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**CHRISTOPHE KULLMANN**

CHIEF EXECUTIVE OFFICER

In 2014, Foncière des Régions proceeded to implement its strategy focusing on our French and Italian office portfolios together with our two areas of diversification, the residential segment in Germany and hotels Europe-wide. In practical terms, this has meant the ramping-up of our real estate developments in major European cities, in particular the delivery of more than 34,953 m² in green properties⁽¹⁾. We have strengthened our operations in Germany through our residential subsidiary Immeo AG and diversified our hotel partnerships with leading brands in the sector in Europe (NH Hotel Group, Meininger, Motel One). We also have expanded our service offer in the market with the creation of an investment vehicle for premises

and business assets. Finally, we have increased our disposals in non-core activities (logistics, car parks), and improved our financial indicators (renegotiating debt at favourable conditions and diversifying financing sources, raising capital, etc.). All these strategic achievements have enabled us to boast strong and long-lasting real estate and financial fundamentals.

In addition to this considerable progress, Foncière des Régions has reached the goal we set in 2010 one year ahead of schedule: 50% of our assets are now green (50.1% at the end of 2014). This headway reflects the long-standing ambition of Foncière des Régions to design and offer its partners (companies and regions) real estate that is ever more suitable and effective.

50% of green assets, one year ahead of our goal!

For this reason, we pledge to continue our ambitious sustainable development policy by establishing a new road map for the 2015/2020 period (see pages 18 to 21), in particular by increasing our target for greening our portfolio, with the aim of reaching 100% green properties by the end of 2020.

Convinced of the transformative and cross-disciplinary nature of sustainable development and CSR, Foncière des Régions includes the social and societal dimensions of its business activity in this process. Backed by one of the most dynamic human resources policies within our industry, we will continue to help our employees grow by focusing on the development of skills, work/life balance, the prevention of psychosocial risks and the involvement of employees in the company's performance. From a societal perspective, it is extremely important to us that the impact of our business activity on regional economies is taken into account, and that our stakeholders (suppliers, partners and shareholders) are included in every stage of our considerations.

In preparing this new road map, we also studied the expectations of our stakeholders and analysed the most important CSR challenges for our company.

These considerations also enrich our extra-financial reporting approach, which applies the best international standards, such

as GRI 4⁽²⁾ (reaching "Core" level with the CRESO sector supplement⁽³⁾) and the framework introduced by the International Integrated Reporting Council (IIRC) at the end of 2013. Focused on the best reporting practices, we decided to follow the principles of Integrated Reporting (<IR>) in order to better reflect the company's performance. This choice also highlights the interconnected nature of the business and CSR dimensions of our expertise and industries. We are convinced that the innovation and development of our expertise represent a special driver of value creation, in particular against the difficult economic environment in France and the rest of Europe.

Our CSR policy is currently recognised by rating agencies (DJSI, FTSE4Good, GRESB, Vigeo, etc.) and received numerous awards this year: Trophée France GBC, Trophée des SIIC, EPRA Gold Award, Grand Prix de l'Agefi.

We will draw on this comprehensive approach to fully integrate CSR considerations into our business activities in 2015, a year that will be marked by the 21st conference on climate change (COP 21) to be held in Paris. This global event will set the course for environmental policy up to 2050. Our long-term vision of value creation includes these developments and forces us to constantly look towards the future to identify and interpret the key trends likely to have an impact on our business segments.

⁽¹⁾ HQE and/or BREEAM certified assets (construction and/or operation) and/or labelled assets (BBC, HPE or THPE).

⁽²⁾ Global Reporting Initiative – version 4.

⁽³⁾ CRESO: Construction and Real Estate Sector Disclosure.



FONCIÈRE DES RÉGIONS,
A SUSTAINABLE
GROWTH MODEL

Tour CB21, La Défense



Established in the early 2000s, Foncière des Régions quickly became a major player in the European listed REIT sector. Operating globally, Foncière des Régions develops, manages, renovates, and trades primarily commercial assets. It has built its success around one key value: partnership.

PARTNERSHIP, THE CORNERSTONE OF A LONG-TERM STRATEGY

 s a SIIC (*Société d'Investissement Immobilier Cotée* – French Listed Real Estate Investment Trust), Foncière des Régions aims to create value for its stakeholders over the long term using a number of levers: appreciation of assets held, sustainable development, construction, etc. The quality of the partnerships that Foncière des Régions has built up with its Key Accounts tenants (such as Orange, EDF, Thales, Accor, B&B Hôtels and Suez Environnement), combined with a very long-term commitment, represents the basis for its strategy and a major differentiator vis-à-vis its peers.

Against a background of economic uncertainty, the French real estate market remained buoyant in 2014, with customers becoming more demanding in terms of services, environmental performance and accessibility. Foncière des Régions has unique experience supporting occupiers with the joint construction of innovative real estate solutions, both as regards construction and financing. Since 2007, the various aspects of sustainable development have been rapidly incorporated into all stages of the business model of the group's various business lines (acquisition, development, management, renovation).

Keeping pace with the fast-moving market

Foncière des Régions is active in markets that offer strong potential, including France, Italy (*via* its subsidiary Beni Stabili, which is a leading player in the Italian office real estate market, primarily in Milan and Rome), and Germany (*via* its subsidiary Immeo AG, which owns and manages 41,000 housing units). Conscious of the role REITs play in supporting companies and the economy, the group has introduced the SIIC regime in all three countries. This European tax regime is suited to their financial constraints, both in terms of financing and the distribution of income to shareholders.

Driven by key European directives including the energy performance of buildings (EPBD^[1]) and the transparency of non-financial reporting, national regulations are adapting evolving rapidly in response to the urgency of climate change issues and social imperatives. The change seen by the building and real estate sectors is unprecedented, with the establishment of a regulatory framework that is progressively targeting all aspects of construction, ranging from energy to accessibility for people with reduced mobility, to biodiversity etc. The real estate market has changed in France in favour of "green" products, namely those which are HQE, BREEAM and LEED certified^[2]. Germany, and more recently Italy, have also seen this shift, initially concentrated in prime real estate.

Since 2009, Foncière des Régions has had a sustainable development strategy, including goals and ambitious action plans, which have required to build up new expertise (energy and environmental mapping of assets since 2009/2010, first life cycle analyses (LCA) in 2010, building information modelling (BIM) since 2012 etc.), and carry out innovative works (air quality, biodiversity, responsible purchasing, functionality economy etc.), making it a pioneer in many CSR segments. In 2014, Foncière des Régions was actively involved in the development of the "Building and Biodiversity" guide published by the HQE and Orée associations; has drew up two charters on biodiversity for internal use, as well as a Green Works Charter for tenants, demonstrating its desire to involve and support its stakeholders (partners, tenants, local authorities, neighbourhood, etc.) in rolling out its CSR approach. This partnership approach enables it to both deepen the trust and legitimacy we enjoy, to help cut operational costs and charges and to enhance the quality of its assets over the long term.

Managed and tracked *via* comprehensive and accurate reporting, this key strategy is now the cornerstone of the group's overall asset management strategy, which is focused on innovation driving differentiation and value creation for each of its activities.

^[1] EPBD: Energy Performance of Buildings Directive.

^[2] HQE: High Environmental Quality – BREEAM: British Research Establishment Environmental Assessment Method – LEED: Leadership in Energy and Environmental Design.



An asset management strategy based on excellence

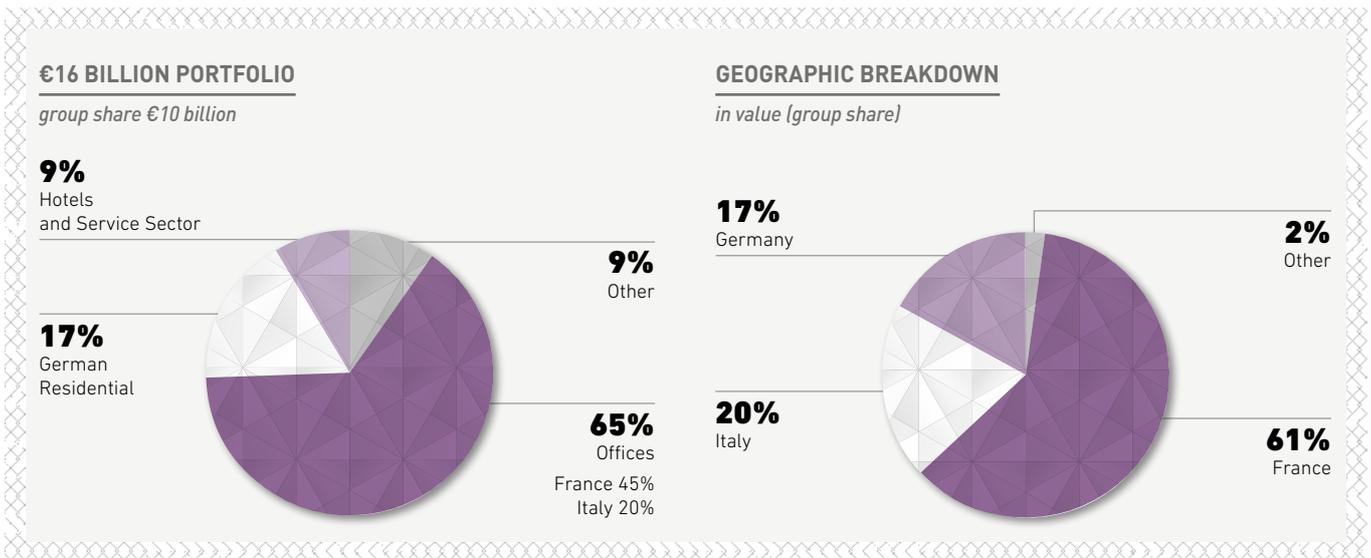
The growth model of Foncière des Régions is based on a firm commitment to its tenants, enabling them to make changes to their real estate assets with the goals of streamlining and enhancing performance.

