

SCOPE

Vigeo Eiris was commissioned to provide an independent opinion on the sustainable credentials of the "Green & Sustainability Bond" to be issued by Ile-de-France Region, according to the Vigeo Eiris Environmental, Social and Governance (ESG) assessment methodology. The opinion is based on the review of the three components of a sustainable green bond, in line with the Green Bond Principles:

- Issuer: Analysis of the issuer ESG performance, controversies on ESG issues and capacity to mitigate these risks.
- Project framework: Analysis of the Eligible Projects categories and expected sustainability benefits (use of proceeds), the evaluation and selection process and the ESG integration.
- Reporting framework: Assessment of reporting capacity and commitments for projects fund allocation, sustainability benefits and ESG project management.

Vigeo Eiris' sources of information are gathered from the issuer, press content providers and stakeholders. Vigeo Eiris reviewed documents supplied by the issuer and conducted interviews with people from across different Ile-de-France Region departments.

VIGEO EIRIS OPINION

Vigeo Eiris confirms that the bond to be issued by Ile-de-France Region is a "Green & Sustainability Bond", aligned with the Green Bond Principles and Vigeo Eiris' level of assurance on the sustainability of the bond is reasonable²:

- The issuer displays an overall advanced² ESG performance (see Part I.).
- The net proceeds of the issuance will be used to finance Sustainability projects, i.e. projects with environmental and social objectives, contributing to climate change mitigation, ecological transition, biodiversity protection, local development and access to social housing and to decent living conditions for the most vulnerable. In addition, Eligible Projects will meet a set of Environmental, Social and Governance (ESG) criteria, which covered specific ESG risks for defined Eligible Projects categories (see Part II.).
- The reporting commitments cover the fund allocation to Eligible Projects, the estimate of some environmental and social benefits and additional ESG factors, showing an overall consistent level of transparency and capacity to report on the Green & Sustainability Bond (see Part III.).

Part I. ISSUER

Level of the issuer's ESG performance:

As of December 2015, Ile-de-France Region's sustainability performance is advanced as in Vigeo Eiris' previous review (dated December 2014), above the average scores in all the domains under review. Ile-de-France Region ranks as the leader of the Vigeo Eiris' "Local authorities" sector which comprises 29 entities. The Region shows an overall good profile in terms of risk management on all sustainability drivers under review and achieves advanced performance in each Environmental, Social and Governance pillar.

¹ Second Party Opinion – Green Bond Principles: This opinion is to be considered as the "Second Party Opinion" described in the Voluntary Process Guidelines for Issuing Green Bonds, issued by Green Bond Principles, March 27th 2015.

² Vigeo Eiris' scales of assessment (detailed definitions are available on page 11):
Performance : Advanced, Robust, Limited, Weak.
Level of Assurance : Reasonable, Moderate, Weak.

Stakeholder-related ESG controversies³:

As of December 2015, Ile-de-France Region faced few controversies, related to corruption, air pollution and health & safety. The severity ranges from minor to significant, based on the analysis of its impact on the Region and its stakeholders. Ile-de-France Region is reactive and reports transparently on the existence of these allegations.

Part II. PROJECT FRAMEWORK

Use of proceeds:

In line with Ile-de-France Region's sustainable development commitments and core competencies, the issuer will finance, in whole or in part, Eligible Projects, including seven Sustainability Projects categories which are clearly defined:

- Buildings and equipment for education and leisure
- Public transportation and sustainable mobility
- Renewable energy and energy efficiency
- Biodiversity
- Social initiatives aimed at helping vulnerable population groups
- Social housing
- Economic and socially inclusive development

These projects include on-going projects which are located in Ile-de-France Region and that will be financed in 2016 and fit with upcoming and future projects.

Eligible Projects' contribution to sustainable development is positive, due to expected environmental benefits on climate change mitigation, energy transition and biodiversity protection, and social benefits on contribution to local development and access to social housing and to decent living conditions for the most vulnerable people, which have been described and ex-ante estimated.

