

Green Finance Framework

GETLINK SE

Introduction

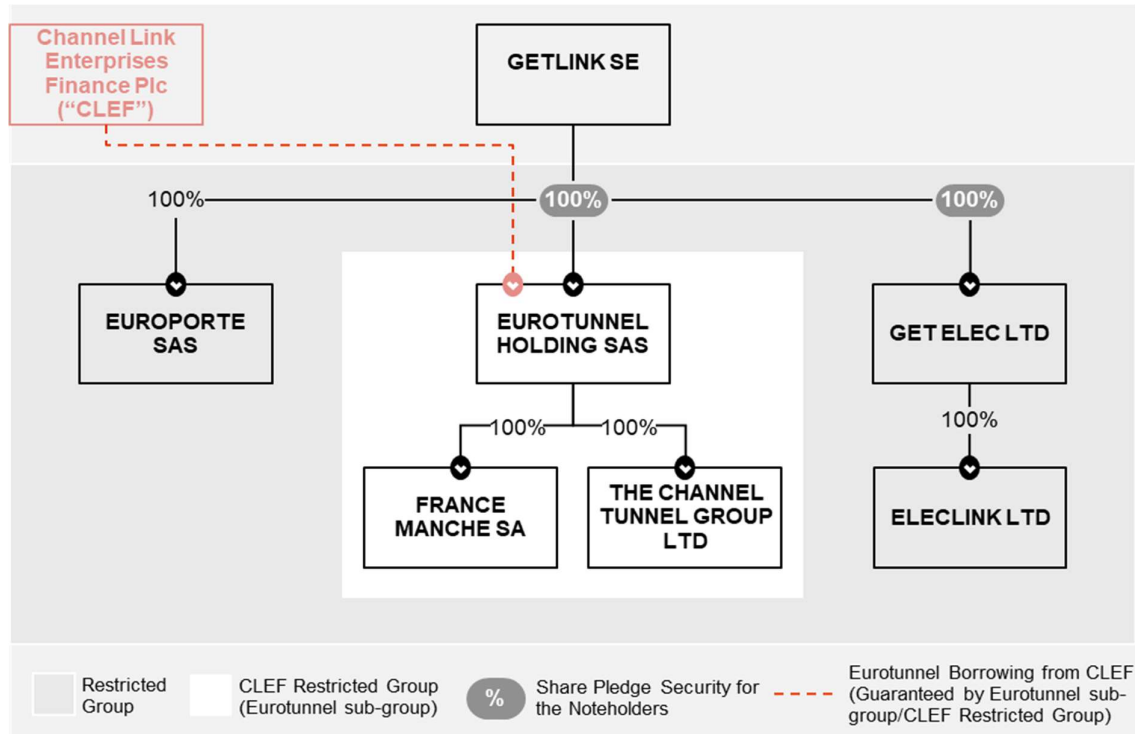
Getlink SE (“Getlink”, the “Group”) is a leader in eco-responsible transport and infrastructure solutions, and a major player in the European transportation sector, composed of the four following commercial brands:

- Eurotunnel: Concessionaire until 2086 for the operation of the cross-Channel Fixed Link (“Channel Tunnel”), used for the transport of passenger vehicles (Eurotunnel Le Shuttle), trucks (Eurotunnel Le Shuttle Freight), Eurostar passengers and rail freight trains
- Europorte: rail freight operator
- ElecLink: France / UK electricity interconnector
- CIFFCO: private railway training centre

Channel Link Enterprises Finance Plc (“CLEF”) an entity external to the Group, was established as a debt securitisation vehicle for financing the Eurotunnel sub-group’s activities. CLEF is a special purpose vehicle, whose principal activities are raising funds by the issuance of notes and the on-lending of such funds to the Eurotunnel sub-group to fund its activities and refinance existing indebtedness. Whilst CLEF does not form part of the Group, as it is a pass-through securitisation vehicle, the investors in the notes which it issues are exposed to the business and performance of the Eurotunnel sub-group, see simplified structure chart below.

On this basis the Group includes CLEF in this Green Finance Framework. References to Getlink in this Framework incorporate the actions of the Eurotunnel sub-group. The Eurotunnel sub-group, being the recipient of the proceeds raised by CLEF, will take on those responsibilities which CLEF, as an issuer of green bonds, would otherwise oversee or undertake (such as reporting obligations).

