INVEST IN THE FUTURE OF LOS ANGELES.

LOS ANGELES 5TH REGIONAL INVESTORS CONFERENCE
MARCH 9-10, 2020
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LACMTA Presentation Outline

- Agency Overview
- Current Debt Portfolio
- Green Bond Issues
- Sustainability - *timeline of key milestones*
- Certification Process
LACMTA Overview

- Planner
- Funder
- Builder
- Operator

Metro
# Current Debt Portfolio and Ratings

<table>
<thead>
<tr>
<th>Outstanding Debt</th>
<th>January 1, 2020</th>
<th>Moody’s</th>
<th>Standard &amp; Poor’s</th>
<th>Fitch</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LONG-TERM DEBT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Issue Type</strong></td>
<td><strong>Principal Outstanding</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposition A Senior Bonds</td>
<td>$1,062,160,000</td>
<td>Aa1</td>
<td>AAA</td>
<td>NR</td>
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<tr>
<td>Proposition C Bonds</td>
<td>$1,755,400,000</td>
<td>Aa1</td>
<td>AAA</td>
<td>AA+</td>
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<tr>
<td>Measure R Bonds</td>
<td>$1,080,070,000</td>
<td>Aa1</td>
<td>AAA</td>
<td>NR</td>
</tr>
<tr>
<td>Measure R TIFIA Loans* (drawn to date)</td>
<td>$1,541,216,237</td>
<td>NR</td>
<td>Private</td>
<td>Private</td>
</tr>
<tr>
<td>General Revenue</td>
<td>$79,615,000</td>
<td>Aa2</td>
<td>AA+</td>
<td>NR</td>
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<tr>
<td><strong>Total Long-Term Debt</strong></td>
<td><strong>$5,518,461,237</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>SHORT-TERM DEBT</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Issue Type</strong></td>
<td><strong>Principal Outstanding</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposition A Commercial Paper</td>
<td>$102,500,000</td>
<td>P-1</td>
<td>A-1</td>
<td>NR</td>
</tr>
<tr>
<td>Proposition C Revolving Credit</td>
<td>$45,000,000</td>
<td>NR</td>
<td>NR</td>
<td>NR</td>
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<tr>
<td>Measure R Short-term Obligations</td>
<td>$106,022,743</td>
<td>NR</td>
<td>NR</td>
<td>NR</td>
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<tr>
<td><strong>Total Short-Term Debt</strong></td>
<td><strong>$253,522,743</strong></td>
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<tr>
<td><strong>TOTAL DEBT OUTSTANDING</strong></td>
<td><strong>$5,771,983,980</strong></td>
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</tbody>
</table>

*Total TIFIA Loans commitment is $1.868 billion.*
Los Angeles County Metropolitan Transportation Authority

Metro

$418,575,000
Prop. C - Series 2019-A
February 2019

- Crenshaw/LAX Transit Corridor project
- Metro Blue Line track and system refurbishment
- Rosa Park/Willowbrook Station improvements
- Other Rail facilities improvements
- Green Bond 3rd Party Certification
- The Bond Buyer Deal of the Year 2019-ESG/Green Financing award

Los Angeles County Metropolitan Transportation Authority

Metro

$471,395,000
Prop. A - Series 2017-A
October 2017

- Light Rail and Heavy Rail procurement
- Southwestern Yard construction
- Universal City Pedestrian Bridge
- Other projects that support the electrified rail system
- Green Bond 3rd Party Certification
LACMTA SUSTAINABILITY timeline of key milestones

- **2007**: The Metro Board adopts the Metro Energy and Sustainability Policy.
- **2008**: The Metro Environmental Policy committing to the use of the ISO 14001:2004 standard is adopted.
- **2009**: The Green Construction Policy (GCP) is adopted to reduce harmful emissions from construction equipment.
- **2010**: Metro achieves goal of 20% reduction in potable water use.
- **2011**: Metro has 11 LEED certified buildings, including 7 Gold and 3 Silver rating, as well as 2 Envision awarded projects.
- **2012**: Metro installs its 100th EV Charger.
- **2013**: Metro initiates its 147th sustainability initiative.
- **2014**: Metro implements the Metro Sustainability Implementation Plan (MSIP) that outlines sustainability and environmental stewardship goals.
- **2015**: Metro implements a Climate Action and Adaptation Plan to reduce greenhouse gas emissions.
- **2016**: Metro achieves a 2.4 MW renewable energy capacity from solar panels at seven facilities.
- **2017**: Metro rolls out Growing a Greener Workforce awareness and training program.
- **2018**: Metro develops Metro Environmental Construction Awareness (MECA), a website providing technical assistance to contractors.
- **2019**: Metro issues second Green Bonds $418,575,000.

*Source: https://www.metro.net/projects/sustainability/*
Climate Bond Standard & Certification Scheme

1. Prepare the Bond
   - Identify assets that meet the relevant sector criteria and compile supporting information
   - Create Green Bond Framework setting out how proceeds of the bond will be used

2. Engage a verifier
   - Engage an Approved Verifier for pre-and post issuance Certification
   - Provide them with relevant information
   - Receive a Verifier’s Report giving assurance that Climate Bond Standards V2.1 requirements are met

3. Get Certified & issue a Certified Climate Bond
   Submit the Verifier’s Report and Information Form to the Climate Bonds Initiative

4. Confirm the Certification post-issuance
   - Within 12 Months of issuance submit the Verifiers post-issuance report
   - Receive notification of post-issuance certification

5. Annual Reporting
   - Prepare a sample report each year for term of the bond
   - Provide it to bond holders and Climate Bond Initiative
   - Provide updates through public disclosure

LACMTA Green Bond Framework

**Selection of Projects**

LACMTA’s Treasury Department reviews the projects approved in the annual budget and, with assistance from Environmental Compliance & Sustainability Department (ECSD), determines the projects that complied with various City, County, State, and FTA sustainability and environmental requirements and qualify for Green Bonds Issuance.

**Management of Proceeds**

LACMTA has a number of systems and protocols in place to ensure that its resources are used for its intended purposes.

LACMTA utilizes Oracle’s Financial Information System (FIS), a system used in managing projects, analyzing expenditures and billing transactions to the proper funding source.

**Assurance and Reporting**

The Green Bonds Approved Verifier is engaged to provide assurance that LACMTA is conforming to all of the pre and post-issuance requirements of the Climate Bonds Standard.

LACMTA intends to conduct an annual post-issuance review until all bond proceeds have been used.
LACMTA’s Investor Relations Webpage

https://www.metrobonds.net
Next stop: more go.