

SCOPE

Région Pays de la Loire (the "Région" or the "Issuer") is contemplating the issuance of its first Green Bond (the "Bond"). The purpose of the issue is to finance and refinance projects of renewable energy, sustainable mobility and sustainable buildings. The Issuer has created a "Green Bond Framework" (the "Framework") to describe the main characteristics of this issuance with regards to the International Capital Market Association's Green Bond Principles ("GBP") that it has committed to make publicly accessible on its website.

Vigeo Eiris was commissioned to provide an independent opinion on the sustainability credentials and management of the Green Bond proposed to be issued by Région Pays de la Loire, according to our Environmental, Social and Governance ("ESG") exclusive assessment methodology, and on the alignment with the GBP.

The opinion is based on the review of the two following components:

- I. **Issuer:** evaluation of the sustainability profile of Région Pays de la Loire, including:
 - ▶ the Issuer's ability to integrate key ESG factors in its strategy, based on an analysis of the Issuer's commitments and policies.
 - ▶ the Issuer's involvement in potential ESG controversies.
- II. **Issuance:** analysis of the coherence between the Green Bond framework and issuer's sustainability strategy and commitments, and document-based evaluation of the Green Bond framework.

Our sources of information are gathered from Région Pays de la Loire, press content providers and stakeholders, complemented by interviews with involved departments and managers held at the Issuer's headquarters in Nantes (France). We carried out our due diligence assessment from March 23rd to July 12th, 2018.

We could access most appropriate documents and people we solicited. We consider that the provided information enables us to establish our opinions with a reasonable assurance on their completeness, precision and reliability.

VIGEO EIRIS' OPINION

Vigeo Eiris is of the opinion that the Bond considered by Région Pays de la Loire is aligned with the Green Bond Principles and expresses an overall reasonable³ assurance on the Issuer's commitments and the Bond's contribution to sustainability.

- I. **Issuer** (see Part I) :
 - ▶ The Issuer's ESG commitments and policies are considered to be good³. Vigeo Eiris' assurance on Region Pays de la Loire's capacity to integrate ESG factors in its strategy is reasonable on the environmental, social and governance pillars.
 - ▶ No controversy was identified for Région Pays de la Loire over the period under review.

¹ This opinion is to be considered as the "Second Party Opinion" described by the Green Bond Principles (www.icmagroup.org).

² The Green Bond is to be considered as the potential forthcoming bond, which issuance is subject to market conditions.

³ Definition of Vigeo Eiris' scales of assessment (as detailed in the Methodology section of this document):

Level of Evaluation: Advanced, Good, Limited, Weak.

Level of Assurance: Reasonable, Moderate, Weak.

II. Issuance: We are of the opinion that the contemplated Bond is coherent with Région Pays de la Loire's main sustainability priorities and sectorial issues, contributes to achieve its sustainability commitments and aligns with the Green Bond Principles (see Part II).

- ▶ The net proceeds from the Bond issuance will be used to finance Eligible Projects contributing to environmental objectives (climate change mitigation) which are defined, relevant, measurable but partially precise, mainly aligned with two United Nations Sustainable Development, namely Goal 7. Affordable and clean energy and UN SDG 13. Climate action. We have recommended setting quantified targets.

The Eligible Projects' definitions are generally defined and overall relevant. We have suggested specifying the type of clean transportation infrastructures that could be eligible and/or referring to internationally or nationally recognized standards.

The environmental benefits from the Eligible Projects will be assessed and quantified by the Issuer, as feasible.

- ▶ The process for evaluation and selection of Eligible Projects is clearly defined and its transparency and governance are considered to be good. It relies on explicitly defined and overall relevant eligibility criteria.

We have a reasonable assurance on the Région's capacity to appropriately identify environmental and social (E&S) risks associated with most Eligible Projects. Yet, for Eligible Projects when the Region is not the project manager and/or has a minority share, its level of action and control on the project E&S management is lower.

- ▶ The rules for management of proceeds are defined and should ensure an overall transparent and documented allocation process.
- ▶ The process for data collection, consolidation and reporting is clearly defined. We consider that Région Pays de la Loire's overall reporting commitments are overall good, covering the use of proceeds and environmental benefits (outputs and impacts for most sub-categories). We have a reasonable assurance on the Issuer's capacity to regularly report on the Green Bond use of proceeds and sustainability benefits.

