

The information presented in this document, on projects financed in 2016 by the green and sustainability bond issued on the 14th of June 2016 (ISIN code FR0013183167 – 650 M€ 2016-2025), is at this stage an estimate and is not final.

Issuer Region Ile-de-France

- **Status:** French public local authority
- **Financial rating:** AA/AA by Standard & Poor's and Fitch Ratings.
- **Prudential weights:** Solvency II 0% ; credit risk 20% ; LCR 2A
- **Assets eligible to the ECB purchase program (QE)**
- **A regular and frequent issuer:** euro and currencies (swapped in EUR) through public bond issues and private placements : ~3 operations per year
- **A long-term green and sustainability financing strategy:** 6 green & sustainability bonds issued between 2012 and 2015, including 4 benchmark public issues
- **Extra-financial rating:** 63/100 by Vigeo-Eiris in december 2016 (unsolicited evaluation) ; a leader in the local authority panel

Ile-de-France territory

12 million inhabitants, 30% of France's GDP, 4.7% of EU-28's GDP, largest stock of commercial real estate in Europe, first world tourist destination and highest number of branches in Europe of the 500 largest companies in the world.

A global urban area: density of infrastructures, highly-qualified labor (33% of national executives), upper-end research center (37% of France's research staff , 103,000 researchers).

A major player in sustainable development in Ile-de-France

The Region plays a key role to promote sustainable development initiatives on the territory. It is the competent authority setting strategic guidelines of local public actions on the territory: territorial development, transports using STIF, economic development, climate and energy, biodiversity, waste management .

The Region is also committed to integrate sustainable development and social responsibility in all its activities across the different fields. As such, it sets the example in terms of governance and policies implemented.



A French local authority with a strong investment focus:

41% of Budget 2017 expenditures (exc. debt) devoted to investment



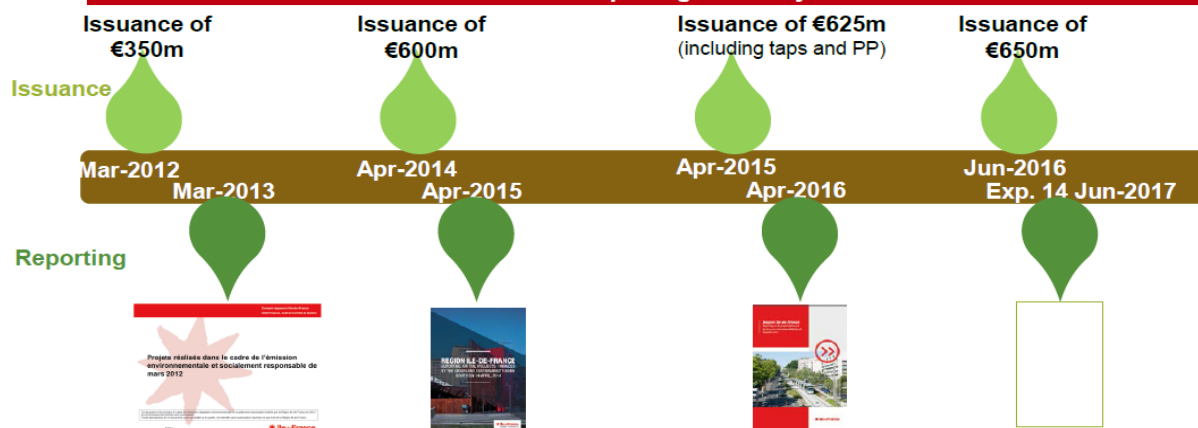
Environment is at the heart of regional policies, with an ambitious and holistic roadmap focused on territories:

€1,0 bn of new multi-annual expenditures adopted in 2017 includes the Region's environmental concern, ie. 54% of the total amount voted

Update on process of reporting for the green and sustainability bond issued in June 14th 2016

Reporting on the green and sustainability issuance of 2016 (EUR 650m -FR0013183167) is currently under progress. As for the region's previous green and sustainability transactions, it will be published on the transaction's anniversary, June 14th 2017, in accordance with the commitments made at the issuance.

