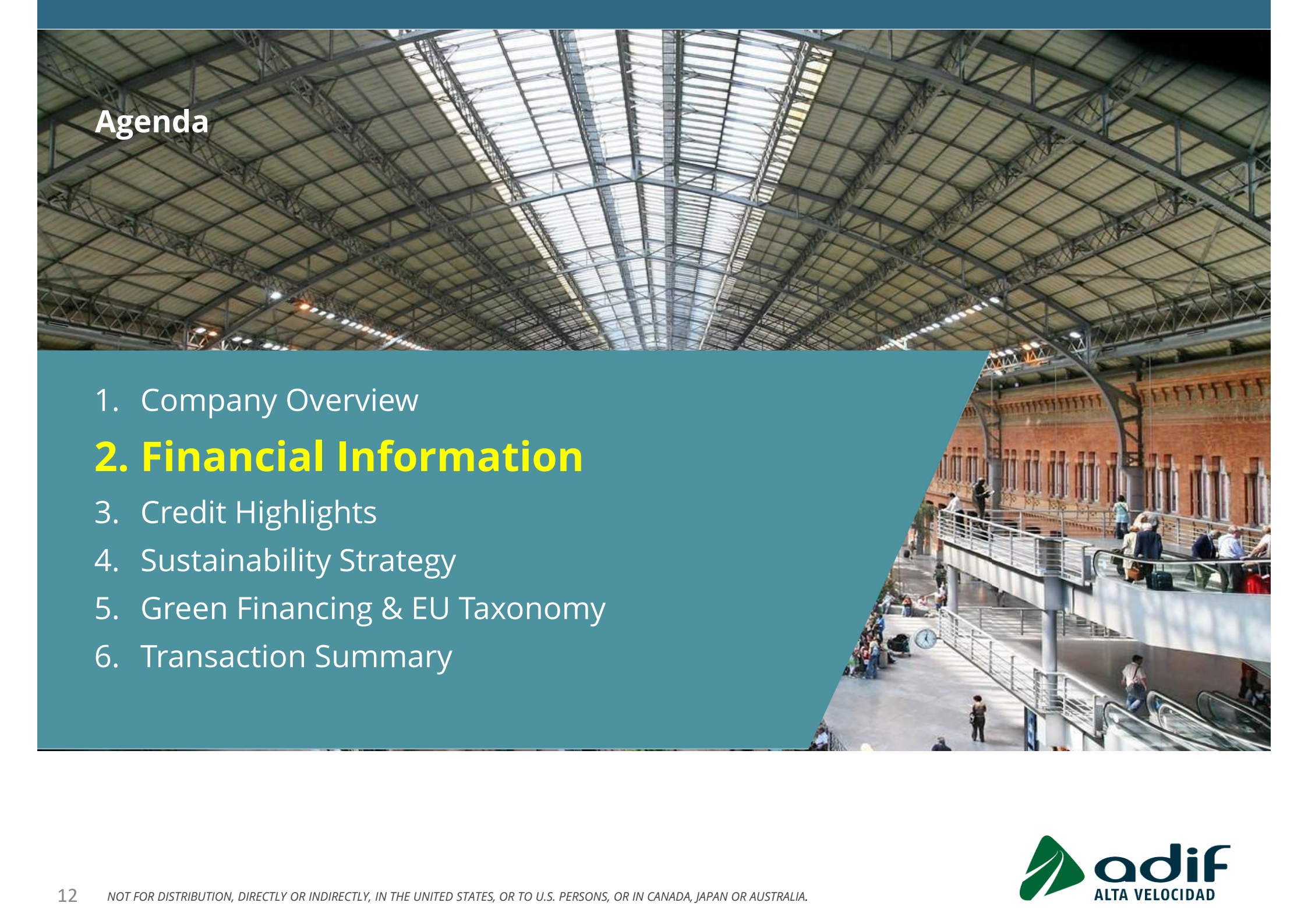
# Increase in passengers from routes opened to free competence

From 2020 to 2024



- This incremental use of the infrastructure has raised users of the liberalized railway lines in around **20%**, compared to last year.
- The Madrid- Barcelona High Speed Line is the one that benefits the most from this increase.

Source: ADIF-AV; estimated data for 2024

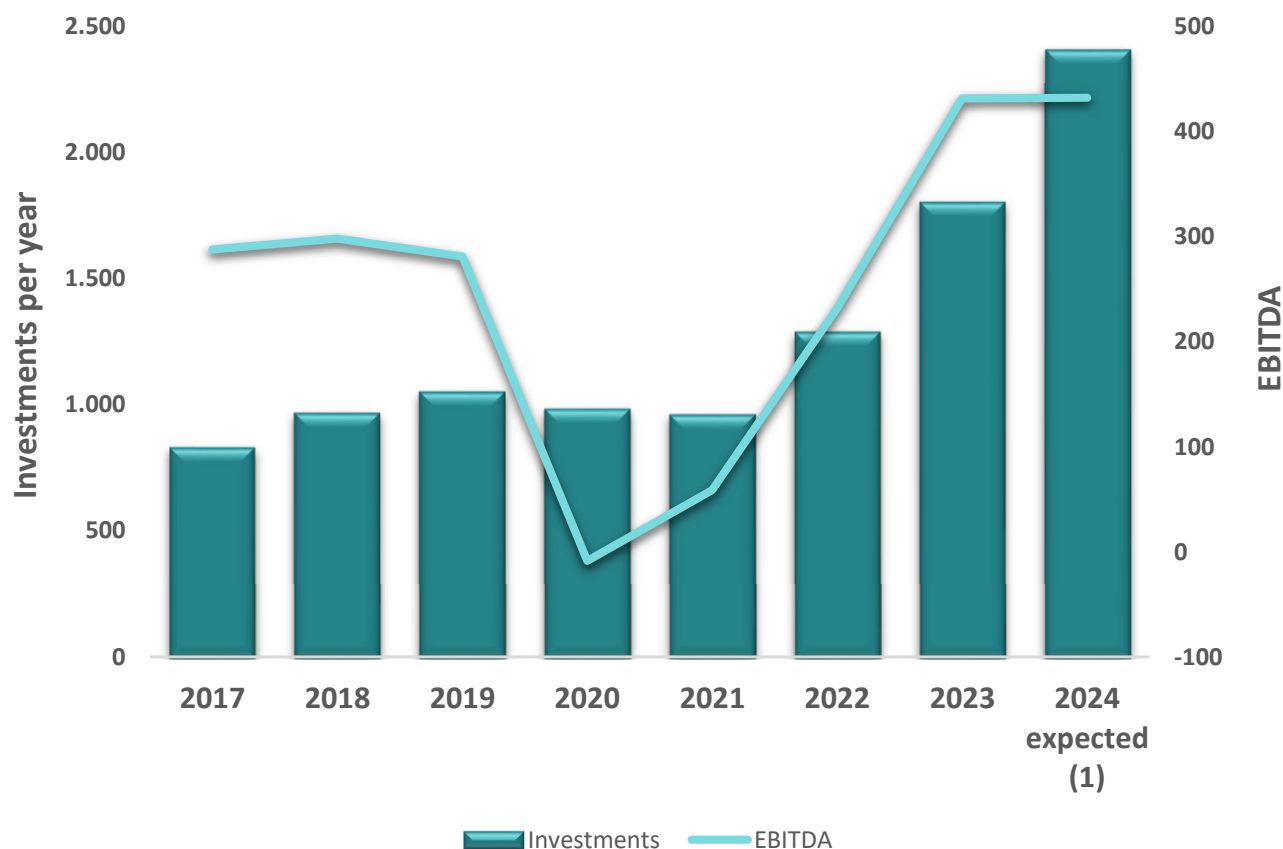


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# Historical financial performance



- Adif AV's performance shows solid recovery over the last years since the pandemic.
- Expected EBITDA for 2024 annual accounts is consolidated in line with previous year.
- Record figure for investments executed during year 2024
- For 2025 onwards, total Capex planned expenditures amounts around **30 Bn€**.