EXTERNAL REVIEW

Région Pays de la Loire's Green Bond issuance is supported by external reviews:

- A pre-issuance consultant review, i.e. the hereby Second Party Opinion performed by Vigeo Eiris on the sustainability credentials of the Green Bond, based on pre-issuance commitments and covering all the key features of the Bond.
- Verification: an external verification of the tracking of the Bond's proceeds, during the fund allocation process, until the complete allocation of proceeds, by the Direction Générale des Finances Publiques (DRFIP), representing the French State.

This Opinion is valid during one year from the date of issuance of Région Pays de la Loire's first Green Bond to be issued in September 2018.

Paris, July 13th, 2018



Paul Courtoisier
Sustainability consultant
Project manager



Camille Ferron
Sustainability consultant

Disclaimer

Transparency on the relation between Vigeo Eiris and the Issuer: Vigeo Eiris has not executed any audit or consultancy activity for Région Pays de la Loire until so far and no established relationship (financial or other) exists between Vigeo Eiris and Région Pays de la Loire. This opinion aims to explain for investors why the Green Bond is considered as sustainable and responsible, based on the information which has been made available to Vigeo Eiris. Vigeo Eiris has neither interviewed stakeholders out of the Issuer's employees, nor performed an on-site audit nor other test to check the accuracy of the information provided by the Issuer. The correctness, comprehensiveness and trustworthiness of the information collected are a responsibility of the Issuer. Providing this opinion does not mean that Vigeo Eiris certifies the materiality, the excellence or the irreversibility of the assets financed by the Green Bond. Région Pays de la Loire 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 Bond, nor on the effective allocation of its 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. The opinion delivered on stakeholder-related ESG controversies is not a conclusion on the creditworthiness of Région Pays de la Loire or its financial obligations. Restriction on distribution and use of this Opinion: the opinion is provided by Vigeo Eiris to the Issuer and can only be used by the Issuer. The distribution and publication is at the discretion of the Issuer, submitted to Vigeo Eiris approval.

DETAILED RESULTS

Part I. ISSUER

Level of assurance on the Issuer's sustainability strategy

The Issuer's ESG commitments and policies are considered to be good. Vigeo Eiris' assurance on Région Pays de la Loire's capacity to integrate ESG factors in its strategy is reasonable on the environmental, social and governance pillars.

Domain	Comments	Opinion
Environment	We have a reasonable assurance on Région Pays de la Loire's ability to integrate key environmental issues in its strategy.	Reasonable
	The Region's environmental strategy is formalised through several policies covering most key sector issues, namely biodiversity, water resources, energy, hazardous waste, air quality and environmental impacts from transportation. In addition, quantified targets have been set with regards to energy consumption, transportation and hazardous waste management. However, the Region's commitments as an organisation only covers its energy consumption, which is an area of improvement.	Moderate
	In its Procurement Strategy, the Region commits to promote environmental factors in procurement, through the requirement of certifications for buildings or paper or the priority given to recycled or recyclable products.	Weak
Social	We have a reasonable assurance on Région Pays de la Loire's ability to integrate key social issues in its strategy.	Reasonable
	All human resources issues are regulated by the French Statutes of the Local Authorities. In addition, the human resources department has organised working group on working hours and training and a prevention plan on psychosocial risks was adopted in 2017.	Moderate
	Non-discrimination is tackled through a Regional Commitment covering all discrimination criteria and supported by a network of organisations and associations. A dedicated action plan targets gender equality, both on the territory and in the Region as an employer.	
	The Region display advanced commitments to the sustainable development of the territory, social cohesion and fair development. They include commitments to develop the local economy and support SMEs, accelerate the development of ICTs; improve rail and road infrastructures or promote the access of public infrastructures to disabled. In particular, the Regional Pact for Rural Areas tackles the access to healthcare, education and TICs in rural areas.	Weak
	The Region's Procurement Strategy relevantly addresses the issue of sustainable relationships with suppliers and aims at promoting the participation of SMEs in public bids. The Strategy also outlines the Region's social requirements, mainly focusing on social inclusion clauses.	
Governance	We have a reasonable assurance on Région Pays de la Loire's ability to integrate key responsible governance issues in its strategy.	Reasonable
	Executives nomination procedures and opponents' rights are regulated by the French General Code of Local Authorities and minutes of the sessions of the Regional Council are available online. Civic consultations are implemented for some projects, such as the new Regional Biodiversity Strategy.	Moderate
	The accounts and accounting procedures of Région Pays de la Loire are audited by several bodies, including the Regional Audit Office. Of note, the Région has initiated a process to have its accounting procedures and financial statement certified by an external auditor by 2023, which is considered to be an innovative practice for French local authorities. The Regional Economic, Social and Environmental Council issues opinions on budgetary guidelines and evaluates some public policies. In addition, the Region publishes significant social and environmental reporting, with quantitative indicators.	
	The issue of corruption and conflict of interest prevention during public bid tenders is addressed in the Region's Procurement Strategy. However, the Region does not seem to have a publicly accessible Code of Conduct or Code of Ethics, which is a point for improvement.	Weak

Stakeholder-related ESG controversies

No controversy was identified for Région Pays de la Loire over the period under review.

