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1. Introduction

1.1. Context

Métropole de Lyon is a territorial authority created by the law of January 27, 2014 on the modernization of territorial public action and the affirmation of metropolises (MAPTAM law). It stems from the merger of the Urban Community of Lyon and the General Council of Rhône. It includes 59 municipalities with 1.4 million inhabitants spread over 538 km².

Despite its name, this territorial authority should not be confused with the « métropoles » created by the laws of December 16, 2010 and January 27, 2014, which are public establishments of intercommunal cooperation (EPCI).

As for Métropole de Lyon, it is a special-status local authority within the meaning of Article 72, paragraph 1 of the Constitution, created in place of the Urban Community of Lyon and Département of Rhône, since January 1, 2015.

Métropole de Lyon enjoys a strategic location in France. It is located in the Rhône Valley at the intersection of two rivers (the Rhône and the Saône). Its proximity to the Alps and the Mediterranean Sea provides the Métropole with a strategic centrality. In addition, Métropole de Lyon has a well-developed rail network, which puts it within 2 hours of Paris, and an airport that provides European and global accessibility.

The territory of the Métropole de Lyon has welcomed more than 160,000 new inhabitants over the past 15 years, making it the 3rd most populated agglomeration behind Paris and Marseille.

1.2. Political organization

1.2.1. Central bodies

Métropole de Lyon is run by 150 elected citizens called "metropolitan councillors", who regularly meet at the Metropolitan Council of Métropole de Lyon. The Council is in charge of voting the main decisions setting the course and means of metropolitan action in the interest of the inhabitants of the Métropole de Lyon.

A Standing Committee, an offshoot of the Metropolitan Council, also has deliberative powers in various fields under a delegation from Metropolitan Council.

The President, as well as the Vice-Presidents, also have specific decision-making powers, also in accordance with the law, and a delegation from the Metropolitan Council or the President.

1.2.1. Consultatives bodies

The consultative bodies include:

- The Metropolitan Conference of Mayors, a discussion forum between Métropole de Lyon and all the mayors of the 59 municipalities located in the metropolitan area.
- The Territorial Conference of Mayors, which brings together the mayors of neighboring municipalities in accordance with a perimeter approved by deliberation of the Metropolitan Council.
- The Development Council, an independent consultative body and taskforce, made up of actors and citizens who enlighten Métropole de Lyon on societal changes.
- Thematic commissions, responsible for studying reports submitted to the Standing Committee and the Metropolitan Council in their respective areas of competence. There are 7 thematic commissions for the current term of office: Transportation and Roads; Economic Development, Digital Development, Integration and Employment; Solidarity Development and Social Action; Education, Culture, Heritage and Sport; Finance, Institutions, Resources and Territorial Organization; Proximity, Environment and Agriculture; Urban Planning, Housing and City Policy.

1.3. Competences of Métropole de Lyon

The competences of Métropole de Lyon are the outcome of the addition of the competences of the two local authorities from which it originated, i.e., the Urban Community of Lyon and Département of Rhône:

- Children and families (e.g., issuing permits for childcare assistants and daycare centers; welcoming families and future parents at the Mother and Child Welfare centers known as PMI)
- Solidarity (e.g. helping the elderly and the disabled; allocating the income support Revenu de Solidarité Active)
- Housing (e.g. supporting construction; financing social housing)
- Transportation (e.g., developing public transportation through Sytral - Lyon’s transportation authority)
- Water and sanitation (e.g., providing drinking water; preventing flooding)
- Cleanliness (e.g., collecting and processing waste; managing waste collection centers and recycling centers)
- Major projects and urban development (e.g., developing public space and green spaces; developing the Local plan for urban planning and housing)
- Energy and environment (e.g., preserving air quality and green spaces; supporting the development of renewable energies)
- Employment and economic development (e.g., supporting occupational integration and entrepreneurship)
- Knowledge and culture (e.g., building and refurbishing high schools)
- Economic development (e.g., supporting innovation, the development of strategic sectors and competitiveness clusters).

