

<b>Annex to the guarantee request from</b>	
<b>Sustainability Proofing Summary<sup>1</sup></b>	
The summary <sup>2</sup> is in line with the sustainability proofing guidance and should be presented only for direct financing.	
<b>Identification of the project</b>	
Project total cost (exclusive of VAT):	<input type="checkbox"/> below EUR 10 million <input checked="" type="checkbox"/> equal to or higher than EUR 10 million
<b>Based on the threshold, the project is not exempted from screening/proofing.</b>	
<b>EIA Directive</b>	
	<input type="checkbox"/> Annex I projects (EIA required)  <input type="checkbox"/> Annex II projects (screening) <ul style="list-style-type: none"> <li><input type="checkbox"/> EIA required (project screened in)</li> <li><input type="checkbox"/> EIA not required (project screened out)</li> </ul> 2014 EIA Directive applicable <ul style="list-style-type: none"> <li><input type="checkbox"/> Yes</li> <li><input checked="" type="checkbox"/> No</li> </ul>
	Given the nature and scale of the project, it does not fall under any of the Annexes of the EIA Directive; therefore, the Environmental Impact Assessment process is not required.
<b>Sustainability proofing process</b>	<input type="checkbox"/> <b>Climate</b> <input type="checkbox"/> <b>Environmental</b> <input type="checkbox"/> <b>Social</b>  <b>Please note that the sustainability proofing has been prepared with reference to the CDP financing, as documentation has so far been issued only for this specific intervention.</b>
<b>Climate Dimension</b>	
<i>Legal framework</i>	"Sustainability proofing" ensures that projects and investments align with environmental, social, and governance (ESG) sustainability goals. The legal framework that supports and guides sustainability proofing is reported below.  1. EU Taxonomy Regulation (Regulation (EU) 2020/852): Criteria for determining whether an economic activity can be considered environmentally sustainable, with a particular focus on climate change mitigation.

<sup>1</sup> In line with Article 8 (5) of the InvestEU Regulation and the sustainability proofing guidance ([C\(201\)2632 final](#)).

<sup>2</sup> In line with section 3.2 of the Investment Guidelines, the sustainability proofing summary shall be made public after the Investment Committee has approved the use of the EU Guarantee for a specific operation (with due regard to rules and practices regarding confidential and commercially sensitive information)

	<p>2. EU Climate Benchmark Regulation (Regulation (EU) 2019/2089): Climate transition benchmarks and Paris-aligned benchmarks.</p> <p>3. EU Green Bond Standard (under development): Criteria for the issuance of green bonds, Climate change mitigation and adaptation.</p> <p>4. Task Force on Climate-related Financial Disclosures (TCFD) Guidelines: Recommendations for the disclosure of climate-related financial information. Voluntarily adopted by companies and financial institutions to improve transparency and the management of climate risks.</p> <p>5. European Commission's Sustainable Finance Action Plan: Measures adopted by the European Commission to direct capital flows towards sustainable investments, manage financial risks stemming from climate change, and promote transparency and long-termism in economic and financial activities.</p> <p>The above legislation has been transferred in the Italian legislation through the following key legislative measures:</p> <ol style="list-style-type: none"> <li>1. Legislative Decree No. 254/2016: Implements the EU Non-Financial Reporting Directive (Directive 2014/95/EU);</li> <li>2. National Integrated Energy and Climate Plan (PNIEC): Outlines the country's strategies and measures to meet its energy and climate targets for 2030;</li> <li>3. Climate Decree (Decreto Clima): Measures to contrast climate change and promote environmental sustainability;</li> <li>4. Relaunch Decree (Decreto Rilancio): Response to the COVID-19 pandemic that includes measures to support green investments and promote economic recovery through sustainable development;</li> <li>5. National Recovery and Resilience Plan (PNRR): Renewable energy, energy efficiency, sustainable mobility, and biodiversity protection, aligning with the EU's Green Deal objectives.</li> </ol>
<p><i>Climate dimension (screening)</i></p>	<p>Adaptation: Please refer to the section Climate adaptation.</p> <p>Mitigation:  Is the project recommended to undergo Carbon footprint as per Chapter 2.2 of the sustainability proofing guidance?  <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p> <p>In line with the technical guidance on sustainability proofing for the InvestEU Fund (also the "Guidance"), a screening of the operation regarding greenhouse gases (GHG) emissions has been conducted to identify if the proposed Project has to undergo a carbon footprint assessment.</p>