Part II. ISSUANCE

Coherence of the issuance

We are of the opinion that the contemplated Bond is coherent with Région Pays de la Loire's main sustainability priorities and issues, and contributes to achieve its sustainability commitments.

French "Régions" play a strategic role in sustainable development. Their competencies in this area have been extended several times, in particular by the MAPTAM law of January 27 2017, the NOTRe law of August 7 2015 and the Energy Transition law of August 17 2015. Regions have now become competent on many sustainable development issues, including: (i) ecological and energy transition, (ii) construction, maintenance and functioning of high schools and other educational buildings and (iii) transport and mobility.

In 2017, Région Pays de la Loire has adopted a Regional Roadmap on Energy Transition for the time period 2017-2021 organized around 5 key pillars, namely:

1. Developing the production of renewable energy, with the aim to triple the production by 2021;
2. Improving the energy efficiency of buildings and companies, with the aim to renovate 100,000 housing units by 2021;
3. Developing sustainable mobility, with the aim to become the 1st French Region in terms of alternative engines (covering electric, natural gas for vehicles (NGV) and hydrogen technologies);
4. Storing energy, carbon and developing innovating uses;
5. Building smart grids.

By issuing a Green Bond to finance renewable energy, sustainable buildings and sustainable mobility projects, Région Pays de la Loire coherently responds to its commitment in terms of energy transition, and is aligned with the main sector issues in terms of environmental responsibility.

Use of proceeds

The net proceeds from the Bond issuance will be used to finance Eligible Projects contributing to environmental objectives (climate change mitigation) which are defined, relevant, measurable but partially precise, mainly aligned with two United Nations Sustainable Development, namely Goal 7. Affordable and clean energy and UN SDG 13. Climate action. We have recommended setting quantified targets.

The Eligible Projects' definitions are generally defined and overall relevant. We have suggested specifying the type of clean transportation infrastructures that could be eligible and/or referring to internationally or nationally recognized standards.

The environmental benefits from the Eligible Projects will be assessed and quantified by the Issuer, as feasible.

The net proceeds of the Green Bond will be used to finance and refinance, in whole or in part, the investment expenses of the Region in Green Projects (the "Eligible Projects") located on the territory of Région Pays de la Loire, in France. Eligible Projects correspond to three categories:

- Renewable Energy;
- Sustainable Buildings;
- Sustainable Mobility.

Vigeo Eiris has analysed the commitments made by the Issuer in terms of Use of Proceeds:

- The "climate change mitigation" objective is defined; relevant and measurable, although partially precise. We have recommended setting quantified targets for each Eligible Project category.
- The Eligible Project Categories are generally defined, and overall relevant:
 - o The "Renewable Energy" category is clearly described and its content is relevant with regard to the environmental objectives of the Bond.
 - o The "Sustainable Buildings" category is clearly defined, with mentions of recognised national standards, in line with market good practices. Its content is relevant with regards to the environmental objectives of the Bond.
 - o Regarding the "Sustainable Mobility" category, investments in electric cars and rail infrastructures are relevant with regard to the environmental objective of the bond. However, we have suggested specifying the type of clean transportation infrastructures that could be eligible and/or referring to internationally or nationally recognized standards.

- The expected environmental benefits from the Eligible Projects will be assessed and quantified by the Issuer.

The Region intends to limit the share of refinancing to 20% of net proceeds. The refinanced projects will date back to 2017 only, in line with market best practices.

In addition, Vigeo Eiris considers that the defined Eligible Projects mainly align with two of the 17 SDGs:



UN SDG 7. Affordable and clean energy

The UN SDG 7 consists in ensuring universal access to affordable, reliable, sustainable and modern energy. More precisely, SDG 7 targets by 2030 include to substantially increase the share of renewable energy in the global energy mix and to promote investment in energy infrastructure and clean energy technology.