At year end 2014, Foncière des Régions owned and managed a €16 billion (€10 billion group share) portfolio and was a European leader in the office and hotel segments, via its subsidiary Foncière des Murs. Since 2008, the development of green buildings with Key Accounts (Dassault Systèmes, Eiffage, Thales, B&B Hôtels etc.) made it possible to establish beneficial partnerships for both parties (owner and tenant), while continually improving the quality of its portfolio in favour of high performing assets. Foncière des Régions has been able to take advantage of sale and lease-back operations (where the seller becomes the tenant) of individual assets (e.g. Citroën, Dégremont) or of portfolios (including more than 300 assets with Orange, over 150 with Accor, 160 with

B&B Hôtels). These players, leaders in their sectors, are looking to work with a capable structure in order to hold and finance assets over the long term. Even in an environment with prolonged low interest rates, these internationally-recognised groups are electing to rent their operating assets, turning to Foncière des Régions to design and hold their properties, in line with their own property and CSR policies.

To pursue its development plan, Foncière des Régions has chosen profitable, promising markets such as Greater Paris; major French regional cities; Northern Italy (via our subsidiary Beni Stabili) and fast-growing regions of Germany. In 2014, Foncière des Régions took direct control of its German residential subsidiary, Immeo AG (unlisted) and continued to expand its hotel activities, particularly in Germany (B&B Hôtels) and the Netherlands (NH Amsterdam let to NH Hotel Group).

The portfolio changes in 2014 saw a rebalancing of the various asset classes; whilst offices remain the core business (two thirds of the portfolio), there was a significant increase in hotels in Europe and residential property in Germany (+100 basis points).



Secured cash flows

In 2014, the satisfaction of tenants and the quality of partnerships made it possible to renew 8.2% of rental agreements, coming on top of the 20% renewed in 2013.

With an average residual lease term of 5.8 years (6.8 years for the Hotels and Service Sector business) and with debt contained at 46.1%, Foncière des Régions enjoys strong cash flow visibility over the coming years.

In addition, with an average occupancy rate of 97.1% group wide, and 100% for Foncière des Murs, Foncière des Régions benefits from an investment strategy that favours single tenant sites, without any structural vacancy or non-payments.

In 2014, this performance resulted in an increased dividend of €4.30⁽¹⁾ offering a yield of 4.6%.

Foncière des Régions sustainable development initiatives are designed to improve, among other things, the comfort and well-being of occupants; the control of operating expenses and the image and reputation of the companies that occupy its buildings. They are playing an increasing part in maintaining and improving the overall satisfaction of its tenants. These concrete contributions represent major intangible assets for the group's long-term success.

The group is highly trusted, particularly by its tenants, banks and shareholders. This is clear from the success of the capital increases (Hotels and Service Sector: €200 million, Immeo AG: €200 million, Beni Stabili: €150 million) and fundraising through the issue of ORNANE bonds (issue of bonds redeemable for cash and/or new and/or existing shares) in 2011 and 2013.

Foncière des Régions can plan for the future with confidence, with a pipeline of projects under development of €1.5 billion (group share) including €532 million already launched and 63% pre-let.

⁽¹⁾ Subject to a vote at the General Shareholders' Meeting of 17 April 2015.



ONGOING PORTFOLIO ADJUSTMENT

	Committed Pipeline		Controlled Pipeline	
	2014	2013	2014	2013
Projects	25	19	14	15
Pre-let	63%	68%	Launched at signing	
Budget	€532 M	€631 M	€1 BN	€895 M
Additional rental income	€38 M	€40 M	€70 M	€65 M
Targeted yield	>7%	>7%	>7%	>7%
Value creation	>10%	>10%	>10%	>10%

A BUSINESS MODEL FOR SUSTAINABLE VALUE CREATION

Foncière des Régions has been able to ensure value creation at each stage of its business cycle, through innovation and new partnership tools.

Foncière des Régions, active throughout the business cycle

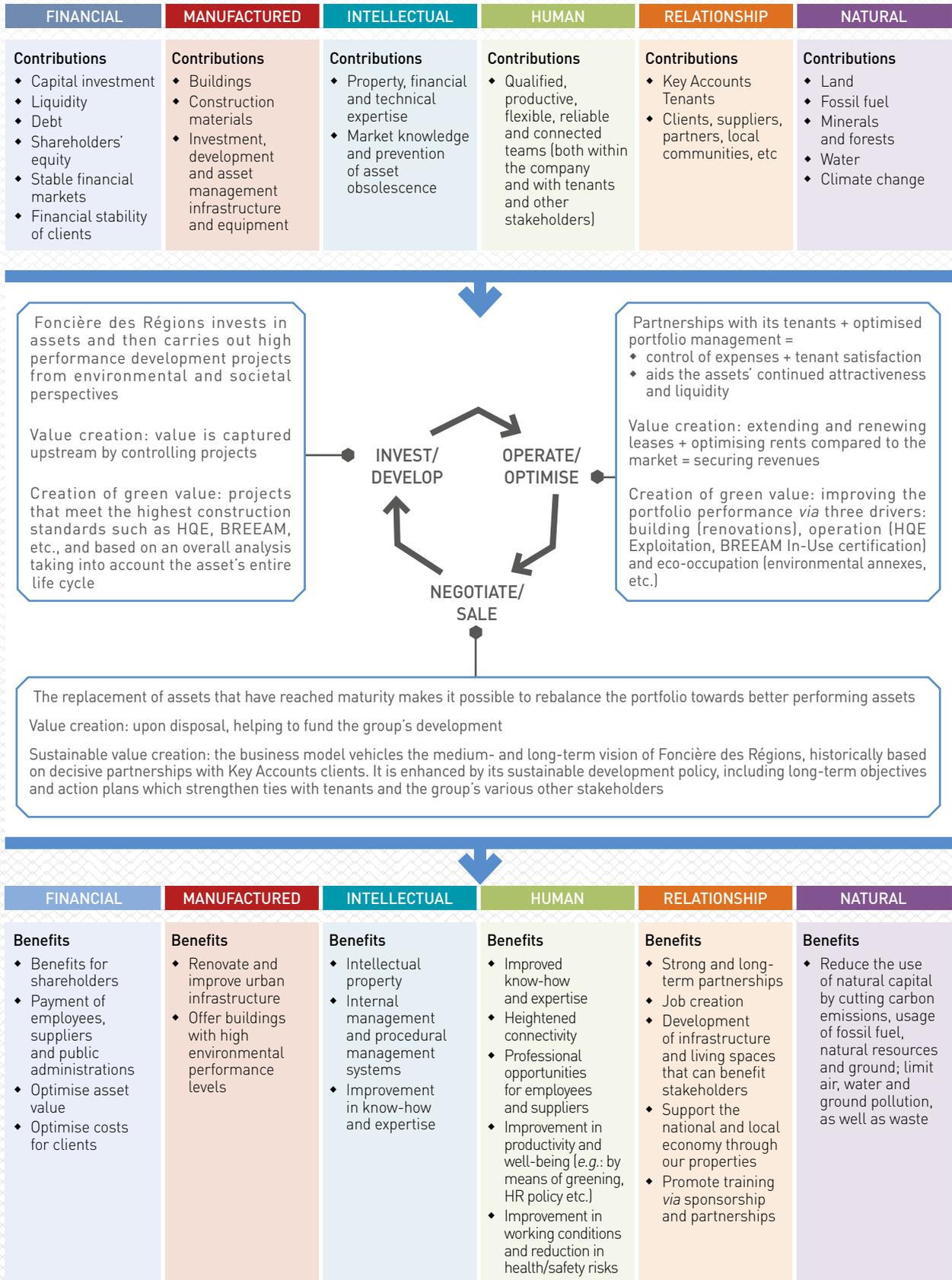
The introduction of environmental legislation in France via the Grenelle and energy transition laws; the growing expectations of tenants for buildings offering high levels of quality, comfort and environmental performance, as well as pressure to reduce operating costs and optimise asset value, make greening Foncière des Régions asset portfolio a key component of its strategy across all asset life cycle stages.

More specifically, the table on the next page shows how the Foncière des Régions business lines create value over the medium and long-term for each of the six capitals defined by the International Integrated Reporting Council (IIRC). These capitals can be tangible (e.g. industrial, natural) or intangible (e.g. intellectual, human).

The company’s strategy, its areas of expertise, objectives and action plans for each of these capitals help create long-term tangible and intangible value for Foncière des Régions, its stakeholders and society.



A business model for value creation





- ♦ **Green value** concerns building and operating conditions: associated with the market and rental values of its real estate assets, it can be seen as added value arising from the achievement of objective sustainable development criteria (certifications, labels, energy and environmental performance) which are increasingly based on measured performance and not only modelled as part of the design of the overall project.
- ♦ **Sustainable value** goes beyond the context of the building and looks at the value to the company of a CSR policy that makes it possible to make its business model more sustainable in the long-term.

These two values continue to be difficult to estimate since many parameters (including employee health and productivity, image, impact on biodiversity and services for the community, etc.) cannot be quantified or stated as numbers.

Foncière des Régions, at the cutting edge in terms of measuring green value

Of the three dimensions of sustainable development, Environmental, Social and Societal, green value is primarily focussed on the first area, and in particular on the performance of buildings and their mode of operation. A range of work has been carried out on this concept for close to a decade; various efforts in France and Europe have looked to determine the added value of a “green building”, namely HQE and/or BREEAM certified and/or BBC labelled for example, with a high energy and environmental performance.