	<p>The Project involves small-scale building adaptation and renovation works aimed at improving accessibility, such as installing elevators, ramps, and adapting existing spaces. Due to their limited scope, these activities have a minimal associated carbon footprint and, therefore, absolute and/or relative emissions will not exceed the 20.000 tCO<sub>2</sub>e/year threshold.</p> <p>Furthermore, the Project falls under the “Property developments” category, which is explicitly exempt from the carbon footprint assessment under the Guidance.</p> <p>For these reasons, the climate mitigation proofing process is not required.</p>
<p><i>Climate adaptation (proofing), as applicable</i></p>	<p>A climate resilience proofing evaluation of the project was carried out by CDP Risk Management, in collaboration with an independent advisor, related to the climate resilience/adaptation dimension analysis, within the sustainability proofing guidelines requirements (hereinafter “SPG”) under the InvestEU Fund, for a set of “interventions to eliminate architectural barriers in public residential buildings” of ARCA Puglia (“Interventi di eliminazione barriere architettoniche in edifici di ERP e attività connesse” - hereinafter “the Project”).</p> <p>The Project involves the installation or renovation of elevators and stairlifts and the adjustment of bathrooms to guarantee accessibility to the residents of public residential buildings in the provinces of Bari and Barletta-Andria-Trani, in Puglia region: listed in the documentation received are 191 installations or upgrades of stairlifts or elevators, and 318 disabled restroom/bathroom upgrades in 200 buildings, resulting in a total number of 375 locations involved (some interventions are in the same buildings and some buildings are at the same address/location).</p> <p>In particular, the scope of the assessment refers to evaluation of the sensitivity, exposure, vulnerability and possible resulting risk to physical climate-related hazards of the infrastructure and operations of the project, to identify and assess potential climate change related risks – current and future.</p> <p>The assessment was divided into two phases:</p> <p><b>Phase 1:</b> First, the data consulted from public tools and databases were used to classify hazards considering no.3 levels of sensitivity and exposure. The assessment was based on the guidelines released by the European Commission, specifically the criteria indicated by the SPG and the “Technical guidance on climate-proofing of infrastructure projects for the period 2021-2027” to score the different hazards and obtain a vulnerability matrix for the Project.</p> <p>This phase identified the following hazards: high vulnerability to heatwaves and wildfires; medium vulnerability to flooding; low vulnerability to extreme precipitation events, cold waves, drought, landslides, tornadoes, sea level rise, soil and coastal erosion, subsidence.</p> <p><b>Phase 2:</b> Eventually, a high-level risk assessment was carried out, evaluating the likelihood of occurrence and the potential impact of each</p>

relevant (high) hazard from phase 1, considering the technical documents for the Project, and obtaining a risk score. Based on project-specific information provided by the technical documentation, and on advisor's expert judgment, the following risk levels were identified, after assessing likelihood of occurrence and potential impact (on 5 levels each as indicated by the SPG): high risk of flooding, extreme temperatures (heatwaves) and wildfires.

The analysis also aimed to evaluate the adaptation measures to be integrated into the project to mitigate the identified potential climate-related risks and consider them acceptable. In particular:

- against flooding: some preventive measures reportedly planned can be effective to mitigate flood risk, such as: placing electrical equipment and control switches at 1.5 m of height above ground level, installing electrical components in IP-certified cases against water and humidity, planning control and security systems for equipment to intervene in case of flood. Such planned measures are considered to mitigate the flood risk to acceptable, as long as interventions works are going to be performed and systems are going to be installed at "state-of-art", following best practice and the technical guidance available.
- against extreme temperatures and wildfires: some preventive measures reportedly planned can be effective to mitigate heat and wildfire risk, such as: use of materials certified under ISO standards at least until 40°C, structure of the buildings to reduce possible indirect impacts of wildfires such as ashes/smoke, power backup systems in case of blackout, control and security systems for equipment in case of emergency and assumption to establish a maintenance contract to promptly address restart/repair/replacement of parts or equipment. Furthermore, based on the assessment it is recommended to install fire-resistant materials and/or protective cases suitable also for temperatures above 40°C, to install certified fire protection doors, and to revamp/verify adequate fire-fighting systems.

For all these hazards the risk levels obtained are considered acceptable, considering the adaptation (risk mitigation) measures indicated plus recommended mitigation actions, therefore taking into account adjustments to prevent/reduce residual impacts from climate-related hazards. Overall, considering the adaptation measures indicated in the analysis for the Project plus the assumption that interventions will follow the designed technical guidance and best practice to be resilient to extreme climate-related events, the Project design should be adequate to mitigate the potential climate risks identified.