By using the Green Bond proceeds to (re)finance all Eligible Project Categories, Région Pays de la Loire is contributing to the UN SDG 7, with regards to the above-mentioned targets



UN SDG 13. Climate action

The UN SDG 13 consists in taking urgent action to combat climate change and its impacts, developing sustainable low-carbon pathways to the future, and accelerating the reduction of global greenhouse gas emissions.

By using the Green Bond proceeds to (re)finance all Eligible Project Categories, Région Pays de la Loire is contributing to the UN SDG 13, with regards to the above-mentioned goal

Process for evaluation and selection

The process for evaluation and selection of Eligible Projects is clearly defined and its transparency and governance are considered to be good. It relies on explicitly defined and overall relevant eligibility criteria.

The process for the evaluation and selection of Eligible Projects is clearly defined and formalised in the Green Bond Framework.

The process is based on relevant internal expertise with well-defined internal roles and responsibilities:

- The three Eligible Project categories were publicly endorsed by the President of the Region, during a plenary session of the Regional Council.
- The Region has established:
 - A “sustainable development team”, gathering heads of operational departments and members of transversal department (finance and procurement), which will rely on the expertise of operational teams.
 - A “technical committee”, composed of the finance department, the sustainable development team and the experts from operational teams.
- The teams in charge of each step of the process have been clearly identified and listed in the Green Bond Framework.

The process is reasonably structured:

- The sustainable development team establishes a preliminary list of projects, which is then reviewed and made more precise by the technical committee.
- The Region’s Directorate-General validates the list of projects.

The verification and traceability is ensured throughout the process:

- The finance department and the operational teams will meet twice a year to verify that Eligible Projects continue to comply with the eligibility criteria.
- The Région works with a press content provider which sends a daily press review. This tool could be used to detect potential controversies impacting Eligible Projects.
- The committees’ decisions will reportedly be monitored through meeting minutes.
- We have recommended resorting to an independent third party to verify the compliance of selected Eligible Projects with the selection process and criteria.

The process relies on explicit and overall relevant eligibility criteria, which consist in:

1. The projects’ characteristics defined in the Region’s multiannual investment programme (description, planning, budget, etc.)

2. Four pre-selection criteria, referring to the project's coherence with one or several of the Region's main environmental, social and economic policies.
3. The definitions of the Eligible Project categories.
4. The project's compliance with the Région's environmental policy.

We have a reasonable assurance on the Région's capacity to appropriately identify environmental and social (E&S) risks associated with most Eligible Projects. Yet, for Eligible Projects when the Region is not the project manager and/or has a minority share, its level of action and control on the project E&S management is lower.

- High school projects are covered by a Green Construction Site Charter, covering all relevant environmental impacts and they are subject to the Region's Procurement Strategy, which guarantees the automatic inclusion of some ESG criteria and/or clauses in the selection of contractors and suppliers. In addition, users and local stakeholders are involved from the conception phase and issues such as the connectivity with public transports and the use of locally and responsibly sourced materials (under the "Bâtiment biosourcé" certification) are considered as key project features. The management of E&S risks of this kind of projects is therefore considered to be in line with market best practices.
- Railway infrastructure projects also demonstrate a good level of E&S management, with extensive environmental requirements and social co-benefits including fostering accessibility to disabled people or installing kindergartens in former railway stations. The Region explained that the same procedures were implemented when it was the project manager, which is the case for a majority of projects included in the Sustainable Mobility category.
- Regarding public buildings for which the Region is not the project manager, such as student housing, the projects must respect 4 sustainable criteria out of a list of 10 including for instance using of ecolabeled products, installing responsible water management systems, recycling construction waste or resorting to insertion contracts. Although lighter than the former process, this requirement is likely to ensure a good management of some E&S risks associated to the projects.
- Regarding the ERANET research and development project for ocean power, projects financed are selected by an international experts committee, based on scientific, technical and efficiency criteria. All projects reportedly include an environmental analysis which appears to focus on health, safety and environmental factors.
- The Renewable Energy Fund is in the process of being created so the investment processes and criteria have not been defined to date, but the Région to commit to integrate E&S criteria in the Fund's investment processes.
- Regarding subsidies granted to private owners for the energy efficiency work in their houses, beneficiaries have the obligation to resort to a certified professional. The requirements for obtaining the certification include the appropriate training received by the professional, logistic and ecological aspects, installations' safety and the respect of European standards. In addition, these projects have fair development benefits, since they target only low-income households.
- Other Renewable Energy projects are financed and managed by local authorities ("territories") to which the Region grants an annual budget, 10% of which must be spent on projects contributing to energy and environmental transition. Although its level of action and control on the project E&S management is limited, the Région has integrated socio-economical criteria in its Territorial Policy.
- Areas of improvement include strengthening social factors in projects' and suppliers' contracts, in addition to existing inclusion clauses.