1.4. Environmental and social policy of Métropole de Lyon

The development of the Métropole is concerned with the preservation of the territory’s common goods, while meeting the needs of its inhabitants, particularly the most vulnerable, without compromising the ability of future generations to meet their own needs. The Métropole has the skills and tools to reduce inequalities and accelerate the ecological transformation of its territory.

The metropolitan ambition can be broken down into three main principles:
- A Métropole that stands for the common good, that will provide its inhabitants with the means to achieve an exemplary ecological transition
- A caring Métropole towards its target populations and, more broadly, of the inhabitants of the Grand Lyon
A Métropole that closely collaborates with the local authorities of its territory, the inhabitants and their collective actions, the private sector and its innovations, the international community and the research community.

These broad principles inform the main areas of public policy to meet the following objectives:

- Implement structural and concrete responses to the challenges posed by climate change
- Reduce air pollution, in particular by reorienting travel policies to promote public transportation and active mobility
- Increase vigilance and support for the most vulnerable populations and the development of social policies paying closer attention to the preservation of the dignity of each and every person
- Pursuit of a sustainable economic development, favoring local actors and energy conservancy
- Implement a comprehensive health policy, especially with the reduction of pollution, access to quality food, sourced from organic and local agriculture
- A sustainable urban planning and housing policy promoting access to decent housing and improving the quality of life, in particular by bringing nature back into the Métropole and developing peaceful and shared public spaces

Successful achievement depends on the capacity to engage these actions by doing partnerships, when necessary, and bringing together the neighboring communities, the associative structures and the economic actors of the territory.

1.4.1. The Energy Roadmap

With the Energy Roadmap referred as the Schéma Directeur des Énergies, Métropole de Lyon defines the strategic framework of the public policy of energy transition by 2030. The strategy aims to reduce greenhouse gas emissions, energy consumption and increase the production of renewable and recovered energy (RE&R), two key levers for achieving the crucial and ultimate objective of reducing greenhouse gas emissions. To this end, Métropole de Lyon relies on a wide range of its competencies and public policies, including housing, economic development, mobility of people and goods, urban development and the water and waste cycle management. This strategic framework integrates all of the energy competencies of Métropole de Lyon: support for actions to control energy demand, development of renewable and recovery energies, creation, development, maintenance and management of urban heating and cooling networks and public electricity and gas supply concessions. With these competencies as an organizing authority for energy networks, the Métropole is exercising its responsibility as the bearer of public policy on energy transition in its territory.

The Energy Roadmap constitutes the mitigation part of the Territorial Climate, Air, and Energy Plan.

With the Energy Roadmap, the Métropole is accelerating the management of the transformation of the territorial energy system and asserting its role as an energy organizing authority. The Energy Roadmap is a strategic and operational response to the energy transition based on a detailed knowledge of the territory. It defines a set of actions with quantified operational objectives, time scheduling and financial planning.
Throughout the process, a Scientific Council, made up of researchers and national and local players in the energy system with public interest missions, was consulted on methodological and substantive issues. The objectives and action plan of the Energy Roadmap are thus based on a thorough structure, anchored in reality, which allows to be reasonably confident about its achievability:

- A more sustainable and responsible Métropole: 30% of energy savings in the territory between 2000 and 2030
- A cleaner and proactive Métropole: doubling the production of renewable and recovered energy to reach 17% of RE&R in the total energy consumption
- Networks positioned at the heart of the energy transition
- Towards a motivational strategy, open to stakeholders, based on a vision shared by municipalities and territories

1.4.2. Territorial Climate, Air, and Energy Plan

Grand Lyon’s commitment related to Climate and Energy was affirmed in 2005 through its Agenda 21, under the angle of the fight against the greenhouse effect. In 2007, Grand Lyon initiated the implementation of a Climate and Energy Plan for its territory, with the aim to limit the territory’s impact on the climate by reducing greenhouse gas emissions. This plan is updated frequently to take into account the territory’s ambitions for its energy and climate transition trajectory.