Under this Framework, both Getlink SE and CLEF (the debt securitisation vehicle which funds the Eurotunnel sub-group’s activities as described above), will be able to issue green bonds, and Getlink and the Eurotunnel sub-group will be able to issue green loans (together “Green Instruments”). The use of proceeds from Green Instruments issued by CLEF is restricted to the making of loans to the Eurotunnel sub-group to enable it to fund its activities.



Getlink's Sustainability Strategy

The Channel Tunnel enjoys a unique position in Europe, conveying circ. 25% of UK-EU trade in an environmentally friendly mode of transportation.

Getlink is fully committed to sustainable development, and to contributing to sustainable mobility. Based on its experience and green credentials known as its green DNA since its creation, the Group has collated and reconfirmed its ambition within its Environment Plan 2025. This short-term strategy is broken into 3 pillars and relies on a detailed action plan to achieve these objectives:

1. Pillar 1 – Energy and climate transition: an ultimate goal of carbon neutrality by 2050, based on medium-term steps focussed on reducing intrinsic emissions to contribute to the 2°C trajectory of the Paris Agreement throughout the Group's value chain
2. Pillar 2 – Preservation of natural environments: Sustainable management of resources and control of impacts on natural environments
3. Pillar 3 – Waste management and the circular economy: Controlling waste and promoting the circular economy throughout the Group's ecosystem

The detailed Environment Plan 2025 plan is available on the Getlink website here: <https://www.getlinkgroup.com/en/our-commitments/csr/environmental-responsibility/>

As far as Pillar 1 is concerned, the Group has been striving “by nature and by actions” for continuous reductions of its CO₂ emissions. By enabling trains to use the Channel Tunnel, Getlink is contributing to the shift from short-haul air travel to rail, helping to save an estimated 2 million tonnes of CO₂ annually compared to other travelling modes¹. ElecLink, through the installation of its 1GW direct current interconnector between France and the UK via the tunnel which comes into operation mid-2022, will help significantly reduce CO₂ emissions related to the power mix in the UK and in the EU, whilst minimising the adverse impact to marine and terrestrial life.

Getlink reduced its scope 1 and 2 carbon footprint by 33% between 2012 and 2019. In 2019, it was awarded its sixth consecutive certification from the UK's Carbon Trust Standard. The optimization of the procedures for loading trucks onto its shuttle trains has enabled Eurotunnel to increase the average number of trucks loaded onto each Shuttle and thus generate electricity savings by reducing the number of Truck Shuttle trips. The reduction in unintentional halon releases has helped Eurotunnel to reduce the associated emissions by 62% between 2012 and 2019. The Group further reduced its greenhouse gas emissions by 18% between 2018 and 2019 notably due to the implementation of a Blue for Business contract, which guarantees zero-carbon electricity in the UK.

Now, engaged in its new science-based carbon reduction trajectory, the Group aims to reduce its direct emissions (Scope 1 and 2) by 30% by 2025 from a 2019 baseline. This target has been validated by the Science-based Targets Initiative (“SBTi”) as aligned with a 1.5-degree scenario. Getlink also aims to mobilise its whole value chain and has therefore targeted to reduce its emissions from purchased goods and services and capital goods by 7.5% by 2025 vs 2019, aligned with the Group's SBTi commitment. Since 2019 along its new trajectory, the Group has already cut its GHG emissions by 10% as per 2021 audited figures.

More widely, and since its inception, Getlink has adopted a social responsibility policy that seeks to reconcile financial performance, social equity and environmental protection all within a framework of continuous improvement. As a signatory of the UN Global Compact, the Group communicates annually on its CSR best practices within a “Communication on Progress” (COP) report. At the heart of Getlink's business operations and interactions with its stakeholders lies its CSR responsibilities, and Getlink is committed to ensuring that its investment decisions are aligned to what it strongly believes in.

¹Based on 2019 figures for all GetLink activities according to a study carried out by Carbone 4 consultancy.

Getlink has based its CSR policy on an understanding of the Group's material challenges. From 2015 onward Getlink has prepared a materiality analysis to identify and rank the Group's material challenges, based on its business activities and its stakeholders' expectations. In 2019, mindful of a constantly changing environment and rapid changes to internal and external stakeholder expectations, the Group updated its materiality analysis. Among other challenges, this enabled the Group to identify CSR issues like the energy transition and the fight against climate change, the preservation of natural environment, the waste management and the circular economy.

A detailed description of the 23 material challenges identified is available on the Getlink website: <https://www.getlinkgroup.com/en/our-commitments/csr/csr-principles/> as well as in Getlink's latest Universal Registration Document available on the Group's website.