<i>Climate mitigation (proofing), as applicable</i>	Not applicable since the findings of the climate screening process did not reveal the need to continue with the proofing phase.
<i>Voluntary measures (Positive agenda checklist)</i>	A positive agenda was not implemented, and no positive climate impact is expected.
<b>Environmental Dimension</b>	
Legal framework	<p>European Legal Framework for the Environmental Dimension:</p> <ol style="list-style-type: none"> <li>1. Regulation (EU) 2020/852 on the Taxonomy of Sustainable Activities: Criteria for determining which economic activities can be considered environmentally sustainable.</li> <li>2. Regulation (EU) 2019/2088 on Disclosure (SFDR): How financial markets integrate sustainability risks, including environmental risks, into decision-making processes.</li> <li>3. Regulation (EU) 2021/241 on the Recovery and Resilience Facility (RRF): Projects funded by the Recovery and Resilience Facility adhere to the principle of "do no significant harm" (DNSH) to the environmental objectives defined in the Taxonomy Regulation.</li> <li>4. Directive 2014/52/EU on Environmental Impact Assessment (EIA): Amends Directive 2011/92/EU. Assessment of the effects of certain public and private projects on the environment.</li> <li>5. Directive 2008/98/EC on Waste (Waste Framework Directive): This directive measures to protect the environment and human health by preventing and reducing the negative impacts of waste production and management.</li> <li>6. Directive 2000/60/EC on Water (Water Framework Directive): Framework for protecting and improving the quality of water in the EU, ensuring the sustainable use of water resources.</li> <li>7. Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action: Requires Member States to develop Integrated National Energy and Climate Plans (NECPs). Includes measures to achieve the EU's climate and energy objectives.</li> <li>8. Paris Agreement: It strongly influences EU environmental policies. Reduction of greenhouse gas emissions to limit global temperature increases to well below 2°C above pre-industrial levels.</li> </ol> <p>Italian Legal Framework for the Environmental Dimension:</p> <ol style="list-style-type: none"> <li>1. Legislative Decree 152/2006 (Codice dell'Ambiente): Principles and rules for environmental protection in Italy. Includes regulations on environmental impact assessment (VIA), strategic environmental assessment (VAS), and integrated pollution prevention and control (IPPC).</li> </ol>

	<p>2. Legislative Decree 49/2010 (Implementation of Directive 2008/98/CE regarding Waste): Implements the EU Waste Framework Directive. Set measures for the prevention and reduction of waste impacts on the environment and human health.</p> <p>3. Legislative Decree 152/2006, Third Part (Protection of Water from Pollution): Focuses specifically on water protection in accordance with the EU Water Framework Directive.</p> <p>4. Legislative Decree 49/2014 (Implementation of Directive 2012/19/UE regarding Waste Electrical and Electronic Equipment - WEEE): Transposes the EU Directive on Waste Electrical and Electronic Equipment (WEEE), promoting the collection, recycling, and recovery of such waste to minimize its environmental impact.</p> <p>5. Legislative Decree 46/2014 (Implementation of Directive 2010/75/UE regarding Industrial emissions): Implements the EU Industrial Emissions Directive (IED), aiming to reduce harmful industrial emissions into the air, water, and land. Sets out the requirements for integrated pollution prevention and control (IPPC) to ensure high levels of environmental protection.</p> <p>6. Legislative Decree 102/2014 (Energy Efficiency): This decree implements EU Directive 2012/27/EU on energy efficiency, setting out measures to promote energy efficiency and reduce energy consumption.</p> <p>7. Decree of the President of the Republic 357/1997 (Implementation of Directive 92/43/CEE - Habitat): Implements the EU Habitats Directive, aimed at conserving natural habitats and wild flora and fauna.</p> <p>8. Law 221/2015 (Environmental Annex to the 2016 Stability Law): Introduces various measures to promote green economy and sustainable development.</p> <p>9. Integrated National Energy and Climate Plan (Piano Nazionale Integrato per l'Energia e il Clima - PNIEC): Outlines Italy's strategy to achieve its climate and energy targets by 2030.</p>
<p><i>Environment dimension (screening)</i></p>	<p>The project has undergone an environmental screening process to assess its potential impact on key environmental dimensions, including water, air, land and soil, biodiversity, noise, and odour. Given the nature of the project, which involves the removal of architectural barriers on existing buildings, it has been determined that its implementation and operation will not have any significant impact on these environmental aspects. This conclusion is further supported by the fact that the project does not involve any new constructions, and the scale and duration of the construction sites are minimal.</p>