In 2017, a study conducted by Grand Lyon and Atmo Auvergne-Rhône-Alpes (an observatory approved by the Ministry of Ecological Transition and Solidarity in charge of monitoring and informing on air quality in Région Auvergne-Rhône-Alpes) shows that the breakdown of greenhouse gas emissions sources in the territory is as follows:

- 5% emissions from Grand Lyon’s assets and services (water, waste, heating networks, etc.)
- 20% emissions within the scope of public policies (public transport, social housing, construction of commercial areas referred to as ZAC, etc.)
- 75% of other emissions (companies, municipalities, residents)

Métropole de Lyon is now committed, in the latest version of its Climate Action Plan (as of December 16, 2019), to:

- Reduce its greenhouse gas emissions by 43% by 2030 compared to 2000 baseline
- Reduce its energy consumption by 30% compared to 2000 baseline
- Achieve 17% renewable energy in total energy consumption by 2030.
- Reduce by 70% the emissions of fine particles (PM2.5/PM10) and nitrogen oxides (NOx) compared to 2000 baseline.

In order to achieve these objectives, the Métropole has drawn up a list of actions to be carried out between now and then:

- Raising awareness of 80,000 households and 1/4 of employees to low-carbon solutions
- Multiply by 3 the heat distributed through urban heating networks
- 1/3 of housing refurbished to achieve significant energy savings
- 500ha of permeable spaces
- Multiply by 10 the production of photovoltaic solar energy
- Plant 300,000 trees.
The Métropole is also committed to intensify its engagement in the fight for energy and climate transition by 2050 by:

- Decreasing its greenhouse CO\textsubscript{2} emissions by 79% by 2050 compared to 2000 baseline
- Reducing its energy consumption by 63% compared to 2000 baseline
- Collaborating with neighboring territories towards carbon neutrality.

The Territorial Climate, Air, and Energy Plan was co-constructed with 500 citizens and 130 partners during numerous workshops. A neutral and independent Scientific Committee will provide a follow-up and a fresh look at the actions implemented each year.

In addition to the Territorial Climate, Air, and Energy Plan, Métropole de Lyon is committed to the Cit‘ergie approach. This is a European label issued by ADEME (the French Agency for Ecological Transition) which promotes the energy and climate policy of local authorities (French version of the European Energy Award (EEA)).

It is both a "quality approach" to evaluate and monitor the actions of the Territorial Climate, Air, and Energy Plan and a label rewarding the energy and climate policy of the community for 4 years.

Métropole de Lyon has been involved in Cit‘ergie since 2013 and has been awarded the label since 2014, a label that was renewed in 2019.

The assessment covers six areas (climate, air and energy strategy, local authority assets, water, energy and sanitation supply, mobility, internal organization, cooperation and communication) and certifies that the local authority has the means to achieve its "energy and climate" objectives: deliberate strategy, technical and political management, financial resources allocated to the various areas, results obtained, etc.

In 2019, the Métropole improved its score with 67.8% of its potential (vs. 61.6% in 2014), also showing the need to accelerate the community’s commitment to climate action.
The Cit’ergie GOLD label corresponds to a score of 75%.

1.4.3. The Metropolitan Solidarity Project

In November 2017, Métropole de Lyon adopted the Metropolitan Solidarity Project (referred to as PMS in French), which defines 80 actions for the 2017-2022 period. The development of a new Metropolitan Solidarity Project 2023 - 2027 will be conducted in 2022.

The new Metropolitan Solidarity Project will take into account the effects of the health crisis, which has significantly impacted society and changed the way professionals work, while at the same time forcefully highlighting the crisis in the social professions.

The objectives of the new PMS will be to show the political and strategic orientations of Métropole de Lyon in terms of solidarity, to confirm the projects to be carried out over the next five years, to capitalize on the new ways of working in the social and medico-social field, and to define the methods of cooperation with the main partners in the social and medico-social field.

The following issues will be at the heart of the work of the future Metropolitan Solidarity Project:
- Changes related to solidarity, the evolution of social and medico-social professions
- Local social development
- The fight against poverty and exclusion
- Prevention policies for all publics
- The development of an inclusive metropolis

The Metropolitan Solidarity Project targets in particular families, young children, elderly and disabled people, and will take into account the most vulnerable groups.