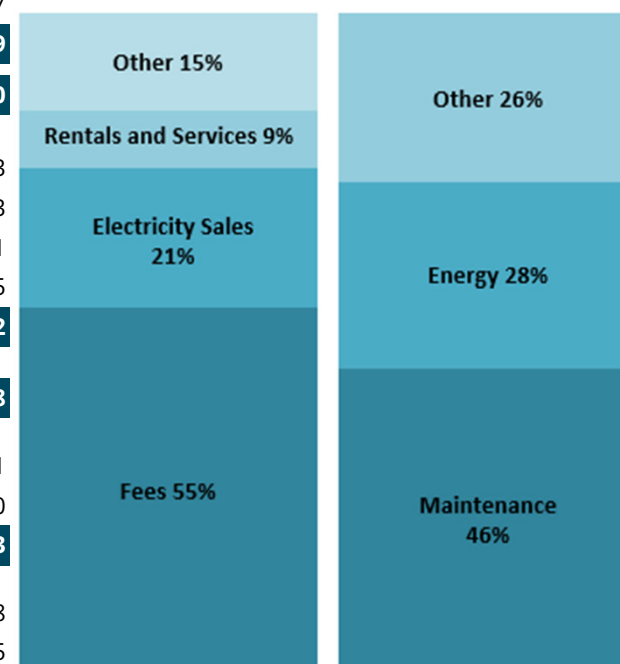
Source: Adif-AV; Figures in thousands M€

(1): Not including +185 thousands M€ coming from non-ordinary revenues corresponding to land sales

# Adif - Alta Velocidad - Profit & Loss Statement

(M€)	3Q 2024	3Q 2023	3Q 2022
+ Use of the public service rail network	498	444	334
+ Use of stations and other rail installations	101	90	66
+ Passenger rail transport safety levy	1	1	1
<b>+ Revenue from use of rail facilities</b>	<b>600</b>	<b>535</b>	<b>401</b>
+ Rentals and services	95	96	78
+ Utilities, basically relates to traction power	231	319	542
+ Provision surpluses	1	0	2
+ Others	162	126	87
<b>+ Other operating revenues</b>	<b>489</b>	<b>541</b>	<b>709</b>
<b>Total Revenues</b>	<b>1,089</b>	<b>1,076</b>	<b>1,110</b>
- Infrastructure repairs and maintenance	-344	-310	-293
- Traction power	-213	-301	-503
- Personnel expenses	-15	-13	-11
- Other operating expenses	-176	-132	-155
<b>Total Expenses</b>	<b>-748</b>	<b>-756</b>	<b>-962</b>
<b>EBITDA</b>	<b>341</b>	<b>320</b>	<b>148</b>
- Amortisation and depreciation	-341	-326	-311
+ Non-financial and other capital grants	106	103	100
<b>EBIT</b>	<b>106</b>	<b>97</b>	<b>-63</b>
+ Financial income	95	69	68
- Financial costs	-336	-270	-235
- Impairment and losses on disposal of financial instruments and others	-7	-6	-4
<b>Income before taxes</b>	<b>-142</b>	<b>-110</b>	<b>-234</b>
<b>Net Income</b>	<b>-142</b>	<b>-110</b>	<b>-234</b>

P&L Breakdown, 3Q 2024 (%)



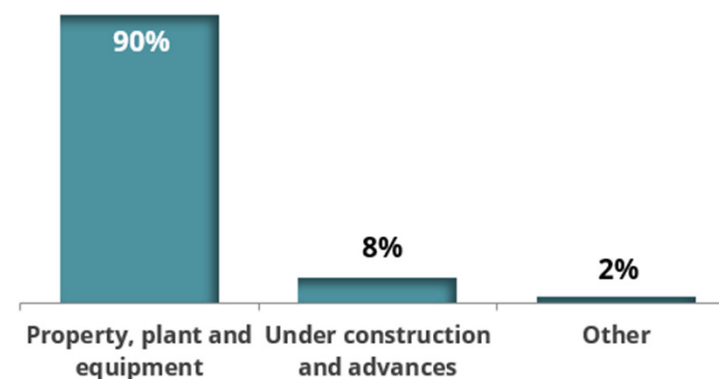
Figures from ADIF-AV 3Q 2024, 3Q 2023 and 3Q 2022 interim financial statements  
Source: ADIF-AV

## Adif - Alta Velocidad - BS I - Assets

- 98% of ADIF-AV assets correspond to tangible fixed assets as of 3Q 2024
- Work in progress fixed assets represent 8% of total assets as of 3Q 2024

(M€)	3Q 2024	3Q 2023	3Q 2022
Intangible assets	74	76	73
Property, plant and equipment	46,145	37,846	38,043
Under construction and advances	4,058	10,799	9,470
Investment property	272	278	283
Other non-current investments	705	964	665
<b>Non Current Assets</b>	<b>51,254</b>	<b>49,963</b>	<b>48,534</b>
Trade and other receivables	494	429	490
Current financial assets <sup>(1)</sup>	-	1	-
Loans to companies	332	124	124
Cash and cash equivalents	342	122	21
<b>Current Assets</b>	<b>1,168</b>	<b>676</b>	<b>635</b>
<b>Assets</b>	<b>52,422</b>	<b>50,639</b>	<b>49,169</b>

Total Assets breakdown, 3Q 2024



Figures from ADIF-AV 3Q 2024, 3Q 2023 and 3Q 2022 interim financial statements

(1) Current financial assets = Financial Institutions deposits with a tenor longer than 3 months

Source: ADIF-AV

## Adif - Alta Velocidad – BS II – Equity and Liabilities

- 53% of liabilities are financed by equity and capital grants as of 3Q 2024
- Bonds and banking debt represents 35% of total equity + liabilities

(M€)	3Q 2024	3Q 2023	3Q 2022
Equity	14.210	14.064	13.807
Grants, donations and bequests received	12.525	11.804	11.260
<b>Total equity</b>	<b>26.735</b>	<b>25.868</b>	<b>25.067</b>
Bonds and other market securities	7.162	6.037	5.023
Non-current loans and borrowings	10.799	10.518	10.722
Current loans and borrowings	563	549	619
<b>Bonds and Banking debt <sup>(1)</sup></b>	<b>18.524</b>	<b>17.104</b>	<b>16.364</b>
Payables convertible into grants	944	1.737	1.714
Deferred tax liabilities	4.175	3.935	3.753
Non-current provisions	841	845	907
Other non-current liabilities	560	625	667
Current provisions	57	42	62
Other current liabilities	586	483	635
<b>Other liabilities</b>	<b>7.163</b>	<b>7.667</b>	<b>7.738</b>
<b>Total</b>	<b>52.422</b>	<b>50.639</b>	<b>49.169</b>