Best in class reporting over the years



2016 reporting will include the same level of information as last year's reporting related to green and sustainability transactions carried out in 2015

https://www.iledefrance.fr/sites/default/files/region_ile-de-france_-_investor_presentation.pdf

Update on the process for 2016 reporting

Early 2017	Launch of the allocation and project selection process
February	Consultation with the relevant departments to identify a set of eligible projects
Late February	First projected project selection by the Finance department
March	Verification of the amount of expense of each project by the Management Control and Information Systems department
March/ April	Each relevant department prepares reporting on the identified projects, showing how each project is consistent with each eligibility criteria, and filling up a grid of impact indicators, specifying the methodology followed.
April/ May	Consolidation, harmonisation and consistency checks are carried out by the finance department on all the information generated
May	Formatting of the report
June 14 2017	Publication of the final report

€2.3 bn

Amount raised having been subject to reporting since 2012

4th

Reporting carried out by the Region since 2012

3

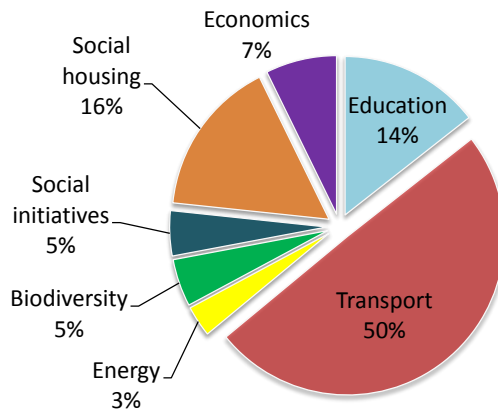
Transversal Impact Indicators : Avoided CO₂, supported FTEs, number of beneficiaries

32

Projects and structures identified so far for 2016 reporting

First elements on the reporting of the green and sustainability bond issued on 14 June 2016

Expected 2016 allocation in line with past years:



Two emblematic examples covering the two main categories

Inauguration of Noisy International high school in 2016 by the Region

A project emblematic of the rebalancing towards the East, the construction of the high school benefited from the funds mobilized by the green and sustainability bonds of the Region in 2014 (€15m), 2015 (€22.5m) and 2016 (€8.6m), or 82% of the total amount of the project.

Category	Buildings and facilities for education and leisure
Purpose	Construction of a new high school with boarding facilities
Date of delivery	Autumn 2016
Total project cost	€56.4 m, 95% financed by the Region (co-financing: ANRU)
2016 financing by green and sustainability bond	€8.6 m

Transversal indicators	Expected impact
FTEs supported by the project	36 FTEs
Number of beneficiaries of the project	1 215
CO ₂ avoided by the project	39 CO₂ teq/year

Launch of the new project



The Region has signed the financing protocol for the Eole project in 2016, which allows the project to start. The project, with a total length of 55 km, includes the construction of a new subterranean infrastructure of approximately 8 km, the redevelopment of the existing line over 47 km and the creation of three new stations : Porte Maillot, La Défense and Nanterre La Folie. It also includes a new Nextéo operating system and a new rolling stock. The project will make it possible to desaturate the RER line A, currently the most frequented and saturated of Ile-de-France with more than one million passengers per day, to increase the service offer by densifying the network of the whole territory served by the RER E, and to improve the quality of service of the whole line.

Category	Public transport and sustainable transportation
Purpose	Extension of line E from the Paris train station Haussmann Saint-Lazare to Mantes la Jolie, in the Yvelines department
Expected date of delivery	2022 : inauguration of the East branch, between Haussmann Saint Lazare and Nanterre la Folie. 2024 : full opening of the line between Mantes la Jolie and Rosa Parks.
Total project cost	€3.7 bn, 28% financed by the Region (other financing partners: State, Société du Grand Paris, SNCF Réseau, City of Paris, department 92 and 78, Stif).
2016 financing by green and sustainability bond	€32 m

Transversal indicators	Expected impact
Worksite FTEs supported by the project	26 554 FTEs
Number of beneficiaries of the project	1.4 millions
CO ₂ avoided by the project	8 040 CO₂ teq/year

Green & Sustainability framework of Region Ile-de-France

Green and sustainability operations launched by the Region are in line with the Green Bond Principles and aim to implement best practices in the marketplace, for example by requesting a third opinion on reporting in 2015 or via the use of a second opinion on the eligibility criteria in 2014, updated in 2016. In 2017, the Region is renewing the same commitments for future green and responsible emissions ; the second opinion by Vigeo published in 2016 remains therefore applicable this year.

