



**March
2020**

Green Bond Proceeds Allocation Report

GETLINK SE



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Introduction

On 3 October 2018, Getlink SE issued a five-year € 550 million Green Bond in the form of Senior Secured Notes maturing on 1 October 2023 and paying a coupon interest of 3.625% per annum (the “Notes”). The issue was the first corporate green bond issue by Getlink SE. The Notes are listed on the Irish Stock Exchange (trading as Euronext Dublin) and included in the list of Euronext Green Bonds which consolidates all the green bonds listed on all Euronext locations.

Getlink’s Green Bond issuance is governed by the Green Bond Framework published by the company in September 2018, which is aligned with the Green Bond Principles (GBP) as set out by the International Capital Market Association (ICMA).

Getlink’s Green Bond Framework was assessed by an independent third party, DNV GL Business Assurance Services UK Limited (“DNV GL”) who has issued a Second Party Opinion (SPO) on 14 September 2018.

The Getlink’s Green Bond Framework and the SPO issued by DNV GL are available in the Detbtholders’ section of Getlink SE’s website.

Allocation and management of the Proceeds

The net proceeds from the issue of the Green Bonds in October 2018 were allocated in accordance with the criteria defined in the Getlink’s Green Bond Framework to the refinancing of Eurotunnel and the financing of upgrade projects and new projects (« Eligible Green Assets »), that were identified prior to the issue of the Green Bond, as confirmed and listed in Schedule 1 to the SPO issued by DNV GL in September 2018.

The list of Eligible Green Assets is recorded in the internal accounting systems of the company. The Green bond issuance is also documented in this system. At any time of the lifetime of the Green Bonds, the outstanding amount of the Green Bond’s proceeds will not exceed the value of the Eligible Green Assets.

All relevant information regarding the issuance of the Green Bonds, the Eligible Green Assets financed and refinanced is closely monitored by the Financial Control Department and kept in the internal accounting systems.

A monthly reporting is produced by the Investor Relations Department which is distributed to the members of the Green Bond Committee (GBC) showing the allocation of the net proceeds to each relevant Green Assets financed or refinanced, in line with the construction and implementation of such projects which are split between the following categories:

- Clean Transportation including:
 - The refinancing on 5 October 2018 of the Bridge Loan that was used to acquire the tranche G2 notes issued by Channel Link Enterprise Finance PLC (CLEF);
 - The replacement of diesel-powered locomotives with hybrid and battery powered locomotives;
 - The construction of a scanner at Frethun in France, providing security to attract more railfreight services through the Tunnel, and optimize the use of the infrastructure.
- Energy Efficiency including:
 - The construction of the Eleclink interconnector which is expected to reduce carbon emissions as a result of more efficient dispatch of electricity generation capacity,
 - The construction of a new electricity supply balancer;
 - The replacement of cooling systems, creating energy savings;
 - The purchase of three new generation truck shuttles, lighter than previous generation and more energy efficient. Each new shuttle also provides more capacity for the transport of lorries.
- Pollution Prevention and Control, climate change prevention including:
 - The replacement of the Halon gas used in all technical rooms inside the Tunnel with Novec, a gas that is less carbon generating than the previous system;
 - The replacement of the air conditioning in the passenger shuttles, which should lead to a reduction in cooling gas;
 - The purchase of 19 new loaders with electric systems replacing the more polluting hydraulic.

Use of the Proceeds from issue date to 31 December 2019

As at 31 December 2019, a total of €516 million was spent on the above projects corresponding to 96% of the Net Proceeds of €540 million of the Green Bond issued on 3 October 2018 in the following proportions:

- Clean Transportation: 40% (of which 39% on refinancing and 1% on upgrade projects for Eurotunnel);
- Energy Efficiency: 53% (of which 40% on Eleclink and 13% on upgrade projects for Eurotunnel);
- Pollution Prevention and Control, climate change prevention: 3% (upgrade projects for Eurotunnel).

The outstanding amount of €24 million will be used in 2020 to finalise the projects which were not completed in 2019.

Details on the environmental impact of the projects completed in 2019 are included in the Corporate Social and Environmental section of the Getlink SE's 2019 Universal Registration Document.