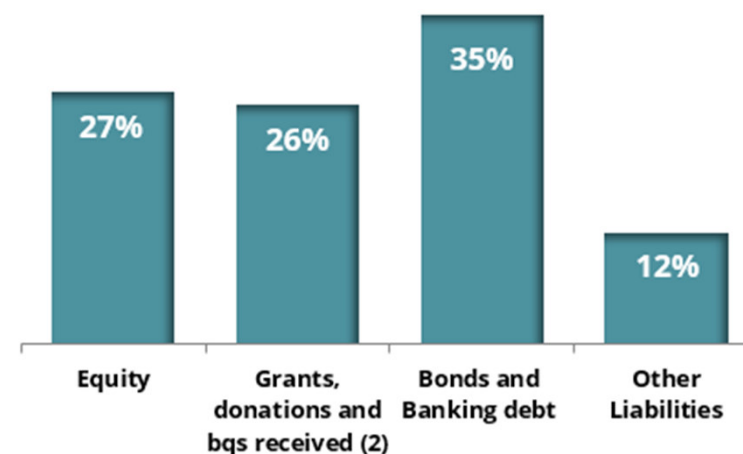
Figures from ADIF-AV 3Q 2024, 3Q 2023 and 3Q 2022 interim financial statements

(1) Including accrued interests (106 M€ as of 3Q 2022, 121 M€ as of 3Q 2023, and 163 M€ as of 3Q 2024).

Gross nominal debt amounts to 16,260 M€ as of 3Q 2022, 16,603 M€ as of 3Q 2023, and 18,361 M€ as of 3Q 2024.

Source: ADIF-AV

Total Equity & Liabilities breakdown, 3Q 2024



(2) Includes "Grants, donations and bequests received " and "Payables convertible into grants"

Source: ADIF-AV



# Debt maturity

(M€)	3Q 2024	% of total debt	3Q 2023	3Q 2022
Bond	7,080	39%	5,986	5,487
EIB	11,228	61%	10,906	10,946
Bank debt	53	0%	92	170
<b>Total</b>	<b>18,361</b>	<b>100%</b>	<b>16,984</b>	<b>16,603</b>

Figures from ADIF-AV 3Q 2024, 3Q 2023 and 3Q 2022 interim financial statements

Note: Not including accrued interest of 106 M€ as of 3Q 2022, 121 M€ as of 3Q

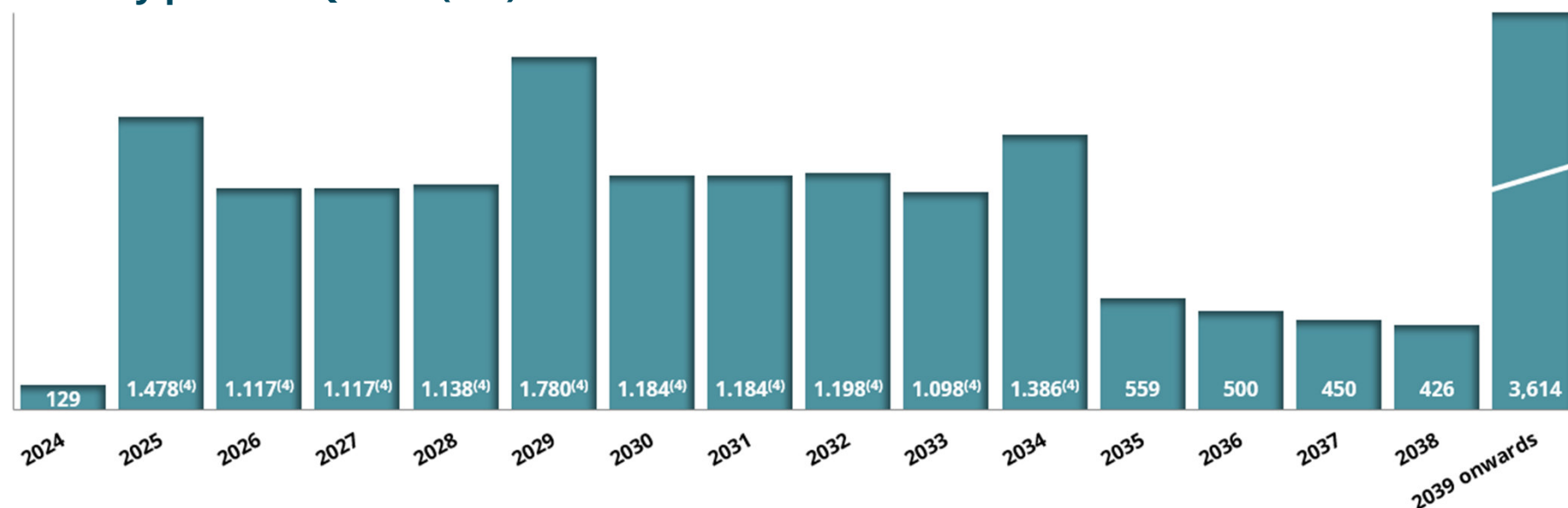
2023, and 163 M€ as of 3Q 2024

Source: ADIF-AV

- EIB is the largest creditor (61%) <sup>(3)</sup>
- Bond issued amounts to 39% <sup>(3)</sup>
- Average maturity profile: 9 years <sup>(3)</sup>
- Average interest rate: 2.20% <sup>(3)</sup>

<sup>(3)</sup> Data as of 3Q 2024

## Maturity profile 3Q 2024 (M€)



<sup>(4)</sup> bond maturities include: 2025 €1bn; 2026, 2027, 2028, 2030, 2031 and 2032 €0.6bn each year; 2029 €1,1bn; 2033 €0,5bn; 2034 €0,8bn.

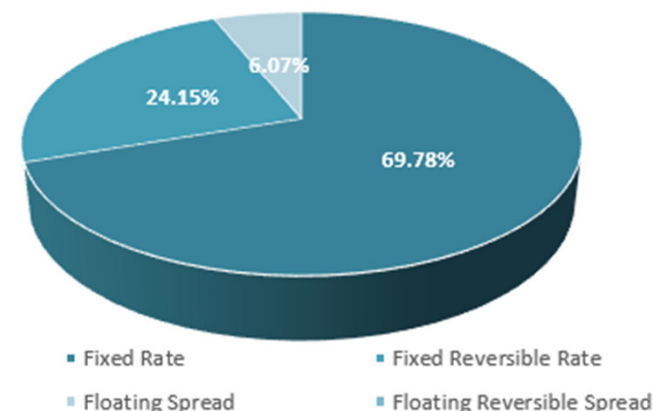
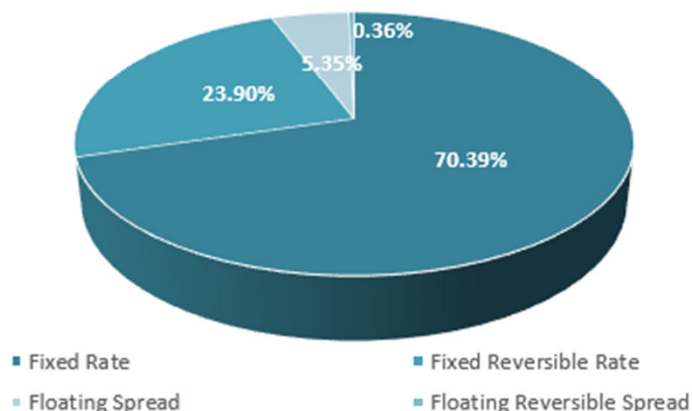
Note: Not including 163 M€ of accrued interests as of 3Q 2024.