Process for project evaluation and selection:

The process for evaluation and selection of Eligible Projects to be financed is defined and publically available on the issuer website, and relies on relevant criteria including:

- Use of proceeds requirements, based on the definition of each Eligible Projects categories.
- Additional ESG eligibility criteria, which are exhaustive regarding key Environmental, Social and Governance (ESG) issues, covering specific ESG risks of Eligible Projects' sectors, and organized in 4 domains aligned with Ile-de-France Region's Sustainability Policy: Environmental responsibility, Social and societal responsibility, Economic responsibility and Governance

The evaluation and selection process requires internal expertise from relevant Ile-de-France Region' directorates and the submission to the Finance Directorate.

Vigeo Eiris considers that the evaluation and selection process is clearly defined and that the integration of ESG issues in the issuer's commitments is robust.

Management of proceeds:

The process for fund allocation to Eligible Projects is defined, in line with the accounting and budgetary principles applicable for French local authorities, ensuring that the bond proceeds can only fund the capital expenditure of the year for yearly tranches of projects. The issuer will track allocation of the proceeds to each project. This monitoring is integrated into the annual financial reporting process.

³ The opinion delivered on stakeholder-related ESG controversies is not a conclusion on the creditworthiness of Ile-de-France Region or its financial obligations.

Part III. REPORTING FRAMEWORK

Ile-de-France Region commits to report annually and until all the funds have been spent in an investor-dedicated reporting on the projects financed by the Green & Sustainability Bond, on:

- Use of proceeds: list of financed projects, related description and amount invested in Eligible Projects.
- Sustainability benefits: annual ex-ante estimates of impact indicators, collected at project level, using a defined methodology, on:
 - Environmental benefits, i.e. CO₂ emissions savings
 - Social benefits, i.e. creation of jobs supported by the project and number of beneficiaries of the project
- Responsible management: qualitative and/or quantitative information on each ESG criteria, collected at project level.

Projects will be added to the report once the issuer has approved and determined a project as eligible.

Selected reporting indicators are exhaustive and relevant regarding the use of proceeds and responsible management, showing a consistent capacity to assess and report transparently on fund allocation and ESG integration. Based on few and partially relevant impact indicators, the reporting on sustainability benefits is more partial.

Vigeo Eiris provides a reasonable level of assurance on Ile-de-France Region's reporting commitments.

INDEPENDENT ASSURANCE

Ile-de-France Region's Green & Sustainability Bond issuance is supported by independent assurance provided by:

- The hereby **Second Party opinion** on sustainability credentials of the Green & Sustainability Bond, based on pre-issuance commitments and covering all the bond dimensions, i.e. issuer commitments, projects (use of proceeds and ESG integration) and reporting (purpose of this mission).
- A **Third Party** through an external auditor on the verification of the information concerning the previous issuances of Green and Sustainability Bonds in 2015, covering the same eligibility process and part of same on-going Eligible Projects in 2016.

More detailed results are provided in the next pages for each component.

This opinion is valid as of the date of issuance limited to Ile-de-France Region's Green & Sustainability Bond

Paris, May 23rd 2016



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Disclaimer

Transparency on the relation between Vigeo Eiris and the issuer: Vigeo Eiris has executed one audit mission (second party opinion delivery on Green & Sustainability bond in April 2014) and no consultancy activity for Ile-de-France Region until so far and no established relationship (financial or others) exists between Vigeo Eiris and Ile-de-France Region.