1/ Commitment on the use of proceeds towards 7 categories of projects

Buildings and facilities for education and leisure	Construction and renovation of buildings in accordance with a sustainable development approach that contributes to protecting the environment, and to making them accessible to persons with reduced mobility
Public transport and sustainable transportation	Developing the public transport offering as an alternative to the use of cars, thereby contributing to sustainable transportation and combating climate change, and projects aimed at improving the comfort, accessibility and security of the individuals who use the transport systems and of the individuals living near the infrastructure
Renewable Energy and Energy-Efficiency	Projects that contribute to the development of renewable energy and energy-efficiency
Biodiversity	Projects that contribute to protecting biodiversity, natural environments and landscapes, and to developing green spaces
Social initiatives aimed at assisting vulnerable population groups	Increasing the accommodation capacity, and projects aimed at improving access to buildings and infrastructure for vulnerable population groups (persons with reduced mobility, the elderly, and vulnerable individuals)
Social Housing	Projects aimed at developing and renovating the social housing stock, which fulfill environmental and social requirements and contribute to access to housing and improving the occupants' comfort levels
Economic and socially inclusive development	Projects that contribute to creating or maintaining local jobs, through supporting regional SMEs, and projects in the social and socially inclusive economy; Supporting research and innovation by SMEs that promote an environmentally-friendly and social regional transition process, and the Region's attractiveness

2/ Nine eligibility criteria in relation to the purpose and management of the project

The projects' environmental responsibility	<ul style="list-style-type: none">• Environmental management and eco-design of the projects• Combating climate change and promoting the Region's environmental transition
The projects' social and societal responsibility	<ul style="list-style-type: none">• Sustainable regional planning and improving quality of life• Socially inclusive development, combating inequality, and promoting the safety of individuals• Respect for fundamental rights
The projects' economic responsibility	<ul style="list-style-type: none">• Responsible regional development• Regional economic development• Fair practices, responsible purchasing and responsible supplier relations
Governance	<ul style="list-style-type: none">• Consultation with stakeholders

3/ Use of proceeds reporting on the issue's anniversary date

Reporting published by Region Ile-de-France is intended to illustrate the fulfilment of commitments made to each transaction, in terms of allocation of funds, compliance with the eligibility criteria, and presentation of transversal impact indicators.

4/ Transparency on management of proceeds and on the process of allocation and selection

Management of proceeds: proceeds of the loan are fungible in the regional treasury. Borrowings are subject to an entry for investment earnings and are used to cover capital expenditures of the same year. Those accounting and budgetary principles are applicable to French local authorities, and are offering a guarantee to investors that the funds raised by the green and sustainability loans will be used in full in the year of the loan's mobilization for the financing of the Region's investment projects.

Process of allocation and selection of projects: it begins after the end of the year of mobilization of the bonds concerned, when the Region has a perfect view of the level of investment expenditures on each project. The Finance Directorate, which directs the preparation of the reporting, asks each of the Region's directorates to select a number of investment projects. First, the directorates must identify projects that correspond to an amount of expenses recorded in the relevant year, and that meet the eligibility criteria for the green and sustainability loan, among those that are most exemplary in this regard. The Region's directorates that support the projects are in the best position to select the most emblematic projects in their portfolio. Second, the Finance Directorate defines the allocation breakdown based on project proposed. Once this first stage is completed, the management control and information system department verifies the expenditures on each project. At the same time, each respective department prepares the reporting on the set of selected projects.