Source: ADIF-AV

# Debt situation with financial entities and fixed income securities (nominal value)

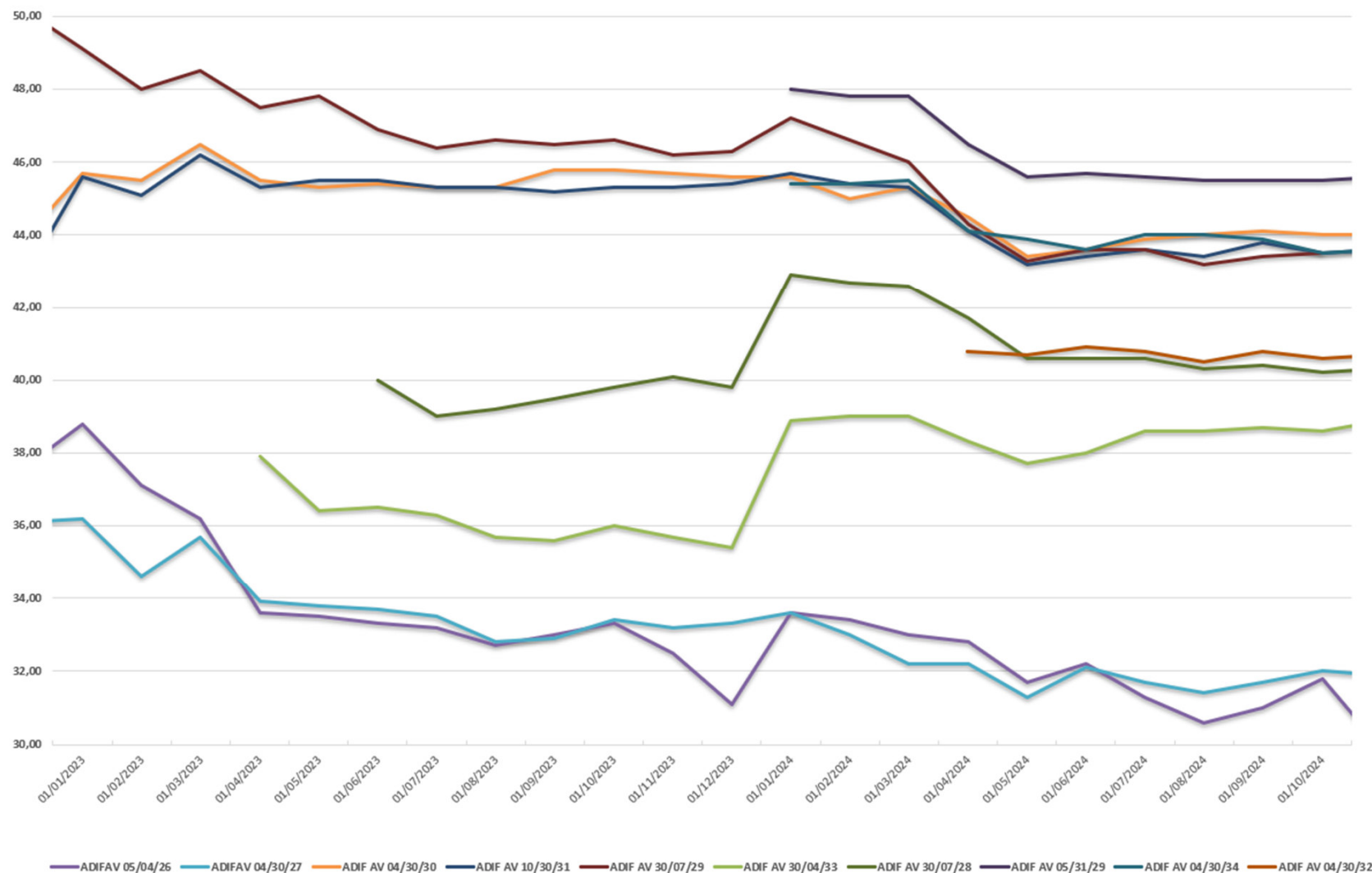
## Floating vs Fixed debt type breakdown (thousand euros)

	3Q 2024		31/12/2023
Fixed Rate	12,937,437	70.39%	12,076,918
Fixed Reversible Rate	4,392,747	23.90%	4,178,728
Floating Spread	984,192	5.35%	1,050,954
Floating Reversible Spread	66,000	0.36%	



# Adif - Alta Velocidad Benchmark Transactions

## Adif-AV historic spread vs SPGB (bps)



Source: Bloomberg

As of 7<sup>th</sup> January 2025

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# Adif - Alta Velocidad – Credit Rating Agencies

Rating agency	Long-term	Short-term	Outlook
Moody's	Baa2	P-2	Positive
Fitch	A-	F-1	Positive

**MOODY'S**

March 2024

- **A Government-related issuer**

ADIF AV rating assignment reflects the strong linkage between ADIF AV's rating and that of The Kingdom of Spain. Despite the lack of explicit government guarantees, this linkage is based on ADIF AV's status as a government-related issuer (GRIs), its strategic importance to Spain, and the very high implicit government support and default dependence that Moody's incorporates within the rating

- **Funding from Central Government**

Moody's expects that the Spanish government will provide emergency funds in the unlikely event that they were needed, although no automated process is in place

**FitchRatings**

November 2024

- **Special Legal Status**

ADIF AV reports directly to the Spanish Ministry of Public Works. The Ministry appoints members of the board of directors and its President. While ADIF AV does not have an explicit guarantee, it cannot become bankrupt; if dissolved, its assets and liabilities would revert to the state. ADIF AV also cannot be privatised without a change in its legal status

- **Tight Control by Government**

ADIF AV's budget, including debt, is approved by the Spanish parliament at the same time the central government's budget is tabled. In addition, all debt contracted with non-Spanish residents or bond issuance requires prior authorisation by the Treasury. The State appointed auditor also audits the accounts of ADIF AV

# Adif - Alta Velocidad - Credit Highlights



**Stable legal framework** due to the strategic importance of ADIF-AV to the Spanish economy



**100% state-owned**, operates under the supervision of the Ministry of Transport, Mobility and Urban Agenda, the Ministry of Finance and the Ministry of Economical Affairs and Digital Transformation



**Budget approved** by the **Spanish Parliament** under the Annual General Budget Framework



ADIF-AV is a highly regulated entity with a **public funding mechanism** which allows the company to **cover most of its CAPEX**



ADIF-AV can **only be extinguished by a specific law** approved by the Government. In such case the entity's assets and liabilities are transferred to the State or another entity of a similar legal nature

# Adif - Alta Velocidad - Credit Highlights



Adif-AV qualified as a government-related issuer (GRI) → **Implicit Government Guarantee**



Rated **Baa2** (positive) by **Moody's** and **A-** (positive) by **Fitch**



Adif-AV qualified as an **eligible agency** for the ECB **Public Sector Purchase Programme (PSPP)** since 2 July 2015