The Group updated its stakeholder mapping in 2020 based on a wide internal consultation of its executive officers and managers. This engagement in a constructive dialogue with all its stakeholders allows the Group's CSR strategy to be communicated on a regular basis, completing what was already done in the field of procurement, where compliance with environment and CSR criteria (defined by the Group) are included in the selection process of suppliers.

Fully conscious of the global challenges of sustainable development, Getlink is committed to ensuring that its growth is achieved in accordance with its precepts, in conjunction with the 17 Sustainable Development Goals of the United Nations. In 2020, Getlink selected 10 Sustainable Development Goals (SDGs), which are the most relevant to its business model, its activities and its material challenge. In terms of environment, these include, in particular, affordable and clean energy, industry innovation and infrastructure, responsible consumption and production, climate action.

Establishment of a Green Finance Framework

This Framework is developed in alignment with the Green Bond Principles (June 2021) administered by the International Capital Markets Association ("ICMA")² and the Green Loan Principles (February 2021) administered by the Loan Market Association³ (the "LMA"). The present Framework replaces Getlink's previous Green Finance Framework dated October 2021. Getlink intends to update the Framework periodically at its sole discretion to reflect developments in the best practices of the Green Bond and Loan Markets.

In 2020, the EU put in place a new framework known as the EU Taxonomy to identify activities with substantial contribution to several environmental objectives. In June 2021, the EU formally adopted the EU Taxonomy Delegated Acts on Climate Change Mitigation and Adaptation (the "Delegated Acts Taxonomy"), which Getlink has taken into account in the drafting of this Framework.

Given the list of activities published in the Delegated Acts Taxonomy, it is confirmed that, thanks to the operation of an electrical railway infrastructure, as well as the operation of an electrical cable to support connection between the EU and the UK, Getlink activities are eligible at 99%, based on revenue, for these two Climate objectives. Ahead of the disclosure requirement, Getlink has also assessed in 2022 its alignment ratio based on the technical screening criteria as well as the analysis of the Do No Significant Harm criteria where possible⁴. 86% of its turnover is deemed aligned to the EU Climate

² Green Bond Principles June 2021: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Green-Bond-Principles-June-2021-100621.pdf>

³ Green Loan Principles, February 2021: <https://www.lsta.org/content/green-loan-principles/>

⁴ It should be noted that for the Rail Infrastructure management activities carried out by Europorte/Socorail, the Group was not able to finalise the DNSH analysis on all sites during the year. In a conservative approach, the DNSH criteria are therefor considered as unconfirmed and the corresponding indicators not aligned

objectives which confirms the sustainability of Getlink activities. Further details are provided in the Universal Registration Document).

Getlink intends to align the below Eligible Green Projects with the EU Taxonomy classification as per the latest published version⁵.

The Eligible Green Projects defined under this Framework are therefore evaluated and selected based on compliance with:

- the EU environmental objective - climate change mitigation;
- the relevant Technical Screening Criteria per EU Taxonomy classification, as outlined below, and as updated from time to time in the Framework, in accordance with the future updates of the EU Taxonomy;
- the applicable “Do No Significant Harm” (DNSH) criteria to any of the other environmental objectives;
- the minimum (social) safeguards⁶.

Use of Proceeds

The Group will apply an amount equal to the net proceeds from the Green Instruments to finance or refinance, in part or in full, new and/or existing green projects (“Eligible Green Projects”) falling within one of the eligible categories detailed below:

- Clean Transportation;
- Energy Efficiency; and
- Pollution Prevention and Control.

The use of proceeds from Green Instruments issued by CLEF are restricted to the provision of loans to the Eurotunnel sub-group, which will subsequently be used to fund Eligible Green Projects within the Eurotunnel sub-group.

Clean Transportation:

Transportation is an important driver of economic growth as it brings about the interconnectedness of people, goods and information. While transportation has paved new grounds for high levels of development, it is also a significant contributor to global warming through the emission of greenhouse gases. Clean transportation can thus spur economic growth while at the same time minimise the damage done to our environment, and as such as been recognized as significantly contributing to the Climate under the EU taxonomy.

Eligible Green Projects under this eligible category may include development, construction, acquisition, installation, operation and upgrades of:

- Energy efficient transport (e.g. running on alternative fuels such as electric, biofuel, hybrid);
- Infrastructure for public transport and clean transport (e.g. tunnels and rail freight transportation that contribute to the shift to low-carbon transportation, dedicated parking lots and charging facilities for electric vehicles etc.);
- Non-diesel rolling stock; and
- Multimodal transport systems.

