

RATP GREEN BOND FRAMEWORK

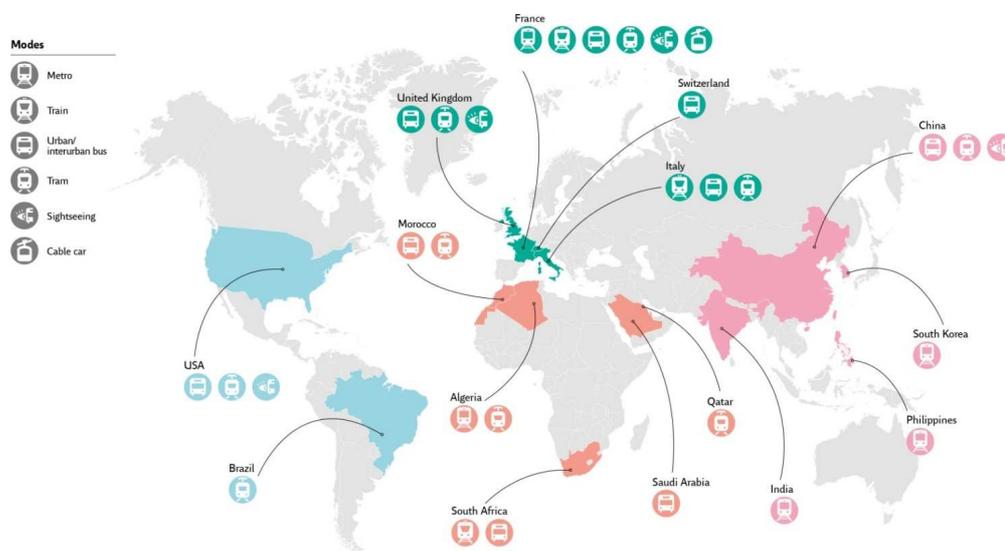
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1. Introduction

Fifth-largest public transport operator in the world

16 million journeys carried every day worldwide

The RATP Group is the world's fifth largest public transport company, operating all types of collective mobility: bus, metro, trains and trams. Every day, the RATP Group carries more than 16 Million trips around the world.



Intrinsically linked to the City of Paris and its century-old Metro system, the Group is acting around the world thanks to its unrivalled experience in projects design and management, operation and maintenance of all types of urban and intercity public transport networks. In Île-de-France it runs, maintains, modernizes and develops one of the world's densest multimodal networks.

1.1 RATP Group's missions:

- Guarantee optimal service quality
- Create and operate efficient multi modal transport networks
- Design, maintain and modernize infrastructure
- Implement sustainable mobility

These missions are further outlined in RATP's Annual Statement and Accounts, as publicly available here:

<https://www.ratp.fr/en/groupe-ratp/group-presentation/essence-our-group>

1.2 RATP Group's Corporate Social Responsibility (CSR) policy:

The RATP Group, with its integrated approach to transport and its strong territorial presence, is committed to pursuing a group Corporate Social Responsibility policy which incorporates:

- economic performance which is beneficial to the environment and society,
- a social responsibility policy to satisfy the fundamental needs in our territories (health, education, access to employment and culture) and contribute to their attractiveness
- social performance which facilitates cohesion and social equality,
- environmental quality in order to limit environmental impact.

RATP Group's CSR policy is based on three commitments:

- Be a major player in sustainable mobility and sustainable city infrastructure
- Reduce its environmental footprint
- Assert its social and societal responsibility

These commitments are designed to strengthen RATP Group's contribution to the economic, social and environmental challenges of building sustainable and smart cities for tomorrow.

The group CSR policy is publicly available here:

<https://www.ratp.fr/en/le-groupe-ratp/nos-engagements>

1.3 Rationale of RATP Green Bond issue:

Low-carbon and sustainable transport has a key role to play in facilitating a modal transportation shift, enabling the transition to a low carbon economy, to support future climate change mitigation efforts and to build the sustainable city.

RATP has set the objectives to reduce its greenhouse gases emissions (GHG) by 50% between 2015 and 2025 and to reduce energy consumption by 20% at the same period.

To achieve these objectives, RATP built action plans to promote energy sobriety and encourage the use of the low-carbon mobility it offers. The energy transition is essential for RATP, in the service of a more sustainable development of the city of tomorrow.

RATP is committed to an exceptional program of modernization and renovation of the metro, in all its components: stations, trains, assistance systems, passenger information and infrastructures.

The RATP Green Bond issuance, dedicated to low-carbon and sustainable transport, will be an opportunity to emphasize the group's strategy in terms of sustainability and climate change, and to diversify the RATP investor base, thanks to a reinforced dialogue with Socially Responsible Investors.

The RATP Green Bond will also contribute to lead the way for other public transportation issuers to come to market to fund rail investments and other low-carbon and sustainable transport investments, according to the highest standards of the Green Bond market.

2. A framework complying with Green Bond Principles

2.1 Use of Proceeds

The proceeds of RATP Green Bond will be allocated to investments, located in France in order to finance, in whole or in part, "future projects" and/or refinance "existing projects" that would contribute to one or several of the following environmental objectives and meet one or several Eligible Green projects categories.