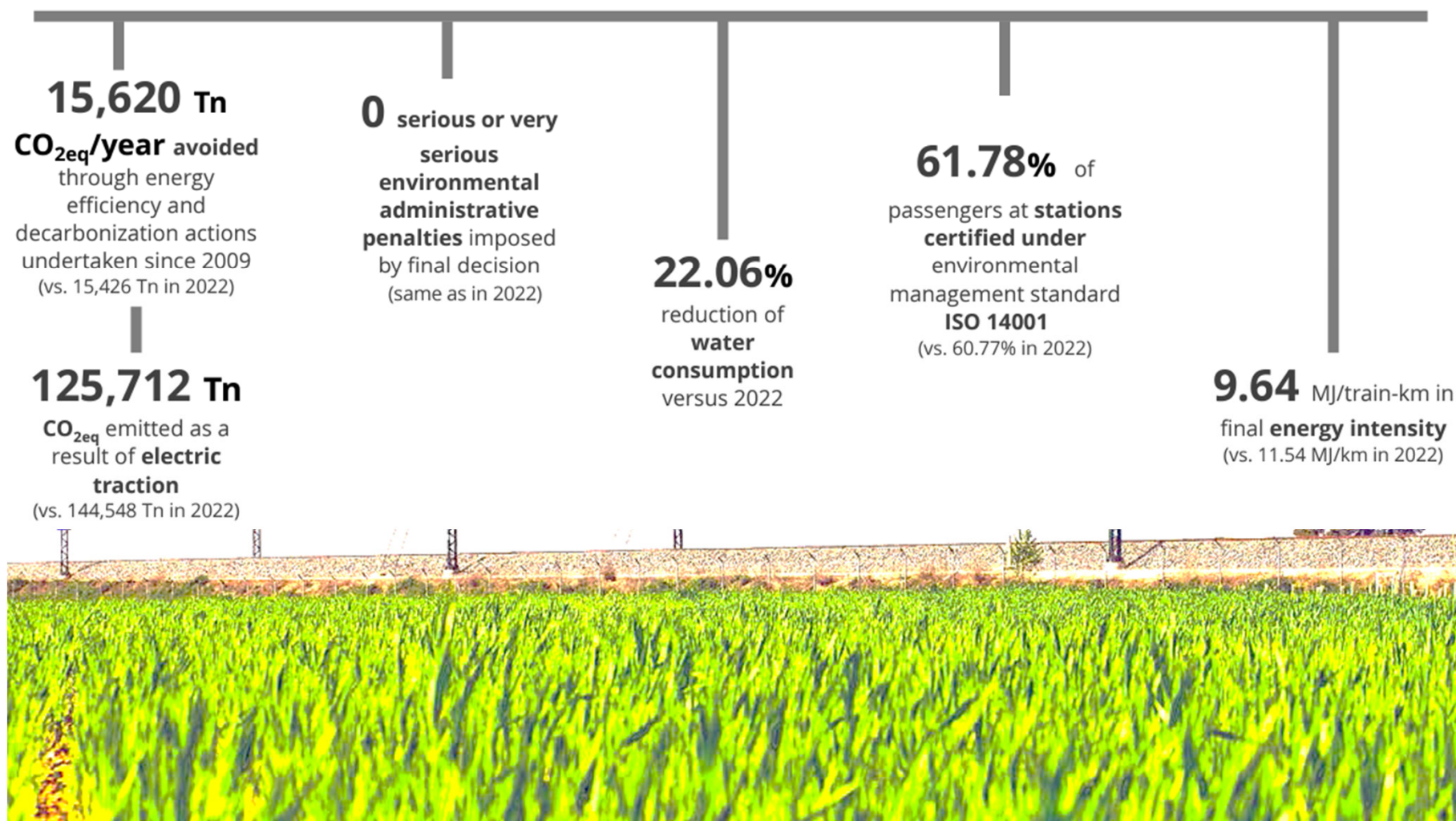


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# ADIF-AV's main sustainability indicators



# Adif - Alta Velocidad – Sustainability strategy

## ■ ADIF's Master Plan to Combat Climate Change 2018-2030

### MASTER PLAN TO COMBAT CLIMATE CHANGE 2018-2030

- On 22 January 2019, ADIF has approved the **Master Plan to Combat Climate Change 2018-2030**, aiming at reducing greenhouse gas emissions in the railway system and in the whole transport sector
- This Master Plan answers the Framework Agreement to Combat Climate Change subscribed by **ADIF** and **ADIF-Alta Velocidad** with **Renfe** in March 2018
- The Plan is based on the **environmental advantage of the railway** regarding other transport means, enhancing the main character that the railway must perform within the transport sector to be able to reach the objectives that both at international, European and national level, have been established regarding the fight against the climate change

### CONCRETE SUSTAINABILITY GOALS

#### Reduce emissions in national transport

- The Plan seeks to **diminish the emissions** in the whole national transport through the capture of traffic by the development and improvement of the railway network
- Particularly, the reduction of emissions accumulated up to 2030 due to the modal shift is estimated in more than 8 million tons of CO<sub>2</sub>

#### Energy

- The Plan contains a series of measures of **energetic efficiency** and **decarbonization** applied to the railway system as a whole and is focused on achieving an accumulated reduction of the energetic consumption in around 5,300 GW/h until 2030. These measures will entail, similarly, a reduction of accumulated emissions in a million and a half tons of CO<sub>2</sub> in the same period
- It also envisages the purchase of **Green Electric energy** (with certificates of Guarantee of Origin), which will enable the reduction of accumulated emissions in more than 7 million tons of CO<sub>2</sub> from now to 2030

#### Alignment with EU objectives

- It is aligned with the European policies and its **objectives to 2030 and 2050**, established to be able to comply with the target the Paris Agreement, which consists in preventing that the increase of global average temperature of the planet exceeds 2 °C, compared to the preindustrial levels

# Adif - Alta Velocidad - Company Overview

## ■ ADIF's Sustainability strategy is aligned with the UN SDG's

### Positive impact on the UN SDGs



The construction and maintenance of High-Speed lines, including those to which the resources obtained with the emission of green bonds have been allocated, have a positive impact in the following Objectives and Goals of Sustainable Development of the UN 2030 Agenda

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



“Resilient infrastructures, inclusive and sustainable industrialization, innovation”. Goal 9.1: “Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all”. The high-speed railway lines are built with the highest standards of quality to ensure its resilience and reliability; in addition, it is applied for their construction and maintenance strict criteria of sustainability and respect to the environment, establishing environmental vigilance measures which ensure the preservation of the natural, cultural and archeological heritage.

### 11 SUSTAINABLE CITIES AND COMMUNITIES



“Sustainable cities and communities”. Goal 11.a: “Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning”. The high-speed railway lines improve substantially, in a planned manner, the connection between the urban, peri-urban and rural areas, facilitating the generation of economic and social links, generating with it opportunities of growth and well-being.

### 13 CLIMATE ACTION



“Combat climate change and its impacts”. Goal 13.2: “Integrate climate change measures into national policies, strategies and planning”. The development of the high-speed network will lead to significant quantities of traffic of the transport by road and of the air transport transferring to the railway, being this one the mode of transport which generates less CO<sub>2</sub> emissions and other greenhouse gases, thus fighting the climate change through a better contribution of the transport sector to the fight against this phenomenon.

# ADIF-AV's Rationale to issue Green Bonds



ADIF-AV in its activity seeks to contribute to the constant improvement of the environment and socio-economic well-being by incorporating in its line of action values consistent with these objectives that guide its strategic decisions and incorporating them into its management model.