1.5. Ecological and solidarity-based stimulus plan

In January 2021, Métropole de Lyon voted a EUR 3.6 billion investment plan for the period 2021-2026 via its Multi-Year Investment Program (referred to as PPI in French). This plan aims to accelerate the ecological and solidarity-based transformation of the Métropole based on three principles: the protection of the environment and common good, solidarity, and partnerships with the municipalities of the Métropole.

25 themes have been selected within the framework of the 2021-2026 PPI, gathered into 9 axes:

- **Urban Planning & Development: EUR 944.6M**
  - **Objective**: developing and building a breathable metropolis, focused on the well-being and quality of life of its inhabitants, is the core of the PPI’s projects.
  - **Examples**: creation of green, shared and peaceful public spaces; urban development around train stations and in connection with major public transport routes (Part-dieu, Confluence, Gerland among other projects).

- **Mobility & Roads: EUR 579.9M**
  - **Objective**: less polluting travel for better air quality. To this end, it is necessary to facilitate both pedestrian and bicycle traffic, and the development of public transport with Sytral (Transport Authority).
  - **Examples**: for **cycling and walking**, a network of “Voies Lyonnaises” (200 to 250 km of wide, fast and safe bicycle lanes)
- For public transportation, financing the development of public spaces built around new tramway lines.
- For intermodality, the rail network and urban logistics: extension of the Low Emission Zone ZFE.
- For engineering structures and management of the public domain: maintenance of bridges, tunnels and mains roads.

- Housing: EUR 518.1M
  - Objective: the Métropole is welcoming an increasing number of inhabitants and there are evidences of housing market tightness due to the Métropole’s attractiveness. To meet this challenge, the Métropole will use several levers: the production of social housing, rent control, revision of the PLU-H... Other priorities on the agenda of the Métropole: accelerating the fight against substandard housing and fuel poverty.
  - Examples: developing a new supply of affordable housing, social and specific housing (with production of social rental housing which will tend towards 5,000 housing units produced per year at the end of the mandate).

- Environment, energy, agriculture, water, and waste: EUR 517M
  Reducing of waste and expansion of the public collection service
  - Objective: reducing waste at the source and turn it into a sustainable resource by improving collection, sorting, deposit, treatment and recycling of waste.
  - Examples: reducing waste incineration by 50% by 2026 (with, for instance, the installation of new collective composters), facilitating sorting (packaging collection silos), clean motorization of collection vehicles (city natural gas (CNG) garbage trucks).

Energy Sobriety and Renewable Energy
  - Objectives: 20% reduction in energy consumption in the metropolitan area; doubling of the share of renewable and recovered energy in energy consumption; tenfold increase in solar energy production; threefold increase in the number of homes supplied by the urban heating network.
  - Examples: extending of existing urban heating and cooling networks; recovering waste heat from industrial companies in the Vallée de la Chimie; deploying photovoltaic panels on the roofs of buildings of the Métropole and municipal buildings; deploying CNG and electric charging stations.

A public water management
  - Examples: de-silting and stormwater management at the source, de-silting of high school playgrounds, renewal of water treatment plants and wastewater pipes.

Environment and biodiversity
  - Examples: planting street trees and urban forests.

Agriculture and food
  - Examples: increasing the territory's food autonomy, relocating production and encouraging local employment (e.g., agricultural land office to protect metropolitan agricultural land and create test areas for new farming practices).

- Economy, insertion, universities and tourism: EUR 392.2M
Objective: Priority is given in terms of investment to projects and production that reduce the carbon impact on the territory while maintaining and creating jobs that are not vulnerable to relocation at all levels of responsibility. In addition, the Métropole will support economic actions by developing a responsible purchasing plan for public procurement, environmentally and socially demanding.