Rail infrastructure dedicated solely to the transport of fossil fuels is excluded.

⁵ EU Taxonomy regulation: https://ec.europa.eu/info/law/sustainable-finance-taxonomy-regulation-eu-2020-852/amending-and-supplementary-acts/implementing-and-delegated-acts_en

⁶ Set out in Article 18 of the Taxonomy Regulation

Energy Efficiency:

Energy efficiency minimises the use of energy and even, for some initiatives, of fossil fuels hence reducing the amount of greenhouse gases emitted.

Eligible Green Projects under this eligible category may include development, construction, acquisition, installation, operation and upgrades of:

- Cross-border electrical interconnector (ElecLink);
- Infrastructure improvement and development (e.g. LED lighting, insulation of walls and roofs, efficient heating, ventilation and air conditioning, leakage detection systems, refrigeration units etc.);
- Smart grid installation; and
- Energy recovery technology and high-voltage power transmission investments for more efficient transmission.

ElecLink expenditure will not be allocated as a Use of Proceeds for CLEF Green Instruments.

Pollution Prevention and Control:

As the world becomes increasingly urbanised, proper waste management is particularly important. Recycling serves as a locally available means of reducing greenhouse gases for us by recapturing rather than discarding materials used to produce products.

Eligible Green Projects under this eligible category may include the installation, construction and development of:

- Recycling facilities, systems and equipment;
- Alternatives to the use of gases which are highly emissive or detrimental to the ozone layer;
- Environmentally friendly air conditioning systems (increasing efficiency of power usage and using organic refrigerants that have little/no adverse effect on the environment); and
- Alternatives to Refractory Ceramic Fibers.

Eligible Green Projects may include capital expenditures (“CapEx”) and operating expenditures related to maintenance (“OpEx”)

Eligible Green Projects as described above are aimed at contributing on the EU environmental objectives of climate change mitigation and to the following five SDGs:

UN SDG 9 – Industry, Innovation and Infrastructure

UN SDG 11- Sustainable cities and communities

UN SDG 12 – Responsible consumption and production

UN SDG 13 – Climate action

UN SDG 15 – Life on land

Eligible Green Projects above are aligned to the EU Taxonomy under the three following Economic Activities:

4.9 - Transmission and distribution of electricity

6.2 - Freight Rail transport

6.14 - Infrastructure for rail transport

Process for Project Evaluation and Selection

A cross-departmental Green Finance Committee (“GFC”) has been established to oversee the Framework.

The GFC is chaired by the Group’s CFO and includes the Group Environment Director as well as members from the following departments across the organisation:

- Finance;
- Legal;

- Investor Relations; and
- other functional departments (as required).

Management of this process at Group level provides assurance of coordination between entities.

The role of the GFC, which meets twice a year, is to:

- Review, select and validate the pool of Eligible Green Projects based on the Framework;
- Validate annual reporting for investors; and
- Monitor on-going evolution related to the green bond market practices in terms of disclosure/reporting in order to be in-line with best market practices.
- Ensure coordination to guarantee no duplication in reporting of Eligible Green Projects expenditure

The selected investments will be added to the list of Green Eligible Projects that may receive Green Instruments proceeds.

The list of Eligible Green Projects will be recorded in the Group's internal accounting systems. Green instrument issuance will also be documented in this system.

Management of Proceeds

An amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Projects as selected by the GFC.

All relevant information regarding the issuance of Green Instruments and the Eligible Green Projects (re)financed will be monitored and kept in the Group's internal accounting systems. Throughout the lifetime of the Green Instruments, the GFC will ensure that the outstanding amount of Green Instruments (either issued from the Group or CLEF) does not exceed the value of Eligible Green Projects.

The Group commits on a best effort basis to replace any project that no longer meets the eligibility criteria, has been disposed of or is subject to major controversy, as soon as reasonably practicable with another appropriate Eligible Green Project.

The use of proceeds from Green Instruments issued by CLEF is restricted to the provision of loans to the Eurotunnel sub-group, which will subsequently be used to fund Eligible Green Projects within the Eurotunnel sub-group.

Pending the allocation or reallocation, as the case may be, of the net proceeds, Getlink will invest the balance of the net proceeds, at its own discretion, in cash and/or cash equivalent and/or other liquid marketable instruments, as per the Group's cash management policy.

Getlink intends, on a best effort basis, to fully allocate the net proceeds raised by any Green Instrument no later than 24 months following issuance.