The other two dimensions are analysed and considered on the basis of asset usage and its urban integration. With respect to social value, research has been carried out on the concepts of occupier well-being, comfort and health; as regards societal value studies have been undertaken on the extent to which assets are integrated with their surroundings from a town-planning,

economic and cultural perspective. For Foncière des Régions, it is the consideration of all three of these dimensions that helps create a long-term vision, representing a “sustainable” value that can be attributed to the asset.

The approach followed by Foncière des Régions covers all three dimensions:

- ♦ **green value:** although it is not currently singled out by real estate appraisers, appraisal values have implicitly factored it in for a number of years:
 - ♦ using the cash-flow method: green value notably represents the reduction in support work and compliance with standards, time to let or indeed a reduction in the rent-free period, all of which have a direct positive effect on cash flow
 - ♦ through the capitalisation rate: green buildings have a lower risk premium, notably to reflect deferred obsolescence and greater liquidity. Thus, at equal rents, a green building has added value as a result of its characteristics
- ♦ **use value:** in addition to the performance of the building and control of expenses, the level of comfort and well-being of the employee are of utmost importance to the tenant, on the grounds of image, health and productivity, which can be substantial in certain instances. These criteria are not tangible, (they are called “intangible”) and are currently the subject of work designed to identify the parameters and best solutions for optimising use value
- ♦ **regional economic impact** of an asset, or of a whole portfolio of assets. In 2014, Foncière des Régions analysed the economic impact on the basis of the spending over a 12-month period, including the development, management and renovation of its office assets in France. The jobs supported, including direct (on-site) and indirect [suppliers, services etc.], were thus modelled (see pages 70-71).



Green Corner, Saint-Denis

Broader economic assessment of projects with Decadiese

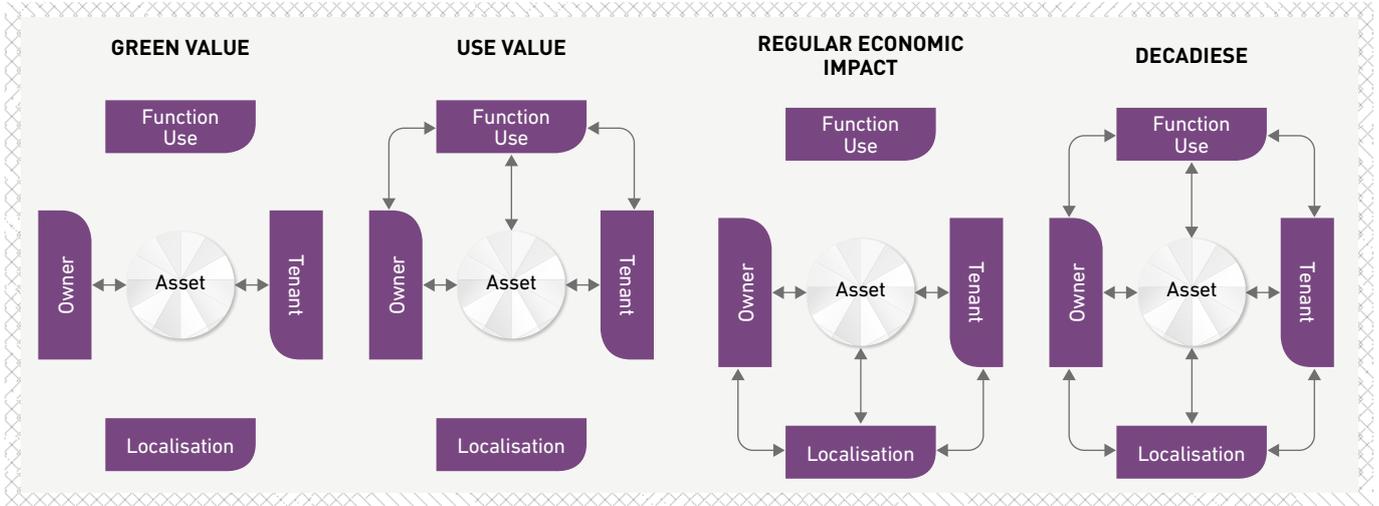
Foncière des Régions participates in the Decadiese project designed to develop a method for assessing the broader economic impact of a project (new or renovation) across its entire life cycle (or from the point renovation). This ambitious approach is based on the functionality economy and, in each instance, requires a survey of the various players involved in a real estate project in order to assess the weightings of each aspect of sustainable development: Environmental, Economic, Social and Societal.

The method results in the development of a decision-making tool, in the form of a spreadsheet, that allows the various construction or renovation scenarios or technical solutions to be assessed on the basis of seven functions (space – atmosphere – relationship – goods and tools – site – protection – aesthetics [the image of the asset]), which are weighted on the basis of the needs of the tenant, owner or other stakeholders.

The Decadiese project (2012-2014) brings together the various stakeholders of Foncière des Régions, tenants or suppliers (EDF, Bouygues, Vinci) and scholars (ARMINES, École Centrale Paris and Paris VII-Diderot via LADYSS and ATEMIS).



Complementary approaches that Decadiese brings together



Testing a concrete approach to use value

Foncière des Régions, together with Bouygues Construction, analysed the use value of the Green Corner asset, under construction in Saint-Denis (delivery mid-2015).

The goal was to study the impact of the design and location of the building on the comfort and productivity of occupants, characterising and quantifying this performance, by comparison with a new standard asset (2012 Thermal Regulation but with a less advanced design) and an old standard asset (from the 1980s).

This performance study looked at the whole asset (18,780 m²/ 1,560 occupants), and considered:

- ♦ the future performance of occupants: impact on occupants of the technical and functional design of the building and the impact of its location
- ♦ the direct building costs: rent, fixed charges and water and energy consumption.

Seven variables were included in the estimation of employee productivity: motivation, physical well-being, possible delays, absenteeism, time in the building not worked, calmness and turnover. Each of these variables was cross-linked with the characteristics of the asset (architectural identity, condition of the building, quality of the work areas, presence of nature, acoustic comfort, quality of the break areas etc.) and the advantages of its environment.

On the basis of these initial findings, the method developed by Bouygues Construction together with the Goodwill Management firm to characterise and quantify the impact of a building on the productivity of occupants provided an initial appraisal (ratings and weightings), translating into a performance assessment in euros for the occupant. This assessment includes the gains and losses relating to the building's direct costs and the gains and losses relating to the performance of occupants.

For Foncière des Régions, this study represents an initial approach to use value. The results, even though they paint a positive picture of the asset's performance, remain experimental and in the realm of R&D. They provide new insight and open up new avenues for asset design and for work on usage and value.



CHRISTINE GRÈZES
SUSTAINABLE DEVELOPMENT DIRECTOR
BOUYGUES CONSTRUCTION



Bouygues Construction conducted a forward-looking study alongside Foncière des Régions in order to measure the use value of the Green Corner building under construction in Saint-Denis (93). This new approach constitutes a major advance towards the immaterial valuation of assets by characterising new value creation levers for tenants and owners.

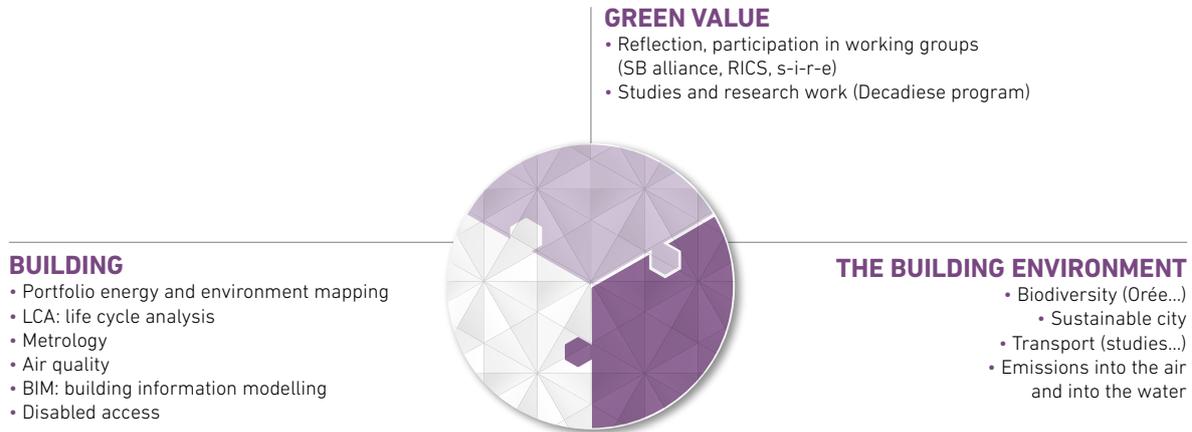


The partnership approach of Foncière des Régions is a key factor in achieving customer satisfaction. This is reflected in the occupancy rate of close to 97% for its Offices France business and 100% for the subsidiary dedicated to the Hotels and Service Sector.



Innovation and R&D, value-creation drivers

The forward-looking projects of Foncière des Régions target three major areas: the building, its environment and green value. The R&D projects of Foncière des Régions are focussed on issues of importance for its business sector: energy efficiency, mobility, biodiversity, materials, natural and artificial lighting, etc.



Through innovation and the acquisition of new expertise, Foncière des Régions anticipates future changes, whether technical, societal or regulatory, with the development and testing of trailblazing tools for each of the three areas, including for example: analysis of its regional economic impact and study of the use value [2014], testing of BREEAM In-Use certification on a sample representing 11% of the value of the office portfolio [2013], the initial trial of BIM [2012], implementing a responsible purchasing policy [2011], signing of the first environmental annexes from 2010, energy and environmental mapping of the portfolio [2009], etc.