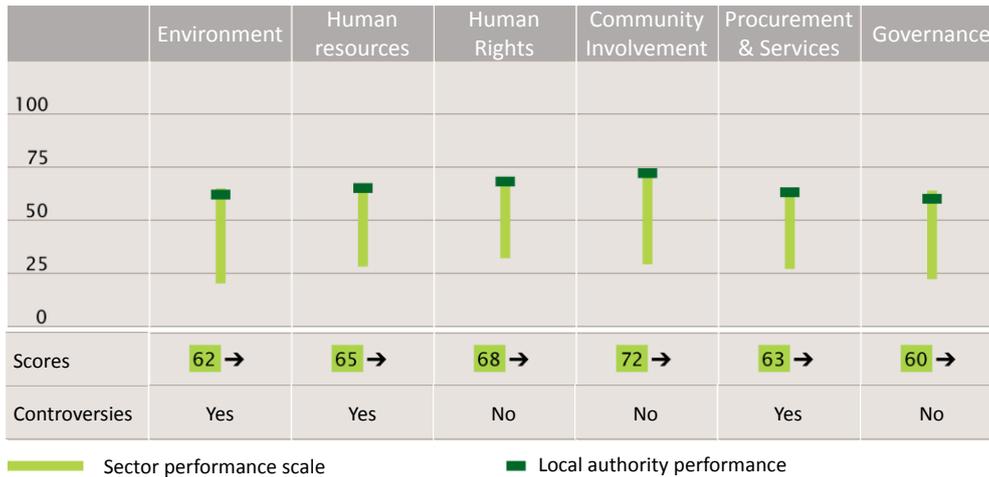
This opinion aims to explain for investors why the Green & Sustainability Bond is considered as sustainable and responsible, based on the information which has been made available to Vigeo Eiris and which has been analyzed by Vigeo Eiris. Providing this opinion does not mean that Vigeo Eiris certifies the materiality, the excellence or the irreversibility of the projects financed by the Green & Sustainability Bond. Ile-de-France Region is fully responsible for attesting the compliance with its commitments defined in its policies, for their implementation and their monitoring. The opinion delivered by Vigeo Eiris neither focuses on financial performance of the Green & Sustainability Bond, nor on the effective allocation of funds' use of proceeds. Vigeo Eiris is not liable for the induced consequences when third parties use this opinion either to make investments decisions or to make any kind of business transaction.

DETAILED RESULTS

Part I. ISSUER

Global level of ESG performance:

As of December 2015, Region Ile de France's sustainability performance is advanced (64/100) as in Vigeo Eiris' previous review (December 2014), above average scores in all domains, and leads the sector out of 29 in the "Local authorities" Vigeo Eiris sector. The Region shows an overall good profile in terms of risk management on all sustainability drivers under review.



Data from the rating of local authorities present in the European sector, delivered in December 2015

The Region's main strengths appear to lie on its transparent and accessible system in place to inform about public bid tenders, appropriate strategies reportedly in place for sustainable planning, economic development and innovation, adequate audit and internal controls and biodiversity protection.

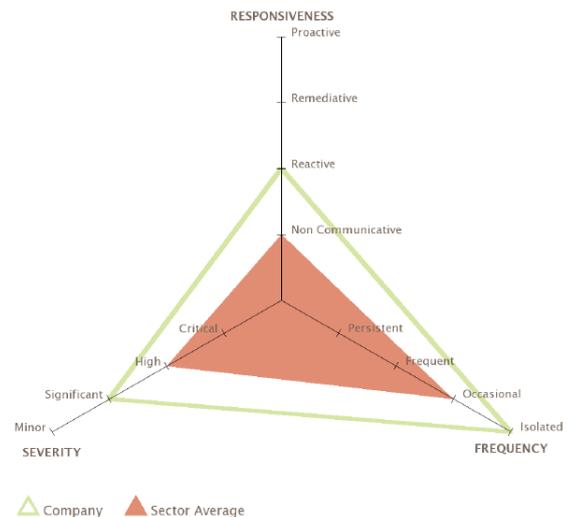
However, in that respect room for improvement remains in reporting positive long-term evolutions on most environmental issues on the territory, including 'Minimising environmental issues from energy use', 'Management of environmental impacts from transportation' and 'Protection of water resources'.

Since last review, a few controversies were found on the Procurement and Services, Environment and Human Resources domains. The Region reports transparently on the existence of these allegations.

Stakeholder-related ESG controversies:

- **Frequency:** As of December 2015, Ile-de-France Region faces isolated allegations: the Region is involved in 4 stakeholder-related ESG controversies, regarding the integrity of the former president and vice-president of the Region, the management of air pollution, and health & safety (asbestos pollution).
- **Severity:** The level of severity is significant for the cases related to air pollution and health & safety and is minor for the case related to the integrity of the former president and vice-president of the Region.
- **Responsiveness:** Ile-de-France Region is overall reactive: the Region reports transparently on the existence of all these allegations and remedial actions have been taken on the case related to health & safety in cooperation with the interested parties.