This policy is broken down into 8 areas:

- Supporting business creation through the creation of 2 new entrepreneurial poles on the territory
- The "ecological transition" at the heart of the new metropolitan ambition, including the creation of the Halles de l'économie to develop circular economy ecosystems.
- Mobilizing in favor of major global health issues, including the opening of the International Agency for Research on Cancer in 2022.
- Promoting the sustainable transition of companies with the creation of a positive impact industrial seed fund. This fund will finance the pre-industrialization phases of 80 to 100 young entrepreneurs and will have a lifespan of 12 to 14 years to support them in the long term.
- Committing to higher education and research with the creation of a new University Development Plan. The new University Development Plan (referred to as SDU in French) will aim to fight against student’s position of insecurity by developing the supply of social housing, improving student integration, spreading knowledge beyond the boundaries of the university and balancing the development of academic sites.
- Accelerating the decarbonization and ecological transition of the Vallée de la Chimie.
- Act for a local economy and supporting town centers, with the implementation of a direct aid system for small businesses, local businesses and craftsmen, in particular to renovate and secure their premises or enable the digitalization of their services.
- Support responsible tourism. A Responsible Tourism Development Plan will be drawn up in cooperation with the actors of the sector and in particular the Tourist Office.

Health, Social, Education and Culture: EUR 335M

Health, autonomy, child and family protection
- Objective: helping assisted living facility for elderly people or disabled people, that undertake rehabilitation, reconstruction or safety projects. In terms of child and family protection, investing in renovation, rehabilitation and accessibility work in facilities within the scope of competence of the Métropole and owned by the Métropole’s partners.

Education
- Objective: vegetation and de-silting program of high schools’ playgrounds with at first, 5 high schools concerned, objective 100% of organic food and 50% of local food in high schools’ canteens at the end of the executive mandate.
Culture
  o Objective: project of the International City of Circus Arts, development of the Roman archaeological heritage sites, development of the permanent tour of the Lugdunum Museum.

Associative life and sports policies
  o Objective: promoting sport for all.

- Territorial projects: EUR 200M

  Carrying out public domain development operations in the municipalities of the Métropole. A budget has been set aside for the development of streets, roads, or public squares in the municipalities of the Métropole.

  Financing of « territorial projects ». A budget has been set aside for regional projects that are in line with the strategic axes of the metropolitan coherence pact (revitalization of town centers, green and blue network, responsible economic development, employment and integration, etc.)

- Assets and general hubs: EUR 98.5M

  An energy renovation plan for the Métropole’s buildings will be launched in order to refurbish in priority sites with low energy efficiency, and a global reflection will be carried out for the Métropole's vehicle fleet in order to support mobility.

- External participations: EUR 15M

  This Multi-Year Investment Program is a response to the challenges posed by climate change and the social crisis (less polluting travel, more vegetation, more renewable energy, etc.). These investments must also meet another challenge: reducing territorial inequalities, which are patent today in the areas of health, access to housing and economic activity.

  This program illustrates a new metropolitan dynamic focused on three main principles: a Métropole leader in the ecological transition; a solidarity-based Métropole; and a Métropole that partners with the 59 member municipalities and neighboring communities, that is receptive to its inhabitants and their collective actions, and that is attentive to the innovations of the private sector and the research community.

1.6. The objectives of the implementation of Green, Social and Sustainability Bonds Framework

Through the implementation of this Framework, Métropole de Lyon aims to position its investment program within a sustainable finance approach, though a financing tool dedicated to the PPI.

It wishes to build on this Framework to communicate on its commitments for the ecological transition, its initiatives to address social issues, and to highlight its efforts to identify and quantify the funding
allocated to these stakes. Through this approach, the Métropole wishes to highlight the work of its operational services by exposing the achievements related to the ecological transition and social justice.

Issuing Green, Social and Sustainability Bonds also demonstrates the Métropole’s contribution to the development of sustainable finance. It also establishes a connection between the financing of the budget balance and the virtuous projects carried out on its territory by the Métropole de Lyon.

2. Framework

The Framework is consistent with the International Capital Market Association (ICMA) Principles, namely, the Green Bond Principles 2021, the Social Bond Principles 2021 and the Sustainability Bond Guidelines 2021 (« ICMA Principles») and their four founding pillars:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

2.1. Use of Proceeds

In accordance with the framework, Métropole de Lyon may issue 3 types of bonds:

- Green Bonds: the proceeds of the bonds are to be used to finance or refinance expenditures exclusively on one (or more) category(ies) of green projects.
- Social Bonds: the proceeds of the bonds are to be used to finance or refinance expenditures exclusively on one (or more) category(ies) of social projects.
- Sustainability Bonds: the proceeds of the bonds are to be used to finance or refinance exclusively expenditures on one (or more) category(ies) of green projects and/or one (or more) category(ies) of social projects.