Management of proceeds

We consider that Région Pays de la Loire's rules for management of proceeds are clearly defined and should ensure an overall transparent and documented allocation process.

The net proceeds of the Bond will be credited in cash to the Région's account in the French Treasury, in accordance with the French regulatory framework applicable to local authorities.

The allocation will be appropriately monitored by the Finance and Public Procurement Department, in collaboration with operational departments. The tracking will be ensured first by the Région's financial tool and then by the control of the Regional Public Finance Department, which verifies that the funds disbursed corresponds to expenditures regularly incurred, liquidated and authorised.

The Région intends to allocate the totality of proceeds within the two years following the issuance, in line with good market practices.

The Région intends to maintain a portfolio of Eligible Projects of an amount greater than that of the issue, so that in the event of divestment from an Eligible Project, it can be replaced by another project meeting the eligibility criteria.

Monitoring & Reporting

The process for data collection, consolidation and reporting is clearly defined.

Vigeo Eiris considers that Région Pays de la Loire's overall reporting commitments are overall good, covering the use of proceeds and environmental benefits (outputs and impacts for most sub-categories).

We have a reasonable assurance on the Issuer's capacity to regularly report on the Green Bond use of proceeds and sustainability benefits.

The process for monitoring and reporting is defined and partially formalized in the Green Bond Framework.

- The operational teams will be responsible for the monitoring and reporting on the Eligible Projects falling in their scope. A fact sheet gathering all the financial and environmental information will be written for each project.
- The consolidation will be made by the Finance team for use of proceeds indicators and by the sustainable development team for environmental indicators.
- We have recommended that an external auditor verifies the reporting process and the metrics.

The Issuer commits to annually report on the Green Bond in a dedicated report published on its website, until the full allocation of proceeds or until the maturity date of the Bond, if it occurs earlier. We have suggested to report until the maturity date of the Bond in any case, in line with market good practices.

The selected reporting indicators are relevant and cover the use of proceeds and the environmental benefits (outputs and impacts) at project level for most project sub-categories.

The complete list and description of Eligible Projects will be provided.

The methodologies and emission factors used will be disclosed along with the Green Bond report.

Beyond the GBP requirements and in line with market best practices, the Région may report on the ESG management of Eligible Projects, notably for the Sustainable Buildings category.

METHODOLOGY

In Vigeo Eiris' view, Environmental, Social and Governance (ESG) factors are intertwined and complementary. As such they cannot be separated in the assessment of ESG management in any organization, activity or transaction. In this sense, Vigeo Eiris writes an opinion on the Issuer's Corporate Social Responsibility as an organization, and on the objectives, management and reporting of the Bonds to be refinanced by this transaction.

Vigeo Eiris' methodology to define and to assess corporate's 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 Behaviour and Corporate Governance. The evaluation framework has been customized regarding material issues, based on Local Authorities assessment framework, bond specificities and emerging issues.

Vigeo Eiris reviewed information provided by the Issuer, 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. Vigeo Eiris has reviewed documents and websites of the Issuer (including but not limited to Région Pays de la Loire's Green Bond Framework, Activity and Sustainable Development Reports, Procurement Strategy, examples of contrats signed to grant subsidies...) and interviewed members from several departments of the Issuer.

Our research and rating procedures are subject to internal quality control at three levels (analysts, heads of cluster sectors, and internal review by the audit department for second party opinions) complemented by a final review and validation by the Direction of Methods. A right of complaint and recourse is guaranteed to all companies under our review, including three levels: first, the team linked to the company, then the Direction of Methods, and finally Vigeo Eiris' Scientific Council. All collaborators are signatories of Vigeo Eiris' Code of Ethics.

Part I. ISSUER

NB: the assurance on the Issuer's sustainability strategy, i.e., commitments and policies related to ESG issues, has been formulated based on information provided by the Issuer, public information and stakeholders' views and opinion collected from public documentation. The Issuer ESG performance (sustainability rating) has not been assessed through a complete process of rating and benchmark.