The environmental annexe, progress in partnership

The environmental annexe was made mandatory by Article 8 of the Grenelle 2 Law of 12 July 2010, which introduced a requirement for every new or renewed lease for premises exceeding 2,000 m² intended for office or retail use, to have an environmental annexe. Supplemented by the Decree of 30 December 2011, which fleshed out the details, this requirement came into effect from 1 January 2012 for new leases, with parties having until 13 July 2013 to bring affected existing agreements into line. At that date, only 25% of the leases affected by this measure out of the asset portfolio of 15 million m² tracked by the OID⁽¹⁾ (*Observatoire de l'Immobilier*

Durable) had a signed annexe. Within the regulatory deadline, Foncière des Régions had signed 100% of the environmental annexes targeted by this regulation.

100% of annexes signed by 2013

Foncière des Régions and its subsidiary Foncière des Murs, signed their first environmental annexes in 2010, anticipating the future requirements, taking advantage of the dynamics of the "sustainable development" meetings (which subsequently became the Partnership Committees) to complete the environmental and energy mapping of the portfolio with CSTB.

Designed to supplement the lease without having to renegotiate it, the environmental annex sets out the various information that the parties must provide, in line with the provisions of the Decree of 31 December 2011 (energy, water, waste) or above and beyond them (transport, biodiversity etc.). A mere year after the publication of this legislation, Foncière des Régions had already signed environmental annexes for 82.2% of the affected office building leases. For its staff, this annex is a vector of progress, enabling the definition of shared goals and the implementation of in-use certification, chosen in coordination with the tenants. Accordingly, at 31 December 2014, 31.6% of the Office portfolio (in value) already had in-use certification (14.1% HQE Exploitation and 17.5% BREEAM In-Use).

100% ENVIRONMENTAL ANNEXES SIGNED SINCE 2010

⁽¹⁾ OID – Annexe Environnementale – Les enseignements, October 2013.



TURNING RISKS INTO OPPORTUNITIES

Risk factors that could have a significant effect on the company's financial and non-financial position or on its earnings are described in Chapter 4.1.2.2.3.1 of the 2014 Reference Document. Foncière des Régions also has recourse to risk mapping to monitor and rank the group's main risks; this is shared with General Management members and with the Audit Committee. Four mapping exercises have already been carried out (2006, 2009, 2012 and 2014). Each of these gave rise to proposals and action plans designed to improve risk management.

The obsolescence of assets or indeed the continuity of the business in exceptional circumstances (fire, pandemic, etc.) are some of the CSR risks identified and covered by an action plan designed to prevent or limit the consequences on corporate life, its cash position or valuation.

Avoiding the risk of obsolescence by means of a dynamic policy

Buildings are central to the environmental, social, economic and regional development concerns of the responsible governments, which seek to limit their impact. The real estate sector has a significant environmental footprint, from the extraction of the raw materials required to build assets and manufacture materials, to operating a building, all of which entail water and energy consumption and the production of waste, as well as other direct impacts on the natural environment (soil sealing, altered biodiversity etc.).

To meet these challenges, the sector is making a paradigm shift: by 2020, all new buildings will have to be "energy positive" (BEPOS), meaning that they will need to produce more energy than they consume. Besides relying on a ramp-up in eco-design and on renewable energies, the energy sources must be pooled within smart grids in order to optimise production and consumption.

Other underlying questions arising from European directives will place a particular emphasis on indoor air quality or discharges in the air and water.

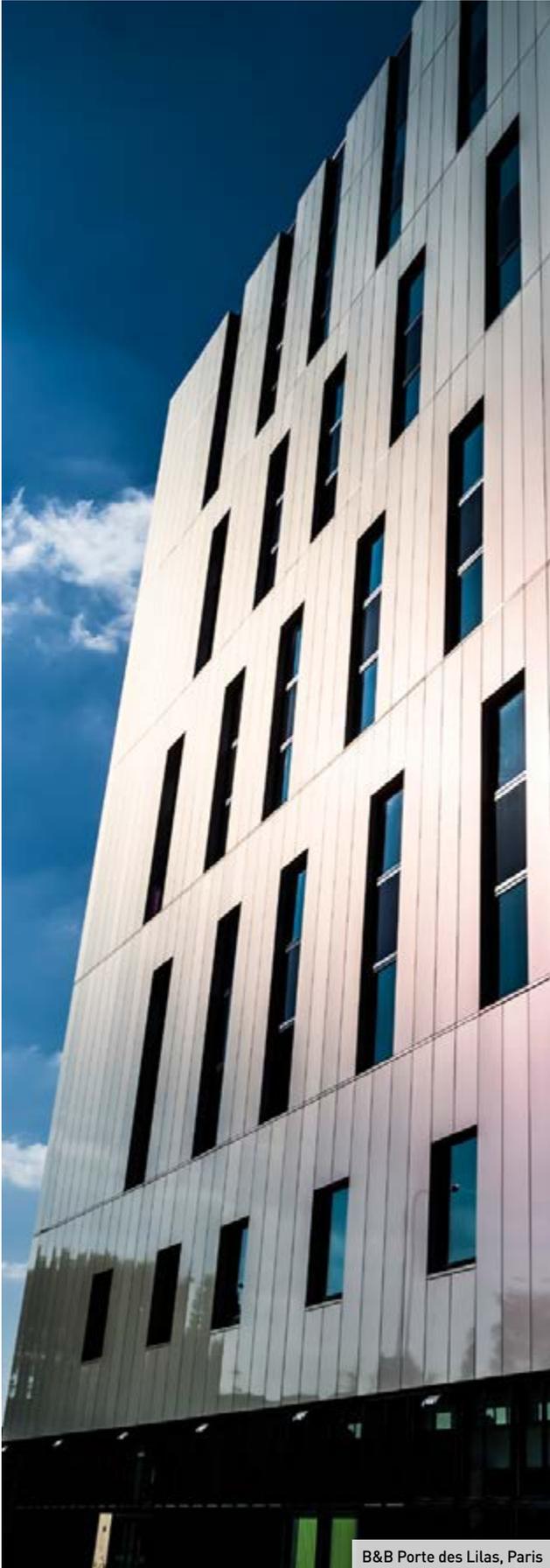
In order to manage the risk of obsolescence of its buildings and to transform this into an opportunity to set its property policy apart, the projects of Foncière des Régions anticipate these sweeping changes and play a part in urban renewal by incorporating the challenges and goals of the sustainable city. The performance of the assets developed by the group requires, among other things, considering accessibility, eco-friendly transport, on-site biodiversity and embodied biodiversity (for example: the impact due to the manufacture of materials) and makes the well-being and health of end-users key priorities. The percentage of green assets within the Foncière des Régions portfolio reflects its ability to seize market opportunities in this regard (see page 23).

Thus, the rental and market values of the assets of Foncière des Régions are broadly unaffected by the risk of obsolescence; the greening of its portfolio *via* improvements in the ongoing performance of assets and their progressive replacement represent the best means of combating the obsolescence of its portfolio.

Ensuring regulatory compliance

A growing number of regulations govern the construction and maintenance of building installations, and require assessments, or even audits, to be carried out when selling or letting. Responsible portfolio management goes beyond merely ensuring the compliance of the installations (electricity, gas, etc.), and involves an increasing range of aspects including health (indoor air quality, asbestos, legionnaires' disease, lead), environmental (energy, greenhouse gases, water, waste), or indeed physical and geological aspects (risk of flooding, subsidence, coastal submersion, Seveso risks).





B&B Porte des Lilas, Paris



GAËL LE LAY
DEPUTY CHIEF EXECUTIVE OFFICER, HOTELS
FONCIÈRE DES RÉGIONS



Foncière des Régions' Hotels and Service Sector activity is continuing its expansion both in France and the rest of Europe, and Germany in particular. We have been developing this activity significantly for two years now, so that we may benefit from the most dynamic markets and support our tenant partners in their growth.

Foncière des Régions employs a dedicated, interdisciplinary team to meticulously monitor the portfolio's compliance with environmental safety regulations. This team is involved from the analysis of acquisitions and throughout asset ownership, to the creation of data-rooms for sales. Two tools are used to monitor these risks: the Provexi platform which, among other things, contains asbestos-related data and the module developed by the Centre Scientifique et Technique du Bâtiment (CSTB) containing energetical and environmental mapping data which allows new sites to be rated.

In addition, Foncière des Régions conducts studies that allow it to better take into account of the potential incidence of emerging subjects, such as air quality (see page 36), climate change (see pages 31-32), etc. within its multi-year works plans.

Investing in fast-growing regions

In line with its economic model, Foncière des Régions pursues its portfolio management strategy, aiming to be positioned in the best locations and to maintain attractive and secure rental income growth. Foncière des Régions retains over 60% exposure to France, its core market, with a portfolio concentrated primarily in Île-de-France and in the major regional cities (Lyon, Marseille, Lille, Montpellier, etc.). Active in the German residential market since 2005, Foncière des Régions has increased its exposure to this market, an economically stable country at the heart of Europe, holding a 60% direct interest in its residential subsidiary Immeo AG, thereby helping to secure cash flows from markets with positive outlooks (e.g. Berlin, Dresden). Foncière des Régions is also considering a number of hotel projects in Europe and already agreed a number of new acquisitions in 2014 (see page 39).



Maintaining strong and attractive financial fundamentals

By the very nature of its activity, based on the holding, development and renovation of assets, Foncière des Régions manages different building-related risks, at all lifecycle stages, from acquisition to sale and including works and maintenance (see page 16).