Eligible expenses are expenses of the Métropole’s 2021-2026 Multi-Year Investment Program (PPI) but also operations from the former 2015-2020 PPI completed or started since the installation of the newly elected executive (July 2020) that have a tangible environmental and/or social impact taking into consideration a maximum look-back period of two calendar years prior to the year of issuance of any Green, Social or Sustainability Bond.

Eligible projects are located in the territory of Métropole de Lyon.

2.1.1. Eligible environmental projects categories
<table>
<thead>
<tr>
<th>ICMA's green project categories</th>
<th>Eligibility criteria</th>
<th>Examples of emblematic projects</th>
<th>Objectives of the Métropole</th>
<th>Contribution to the SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Renewable energy</strong></td>
<td>- Investments that support the production, distribution and maintenance of renewable energy generation sources (with direct emissions ≤ 100g CO2/kWh), including: - wind energy - solar energy - biomass energy(^1) - geothermal energy(^2)</td>
<td>- Deployment of photovoltaic panels on the roofs of public buildings - Implementation of a heating network fed by a wastewater collector - Development of electric charging stations</td>
<td>- Energy Conservancy and Renewable Energy</td>
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<tr>
<td><strong>Clean transportation</strong></td>
<td>- Investments that contribute to the promotion of clean public transport and encourage multimodal transport solutions, including: - Construction, acquisition, operation and maintenance of rail transport infrastructure as well as electric rolling stock (metro, trams, signalization) - Electric buses, bicycle lanes - Development for active and soft modes - Investments contributing to the improvement of air quality, in particular through the creation of car-sharing and car-pooling lanes, renewal of the Métropole's vehicle fleet, vehicle conversion bonus for professionals and individuals (only for electric and hydrogen vehicles are included).</td>
<td>- 200 to 250 km of bicycle lanes “Réseau Express Vélo” - Creation of 15,000 bicycle parking spaces - Creation of new public transport lines - Creation of bicycle and car park-and-ride facilities - Renewal of the city's vehicle fleet - Pedestrian plan - Strengthening the implementation of the Low Emission Zone (ZFE)</td>
<td>Less polluting travel for better air quality</td>
<td></td>
</tr>
<tr>
<td><strong>Green buildings</strong></td>
<td>- Investments that support the construction of low or very low energy buildings and the improvement of the energy efficiency of buildings: - Construction of buildings in line with RT2012 or RT2012-20% regulations - Construction of buildings benefiting from the following labels or equivalents: - (\geq) LEED Gold - (\geq) BREEAM Very Good - (\geq) HQE Excellent - Rehabilitation work leading to a minimum gain of 30% in energy efficiency</td>
<td>- Energy renovation of buildings (especially highs schools and metropolitan buildings)</td>
<td>A more energy-efficient building stock</td>
<td></td>
</tr>
<tr>
<td><strong>Circular economy</strong></td>
<td>- Investments that contribute to improve waste management (e.g. waste reduction, recycling and reuse) - Construction, operation, maintenance and upgrading of waste management infrastructure (collection, treatment, recovery)(^3) - Programs that promote the development, operation, maintenance, and upgrading of recycling facilities and increase the recycling and reuse of waste</td>
<td>- Creation of voluntary bio-waste collection points - Installation of new composters</td>
<td>Reduction of waste and expansion of the public collection service</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Biomass feedstocks will be limited to sources such as agricultural or forestry residues that do not deplete existing terrestrial carbon pools or compete with food production.

\(^2\) Enhanced and Engineering Geothermal System (EGS) technologies are excluded.