"Existing projects" means investments made 2 years prior to the issue of the Bond while "future projects" means investments to be made during the lifetime of the Bond.

2.1.1 Environmental and other Sustainability objectives

Environmental and other Sustainability objectives for Eligible Green Projects have been defined by RATP to create and/or promote one or any of the following enhancements:

Objective 1: Energy transition and climate-change mitigation:

- Energy savings / Enhanced energy efficiency
- Enhance modal shift to rail
- Carbon emissions reduction/avoidance

Objective 2: Pollution prevention:

- Air quality improvement (ventilation, new rolling stock)

Objective 3: Natural resource preservation:

- Waste management improvement (recycling/reuse)
- Water management improvement (recycling/reuse/treatment)

Objective 4: Other Sustainability objectives:

- Transport-related noise reduction and / or control
- Comfort for passengers

2.1.2 Eligible Green Project categories

The environmental objectives defined are intended to enable the identification of eligible assets by analysis of their intrinsic qualities. Therefore, any asset that does not meet to those environmental objectives is by definition excluded.

The Use of Proceeds of RATP Green Bonds will be allocated towards one of any of the following Eligible Green Project categories:

Category 1: Public transport infrastructures maintenance and renovation:

This category includes investments in infrastructure projects related to the main missions attributed to RATP as an infrastructure manager:

- Development, monitoring, maintenance and renewal of infrastructures;
- Management of the control, regulation and safety systems of lines and railways in Ile-de-France.

The environmental objectives of this project category are the enhancement of the network quality and modal shift to rail, the reduction of greenhouse gas emissions, the improvement of air quality, the reduction of noise pollution and/or the preservation of natural resources.

Other sustainability benefits from investments in this category can include the improvement of comfort for passengers and the maintaining of safety amongst others.

Category 2: Public transport rolling stock renovation and renewal:

This category includes investments in renovation or renewal of rolling stock projects related to metros and RER trains.

The environmental objectives of this project category are the enhancement of energy efficiency and modal shift to rail (capacity increase), the reduction of greenhouse gas emissions, the improvement of air quality and/or the reduction of noise pollution.

Other sustainability benefits from investments in this category can include the improvement of comfort for passengers amongst others.

Category 3: Public transport station and spaces modernization:

This category includes investments in transport areas modernization projects.

The environmental objectives of this project category are the enhancement of energy efficiency and modal shift to rail, the reduction of greenhouse gas emissions and/or the reduction of noise pollution.

Other sustainability benefits from investments in this category can include the improvement of comfort for passengers amongst others.

Category 4: Other public transport low-carbon vehicles:

This category includes investments in low-carbon transport vehicles related to electric buses or hybrids.

The environmental objectives of this project category are the reduction of fossil fuel consumption and greenhouse gas emissions, the enhancement of modal shift to rail and the improvement of air quality and/or the reduction of noise pollution.

Other sustainability benefits from investments in this category can include the improvement of comfort for passengers amongst others.

2.1.3 Example of Eligible Green Projects

Eligible Green Project categories	Example of Eligible Green Projects
1. Public Transport infrastructures maintenance and renovation	Viaducts: renovation of viaducts (new tracks laying, sealing)
	Tramway Lines: restructuration of boarding platforms and safety works <ul style="list-style-type: none"> ⇒ more spacious platforms ⇒ better placed waiting spaces ⇒ extended passages towards the city ⇒ appropriate signage
	Automatic signals: modernization of track, renovation of signaling
	Mechanic ventilation: creation and strengthening of mechanical ventilation
2. Public transport rolling stock renovation and renewal	New & renovated rolling stock: modernization of the rolling stock
	Electric traction locomotives: replacement of diesel-powered locomotives by electric locomotives
3. Public transport stations and spaces modernization	Station upgrades and modernization program: renovation, improvement of passenger services
	LED project: deployment of the RATP 2016 LED program on its network
4. Other public transport low-carbon vehicles	Bus2025 Project: implementation of a 100% environmentally-friendly buses fleet consisting of 20% bioGNV buses and 80% electric buses (target in Île-de-France region by 2025)

2.2 Project Evaluation and Selection Process

The following principles were used for the Eligible Green Projects selection:

- projects should be financed in equity
- projects should not likely be the subject of major controversy (this risk is determined after a consultation of the legal department)
- projects should meet the environmental and sustainability objectives stated above

Eligible Green Projects will be selected by a dedicated Green Bond Committee set-up within RATP which will include among other relevant teams: the Finance and Control Management department ("Contrôle de Gestion et Finance"), the Control and Investment department ("Contrôle de Gestion Investissements") and the Strategy and Corporate

Social Responsibility department ("Stratégie, Innovation et Développement"). Project managers are consulted prior to the choice of assets.

The list of Eligible Green Projects is validated by the RATP Executive Committee.

The Green Bond Committee will review and approve annually the projects complying with the environmental objectives and falling under one or more of the use of proceeds projects categories outlined above.