<i>Environment dimension (proofing), as applicable</i>	Not applicable since the findings of the environmental screening process did not reveal the need to continue with the proofing phase.
<i>Voluntary measures (Positive agenda checklist)</i>	A positive agenda was not implemented, and no positive environmental impact is expected.
<b>Social Dimension</b>	
<i>Legal framework</i>	<p>European Legal Framework for the Social Dimension</p> <ol style="list-style-type: none"> <li>1. Regulation (EU) 2019/2088 on Sustainability-Related Disclosures (SFDR): Requires financial market participants and advisers to disclose how they consider principal adverse impacts on sustainability factors, including social aspects such as labor rights, equality, and community impacts.</li> <li>2. Directive 2014/95/EU on Non-Financial Reporting (NFRD): Mandates large companies to report on non-financial information, including social matters like employee conditions, respect for human rights, and anti-corruption measures.</li> <li>3. European Social Charter: Treaty that guarantees social and economic human rights (housing, health, education, employment, and social protection).</li> <li>4. Directive (EU) 2019/1152 on Transparent and Predictable Working Conditions: Aims to improve working conditions by promoting more transparent and predictable employment while ensuring labor rights.</li> <li>5. Directive 2000/78/EC on Equal Treatment in Employment and Occupation: Establishes a general framework for equal treatment in employment and occupation.</li> <li>6. European Pillar of Social Rights: Principles and rights to support fair and well-functioning labor markets and welfare systems.</li> </ol> <p>Italian Legal Framework for the Social Dimension:</p> <ol style="list-style-type: none"> <li>1. Legislative Decree 254/2016 on Non-Financial Reporting: Transposes the EU Non-Financial Reporting Directive (NFRD) into Italian law, requiring large companies to disclose information on social and environmental matters, human rights, and anti-corruption measures.</li> <li>2. Law 68/1999 on Employment of People with Disabilities: Promotes the integration and employment of people with disabilities through job quotas and other support measures.</li> <li>3. Legislative Decree 81/2008 on Health and Safety at Work: This decree sets out comprehensive measures to ensure health and safety in the workplace, protecting workers from accidents and occupational illnesses.</li> <li>4. Law 300/1970 (Statuto dei Lavoratori): Provides fundamental rights for workers, including freedom of association, protection against unfair dismissal, and the right to information and consultation.</li> <li>5. Legislative Decree 198/2006 (Code of Equal Opportunities): Consolidates various laws on gender equality, promoting equal</li> </ol>

	<p>treatment and opportunities for men and women in work and employment.</p> <p>6. Law 38/2009 on Palliative Care and Pain Therapy: Guarantees the right to access palliative care and pain management, ensuring dignity and quality of life for people with serious illnesses.</p> <p>7. National Plan for Social Inclusion: Outlines strategies and measures to combat poverty and social exclusion, promoting social integration and equal opportunities for all citizens.</p>
<p><i>Social dimension (screening)</i></p>	<p>The Project was screened against the criteria detailed in the Checklist Annex 3 of the sustainability proofing guidelines. It emerged that not only is the Project unlikely to generate negative impacts on the various issues outlined in the social dimension, but it will also better off already existing buildings' accessibility (access ramps - including those on sidewalks, stairlifts and elevators), as well as the health and well-being of the beneficiaries. The foreseen interventions are specifically aimed at removing architectural barriers that hinder daily activities or limit full mobility and access to spaces and services for individuals with reduced motor, visual, or sensory abilities, as well as for elderly people and families with young children.</p> <p>On the labour and working conditions perspective, there are no issues related to compliance with applicable EU and National legislation, also considering that the Project Promoter is a public entity (Regional Agency for Housing and Living, established by the Region of Puglia to manage the public residential housing (ERP) assets in the area) and operates in compliance with the obligations regarding:</p> <ul style="list-style-type: none"> <li>• child and forced labour;</li> <li>• the criteria and procedures for recruiting personnel in compliance with the provisions that establish prohibitions or limitations on the hiring of personnel, containment of contractual charges and of salary or compensation nature;</li> <li>• discrimination;</li> <li>• restrictions on freedom of association;</li> <li>• other risks of violations of fundamental labour rights.</li> </ul> <p>Furthermore, the Agency adheres to the Memorandum of Understanding signed on 16/03/2018 between Arca Puglia Centrale and the Forum for Legality of the Metropolitan Area of Bari, as per the decree of the Sole Administrator No. 24 dated 03/05/2018, concerning the “Adoption of the Memorandum of Understanding on concessions and public contracts” for works, supplies, and services between Arca Puglia Centrale and the Forum for Legality of the Metropolitan Area of Bari, representing: CGIL Bari, CISL Bari, UIL Puglia, ANCE Ba-Bat, Confindustria Ba-Bat, Confartigianato, Confcooperative Ba-Bat, Consorzio Meridia, Legacoop Bari, CNA Bari, Chamber of Commerce of Bari, Confcommercio Ba-Bat, Municipality of Bari, ASL Bari, Arca Puglia Centrale, and IRCC De Bellis.</p> <p>Regarding Health &amp; Safety aspects, the Project Promoter does not entail any risks in terms of occupational health, safety, and security because of</p>