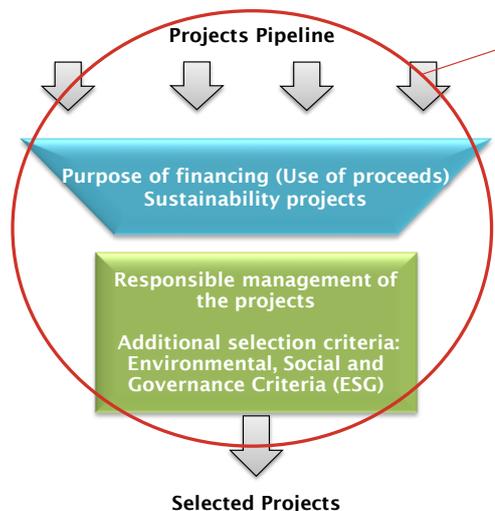
Sources: Factiva research and Company's sources



Detailed issuer's ESG performance:

| Domain | Comments | Assessment level* |
|-------------|--|-------------------|
| Environment | <p>As in the previous review, Ile-de-France Region's overall performance in the Environment domain is advanced. The Region continues to have a comprehensive environmental strategy backed by a new Regional Scheme on Climate, Air and Energy, Action Plan 2014-2015 for its renewed Agenda 21 and an Action Plan for Sustainable Mobility. According to the reported information, the Region's system to manage the protection of biodiversity remains advanced. The issues of Water, Waste and Transport management systems are also addressed with policies and measures. The Region also continues to develop the integration of environmental factors in the supply chain. It is worth noticing that targets have been set on almost all issues under review. Room for improvement remains in reporting regularly updated quantitative results indicators showing positive long-term evolutions in the management of these issues.</p> | Advanced |
| | | Robust |
| | | Limited |
| | | Weak |
| Social | <p>As in the previous review, Ile-de-France Region's performance in the Social domains - Human Resources, Human Rights, Community Involvement and Procurement and Services – is advanced.</p> <p>All HR issues, namely promotion of labour relations, career management and training, respect of working hours and remuneration and health and safety, are well-addressed by the Region's policies and reporting.</p> <p>Overall, policies in place to ensure the respect of freedom of association and the right to collective bargaining and to promote non-discrimination are wide-ranging and discussed with employee representatives. The respect of labour rights is monitored and the Region has implemented measures to ensure non discrimination both at the workplace and in the provision of services to service recipients. However, measures implemented to ensure the respect of privacy and personal security are still limited.</p> <p>In addition, comprehensive measures are implemented in terms of social and economic development and efforts are deployed to improve access to services and infrastructures to the most vulnerable service recipients, both supported by comprehensive regional strategies and accessibility initiatives. Generally, room for improvement remains in disclosing results indicators updated yearly and showing positive trends over several years regarding community involvement.</p> <p>Finally, the system in place to inform about public bid tenders is transparent and accessible, including to SMEs. Significant means are allocated to responsibly manage supplier relations and social factors continue to be integrated in the supply chain.</p> <p>Ile-de-France Region transparency discloses the system in place to tackle 'Prevention of corruption' and commits to fully informing service recipients on their rights and to manage related complaints thanks to comprehensive measures.</p> | Advanced |
| | | Robust |
| | | Limited |
| | | Weak |
| Governance | <p>As in the previous review, Ile-de-France Region's performance in the Governance domain is advanced. The Region registers a good performance in terms of ensuring adequate 'Audit and internal controls' and is transparent on its efforts to ensure the good functioning of the Regional Council. It is worth noticing the Region appears to favour participative democracy and to consult systematically the general public to get its opinion on the projects launched. Moreover, Ile-de-France Region publishes significant social and environmental reporting, with quantitative indicators.</p> | Advanced |
| | | Robust |
| | | Limited |
| | | Weak |