Real estate investments require significant own funds; the economic model of Foncière des Régions provides for controlled indebtedness (46.1% at 31 December 2014), and the implementation of financial instruments to hedge the risks of fluctuating interest rates. Capital is tapped either through the financial partners of Foncière des Régions or through bond issues. Rated BBB- with a "stable" outlook by Standard & Poor's, Foncière des Régions successfully carried out a new bond issuance in 2014, raising €500 million at a rate of 1.75%.

Foncière des Régions refinanced or issued €3.1 billion in debt (€1.9 billion group share) in 2014. The group came out of this period with LTV under control at 46.1%. Over the past three years, the debt ratio has been brought under control, going from 47% in 2011 to 46.1% at the end of 2014.

In order to limit its exposure to risks from the development of new projects, Foncière des Régions invests mostly in pre-leased operations. The vacancy rates of sites and tenant non-payment, the top financial risks for lessors, remain low across the various activities of Foncière des Régions, despite the unfavourable economic climate. Its commercial assets are generally let to single tenants which are highly creditworthy.

The remaining term of the leases signed by Foncière des Régions is one of the longest in France and even in Europe: 5.8 years at end-2014 (same as at end-2013), this stability being due to early lease renewals, enhancing long-term rental income visibility.



Silex², Lyon-Part-Dieu



<IR> summary of the risks and opportunities of Foncière des Régions

	MATERIAL ISSUES	OPPORTUNITIES/VALUE CREATION DRIVERS	STAKEHOLDERS INVOLVED	PERFORMANCE/INDICATORS
FINANCIAL	<ul style="list-style-type: none"> Markets/economic models Tresory Tax regime 	<ul style="list-style-type: none"> Long-term partnerships Security of cash flows Geographic diversification 	<ul style="list-style-type: none"> Shareholders/Directors Buyers Employees Banks and rating agencies (analysts, investors) 	<ul style="list-style-type: none"> Dividends EPRA NAV per share/Loan to Value ratio RNI Rental income
MANUFACTURED	<ul style="list-style-type: none"> Obsolescence Location of assets Attractiveness/liquidity 	<ul style="list-style-type: none"> Development of higher performance and more sustainable buildings Meet the changing needs of tenants Rent/value optimisation 	<ul style="list-style-type: none"> Tenants Insurance Regulators Local authorities/Civil society Industry bodies 	<ul style="list-style-type: none"> Total value of portfolio Occupation rate % of "green" assets Investment in renovation/certifying the portfolio
INTELLECTUAL	<ul style="list-style-type: none"> Regulatory changes Technological development IT/digital 	<ul style="list-style-type: none"> Innovation and anticipating change Learning/sharing experiences 	<ul style="list-style-type: none"> Competition Suppliers Employees Education and research community (patents) 	<ul style="list-style-type: none"> R&D investment Participation in working groups
HUMAN	<ul style="list-style-type: none"> Health/safety Productivity/attracting talent Social climate 	<ul style="list-style-type: none"> Talent retention and development Diversity Dialogue 	<ul style="list-style-type: none"> Employees Shareholders Non-financial rating agencies NGOs, Global Compact 	<ul style="list-style-type: none"> Employee turnover Rate of absenteeism Average number of hours of training Workplace accidents and occupational illnesses
RELATIONSHIP	<ul style="list-style-type: none"> Key Accounts Relations Supply chain Relations with local authorities 	<ul style="list-style-type: none"> Long-term tenant partnerships Responsible purchasing policy Identification as a major player in urban renewal 	<ul style="list-style-type: none"> Tenants/Buyers Suppliers Local authorities/Civil society Employees Non-financial rating agencies 	<ul style="list-style-type: none"> Residual term leases Environmental annexes Number of suppliers signing the responsible purchasing charter Regional economic impact
NATURAL	<ul style="list-style-type: none"> Natural resources/energy/water Climate Pollution/waste 	<ul style="list-style-type: none"> "Green" building offering Comprehensive sustainable development policy Sustainable business model 	<ul style="list-style-type: none"> Tenants/Buyers Local authorities Shareholders Non-financial rating agencies "Environmental" NGOs 	<ul style="list-style-type: none"> Energy and carbon performance Environmental safety Biodiversity policy Water consumption

Studying the various risks and their implications in environmental, social, financial and organisational terms and cross-referencing them with the expectations of stakeholders identified during the mapping work has resulted in a ranking of the CSR challenges of Foncière des Régions under the "materiality" matrix.



THE MATERIALITY MATRIX: A STRATEGIC TOOL TO HELP CSR STEERING (G4-18; G4-22; G4-23)

In 2014, Foncière des Régions was awarded the Trophée France GBC in the "Stakeholders" category in recognition of its policy and the various actions undertaken in this field.

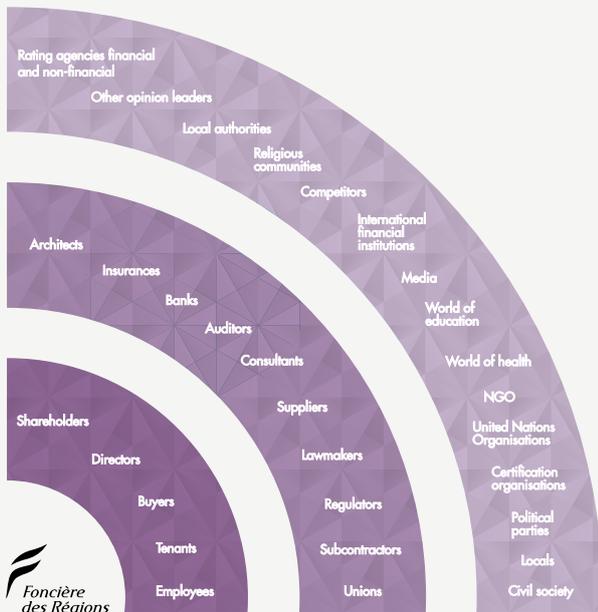
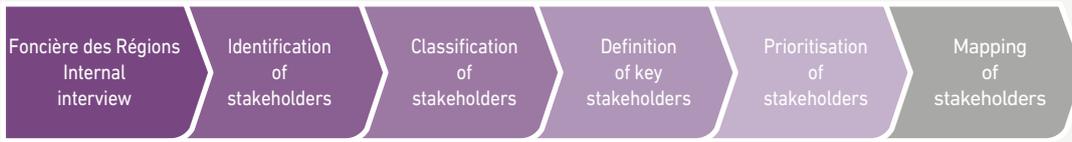
Listening to stakeholders to identify issues (G4-24; G4-25; G4-26; G4-27)

In order to accurately determine the CSR impact of its activities, Foncière des Régions undertook an initial materiality analysis in 2011. This enabled Foncière des Régions to better focus on the most significant issues facing the business and to improve its response to stakeholder expectations.

This ranking of CSR issues is in line with the GRI 4 Guidelines on materiality and makes it possible to identify the most critical issues along with their associated monitoring indicators.

Foncière des Régions identified and then interviewed its main internal and external stakeholders, which allowed it to identify and prioritise major CSR issues. The identified stakeholders were then classified on the basis of their weight in the company's business. This analysis made it possible to map the stakeholders of Foncière des Régions, distinguishing between three spheres of influence (chart below).

- ◆ Inner circle: core stakeholders: shareholders, tenants, etc.
- ◆ Middle circle: other players with a formal link: banks, suppliers, etc.
- ◆ Outer circle: national and international players with no formal link but with influence over the company: media, local governments, NGOs, etc.



The responses provided by Foncière des Régions to the following stakeholders can be found in the various sections of the document:

Tenants/Buyers	Page 3 "Partnership, the cornerstone of a long-term strategy"
Directors	Page 87 "Corporate governance around the Board of Directors"
Shareholders/ Financial Community	Page 91 "Responding to shareholder concerns and ensuring transparency of financial information"
Employees	Page 76 "Human Capital"
Local authorities	Page 66 "Promoting regional expansion"
Suppliers	Page 72 "Capitalising on relationships of trust with our suppliers"

Subsequently, the mapping of stakeholders made it possible to develop the materiality matrix, as follows:





MÉKA BRUNEL

EXECUTIVE VICE PRESIDENT, EUROPE, IVANHOE CAMBRIDGE –
PRESIDENT, FRANCE GBC

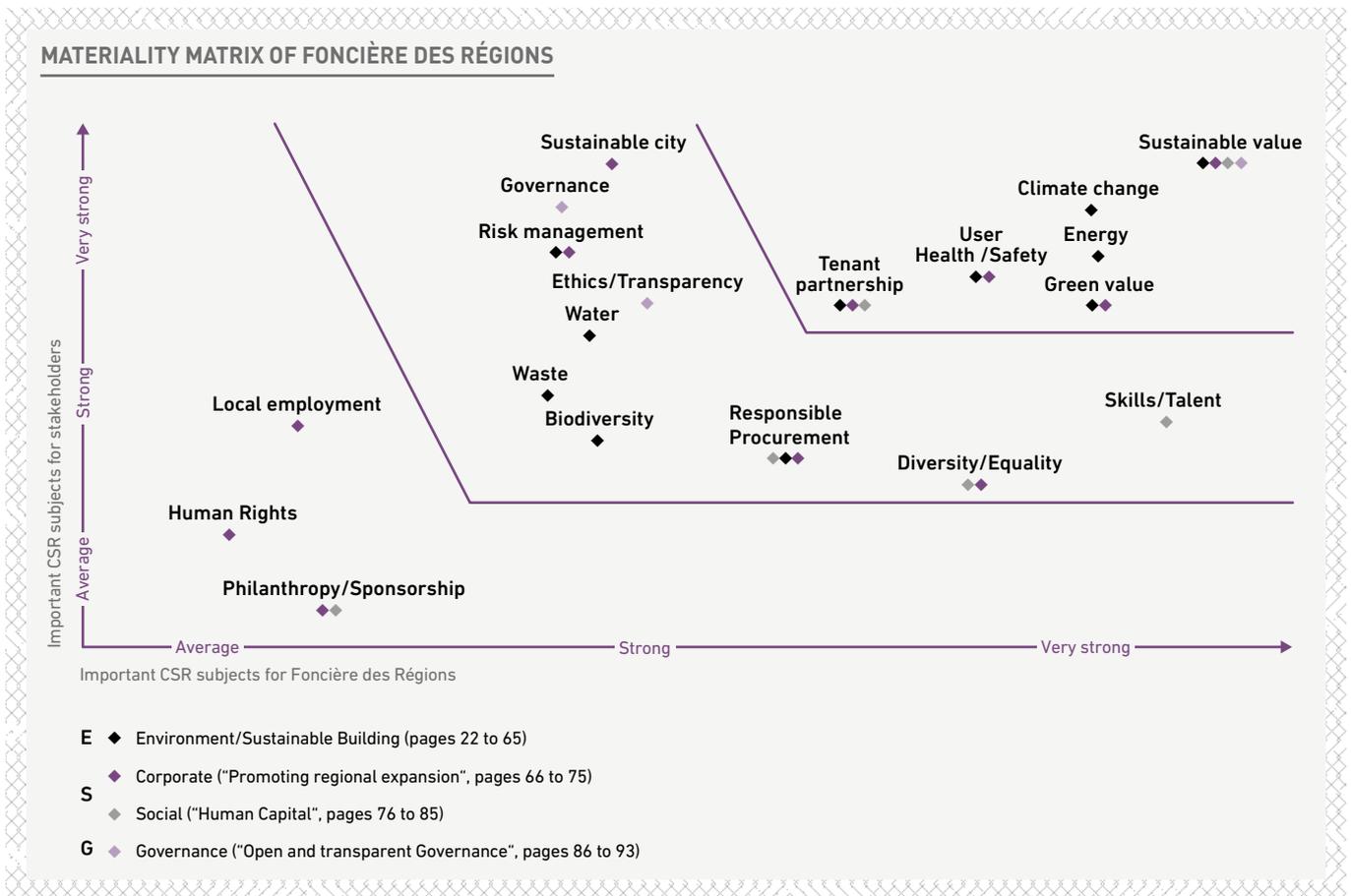


France GBC is a showcase for green building in France. In 2014, we awarded our Trophy to Foncière des Régions, in the Stakeholders category, in recognition of its ability to capitalise on its partnership culture and make this a lever for progress and renewal, capable of enhancing its portfolio and developing its business lines.

Ranking of material issues (G4-18; G4-22; G4-23)

This process enabled Foncière des Régions to rank its CSR issues for its various activities.

The scope of the study is limited to the French and German operations. Beni Stabili has carried out a similar study, which can be found in its 2013 Sustainable Development Report.



The appended table, in pages 144-145, matches up the themes in the materiality matrix and the aspects and indicators defined in GRI 4.



The aspects identified in the course of the materiality study and the CSR reporting put in place by Foncière des Régions enable it to achieve "Core" level compliance under the GRI G4 reporting framework.



A SUSTAINABLE DEVELOPMENT STRATEGY FOR VALUE CREATION

A CSR strategy at the heart of the business strategy

Foncière des Régions' sustainable development strategy is a component of its overall business strategy. This strategy is built around a property policy involving a long-term vision and a progressive renewal in favour of assets which demonstrate strong performance against three core criteria: market (location, liquidity); financial (strong risk-adjusted profitability with an average return of 6.3%, moderate indebtedness) and technical (green assets anticipating the expectations of tenants). When preparing this strategy, the risks and opportunities described in pages 10-11 were factored in, encompassing all areas of CSR: environment, social, societal, governance.

Foncière des Régions sustainable development strategy is deployed around four key areas, designed to:

- ♦ combat climate change by reducing the environmental footprint of the portfolio, maintaining the attractiveness of assets and preserve their value, through a green value creation model. This area includes both environmental and economic dimensions which prevents them from being pitted against each other
- ♦ contribute to the dissemination of eco-responsible practices and to innovation in construction, especially through the promotion of health and safety and customer satisfaction, as well as supporting the emergence of sustainable cities as a committed economic entity alongside local stakeholders
- ♦ enhance employees' skills, mobility, diversity and ability to adapt to a changing environment by adopting innovative policies
- ♦ guarantee an ethical and transparent framework which ensures exemplary practices at all levels of the company.

These four areas comprise an action plan described in pages 18 to 21.

Managing sustainable development in order to further the strategy

The group houses a Sustainable Development Department which reports to and is supported by the General Management. This Department has given new momentum to the group's various different activities *via* projects and action plans structured around the four areas described before. This dedicated team provides technical expertise, primarily to help guide development-related decisions and respond to requests from across the group.

Sustainable development is incorporated into all levels of governance within the group and its activities. The chart on the next page shows the involvement of the Board of Directors and its Chairman Jean Laurent, who pay close attention to these matters and are regularly updated on progress made. The Chief Executive Officer, Christophe Kullmann and, Deputy General Manager, Olivier Estève both report on CSR subjects to the Board of Directors, which is informed of and validates the main initiatives in this area on a regular basis.

In order to deploy the group's sustainable development policy, four types of committees have been created. The Sustainable Development Steering Committee meets monthly and includes CEO Christophe Kullmann and Chief Operating Officer Yves Marque, who relay CSR subjects to the Management Committee and the Executive Committee. Deputy Chief Operating Officer Marion Pignol and Sustainable Development Director Jean-Éric Fournier are also part of the Committee. The latter leads monthly meetings of the Sustainable Development and Environmental Safety (DDSE) Committee, which brings together 20 representatives across each of the activities and subsidiaries. He also attends quarterly results meetings for each activity (Offices, Hotels and Service Sector, Residential).

The success of these efforts requires the involvement of all levels of the company; this is facilitated by the network of contacts in the business lines, the project Steering Committees (responsible purchasing, biodiversity, etc.), the group Intranet and monthly awareness and information meetings (Green Meetings).

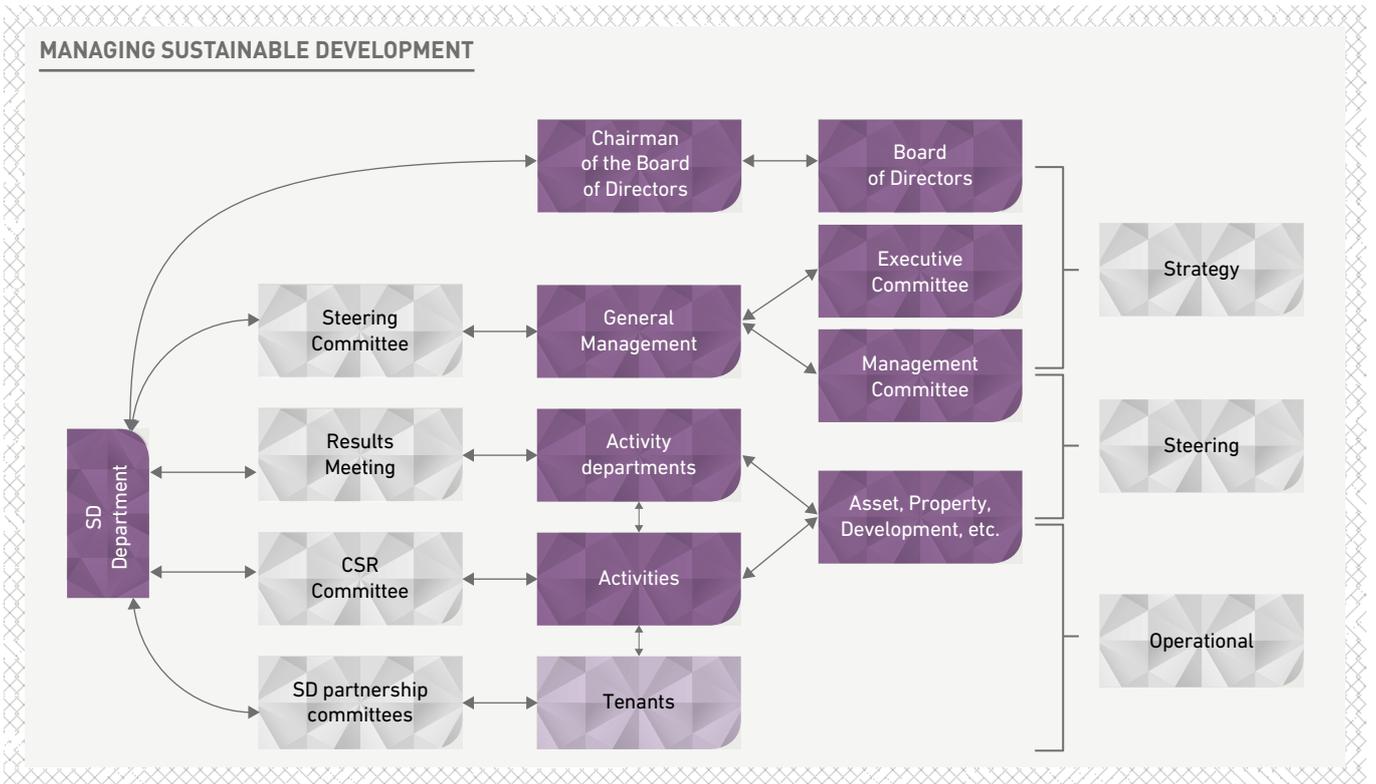
In connection with the environmental annexes, the Sustainable Development Director jointly chairs the Sustainable Development Partnership Committees along with the Asset Manager and the Technical Manager concerned, as well as with representatives of Key Accounts tenants.