Reporting

Within one year of issuance of each Green Instrument, and annually thereafter until full allocation of the amount equal to the net proceeds of the green issuance, Getlink will prepare and publish a Green

Finance Reports (“the Report”) for issuances by the Group and CLEF. The Report will provide information on the allocation and environmental impact of the Green Instruments issued.

Allocation Report

The allocation report will include:

- The list of Eligible Green Projects financed or refinanced with the net proceeds of the Green Instruments. (subject to confidentiality disclosures);
- The proportion of net proceeds used for new financing versus re-financing;
- The aggregated amount of allocation of the net proceeds to the Eligible Green Projects for each of the eligible categories; and
- The balance of unallocated proceeds invested in cash and/or cash equivalent (if any).

Impact Report

Getlink issues annual CSR reporting which covers the environmental impact of the Group’s business and its supporting investments, environmental impact is also covered in the Green Finance Reports.

The Group’s social and environmental reporting is based on information stipulated in article 173-VI of the French law of 17 August 2015, known as “Ecological Transition and green Growth” Act, and the transparency principles of the Global Reporting Initiative (GRI).

The part relating to the impact of the Group’s business on the environment includes in particular:

- Greenhouse gases (GHG) emission indicators with annual tonnes of CO2 equivalent generated by the Group in the UK and in France on an annual basis (Scope 1 and Scope 2 of the Kyoto protocol)
- A comparison of the gas emission year on year with detailed information on the actions undertaken to avoid and reduce CO2 emissions to the environment
- Energy source indicators with total consumption of energy per category
- Water consumption indicators comparing the amount of water consumed per source (public network or groundwater) and per annum.
- Waste indicator showing the amount of hazardous and non-hazardous industrial waste produce annually with details of the recycling processes in place.

Where relevant, Getlink will report on the environmental impacts resulting from the Eligible Green Projects. Subject to confidentiality agreements, competitive considerations, or a large number of underlying projects limiting the amount of detail that can be made available, the information may be presented on an aggregated portfolio basis. Impact Metrics will be in line with the metrics published in its CSR Report.

External Review

This Framework has been reviewed by DNV, an independent third party who has issued a Second Party Opinion (“SPO”). The SPO confirms alignment of the Framework with the ICMA’s Green Bond Principles edited in June 2021, to the Green Loan Principles 2021 published by the Loan Market Association (LMA), and, where applicable, to the EU Taxonomy Climate Delegated Act (June 2021). The SPO along with the Framework will be made publicly available on Getlink’s website: <https://www.getlinkgroup.com/>

In addition, an independent external auditor will provide a review to “Limited Assurance” standard of the annual allocation report, confirming that an amount equal to the net proceeds of the Green Instruments has been allocated in compliance with of the Use of Proceeds criteria set forth in this Framework.

The “Limited Assurance” will be published at the same time as a Green Bond Allocation report.

Disclaimer

Certain statements, estimates and opinions made in this Green Finance Framework (the "Framework") are forward-looking statements. Phrases such as "aim", "plan", "intend", "should", "anticipate", "well-placed", "believe", "estimate", "expect", "target", "consider" and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements are based on current expectations and assumptions which may or may not prove to be correct and are subject to a number of risks, uncertainties and other important factors that could cause actual results, performance, achievements or events to differ materially from what is expressed or implied by those statements. Many of the factors that could cause actual results, performance, achievements of or events involving the Group to differ materially from the expectations of the Group are outside of its control and not predictable, including, among other things, general business and economic conditions globally, industry trends, competition, changes in government and other regulation and policy, including in relation to the environment, health and safety and taxation, labour relations and work stoppages, interest rates and currency fluctuations, changes in its business strategy, and political and economic uncertainty, including as a result of global pandemics. As such, undue reliance should not be placed on the forward-looking statements contained herein. Any forward-looking statement is based on information available to the Group as of the date of this statement. All written or oral forward-looking statements attributable to the Group are qualified by this caution.

No liability is accepted by the Group or CLEF in respect of the achievement of or in connection with any such forward-looking statements or assumptions. Neither the Group nor CLEF nor any of its respective officers, employees, agents or affiliates makes any express or implied representation, warranty or undertaking with respect to the information, opinions or forward-looking statements contained herein, and none of them accept any responsibility or liability as to their accuracy or completeness or for any loss howsoever arising, directly or indirectly, from any use of or reliance on such information, opinions or forward-looking statements or otherwise arising in connection therewith. Other than in accordance with legal and regulatory obligations, neither the Group nor CLEF undertakes any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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