Part II. PROJECT FRAMEWORK



Project Evaluation and Selection Framework

1. Ensure the Green & Sustainability Bond proceeds will finance **Eligible Projects** with the purpose of financing **sustainability projects**:
 - Buildings and equipment for education and leisure
 - Public transportation and sustainable mobility
 - Renewable energy and energy efficiency
 - Biodiversity
 - Social initiatives aimed at helping vulnerable population groups
 - Social housing
 - Economic and socially inclusive development
2. Attest the **Sustainable Value and responsible management of these projects**, through Environmental, Social and Governance (ESG) selection criteria, in line Ile-de-France Region priorities

A list of selected Eligible Projects is set up by each Region's directorate, in charge of identifying projects that correspond to an amount of expenses recorded this year and that meet the evaluation and selection process (eligibility criteria) for the Green & Sustainability Bond, focusing on the most emblematic projects of their portfolio. The list is submitted to the Finance Directorate for validation, selection and fund allocation. The list of selected Eligible Projects to be financed by the proceeds of the Bond will be updated on an annual basis.

Use of proceeds:

The net proceeds of the Green & Sustainability Bond issuance will be used to finance, in whole or in part, Eligible Projects, which include seven Sustainability Projects categories and will meet a set of additional Environmental, Social and Governance (ESG) selection criteria evaluated by Vigeo Eiris.

These projects include on-going projects which are located in Ile-de-France Region and will be financed in 2016 and fit with upcoming and future projects.

Use of proceeds criteria and expected environmental or social benefits are defined in the table below:

| Eligible categories | Definition | Project examples (but no limited to) | Main sustainability benefits |
|---|--|--|--|
| Buildings and equipment 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 | <ul style="list-style-type: none"> - Construction of high schools, apprentice training centres, higher education buildings and sports facilities - Renovation of high schools and apprentice training centres | Climate change mitigation: Energy savings and GHG emissions reduction Protection of natural resources: Water savings and improvement of waste recycling |
| Public transportation and sustainable mobility | 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 | <ul style="list-style-type: none"> - Subway and soft transport - Development of dedicated bus lanes, and road planning - Protecting the infrastructure against noise - Developing multimodal transport systems | Climate change mitigation: GHG emissions reduction / avoidance |

| Eligible categories | Definition | Project examples (but no limited to) | Main sustainability benefits |
|--|--|---|---|
| Renewable energy and energy efficiency | Projects that contribute to the development of renewable energy and energy-efficiency | <ul style="list-style-type: none"> - Geothermal power - Heating networks - Renovating the insulation of buildings | Climate change mitigation Energy savings and GHG emissions reduction / avoidance |
| Biodiversity | Projects that contribute to protecting biodiversity, natural environments and landscapes, and to developing green spaces | <ul style="list-style-type: none"> - Decontaminating waste water and rainwater - Purchasing and developing green spaces - Protecting natural environments and landscapes - Protecting and restoring aquatic environments | Protection of natural resources |
| Social initiatives aimed at helping 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) | <ul style="list-style-type: none"> - Nursing homes for elderly people - Accommodation centres for vulnerable individuals and disabled persons - Making stations accessible for disabled persons | Access to decent living conditions for the most vulnerable |
| Social housing | Projects aimed at developing and renovating the social housing stock, which fulfil environmental and social requirements and contribute to access to housing and improving the occupants' comfort levels | <ul style="list-style-type: none"> - Development of the rental housing stock - Upgrade of the rental housing stock - Combating fuel poverty in homes | Access to social housing and to decent living conditions for the most vulnerable |
| 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 | <ul style="list-style-type: none"> - Support for SMEs and ISEs conditional on the implementation of a CSR approach - Helping SMEs to develop technological innovations promoting the regional environmental and social conversion process - Supporting distressed SMEs - Supporting the social and socially inclusive economy (micro-loans) | Economic and social development of the territory |

The Eligible Projects' contribution to sustainable development is positive: sustainability benefits of these projects have been described and ex-ante estimated, using impact reporting (see Part III.).