Level of assurance on the Issuer's sustainability strategy

The Issuer's Corporate Social Responsibility (CSR) strategy has been reviewed by Vigeo Eiris, based on 24 relevant ESG drivers organized in the 6 sustainability domains, on the basis of its:

- Leadership: relevance of the commitments (content, visibility and ownership).

Implementation and results have not been assessed for the purpose of this Second Party Opinion.

- Scale for assessment of ESG performance: Reasonable, Moderate, Weak.

Stakeholder-related ESG controversies

A controversy is a piece of information, a flow of information, or a contradictory opinion that is 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 organisations' controversies risks mitigation based on the analysis of 3 factors:

- Severity: the more a controversy will relate to stakeholders' 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 organisation level will reflect the highest severity of all cases faced by the organisation (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 organisation for all cases faced (scale: Proactive, Remediate, Reactive, Non- Communicative).
- Frequency: reflects for each ESG challenge the number of controversies faced. At organisation level, this factor reflects on the overall number of controversies faced and scope of ESG issues impacted (scale: Isolated, Occasional, Frequent, Persistent).

The impact of a controversy on an organisation's reputation reduces with time, depending on the severity of the event and the organisation's responsiveness to this event. Conventionally, Vigeo Eiris' controversy database covers any controversy with Minor or Significant severity during 24 months after the last event registered and during 48 months for High and Critical controversies.

Part II. ISSUANCE

The Bond has been evaluated by Vigeo Eiris according to the Green Bond Principles and our methodology based on international standards and sector guidelines applying in terms of ESG management and assessment.

Use of proceeds

The use of proceeds guidelines are defined to ensure that the funds raised are used to finance and/or refinance Eligible Projects and are traceable within the issuing organisation. Each project endorsed shall comply with at least one of the Eligible Projects Categories definition in order to be considered as an Eligible Project. Vigeo Eiris evaluates the relevance, visibility, and measurability of the associated environmental and/or social objectives. The sustainability purpose of the Green Bond related Eligible Projects has been precisely defined, with regard to the Issuer's commitments, and assessed based on the described and estimated benefits of Eligible Projects. The contribution of Eligible Projects to sustainable development is evaluated based on the United Nations Sustainable Development Goals.

Process for Bond evaluation and selection

The evaluation and selection process has been assessed by Vigeo Eiris regarding its transparency, governance and efficiency. The relevance and exhaustiveness of eligibility criteria and associated supporting elements integrated in the Green Bond issuance, and the coherence of the process are analysed based on material issues considered in Vigeo Eiris' methodology.

Management of proceeds

The rules for the management of proceeds and the allocation process have been evaluated by Vigeo Eiris regarding their transparency, coherence and efficiency.

Reporting

Reporting indicators, processes and methodologies are defined by the Issuer to enable annual reporting on fund allocation, social benefits (output and impact indicators) and on the responsible management of the Eligible Projects financed by the Green Bond proceeds, collected at project level and potentially aggregated at Bond level. Vigeo Eiris has evaluated the relevance of the reporting framework according to three principles: transparency, exhaustiveness and effectiveness.

- Scale of assessment for processes and commitments: Weak, Limited, Good, Advanced.
- Scale of level of assurance on Issuer's capacity: Reasonable, Moderate, Weak.

VIGEO EIRIS' ASSESSMENT SCALES

Performance evaluation		Level of assurance	
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.	Reasonable	Able to convincingly conform to the prescribed principles and objectives of the evaluation framework
Good	Convincing commitment; significant and consistent evidence of command over the issues. Reasonable level of risk management.	Moderate	Compatibility or partial convergence with the prescribed principles and objectives of the evaluation framework
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	Lack or unawareness of, or incompatibility with the prescribed principles and objectives of the evaluation framework
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.		



Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- ▶ **For investors:** decision making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more).
- ▶ **For companies & organisations:** supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more).

Vigeo Eiris is committed to delivering client products and services with high added value: a result of research and analysis that adheres to the strictest quality standards. Our methodology is reviewed by an independent scientific council and all our production processes, from information collection to service delivery, are documented and audited. Vigeo Eiris has chosen to certify all its processes to the latest ISO 9001 standard. Vigeo Eiris is an approved verifier for CBI (Climate Bond Initiative). Vigeo Eiris' research is referenced in several international scientific publications.

With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 7 exclusive research partners, is present in Australia, Brazil, Germany, Israel, Japan, Spain and Mexico

For more information: www.vigeo-eiris.com

Vigeo SAS
Les Mercuriales
40 rue Jean Jaurès
93170 Bagnolet - France