The Strategic Plan of ADIF-Alta Velocidad is based on the **Sustainable Development Goals (SDG)** approved by the United Nations in 2015, with which ADIF-Alta Velocidad is completely committed.



As a following step within this strategic approach, ADIF-Alta Velocidad has approved the **MASTER PLAN TO COMBAT CLIMATE CHANGE 2018-2030**, which has as main target the reduction of greenhouse gas emissions in the railway system and in the whole transport sector.

Aligned with the **MASTER PLAN TO COMBAT CLIMATE CHANGE 2018-2030**, ADIF-AV has a concrete sustainability goal of reducing its energy consumption by 156 GWh equiv per year by 2030. The environment is one of its fundamental commitments and values.



In this context, ADIF-AV issued its **inaugural Green Bond in June 2017 and 7 other green issuances have followed suit (as detailed on slide 35)**. The reporting of allocation and the relevant impact metrics have been released for the first five issuances.

ADIF-AV develops its activity of design, construction and maintenance of the rail system seeking to **minimize the environmental impact** derived from these activities. Its objective is to achieve the maximum degree of environmental integration of the new rail lines.

ADIF-AV has an **Environmental Management System** certified by ISO 14001.



# Agenda

1. Company Overview
2. Financial Information
3. Credit Highlights
4. Sustainability Strategy
- 5. Green Financing & EU Taxonomy**
6. Transaction Summary



# ADIF-AV Green Financing Framework 2022

ELIGIBLE GREEN PROJECT CATEGORIES	DESCRIPTION	ALIGNMENT WITH THE EU TAXONOMY'S CLIMATE DELEGATED ACTS
Investments related to new rail lines and rail lines extensions	This category includes projects for the construction of high-speed lines that are already being executed or are expected to be executed, as well as the lines already put into service	6.14. Infrastructure for Rail Transport
Investments related to maintenance, upgrades and energy efficiency of the rail system	This category includes projects aimed to improving the efficiency of the rail system and promoting sustainable transport. The actions can be related to infrastructure and superstructure (signaling system, electrification of a railway line, capacity improvement...)	6.14. Infrastructure for Rail Transport

- Eligible Green Projects include **new and ongoing projects** with **disbursements up to 2 years prior to the Notes issuance** and **up to 36 months from the launch of the issue.**
- Thorough process for **project evaluation and selection**, involving Treasury, Financial Planning, Budget and Environmental Department.

- An **external Audit** firm or any other third party appointed by ADIF-AV will **verify the internal tracking method** and the allocation of funds from the Green Bond proceeds to the Eligible Green Projects
- Full document is available here: [ADIF-AV Green Financing Framework](#)



# Second Party Opinion Highlights



*"Sustainable Fitch considers ADIF-AV's Green Financing Framework to be aligned with the four core principles of the **ICMA Green Bond Principles 2021**."*

*"The current Green Financing Framework update broadens the sustainability ambitions, **aligns with the EU taxonomy objective of climate change mitigation** based on the information provided, and strengthens its governance, especially with regards to project selection and evaluation."*

*"ADIF-AV has had a plan in place since 2019 to **mitigate climate change**, with ambitious emissions reduction targets for the short term (2025) and the long term (2030), aligned with the internationally recognised frameworks of the Paris Agreement and the SDGs; the EU 2030 climate and energy framework and the roadmap to a competitive low-carbon economy by 2050. Its plan also aligns with the sectorial frameworks described in the white paper on transport of the EU and the Railway Handbook produced by the International Union of Railways and the International Energy Agency. The plan to mitigate climate change encompasses five areas of action with corresponding short-term and long-term targets: energy efficiency, decarbonisation, energy management, improvement of the resilience of the rail infrastructure, and culture and environmental awareness across 17 programmes and 56 projects."*

Sustainable Fitch Second-Party Opinion	Excellent
Framework Type	Green
Alignment	Green Bond Principles

Source: [Sustainable Fitch – Second Party Opinion](#)

# Adif Alta Velocidad alignment with EU Taxonomy



*"Alignment with the taxonomy requires projects meet the technical screening criteria (TSC), the do no significant harm (DNSH) criteria and the minimum safeguards criteria. We consider the eligible projects to be aligned with the EU taxonomy's TSC and the DNSH for the reasons explained in the "Use of Proceeds – Eligible Projects" section."*

*"Investments in rail systems infrastructure are eligible under the EU taxonomy's objective for climate change mitigation within the infrastructure for rail transportation category."*

*The EU taxonomy considers investments in energy efficiency, maintenance and upgrade of infrastructure dedicated to transport by rail as eligible investments as long as the investments are either dedicated to enabling zero tailpipe emissions infrastructure works or works that would allow the infrastructure to be fit for use by zero tailpipe CO<sub>2</sub> emissions trains within 10 years from the beginning of the activity. Such investments can be directed towards electrified trackside infrastructure and associated subsystems; or infrastructure, energy, on-board control-command and signalling, and trackside control-command and signalling subsystems."*

## Compliance with SSC

*"Since ADIF AV's high-speed rail network is fully electrified, Sustainable Fitch considers these investments as compliant with the TSC that require the infrastructure to be electrified or fit for use by zero-tailpipe CO<sub>2</sub> emissions trains."*

*"Fitch finds that projects related to the upgrade, maintenance and energy efficiency improvements of zero emission infrastructure meet the EU taxonomy TSC. EU taxonomy alignment is verified as ADIF AV also complies with the DNSH criteria and the minimum safeguards, for the same reasons explained in the previous use of proceeds."*

## Compliance with DNSH

*"To be fully aligned to the EU taxonomy, the company is also expected to demonstrate compliance with the DNSH criteria, especially those relating to the circular economy requirement of 70% of non-hazardous construction and demolition waste generated for reuse; those relating to pollution prevention and control, with appropriate mitigating measures for noise and vibration; and those related to biodiversity. It is also expected to comply with the minimum safeguards. ADIF AV has received funding from the EU Next Generation Recovery and Resilient Facility, which requires compliance with the DNSH criteria, and has implemented, in 2022, a new waste management model and climate change adaptation studies for potential projects; this indicates compliance with the previously mentioned DNSH criteria."*

## Compliance with Minimum Safeguards

*"Our assessment has not identified any controversies related to the minimum safeguards."*

*"ADIF AV has been a UN GC signatory since 2018 and has robust labour and human rights policies in place that are aligned with the International Labour Organization principles. This gives Fitch reasonable assurance that minimum safeguards are met."*

# Adif Alta Velocidad Green Bond Issuances

Adif AV is a recognized green bond market participant, with yearly issuances since 2017. All of them are listed in AIAF (Spain) and are ECB eligible.

## €600m 0.800% matured in July-2023

Inaugural Green Bond, issued July 2017

Spread SPGB + 33 bps

Widespread demand: mainly coming from Spain (21%), Germany (18%) and France (18%). In terms of investor type, Fund Managers took 47%, Insurance and Pension Funds 28%, and Banks & Private Banks 22%.

45% of investors with strong SRI investment policies or SRI specific mandates.

## €600m 0.550% due Oct-2031

Issued October 2021

Spread SPGB + 17 bps

Widespread demand: Iberia (24%), Germany & Austria (25%) and France (20%). In terms of investor type, Fund Managers took 62%, Banks & Private Banks 19% and Insurance and Pension Funds 19%

72% of investors with strong SRI investment policies or SRI specific mandates.