Process for project evaluation and selection:

Ile-de-France Region has committed to attest the responsible management and sustainable value of the financed projects, through additional Environmental, Social and Governance (ESG) selection criteria, which have been developed by Ile-de-France Region taking into account the Region's commitments and competencies, and evaluated by Vigeo Eiris.

| Sustainability Criteria | Commitment and supporting elements |
|---|---|
| Environmental responsibility | |
| Environmental management and eco-design | The project is implemented in accordance with an eco-design (or eco-construction) approach and/or an approach aimed at managing its environmental impact (pollution, nuisance, resources, and biodiversity, etc.) |
| Combating climate change, and promoting the Region's environmental transition | The project contributes to reducing greenhouse gas emissions, in compliance with the Region's Climate Plan, and/or to the regional environmental transition process, as part of the Regional Economic Development and Innovation Strategy |
| Social and societal responsibility | |
| Sustainable regional planning and improving quality of life | The project is in keeping with the regional sustainable planning strategy, and contributes to improving the quality of life for its users and/or staff |
| Socially inclusive development, combating inequality, and promoting the safety of individuals | The project contributes to combating social exclusion, to reducing inequality, or to preventing risks relating to health, working conditions, and/or individuals' safety (users, neighbouring residents, and staff) |
| Respect for fundamental rights | The project is implemented in a way that respects fundamental rights |
| Economic responsibility | |
| Responsible regional development | The project increases the Region's attractiveness in keeping with sustainable and balanced economic development |
| Regional economic development | The project contributes to creating or maintaining jobs and/or sustainable business activities in the Region |
| Fair practices, responsible purchasing and Responsible supplier relations | <ul style="list-style-type: none"> - The project is implemented in compliance with fair practice principles (combating corruption, fair competition, respect for labour laws, and equal treatment, etc.) - Environmental and social factors are included in the purchase (products and services) relating to the project and the purchasing practices relating to the project enable the interests of suppliers and subcontractors to be respected (payment terms, managing dependency, and equality of access to orders, etc.) |
| Governance | |
| Consultation with stakeholders | The project is subject to an appropriate consultation process, both internally and/or with the external stakeholders concerned (information meetings, steering committee, meetings with voluntary organisations, and representation of elected officials, etc.), whose expressed requirements are taken into account |

ESG selection criteria are exhaustive, regarding international standards in terms of sustainability and key Environmental, Social and Governance (ESG) issues of Eligible Projects' sector framework, and precise regarding the detailed supporting elements used for the evaluation and selection. These ESG selection criteria are publically available on the issuer website.

Management of proceeds:

The net proceeds of the Bond issuance will be managed within Ile-de-France Region's treasury liquidity portfolio, in cash or other liquidity instruments that do not include GHG intensive activities nor disputable activities, before the fund allocation within the year of the issuance.

The issuer will track expenditures of the proceeds allocated to each Eligible Project. This monitoring is integrated into the annual financial reporting process.

In case of project postponement, the issuer will use the net proceeds to finance other eligible projects which are compliant with the current use of proceeds and eligibility process.

Part III. REPORTING FRAMEWORK



Monitoring conditions are clearly defined with reporting indicators to report on:

- Use of proceeds: list of financed projects with related description, monitoring of invested amounts in Eligible Projects and compliance of the projects with the eligibility process.
- Sustainability benefits: annual ex-ante estimates of impact indicators, collected at project level until the bond maturity, on the expected environmental and social benefits of the projects, based on the projects’ theoretical contribution using a methodology defined, verified by an external auditor and presented on a dedicated methodological notice. These benefits will be assessed and quantified by internal expertise
- Responsible management: qualitative and/or quantitative information on each ESG criteria, collected at project level.

Selected reporting indicators are exhaustive and relevant regarding the use of proceeds and responsible management. However, the reporting on sustainability benefits is more partial based on impact indicators considered as partially exhaustive to report on these benefits and partially relevant especially for Biodiversity and Economic and socially inclusive development project categories.

Ile-de-France Region is committed to transparently report annually and until the amount invested in eligible projects reaches the bond amount issued, in a dedicated and publically available report ‘Reporting on the projects financed by the Green and Sustainability Bonds’.

The previous reporting have been verified by a third party in 2015 on the verification of the information concerning the issuances of Green and responsible bonds in 2015, i.e. the conformity of the projects financed with the eligibility criteria, the concordance of the amounts allocated with the data from the 2015 financial management reports of the Ile-de-France Region and on the selection of impact indicators with a limited assurance, included in the “Reporting on Green and Sustainability bonds issued in 2015.