	<p>the application of the prescription within the Italian law "Decreto Legislativo 81/08 (Testo Unico sulla Salute e Sicurezza sul Lavoro)".</p> <p>Furthermore, safety regulations will be strictly complied with in accordance with the specific regulatory provisions on the subject, with the drafting of project documents such as PSC (Safety and Coordination Plan) and POS (Operational Safety Plan) and the application of design and organizational choices, procedures, training courses and preventive and protective measures for workers, users, and the construction site area, following the required risk assessment activities that will be carried out. Overall, the interventions will increase communities' health, safety and security.</p> <p>The project does not carry specific gender risks or gender-based discriminatory social norms. Arca Puglia Centrale collaborates with numerous institutions - including municipalities, housing offices, regional departments, and cultural associations - in promoting inclusive and non-discriminatory social policies, regardless of gender, sex, or age.</p> <p>To this end, transparency and ethical administrative action aimed at satisfying all stakeholders involved in public housing, represented by users, tenants' associations, trade unions, businesses, customers, suppliers, and institutional bodies (municipalities/provinces/regions), represent the founding values of Arca Puglia Centrale, which firmly believes in the added value represented by the active participation of stakeholders in the implementation of management policies without any discrimination based on gender, race, sex, age, etc.</p> <p>The project does not impose new limits on land use access or expropriations, nor negatively impact non-replicable cultural assets, nor do they affect sites of unique natural value or intangible cultural heritage, as they are primarily aimed at improving the accessibility of existing buildings. To this end, although some public housing buildings (ERP) within Arca Puglia's portfolio are subject to historical and cultural preservation constraints, it is not necessary to obtain opinions from the competent authorities since they are "essential measures for the removal of architectural barriers, such as the construction of external ramps to overcome drops in level not exceeding 60 cm, the installation of external stair lifts, and the construction, in internal areas not visible from public spaces, of external elevators or other similar structures" (point A.4. of art.2 paragraph 1, Annex A of the DPR no. 31/2017).</p> <p>Finally, for its very nature and being Arca Puglia Centrale a non-economic entity, the project is built on stakeholders' engagement (as also stated in the Social Report), which were identified by relying on the procedure for assessing housing needs and refers to Regional Law No. 10/2014 (and subsequent amendments and additions) which requires municipalities to issue calls for tenders at least every four years to survey housing needs and draw up a ranking list for the allocation of social housing that is available or becomes available in the municipal area. The Project Promoter has always supported initiatives aimed at engaging in dialogue and exchange with other public institutions, universities, and associations in</p>
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	the area to promote and support social and environmental sustainability and encourage public participation (e.g., “Luoghi Comuni”).
<i>Social dimension (proofing), as applicable</i>	Not applicable since the findings of the social screening process did not reveal the need to continue with the proofing phase.
<i>Voluntary measures (Positive agenda checklist)</i>	<p>Although a formal positive agenda has not been established, the Project is expected to generate positive impacts on the health and well-being of the beneficiaries, by removing architectural barriers that hinder daily activities or limit full mobility and access to spaces and services for individuals with reduced motor, visual, or sensory abilities, as well as for elderly people and families with young children.</p> <p>The construction interventions, assessed on a case-by-case basis, are guided by principles of high building quality, energy efficiency—both in terms of construction and urban regeneration—safety, and social well-being.</p>
<b>Other sustainability aspects (as applicable)</b>	
	Not applicable.