## €600m 1.250% due May-2026

Issued April 2018

Spread SPGB + 34 bps

Demand mainly coming from Spain (47%), France (14%), and Germany (14%). In terms of investor type, Fund Managers took 46%, Insurance and Pension Funds 20%, and Banks & Private Banks 27%.

45% of investors with strong SRI investment policies or SRI specific mandates.

## €500m 3.500% due July-2029

Issued October 2022

Spread SPGB + 45 bps

Widespread demand: Iberia (38%), France (30%) and UK/Ireland (17%). In terms of investor type, Fund Managers took 40%, and Banks & Private Banks 29%.

73% of investors with strong SRI investment policies or SRI specific mandates.

## €600m 0.950% due Apr-2027

Issued April 2019

Spread SPGB + 28 bps

Widespread demand: Spain (34%), Germany & Austria (29%) and France (16%). In terms of investor type, Fund Managers took 56%. 60% of investors with strong SRI investment policies or SRI specific mandates.

## €500m 3.900% due April-2033

Issued April 2023

Spread SPGB + 45 bps

Widespread demand: Iberia (30%), France (24%) and Germany /Austria (24%). In terms of investor type, Fund Managers took 56%, and Banks & Private Banks 19%.

70% of investors with strong SRI investment policies or SRI specific mandates.

## €600m 0.550% due Apr-2030

Issued February 2020

Spread SPGB + 23 bps

Widespread demand: Spain (23%), Germany & Austria (22%), France (15%) and UK (14%). In terms of investor type, Fund Managers took 47%, Insurance and Pension Funds 20%, and Banks & Private Banks 19% while Central Banks and Official Institutions 13%

55% of investors with strong SRI investment policies or SRI specific mandates.

## €600m 3.500% due April-2032

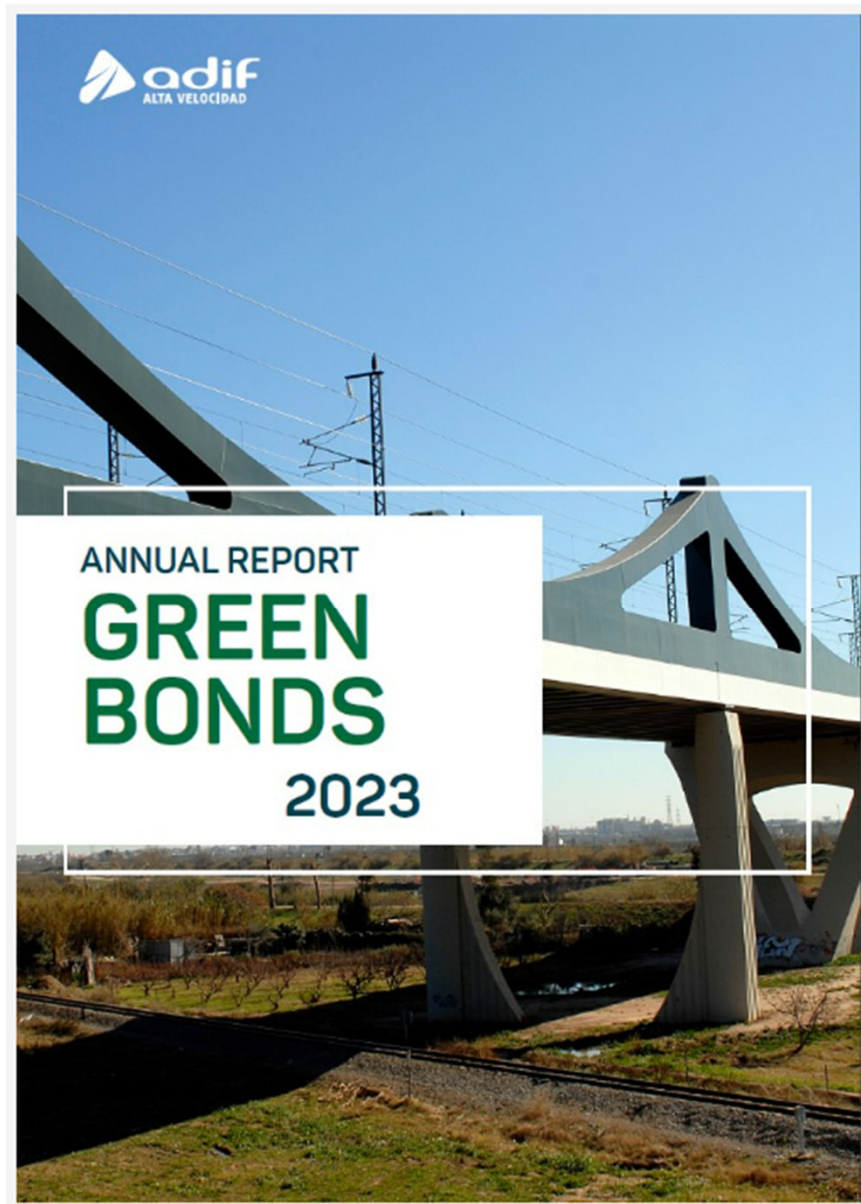
Issued April 2024

Spread SPGB + 44 bps

Demand coming from Iberia (31%), DACH (23%) and Italy (13%). In terms of investor type, 37% belonging to Funds, and 32% Banks & Private Banks.



# ADIF-AV Green Bond Reporting



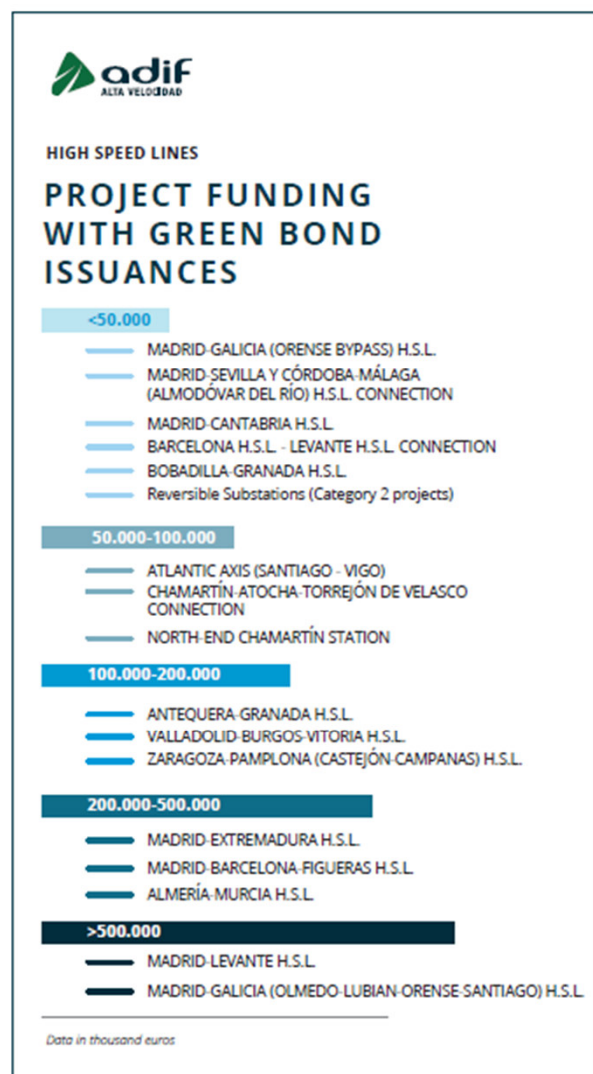
- Within one year of the issuance of ADIF-AV Green Bonds and until the full allocation of an amount equal to the net proceeds of the Green Bonds issued, **ADIF-AV will annually publish on its website:**
  - Annual updates on the amounts allocated to the Eligible Green Projects
  - **Relevant expected impact metrics and where feasible actual impact metrics, related to the Eligible Green Projects**
  - Annual report from auditors or any other third party appointed by ADIF-AV, that will verify the internal tracking method and the allocation of funds from the Green Bond proceeds to the Eligible Green Projects.