The Green Bond Committee will review the allocation of the proceeds annually to ensure maximum allocation of Green Bond proceeds and facilitate ongoing Green Bond reporting.

The Green Bond Committee will also carry out an analysis of climate and environmental issues specific to each investment decision.

The middle office department will control and validate the allocation of the proceeds to eligible Green projects.

2.3 Management of Proceeds

The Green Bond proceeds will be credited to the general funding account of RATP and will be used to finance, in whole or in part, new projects and/or refinance existing projects up to two years prior to the issue date. Refinancing will represent approximately a share of 50% of the Eligible Green Projects.

Pending the allocation to Eligible Green Projects, unallocated proceeds will temporarily be invested in accordance with RATP's established investment guidelines, including in cash, deposits and money market instruments.

In case of any project postponement, RATP commits to allocate the net proceeds to other projects that would comply with the Eligible Green Project categories.

RATP's Control and Investment department will be in charge of tracking the investments of the proceeds allocated to Eligible Green Projects. Tracking will be made through the RATP accounting system - a database gathering investment files classified by accounts and by master plans (infrastructures, bus, railway rolling stock, spaces/services to travelers, transport systems, patrimonial, information systems and telecoms and real estate). Each Eligible Project corresponds to one or several accounts. All the data compiled in the accounting system is reviewed by the accounting department and by the company's external auditors. This tracking of the funds is integrated into the annual Corporate Social Responsibility Report.

2.4 Reporting

2.4.1 Allocation Reporting

RATP commits to publish a Green Bond update that will provide information on the allocation of the proceeds to Eligible Green projects such as, when feasible:

- at category level : number of projects/funds, illustration with emblematic projects, amounts invested (in EUR), share of financing and refinancing, % of completion of each project
- at bond level : amounts invested (in EUR), share of financing and refinancing, total allocated amount vs total amount of proceeds (in %), description of the unallocated proceeds management

This allocation reporting will be published on an annual basis, until the full allocation of the Green Bond proceeds.

This reporting will be included in the annual Corporate Social Responsibility (CSR) report and validated by external auditors appointed by RATP.

The CSR annual report is publicly available on RATP website:

<https://www.ratp.fr/en/groupe-ratp/newsroom>

<https://www.ratp.fr/en/en/la-ratp-et-les-green-bonds>

2.4.2 Impact Reporting

Additionally, RATP commits to publish an impact report that will provide information on the environmental and other sustainable development impact of Eligible Green projects the Green Bond proceeds has been allocated to. RATP will estimate ex-ante the theoretical environmental impact metrics and, when feasible, will provide ex-post impact measurements.

The impact reporting will be published on an annual basis, until the full allocation of the Green Bond proceeds.

Examples of impact metrics that could be disclosed:

Impact Type	Impact Sub-Classification	Key Performance Indicators (KPIs)	Methodology and assumptions
Environmental Impact	Carbon Impact and Energy Efficiency	<ul style="list-style-type: none"> - Total GHG emissions reductions (tCO₂ eq) - GHG emissions reductions by mode of public transport (tCO₂ eq) - CO₂ emissions per passenger Km travelled (gCO₂/pass.km) - Energy savings (KWh saved/reduced) 	<ul style="list-style-type: none"> - The emission factors used are those provided by the French Environment Agency (ADEME) <i>Source: http://www.bilans-ges.ademe.fr/</i>
	Pollution Reduction Impact	<ul style="list-style-type: none"> - Total particles concentrations reduction - Noise reduction 	<ul style="list-style-type: none"> - Particles are monitored continuously at 5 metro stations. - Estimated noise reduction
	Waste and Water Management	<ul style="list-style-type: none"> - Tons of waste reduced/recycled - Cubic meter of water saved/reduced (m³) 	<ul style="list-style-type: none"> - The waste's volumes are obtained through invoices and from the hazardous waste tracking slips. - The water consumption is obtained through invoices or meter readings.

Impact Type	Impact Sub-Classification	Key Performance Indicators (KPIs)
Other Sustainability Impact	Network Activity/Usage	<ul style="list-style-type: none"> - Increased number of passengers travelled per km - Estimated Modal Shift ratio - Estimated average time saving (min per passenger)
	Job Creation and Preservation	<ul style="list-style-type: none"> - Estimated full-time equivalent created or supported

2.5 External Review

2.5.1 Second Opinion

Vigeo Eiris has assessed the sustainability, transparency and governance of RATP's Green Bond Framework and its alignment with the Green Bonds Principles. Vigeo Eiris applies its own methodology in line with international standards and Green Bond Principles guidelines to carry out this assessment. The results are documented in Vigeo Eiris' Second Party Opinion which will be available on RATP's website.

2.5.2 External Verification

Auditors appointed by RATP will verify on an annual basis and until the full allocation of an amount equal to the net proceeds, the allocated proceeds to Eligible Green projects and the remaining balance of unallocated proceeds, within the annual report review.

Auditors will also verify the compliance of the allocated proceeds with the Eligible Green Project categories.