In order to report on the benefits or on the ESG issues of the projects, the issuer could substitute any of the proposed indicators below when convenient and appropriate, keeping at least same criteria covered by the reporting, to facilitate the reporting on the performance and on the management of the selected projects.

Use of proceeds:

| Criteria | Reporting indicators |
|--|---|
| Sustainability projects financed by the Green & Sustainability Bond proceeds | At Project level: - List of projects financed by the proceeds organized by project category, including their description (purpose, date, location, project lifecycle) - Financial data and proceeds allocation: allocated amount (in €), total project cost (in €) and its share of financing by the Region (in %), share of total project financing by the bond (in %) |
| | At category level: - Allocated amount vs. total amount (in %) |

Sustainability benefits:

| Benefits | Reporting indicators ⁴ |
|--|--|
| Climate change mitigation | CO ₂ emissions savings: ex-ante estimate of CO ₂ emissions avoided in tCO ₂ e compared with a reference scenario |
| Local socio-economic development | Creation of jobs supported by the project - Number of worksite FTEs (Full Time Equivalent) supported by the project - Number of integration FTEs supported by the project - Number of operation FTEs consecutive to the project |
| Access to social housing and to decent living conditions for the most vulnerable | Number of beneficiaries of the project |

Responsible management:

Ile-de-France Region is committed to use additional ESG indicators to report on the responsible management of each project, based on qualitative and/or quantitative information covering each ESG selection criteria, depending on the information availability and relevance of the ESG matters for each Sustainability Project Category.

For example, the additional ESG reporting will cover following issues:

- Environmental management: obtained environmental certification and/or label, m² of wetlands restored on a site, energy consumption in kWh/m²/year, % of energy supplied by renewable energy,...
- Social responsibility: hours of insertion for the construction phase, number of housing units created, reduced costs for tenants on energy bill, average time saving for a public transport user per journey, share of access to public buildings for disabled people,...
- Economic responsibility: training providing a high level of employability, development of education infrastructure, local connectivity and access to transportation, % of professional integration into markets,...
- Governance: list of initiatives in terms of dialogue with local stakeholders, public meetings, awareness-raising for the future users,...

⁴ Detailed methodologies and assumptions have been defined and are presented in a methodological notice publicly available within the annual report on Green & Sustainability Bond http://www.iledefrance.fr/sites/default/files/maquette_reporting-final-uk-web.pdf (Appendix I).

METHODOLOGY

In Vigeo Eiris' view, Environmental, Social and Governance factors are intertwined and complementary and cannot be separated when assessing the management of ESG in any organization or in any activity, including the issuance of bonds.

In this sense, Vigeo Eiris writes an opinion on the issuer's corporate responsibility as an organization, and on the objectives, the management and the reporting of the projects financed by this bond.

Vigeo Eiris' methodology to define and to assess corporate ESG performance is based on criteria aligned with public international standards, in compliance with the ISO 26000 guidelines, and organized in 6 domains: Environment, Human Resources, Human Rights, Community Involvement, Business Behavior and Corporate Governance. The evaluation framework has been customized regarding material issues, based on the Local Authorities assessment framework and specificities inherent to the Eligible Projects' sectors.

Vigeo Eiris' review uses information provided by Ile-de-France Region, press content providers and stakeholders (partnership with Factiva Dow Jones: access to the content of 28,500 publications worldwide from reference financial newspapers to sector-focused magazines, local publications or Non-Government Organizations). Information gathered from these sources will be considered as long as they are public, documented and traceable. In total, Vigeo Eiris has reviewed 4 documents regarding the bond evaluation (Reporting on the projects financed by the green and sustainability bonds issued in 2015, List of eligible project categories and eligibility criteria, Investor Presentation and Attestation of the external verifier).

Part I. ISSUER

Level of the issuer's ESG performance:

Ile-de-France Region has been evaluated by Vigeo Eiris, during December 2015 on its social responsibility performance, based on 24 relevant ESG drivers organized in the 6 sustainability domains, according to the Local Authorities assessment framework. Ile-de-France Region's ESG performance has been assessed by Vigeo Eiris on the basis of three "items":

- Leadership: relevance of the commitments (content, visibility and ownership)
 - Implementation: coherence of the implementation (process, means, control/reporting)
 - Results: indicators, stakeholders feedbacks and controversies.
- Scale for assessment of ESG performance: Advanced, Robust, Limited, Weak.

