

Transports Publics Genevois

Type of Engagement: Annual Review

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Introduction

In 2022, Transports Publics Genevois (“TPG”) issued a green bond (the “2022 Green Bond”) to finance or refinance clean transportation projects. In 2024, TPG engaged Sustainalytics to review the projects financed with proceeds from the 2022 Green Bond (the “Nominated Projects”) and provide an assessment as to whether the Nominated Projects met the use of proceeds criteria and the reporting commitments outlined in the TPG Green Bond Framework (the “Framework”).¹ Sustainalytics provided a Second-Party Opinion on the Framework in August 2022.²

Evaluation Criteria

Sustainalytics evaluated the Nominated Projects based on whether they:

1. Met the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
Clean Transportation	<ol style="list-style-type: none"> Renovation, renewal and extension of surface public transport rolling stock (bus, trolleybus) Renovation, renewal and extension of public rail transport rolling stock (tramway) Renovation, renewal and extension of infrastructure enabling low-carbon public transport 	<ol style="list-style-type: none"> GHG emissions per passenger km travelled (gCO₂eq/passenger km) Total GHG emission reductions (tCO₂ eq) Reduction of air pollutants: particulate matter Number of buses/trams deployed Percentage of km travelled in electrical energy vs total travelled km

Issuer’s Responsibility

TPG is responsible for providing accurate information and documentation relating to the details of the funded projects, including description of projects, amounts allocated and project impact.

¹ TPG, “Green Bond Framework”, (2022), at: https://www.tpg.ch/sites/default/files/tpg_document_list/TPG%20-%20Green%20Bond%20Framework%20August%202022.pdf

² Sustainalytics, “Second-Party Opinion, “TPG”, (2022), at: https://www.tpg.ch/sites/default/files/tpg_document_list/TPG_Green_Bond_Framework_Second_Party_Opinion.pdf

Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from the 2022 Green Bond. The work undertaken as part of this engagement included collection of documentation from TPG and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and the facts presented by TPG. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by TPG.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

Conclusion

Based on the limited assurance procedures conducted,³ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the Nominated Projects do not conform with the use of proceeds criteria and reporting commitments in the Framework. TPG has disclosed to Sustainalytics that 86.6% of the net proceeds from the Green Bond were allocated as of December 2023, with the unallocated proceeds expected to be fully allocated by the end of year 2024

Detailed Findings

Table 2: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the Nominated Projects funded with proceeds from the 2022 Green Bond to determine if projects aligned with the use of proceeds criteria outlined in the Framework.	All projects reviewed complied with the use of proceeds criteria.	None
Reporting Criteria	Verification of the Nominated Projects funded with proceeds from the 2022 Green Bond to determine if impact of projects was reported in line with the KPIs outlined in the Framework.	All projects reviewed complied with the reporting criteria.	None

³ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the funded projects, including description of projects, their estimated and realized costs and impact, as provided by the issuing entity, which is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix

In 2022, TPG issued the 2022 Green Bond and raised CHF 100 million. As of December 2023, 86.60% of the proceeds were used to finance the Nominated Projects.

Table 3: Allocation and Reported Impact from the 2022 Green Bond

Use of Proceeds Category	Projects	Environmental Impact Reported	Net Proceeds Allocation (CHF)
Clean Transportation	Purchase of 38 trams	Not yet available ⁴	38,359,087
	Purchase of 121 electric buses		48,243,765
Total Net Proceeds Allocated (CHF)			86,602,852
Unallocated Proceeds (CHF)			13,397,148

⁴ TPG has informed Sustainalytics that it is unable to report on the environmental impact of the investments because the fleets have not yet been delivered, and only advances towards the purchase have been made.

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In case of discrepancies between the English language and translated versions, the English language version shall prevail.

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