JEAN-ÉRIC FOURNIER
SUSTAINABLE DEVELOPMENT DIRECTOR
FONCIÈRE DES RÉGIONS



Foncière des Régions' sustainable development policy is an integral part of its corporate strategy and business model. Designed as a global policy around concrete action plans, it is implemented according to a consistent framework for all activities.





Towards a new Action Plan: from 2010-2015 to 2015-2020

The multi-annual goals set in 2010 are regularly monitored at different levels of corporate governance, from the operating stage, as a steering tool, on up to the Board of Directors from the strategic standpoint. In 2014, Foncière des Régions has adopted a new roadmap for the period 2015 to 2020, and has upgraded its commitments to offer an even more demanding group-wide CSR.

◆◆◆◆ status at 31/12/2013 ◆◆◆◆ status at 31/12/2014 ◇◇◇◇ yet to be done

SUBJECT	2015 OBJECTIVES	PROGRESS	SCOPE COVERED
AREA 1 – REDUCING PROPERTIES' ENVIRONMENTAL FOOTPRINT, MAINTAINING THEIR ATTRACTIVENESS AND RETAINING THEIR VALUE			
GREENING THE PORTFOLIO	Hold 50% green assets	◆◆◆◆◆◆◆◆◆◆	Offices France
	100% "green" developments	◆◆◆◆◆◆◆◆◆◆	Offices France
IMPROVE ENERGY PERFORMANCE	Cut energy consumption by 25% over the 2008/2015 period	◆◆◆◆◆◆◆◆◆◇	Offices France
	Measure and reduce energy consumption and CO ₂ emissions	◆◆◆◆◆◆◆◆◆◆	Offices France
	Keep GHG emissions at < 26 kgCO ₂ e/year	◆◆◆◆◆◆◆◆◆◆	Offices France
LEAD THE ECO-TRANSITION	Measure and monitor water consumption across the entire reporting scope	◆◆◆◆◆◆◆◆◇◇◇◇	Offices France
	Measure and monitor waste management	◆◆◆◆◆◆◆◆◆◆	Offices France
	Turn each site into a biodiversity driver	◆◆◆◆◆◆◆◆◆◇◇◇	Group
CONTROL HEALTH AND SAFETY RELATED RISKS	Control health and environmental risks	◆◆◆◆◆◆◆◆◆◆	Group
IMPROVE DISABLED ACCESS	80% of assets accessible to people with reduced mobility by end-2020	◆◆◆◆◆◆◆◆◆◇	Offices France
PROMOTE CLEAN TRANSPORT	Have 80% of Office assets owned accessible by public transport	◆◆◆◆◆◆◆◆◆◆	Offices France



2014 RESULTS	2015/2020 OBJECTIVES	DEADLINES	PAGES
<ul style="list-style-type: none"> 50.1% green buildings at 31/12/2014 	2/3 green assets	2017	23
	100% green assets	2020	
<ul style="list-style-type: none"> 100% 	100% "green" developments and renovation	Ongoing	24
<ul style="list-style-type: none"> With climate adjustment: <ul style="list-style-type: none"> in 2008: 490 kWhpe/m²/year in 2013: 402 kWhpe/m²SHON/year <i>i.e.</i> -18.0% in 2014: 374 kWhpe/m²SHON/year <i>i.e.</i> -23.7% 	Cut energy consumption by 15% over the 2015/2020 period <i>i.e.</i> a total of -40% over 2008/2020 Objective: 295 kWhpe/m ² SHON/year	2020	29 to 31
<ul style="list-style-type: none"> Coverage ratio: <ul style="list-style-type: none"> Operational control: 96% Headquarter buildings: 100% 	Carry out pilot tests into the introduction of systems for the remote monitoring of consumption (smart metering)	2017	96 to 109 118 to 120
<ul style="list-style-type: none"> With adjustment: <ul style="list-style-type: none"> in 2008: 25 kgCO₂e/m²/year in 2014: 23 kgCO₂e/m²/year (<i>i.e.</i> -8% vs. 2008) 	Cut CO ₂ emissions by 20% between 2008 and 2020 Objective: 20 kgCO ₂ e /m ² SHON/year	2020	31-32
<ul style="list-style-type: none"> In the Offices scope (operational control): <ul style="list-style-type: none"> In 2013: 93% In 2014: 90% 	Keep consumption under 0.5 m ³ /m ² /year + introduce systems to collect water across 100% of development projects	2020	34
<ul style="list-style-type: none"> Site waste already monitored on development and renovation projects 	Cut waste production and promote recycling across 100% of the portfolio and 100% of development and renovation projects	2020	35-36
<ul style="list-style-type: none"> Completed: <ul style="list-style-type: none"> specifications and indicators already launched: biodiversity studies (BREEAM) and mapping 	Secure Biodiversity label across 100% of new projects Offices France	Ongoing	34-35 71-72
<ul style="list-style-type: none"> Opening up of the Provedi tool to all employees 	Control health and environmental risks	Ongoing	37
<ul style="list-style-type: none"> Compliance with standards as part of every renovation project 	80% of assets accessible to people with reduced mobility	2020	89
<ul style="list-style-type: none"> 96% in value at 31/12/2014 	Have 90% of Office assets owned located within 10 minutes on foot of public transport	2020	67



SUBJECT	2015 OBJECTIVES	PROGRESS	SCOPE COVERED
AREA 2 – CONTRIBUTING TO THE DISSEMINATION OF ECO-FRIENDLY PRACTICES AND TAKING AN ACTIVE ROLE IN CITY LIFE IN PARTNERSHIP WITH STAKEHOLDERS			
ACT FOR SUSTAINABLE CITIES	Act for sustainable construction and cities	◆◆◆◆◆◆◆◆◆◆	Group
	Promote clean and public transport solutions	◆◆◆◆◆◆◆◆◆◆	
	Take part in R&D studies	◆◆◆◆◆◆◆◆◆◆	
	Promote regional economic development	◆◆◆◆◆◆◆◆◆◆	
	Defend respect for Human Rights	◆◆◆◆◆◆◆◆◆◆	
DISCUSS WITH ITS STAKEHOLDERS	Dialogue with its stakeholders	◆◆◆◆◆◆◆◆◆◆	Group
	Conduct a sponsorship programme	◆◆◆◆◆◆◆◆◆◆	Corporate Offices
	Conduct a responsible purchasing policy	◆◆◆◆◆◆◆◆◆◆	
AREA 3 – ENHANCING EMPLOYEES' SKILLS, MOBILITY, DIVERSITY AND CAPACITY TO ADAPT TO A CHANGING ENVIRONMENT BY ADOPTING INNOVATIVE POLICIES			
DEVELOP ITS HUMAN CAPITAL	Attract and develop talent	◆◆◆◆◆◆◆◆◆◆	ESU Foncière des Régions
	Manage and develop skills in line with changes in its business		
	Develop a policy of equality and diversity		
BE EXEMPLARY IN THE APPLICATION OF ITS CSR VALUES	Reduce its CO ₂ emissions per employee	◆◆◆◆◆◆◆◆◆◆	ESU (Paris and Metz)
	Training and raising awareness of sustainable development and eco-behaviour	◆◆◆◆◆◆◆◆◆◆	ESU Foncière des Régions
AREA 4 – GUARANTEEING AN ETHICAL AND TRANSPARENT FRAMEWORK ENSURING EXEMPLARY PRACTICES AT ALL LEVELS OF THE COMPANY			
CONDUCT EFFECTIVE GOVERNANCE	Monitor the performance of the Board of Directors	◆◆◆◆◆◆◆◆◆◆	Group
	To be transparent and exemplary in its business activities reporting	◆◆◆◆◆◆◆◆◆◆	
	Increase the proportion of women sitting on the Board of Directors	◆◆◆◆◆◆◆◆◆◆ ◆◆◆◆◆◆◆◆◆◆	
PROMOTE ETHICAL VALUES	Anti-corruption awareness and training	◆◆◆◆◆◆◆◆◆◆	
	Adhere to an ethical framework	◆◆◆◆◆◆◆◆◆◆	