\(^3\) Waste incineration projects and the use of fossil fuel vehicles are excluded from this category.
### 2.1.2. Eligible social projects categories

<table>
<thead>
<tr>
<th>ICMA’s social project categories</th>
<th>Eligible criterias</th>
<th>Examples of emblematic projects</th>
<th>Objectives of the Métropole</th>
<th>ODDs</th>
</tr>
</thead>
</table>
| **Access to affordable housing** | - Investments that contribute to developing the supply of affordable housing  
Target population: low-income population⁴, students with scholarships | - Construction of 5,000 social housing units per year | Developing a new supply of affordable housing, renovating the existing stock and fighting against substandard housing and fuel poverty |  |
| **Access to basic services: health** | - Investments that finance health infrastructure or service through:  
  - the “Maisons de la Métropole” and the creation of a multi-professional health centre  
  - IDEF (Institut Départemental de l’Enfance et des Familles), which is a place specialised in the emergency care of babies, minors and their mothers  
  - Ehpads (residential facilities for dependent elderly people)  
  - The creation of homes/units for the disabled  
Target population: elderly people, people with disabilities, vulnerable people and children | - Rehabilitation projects for health care facilities | Accompanying people with dignity as they age and improving the care of children and families |  |

⁴ In accordance with national legislation: [https://www.service-public.fr/particuliers/vosdroits/F869](https://www.service-public.fr/particuliers/vosdroits/F869)
<table>
<thead>
<tr>
<th>Access to basic services: education and sport</th>
<th>Socioeconomic development / job creation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in school infrastructure and equipment</td>
<td>Investments that support business and job creation</td>
</tr>
<tr>
<td>Target population: students in public schools (education), assets in priority neighborhoods or programs for people with disabilities (sport).</td>
<td>Investment in the “social and solidarity economy”</td>
</tr>
<tr>
<td>- The deployment of digital academic tools in secondary schools</td>
<td>- Creation of two new entrepreneurial hubs in the area</td>
</tr>
<tr>
<td>- Sports facilities</td>
<td>- Creation of the Halles de l’économie circulaire</td>
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<td>- Restoration of industrial wastelands</td>
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<tr>
<td></td>
<td>- Creation of an industrial seed fund with positive impacts</td>
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<td></td>
<td>- Support for local shops</td>
</tr>
</tbody>
</table>

**2.1.3. Sectoral exclusions**

Eligible expenditure shall exclude expenditures relating to the following activities:
- Production or trade in arms and ammunition;
- Production of fossil fuels;
- Production or trade of tobacco;
- Nuclear and fossil energy production;
- Production of any product or activity that does not respect the legal framework of national and international authorities’ agreements.

**2.2. Process for Project Evaluation and Selection**

Eligible Projects will be selected in the Framework of the Multi-Year Investment Program. In this respect, the launch and individualization of program authorizations corresponding to eligible and selected projects will be carefully monitored during the working sessions of a dedicated Committee, which will meet regularly, on the basis of a biannual meeting, with the following members:
- **Permanent members**
  - Président
  - Vice-President in charge of the economy;
  - Vice-President in charge of urban planning;
  - Vice-President in charge of territorial equality;
  - Vice-President in charge of finance;
- **Permanent guests**
  - Cabinet Director;
  - General Management and Finance and Management Control Department, which is in charge of preparing meetings;
- **Members invited depending on the type of meeting**
  - Vice-President in charge of the project;
● Deputy General Manager and/or Operational Manager accompanied by the project manager and the Resources Department.

To prepare each Committee meeting, the Finance and Management Control Department and the operational departments will prepare a list of projects that can meet the specifications for green, social and sustainable investments. The Committee will propose to the President a selection of eligible projects for arbitration and/or validation, depending on the Métropole's financing needs.

The allocation of proceeds will be made annually on the basis of the Committee's proposals. The Committee will also be the body that will provide feedback on outcome and impact indicators.

2.3. Management of Proceeds

The net proceeds of the Green, Social or Sustainability Bonds are allocated on a nominal equivalence basis to capital expenditures related to eligible environmental and social projects within the look-back period defined in the previous section. The net proceeds of the issues are deposited into a single account at the French Treasury, which is a legal requirement for local authorities and provides investors with necessary guarantees.

The allocation of proceeds is monitored by the Finance and Management Control Department and the operational departments in charge of the selected eligible projects. Each year, the Finance and Management Control Department will take a snapshot of the allocation of proceeds for each operation in the Multi-Year Investment Program that has been selected as part of the Green, Social and Sustainability Bond Framework. The operational departments will be asked to provide the pace of project implementation.

