



COMMENTARY

Sustainable Fitch Affirms Amprion's ESG Entity Rating at '2'

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Related Content: [Amprion GmbH - ESG Entity Rating](#)

Sustainable Fitch-London-03 July 2024: Sustainable Fitch affirmed Amprion GmbH's ESG Entity Rating at '2', and increased its ESG entity score to 76 from 70. This increase reflects Amprion's improved ESG performance, and the beneficial environmental and social contributions of Amprion's electricity transmission activities.

Amprion's increased ESG entity score is primarily due to its estimated average annual growth of around 8% in renewable energy capacity linked to its grid during the past three years. This increase is consistent with its extensive investments, shown by the projected allocation of EUR27.5 billion towards grid expansion and modernisation between 2024 and 2028.

Amprion's six green bond issuances were all affirmed or assigned ESG Framework Ratings of '2'. We increased the ESG framework score for the two previously analysed bonds (ISINs [DE000A30VPM1](#) and [DE000A30VPL3](#)) to 84 from 79. This increase is attributed to the increased transparency following publication of Amprion's 2022 green investor report.

The latest green bond offerings from Amprion (ISINs [DE000A3514F3](#), [DE000A3514E6](#), [DE000A383BQ4](#) and [DE000A383BP6](#)), issued in September 2023 and May 2024, have been assigned marginally lower ESG framework scores of 83. This is because allocation information is not yet available for these issuances.

We considered Amprion's environmental profile to be good. Amprion is comprehensive in its GHG emissions disclosure, supporting this outcome. It has comprehensive initiatives to mitigate the potential negative environmental impacts of its operations.

Increases in the use of certain natural resources within the analysed timeframe limited the environmental profile rating, though increases are to be expected during expansion of grid systems to facilitate a low-carbon economy.

Amprion's approach to human and labour rights met market best practices and supported its good social profile. The social profile was limited by the gender diversity and type of gender pay gap disclosure. All other areas supported the good rating of the social profile.

We deemed Amprion to have a good governance profile, underpinned by an incident-free record of financial reporting and taxation management. This reflects adequate risk management, which we also deemed as good. The board diversity and the unclear degree of independence within the supervisory board were constraining factors for the governance profile.

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ESG Ratings indicate an entity's performance, commitment, and integration of environmental and social considerations into its business, strategy and management, and the effectiveness of governance. The ratings are provided on a scale of '1' to '5', with '1' being the best and '5' the worst.

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