

**AUTHORIZED OFFICER CERTIFICATE OF THE
METROPOLITAN TRANSPORTATION AUTHORITY IN CONNECTION WITH
CLIMATE BOND INITIATIVE ANNUAL REPORTING**

I, Patrick J. McCoy, Director, Finance of the Metropolitan Transportation Authority (“MTA”), hereby certify that I am duly authorized to execute this certificate on behalf of the MTA with respect to various items required by Climate Bond Initiative (“CBI”) administrative procedures and do hereby further certify as of April 29, 2020 to the items below.

1. As required by the related Application and Agreement for Climate Bond Certification:

- a. As of the date hereof, the MTA is to the best of my knowledge in conformance with the certification of the Climate Bond Standard applicable to the transactions set forth in **Exhibit A** attached hereto.
- b. Attached hereto as **Exhibit B** is a true and correct copy of the MTA’s annual disclosure entitled “Climate Bond Standard and Certification Compliance” as set forth in its 2020 Combined Continuing Disclosure Filings for your information.

2. As required by CBI’s Program Certification Requirements:

- a. In 2016, MTA received a verification letter from Sustainalytics concluding that MTA, as part of its approved Capital Programs has project costs totaling not less than \$11.3 billion that conform to the Climate Bonds Initiative’s Climate Bonds Standard, using the Low Carbon Transport criteria (“CBI Eligible Projects”)
- b. As of the date of this letter, the total amount of CBI Eligible Projects that remain part of MTA’s approved Capital Programs, as originally verified by Sustainalytics, in 2a. above is \$11,341,909,393.
- c. As of the date hereof, MTA has issued bonds (“MTA/CBI Certified Bonds”) in a total par amount of \$7,800,466,605 this is total from Exhibit A deals, as specified in **Exhibit A**.
- d. Projects funded from such amount of MTA/CBI Certified Bonds are less than the total amount of CBI Eligible Projects as verified by Sustainalytics in 2b. above.

IN WITNESS WHEREOF, I have hereunto set my hand as of the date first above written.



Name: Patrick J. McCoy
Title: Director, Finance

EXHIBIT A

**Climate Bond Transactions
As of April 29, 2020**

MTA Green Bond Issuances

Series Name	Date of Issuance	Amount (Par on Official Statement)
Transportation Revenue Green Bonds, Series 2016A (Climate Bond Certified)	2/25/2016	\$782,520,000
Dedicated Tax Fund Green Bonds, Series 2016B (Climate Bond Certified)	5/26/2016	588,305,000
Subtotal 2016		<u>1,370,825,000</u>
Dedicated Tax Fund Green Bonds, Series 2017A (Climate Bond Certified)	2/23/2017	\$312,825,000
Transportation Revenue Green Bonds, Series 2017A (Climate Bond Certified)	3/16/2017	325,585,000
Dedicated Tax Fund Green Bonds, Series 2017B (Climate Bond Certified)	5/17/2017	680,265,000
Transportation Revenue Refunding Green Bonds, Series 2017B (Climate Bond Certified)	9/28/2017	662,025,000
Transportation Revenue Refunding Green Bonds, Series 2017C (Climate Bond Certified)	11/17/2017	2,021,461,605
Subtotal 2017		<u>\$4,002,161,605</u>
Transportation Revenue Refunding Green Bonds, Series 2018B (Climate Bond Certified)	8/23/2018	\$207,220,000
Subtotal 2018		<u>\$207,220,000</u>
Transportation Revenue Green Bonds, Series 2019A (Climate Bond Certified)	2/6/2019	\$454,150,000
Transportation Revenue Green Bonds, Series 2019B (Climate Bond Certified)	5/14/2019	177,185,000
Transportation Revenue Green Bonds, Series 2019C (Climate Bond Certified)	8/14/2019	422,430,000
Transportation Revenue Refunding Green Bonds, Series 2019D (Climate Bond Certified)	11/7/2019	241,745,000
Subtotal 2019		<u>\$1,295,510,000</u>
Transportation Revenue Green Bonds, Series 2020A (Climate Bond Certified)	1/16/2020	\$924,750,000
Subtotal 2020		<u>\$924,750,000</u>
Total Green Bond Issuance		\$7,800,466,605

EXHIBIT B

Climate Bond Standard and Certification Compliance Disclosure In MTA's 2020 Combined Continuing Disclosure Filings

Climate Bond Standard and Certification Compliance

In early 2016, MTA requested, and the Climate Bonds Standard Board approved, the designation of MTA's Transportation Revenue Bonds, Series 2016A Bonds as "Climate Bond Certified" pursuant to the Low Carbon Transport criteria (the "Climate Criteria") under the Climate Bonds Standard 2.0. As part of the certification requirement MTA engaged Sustainalytics as an independent verifier to review the MTA's 2010-2014 Capital Program to identify projects with expenditures that met the Climate Criteria. Sustainalytics reviewed \$12.6 billion of spending and concluded that projects totaling \$11.3 billion, or 89.7%, qualified under the Climate Criteria, making them eligible projects for Climate Bonds Initiative ("CBI") certification. CBI and MTA agreed that while MTA's pooled funding of its capital projects makes tracking proceeds to specific bond transactions prior to issuance impractical, the inherent benefit of MTA's Transit and Commuter Systems and the ongoing support and maintenance of them are compatible with an emissions trajectory consistent with the principles underlying the Climate Criteria. Due to the size and complexity of MTA's Capital Program and difficulty in tracking proceeds to specific projects, it is possible that MTA CBI certified bonds may fund or refund projects not specifically identified by the independent verifier but essential to MTA's core mission. Additionally, some of these projects may have been funded by other pooled resources available for MTA's Capital Programs. After an analysis of MTA's Capital Program elements, CBI agreed to certify any bonds issued by MTA for credits that fund the Transit and Commuter Systems portion of its Capital Programs up to a maximum of \$11.3 billion (the "CBI Programmatic Approach Certification").

In January 2017, the CBI implemented the Climate Bonds Standard 2.1, which created a programmatic approach specifying the ability to identify projects as a pool, similar to the approach MTA has taken since its inaugural issuance in 2016. MTA has issued CBI certified bonds pursuant to both standards and continues to issue bonds pursuant to the 2.1 standard.

In light of various investor interest in "Green Bonds" and specifically what constitutes a "Green Bond" MTA asserts the following with regard to its issuances of CBI certified bonds:

- MTA follows a programmatic approach in connection with its MTA CBI certified bond issuances that complies with CBI standards and has been approved by CBI.
- Any certified MTA CBI bond/bond issuance is not tracked on a project specific basis nor is it tied to specific projects but rather to the CBI Programmatic Approach Certification.

- MTA has engaged an independent verifier to identify and to annually re-verify the total amount of Climate Criteria eligible transit and commuter projects under its Capital Programs.
- MTA has issued in aggregate a total par amount of bonds with the CBI certification that is less than the amount of eligible projects verified.

Commencing in 2017 and consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA has undertaken as part of its continuing disclosure filing obligation with respect to Climate Bond Certified bonds to file with EMMA:

- annually, until the maturity or prior redemption of the Climate Bond Certified bonds, a post-issuance compliance certificate as required by the certification process;
- any event of material non-conformance with the certification process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and
- any revocation of the Climate Bond Certification by the Climate Bonds Standard Board.

MTA expects to file with EMMA a copy of its annual compliance certificate pursuant to the Climate Bonds Standard and Certification Process on or about the date hereof.