Stakeholder-related ESG controversies:

A controversy is information, a flow of information, or contradictory opinions that are public, documented and traceable, allegation against an issuer on corporate responsibility issues. Such allegations can relate to tangible facts, be an interpretation of these facts, or constitute an allegation on unproven facts.

Vigeo Eiris provides an opinion on companies' controversies risks mitigation based on the analysis of three factors :

- Severity: the more a controversy will relate to stakeholder's fundamental interests, will prove actual corporate responsibility in its occurrence, and will have adverse impacts for stakeholders and the Company, the highest its severity. Severity assigned at corporate level will reflect the highest severity of all cases faced by the Company (scale: Minor, Significant, High, Critical)
 - Responsiveness: ability demonstrated by an issuer to dialogue with its stakeholders in a risk management perspective and based on explanatory, preventative, remediating or corrective measures. At corporate level, this factor will reflect the overall responsiveness of the Company for all cases faced (scale: Proactive, Remediate, Reactive, Non Communicative)
 - Frequency: reflects for each ESG challenge the number of controversies faced. At Corporate level, this factor reflects on the overall number of controversies faced and scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).
- Scale for assessment of ability to mitigate stakeholder-related ESG controversies: Advanced, Robust, Limited, Weak.

Part II. PROJECT FRAMEWORK

Use of proceeds:

The use of proceeds requirements are defined to ensure that the funds raised are used to finance and/or refinance an Eligible Project and are traceable within the issuing organization, and include the management of proceeds. Each project endorsed shall comply with all of the Eligible Project criteria in order to be eligible. The sustainability purpose of the bond's associated Eligible Projects has been precisely defined, with regard to Ile-de-France Region's commitments, and assessed regarding described and estimated benefits of the Eligible Projects. The contribution of Eligible Projects to Sustainable Development is evaluated regarding the UN Sustainable Development Goals.

Process for project evaluation and selection:

The evaluation and selection process has been assessed by Vigeo Eiris regarding the exhaustiveness and relevance of ESG selection criteria and associated supporting elements integrated in the Green Debt Instrument framework, and the coherence of the process. The analysis was conducted focusing on the most relevant drivers regarding projects issues - based on 15 relevant ESG drivers, aligned with public international standards - and on the evaluation methodology.

- Scale for assessment of ESG integration in the selection process: Advanced, Robust, Limited, Weak.

Part III. REPORTING FRAMEWORK

Reporting indicators are selected from existing indicators to enable annual reporting on fund allocation, environmental and social benefits and on responsible management of the project financed by the Green Bond proceeds, collected at project level and aggregated at bond level. Vigeo Eiris has evaluated the relevance of these indicators according to three principles: transparency, exhaustiveness and effectiveness.

- Scale of level of assurance on reporting on the project: Reasonable, Moderate, Weak

VIGEO EIRIS'S ASSESSMENT SCALES

| Performance evaluation | |
|------------------------|---|
| Advanced | Advanced commitment; strong evidence of command over the issues dedicated to achieving the objective of social responsibility. Reasonable level of risk management and using innovative methods to anticipate emerging risks. |
| Robust | Convincing commitment; significant and consistent evidence of command over the issues. Reasonable level of risk management. |
| Limited | Commitment to the objective of social responsibility has been initiated or partially achieved; fragmentary evidence of command over the issues. Limited to weak level of risk management. |
| Weak | Commitment to social responsibility is non-tangible; no evidence of command over the issues. Level of insurance of risk management is weak to very weak. |

| Level of assurance | |
|--------------------|--|
| Reasonable | Able to convincingly conform to the prescribed principles and objectives of the evaluation framework |
| Moderate | Compatibility or partial convergence with the prescribed principles and objectives of the evaluation framework |
| Weak | Lack or unawareness of, or incompatibility with the prescribed principles and objectives of the evaluation framework |