# ADIF AV Green Bonds Annual Reports (1/2)

## ALLOCATION OF PROCEEDS BY LINE



- Detailed info published at: <https://www.adifaltavelocidad.es/>

# ADIF AV Green Bonds Annual Reports (2/2)

## Impact Metrics used

HIGH SPEED LINES	EXTERNAL COSTS (Thousand Euros)	TIME (Thousand hours)	MODAL TRANSFER (Thousand Passengers/KM Transferred)		TONS OF CO <sub>2</sub>		
	30 years	30 years	Annual average	30 years	Annual average	30 years	Annual average
Valladolid-Burgos-Vitoria HSL	5,778,232	114,677	3,823	60,397,188	2,013,240	2,625,652	87,522
Madrid Galicia (Olmedo-Zamora-Ourense section) HSL	4,228,626	144,273	4,809	38,418,279	1,280,609	1,851,003	61,700
Atocha-Chamartín-Torrejón de Velasco and Chamartín North Head End Connection	15,137,189	266,739	8,891	91,156,778	3,038,559	8,594,328	286,478
Madrid-Sevilla and Córdoba-Málaga (Almodóvar del Río) Connection	372,252	7,502	250	11,991,020	399,701	163,916	5,464
Madrid-Barcelona-Figueras HSL	19,264,365	346,659	11,555	132,240,235	4,408,008	9,464,741	315,491
Madrid-Cantabria HSL	699,856	17,064,328	568,811	9,890,256	329,675	355,060	11,835
Mediterranean Corridor HSL	17,001,738	476,591	15,886	112,917,458	3,763,915	8,667,164	288,905
Madrid-Levante HSL	18,196,280	283,178	9,439	95,507,061	3,183,569	3,898,322	129,944
Antequera-Granada HSL	2,783,655	56,478	1,883	26,727,956	890,932	1,360,089	45,336
Atlantic Axis HSL (Santiago-Vigo)	2,578,482	84,509	2,817	7,508,705	250,290	711,214	23,707
TOTAL	86,040,675	18,844,934	628,164	586,754,936	19,558,498	37,691,489	1,256,382

- Investors are encouraged to read the full Annual Reports of the Green Bonds of ADIF-AV at <https://www.adifaltavelocidad.es/>

# Agenda

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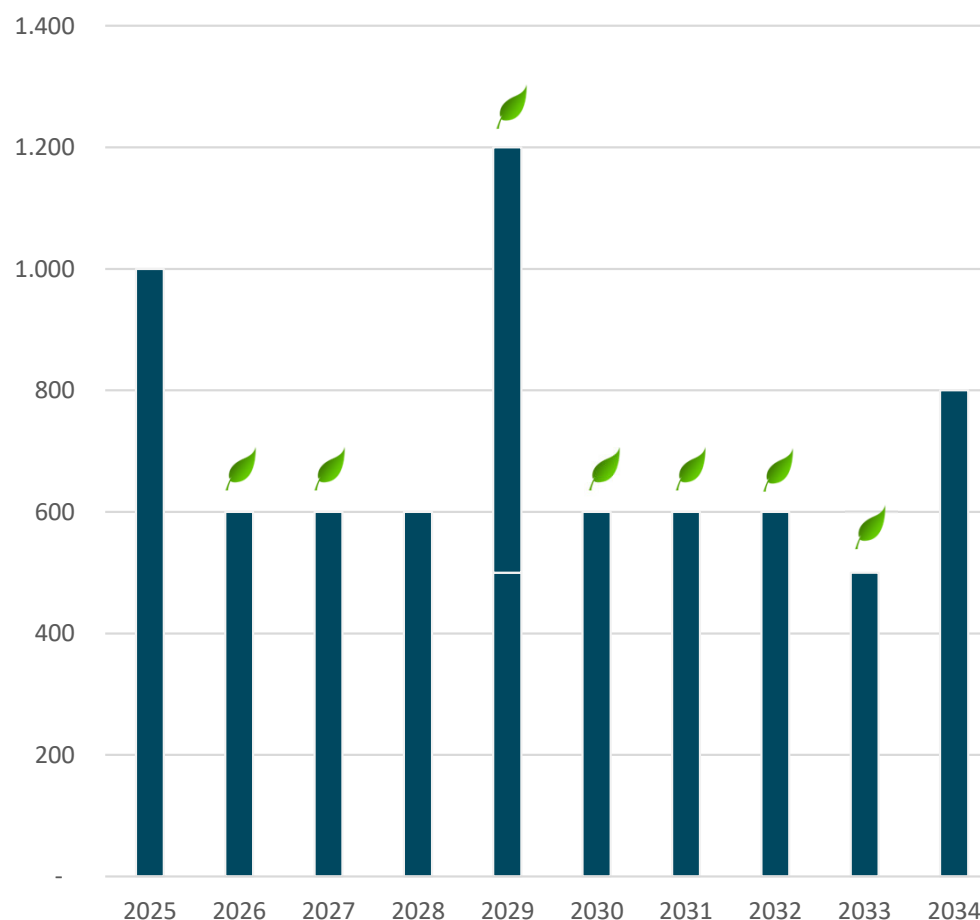
# Adif - Alta Velocidad - Financial Program & Outstanding Issues

Bonds Issued under ADIF-AV EMTN Programme covering the funding needs:

- 2024 EMTN Programme Ceiling (€10bn)
- Placed under Spanish Law
- Dedicated to professionals only
- Use of proceeds of the bonds:
  - Construction of the Spanish high speed rail infrastructure;
  - General Corporate and financing purposes, or
  - Finance and/or refinance, in whole or in part, Eligible Green Projects

## ADIF-AV Bond Maturity Profile

Public issues outstanding in €million – as of 31<sup>st</sup> December 2024



# Adif - Alta Velocidad - Indicative terms

<b>Issuer/Borrower</b>	ADIF – Alta Velocidad	
<b>Issuer Rating</b>	Baa2 (positive) / A- (positive) by Moody's and Fitch	
<b>Exp. Issue Rating</b>	Baa2/A- by Moody's and Fitch	
<b>Ranking</b>	Senior Unsecured	
<b>Distribution</b>	Reg S, in dematerialized book entry form	
<b>Amount</b>	€ Benchmark	€ Benchmark
<b>Maturity</b>	31-January-2030 (5-year)	30-April-2035 (10-year)
<b>Coupon</b>	[TBD], Fixed, Annual, ACT/ACT	[TBD]
<b>Use of Proceeds</b>	For the construction of the Spanish high speed rail infrastructure and general corporate and financing purposes	
<b>Documentation</b>	EMTN Programme dated 11 April 2024	
<b>Governing Law</b>	Spanish Law	
<b>Listing</b>	AIAF	
<b>Bookrunners</b>	BBVA, Crédit Agricole CIB, Deutsche Bank and Santander	



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