In the event that a selected project becomes ineligible or subject to a major controversy, Métropole de Lyon undertakes to reallocate the proceeds to another eligible project within 24 months.

Temporarily unallocated proceeds will be invested in accordance with the Métropole's cash management policy.

2.4. Reporting

Métropole de Lyon undertakes to publish annually until the total allocation of proceeds or until bond maturity if this date occurs earlier, as well as in case of material developments of the projects financed or refinanced, information on the proceeds allocated to eligible environmental and social projects, as well as on the impact of these investments, through an allocation report and an impact report respectively. These reports will be released on Métropole de Lyon's website.

2.4.1. Rapport d'allocation

The allocation report details the amounts of proceeds invested in eligible projects and includes the following information:

- A detailed list of eligible projects
- The proceeds allocation for each project and its consumption rate
- The share (%) of Green, Social, Sustainability funding for each eligible project and the share (%) of co-financing if applicable;
- The share (%) of refinancing of existing projects (an estimation of the share of refinancing will be included in the relevant Green, Social or Sustainability Bond legal documentation)
- The remaining share (%) to be allocated.

The projects selected in the allocation report may not be completed before the election year of the newly elected executive, which for the avoidance of doubt is 2020.

2.4.2. Impact Report

The impact report provides information on the impact of the eligible projects to which the funds have been allocated, through the indicators set out below:

<table>
<thead>
<tr>
<th>ICMA’s green project categories</th>
<th>Outcome indicators</th>
<th>Impact indicators</th>
</tr>
</thead>
</table>
| Renewable energy                | - Installed capacity (MW)  
- Estimated renewable energy produced per year (MWh/year) | - Estimated CO₂ emissions avoided per year (tCO₂/year) |
| Clean transportation           | - Kilometers of bicycle lanes built  
- Amount of vehicle conversion premiums paid to professionals and individuals  
- Percentage of the Métropole’s vehicle fleet renewed | - Estimated CO₂ emissions avoided per year (tCO₂/year) |
| Green buildings                | - Energy savings (MWh/year)  
- Number of buildings constructed/to be constructed financed (with type and scope of energy renovations) | - Estimated CO₂ emissions avoided per year (tCO₂/year) |
| Circular economy               | - Volume of water treated (% or m³/year)  
- Reduction in the amount if waste produced (tonnes) | |
| Sustainable water and wastewater management | - Volume of water treated (m³/an)  
- Volume of water saved (m³/year)  
- Number of projects  
- Improved energy efficiency of the system (MWh/year)  
- Reduction in leakage (m³/year) | |
| Preservation of biodiversity Sustainable management of living natural resources and land | - Number of trees planted  
- Number of organic farmers funded | |

<table>
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<tr>
<th>ICMA’s social project categories</th>
<th>Examples of indicators</th>
</tr>
</thead>
</table>
| Access to affordable housing    | - Number of social housing units built  
- Number of beneficiaries | |
| Access to basic services: health| - Breakdown of the number of infrastructures financed by type  
- Breakdown of the number of beneficiaries by type | |
| Access to basic services: education and sport | - Breakdown of the number of infrastructures financed by type  
- Breakdown of the number of beneficiaries by type | |
| Socio-economic development / job creation | - Number of beneficiaries  
- Number of jobs created | |

Métropole de Lyon will have the flexibility to add outcome and impact indicators when relevant and/or necessary to report on the performance and the impacts of the selected eligible projects.
3. External review

3.1. Second Party Opinion

Métropole de Lyon has appointed Moody’s ESG Solutions to verify the compliance of its Green, Social and Sustainability Bond Framework with the relevant Principles edited by ICMA. The independent analysis is documented in the Second Party Opinion available on the Métropole’s website.

The Framework and the documents related to the different sub-programs will be made publicly available on the Métropole’s website: https://www.grandlyon.com/metropole/financement.html

3.2. Audit report

The control of the regularity of the expenditure mandated by Métropole de Lyon is supervised by the Direction Régionale des Finances Publiques (DRFiP), which is also in charge of making the payment. In its capacity as appointed public accountant, the Direction Régionale des Finances Publiques of the Métropole de Lyon certifies that the expenses listed on the statement produced have indeed been paid.