2014 RESULTS	2015/2020 OBJECTIVES	DEADLINES	PAGES
<ul style="list-style-type: none"> In 2014, participation in various conferences on the city of the future (e.g. Chaire Essec) Study on use value (Green Corner asset in Saint-Denis) 	Jointly build with its stakeholders a coherent and collaborative urban space		69
<ul style="list-style-type: none"> 87% (in surface) of offices accessible by public transport 89% (in surface) of hotels accessible by public transport 	Anticipate and facilitate the emergence of new forms of transport		67
<ul style="list-style-type: none"> Various work on the LCA and embodied energy, in conjunction with the CSTB Work on Biodiversity with the Orée and HQE associations 	Develop innovation and undertake forward-looking studies with a view to value creation	Ongoing	27 to 29 71
<ul style="list-style-type: none"> Study on the economic impact of the Office portfolio on the regions 	Participate in initiatives to boost the regions		68
<ul style="list-style-type: none"> Promotion of the Global Compact: Publication of the 3rd COP ("Communication On Progress") 	Promote respect for Human Rights		82
<ul style="list-style-type: none"> Continuation of stakeholder analysis and materiality matrix with GRI 4 compliance 	Develop targeted actions per stakeholder		14
<ul style="list-style-type: none"> Essec, Palladio partnerships Passerelle 	Participate in cultural and social collaborative measures	Ongoing	69
<ul style="list-style-type: none"> 245 suppliers rated, verification of responses from 30 of them Studies/innovations in partnership with some twenty suppliers: including CSTB, EDF, Vinci, Bouygues 	Innovate with its suppliers on group values		72 to 75
<ul style="list-style-type: none"> Annual interviews and training plans Training Week in September 2014 	Attract, develop and retain talent		79 to 81
<ul style="list-style-type: none"> Signing of agreements/negotiation Signing of a new diversity agreement 	Promote diversity and equality	Ongoing	82
<ul style="list-style-type: none"> Signing of a new Quality of Life at Work agreement 	Improve the quality of life at work and find a work-life balance		81
<ul style="list-style-type: none"> Carbon footprint: carried out every three years at most Paper policy: reduce paper consumption by 30% between April 2013 and end-2014 	Cut its CO ₂ emissions per employee by 25% over the 2010/2020 period	2020	83-84
<ul style="list-style-type: none"> Since end-2013, sustainable development has been incorporated into all integration programmes Monthly green meetings 	Make every employee a player in sustainable development		84-85
<ul style="list-style-type: none"> Evaluation of members of the Board of Directors: internally annually + every three years by an independent third party 	Optimise the performance of the Board of Directors	Ongoing	89
<ul style="list-style-type: none"> EPRA Best Practices Recommendations. Afep-Medef Recommendations, Code of Ethics, FSIF, GRI Guidelines 	Remain the leader in terms of the transparency of its business activities reporting		87
<ul style="list-style-type: none"> In 2014, 29% women on the Board of Directors (vs. the required 20%) 	40% women on the Board of Directors	2016	88
<ul style="list-style-type: none"> In 2014, 50% independents on the Board of Directors (vs. 42% at end-2012) 	45% independents on the Board of Directors	Ongoing	88
<ul style="list-style-type: none"> At end-2014: 150 employees trained (in particular risk of fraud/calls for tender) Audit and internal control procedures 	Disseminate and share ethical/anti-corruption best practices with all employees	Ongoing	91 to 93
<ul style="list-style-type: none"> Updating of the Code of Ethics in 2014. Raising of employee awareness (process morning sessions attended by 150 employees) 			



A PORTFOLIO
OF GREEN OFFICES

Le Divo, Metz



Foncière des Régions is a Listed Real Estate Investment Company (Société d'Investissement Immobilier Cotée, SIIC) with a strategic focus on Office assets, which account for 65% of the €10 billion in assets that the group held as at 31 December 2014. Foncière des Régions is gradually renewing its portfolio with a strategy based on three areas to improve the environmental performance of its assets: continually enhancing asset quality (particularly with an active management policy), defending their value (rental and market value) to prevent obsolescence and strengthening partnerships with tenants.

Foncière des Régions has become one of the leading developers in France in just a few years, with emblematic projects and a dedicated team with renowned expertise. The goal of greening its assets is significant for both development and renovation operations as well as for the portfolio in use.

Its comprehensive sustainable development policy goes beyond energy and carbon performance to include all environmental and social aspects of Foncière des Régions' assets, which follow the comprehensive sustainable development policy and which fall under the French Charter for commercial building energy efficiency, of which Foncière des Régions is a signatory.

TOWARDS 100% GREEN ASSETS

Foncière des Régions achieved one of its major objectives one year early in 2014, which involved making 50% of its Office assets portfolio in France "green" by the end of 2015. During 2014, two new certified constructions and the obtaining of four operating certifications (BREEAM In-Use) increased the green portfolio by 8.8%, enabling to surpass the 50% green portfolio threshold.

Assets whose buildings and/or operations have undergone certification (HQE + BREEAM, LEED, etc.) and/or have a well-known energy performance level (BBC-effinergie®, HPE, THPE or RT Globale labels) are considered "green". Beyond this definition shared with IPD, the assets developed or restructured by Foncière des Régions often obtain both HQE and BREEAM certification.

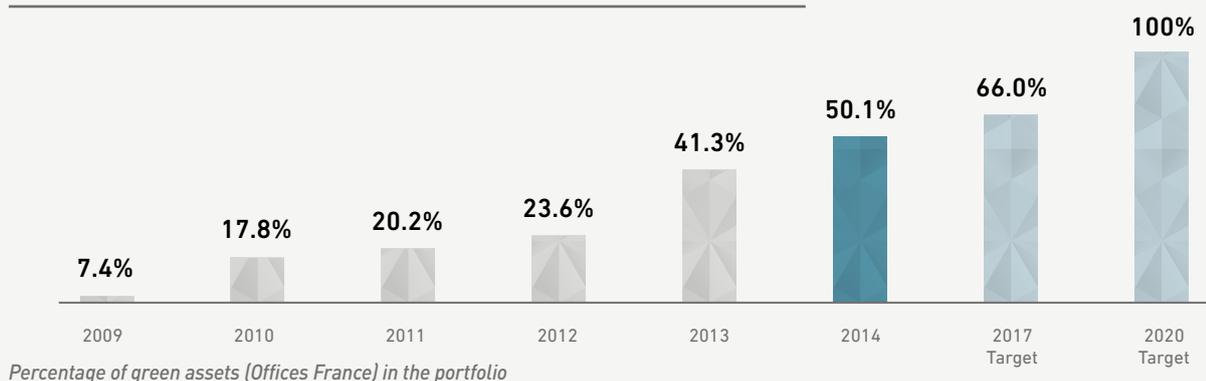
For now, the two trials initiated with LEED only involve the Italian subsidiary Beni Stabili, specifically to adapt to LEED Italia standards (see page 61).

Based on the appraisal values of its offices in France as at 31 December 2014, 50.1% of Foncière des Régions' assets are green. The greening rate for the "Core" asset portfolio, namely assets intended to remain in the portfolio long-term, reached 68.6% at end-2014 (vs 58.7% at end-2013).

The chart below shows the rapid change in the greening rate, as well as future targets: the portfolio will comprise at least two-thirds green assets by the end of 2017, and nearly 100% by the end of 2020. Gradually, the whole portfolio will be overhauled and will benefit from this momentum in environmental performance improvement.

Its efforts to accelerate the "greening" of its assets since 2013 has impacted the delivery of new build and renovations and has resulted in the delivery of improvement works and certifications for sites in operation.

GREENING FONCIÈRE DES RÉGIONS' ASSETS ONE YEAR AHEAD OF ITS GOAL





AN EVER-CHANGING PORTFOLIO

Foncière des Régions' portfolio is constantly changing in order to anticipate upcoming regulations, changes in tenants' needs and to adapt to market trends. The mapping carried out on the portfolio highlighted each of the three drivers' potential to improve energy and environmental performance, summarised as follows:

- ◆ **The building:** eco-design
 - ◆ 100% of asset developments and renovations are green (see page 23).
 - ◆ Progressive improvement through maintenance or multi-year work: the work carried out "mechanically" contributes to improving environmental performance.
- ◆ **Operational maintenance:** eco-management
 - ◆ The roll-out of the operating certification process (HQE Exploitation or BREEAM In-Use) helps the greening of its assets in use, by defining and monitoring concrete objectives to improve each building's performance (see pages 29 to 31).
 - ◆ Without a strong commitment from the entire chain of suppliers, it would be pointless to hope to achieve the long-term performance expected of green buildings. Likewise, the responsible procurement policy launched in 2011 brings suppliers together and thus helps reach environmental footprint reduction goals (see pages 72 to 75).
- ◆ **Uses:** eco-occupation
 - ◆ The final building user's involvement is vital, and best practices must be shared with tenants; it was with this goal in mind that environmental annexes were implemented throughout the portfolio starting in 2010 (see page 14).

Foncière des Régions' new or restructured assets thus embody a real estate company that incorporates social and societal issues by offering better integration with their surrounding environment in terms of transport, biodiversity, etc.

100% green developments and renovations

All of Foncière des Régions' development operations have been HQE and/or BREEAM certified since 2010, often with a double certification for assets located in the Paris region.

Renovations have the same greening priority, with reliance on HQE Exploitation certification and/or on the BBC⁽¹⁾ Renovation, HPE, THPE⁽²⁾, or RT⁽³⁾ Globale labels. For each operation, assumptions are modelled to reach the best standard possible while respecting an economic equation in compliance with the company's financial profitability criteria. Decisions are adopted by integrating a long-term occupation and ownership approach, so Foncière des Régions most often relies on nine to even twelve-year leases.

As such, the Carré Suffren asset underwent BREEAM Fit-Out certification (similar to the BREEAM construction certification in the end), which evaluates the quality of construction and services, the materials selected and layout.

In this way, Foncière des Régions is striving to design buildings adapted to their environment, from a social, economic and environmental point of view, and increasingly uses the operating certification (HQE Exploitation or BREEAM In-Use) in order to distinguish the level reached and progress made. These processes are designed to ensure continuous improvement in the technical maintenance of buildings.

ECO-DESIGN + ECO MANAGEMENT + ECO-OCCUPATION = ECO-PERFORMANCE



DIDIER GUION
TECHNICAL DIRECTOR
FONCIÈRE DES RÉGIONS



PHILIPPE MALETTE
TECHNICAL MANAGER
FONCIÈRE DES RÉGIONS



Sustainable development brings a fresh outlook to our businesses, in terms of both conception and execution of new developments and refurbishment of existing assets.

Our choices of technical solutions or selection of materials, for example, are made with a long-term outlook, using criteria that help to ensure control of operating expenses.

⁽¹⁾ Low consumption building.
⁽²⁾ Very High Energy Performance.
⁽³⁾ Thermal Regulation.



Extension 3DS (Dassault Systèmes), Vélizy-Villacoublay

Certifying maintenance to progress together

Foncière des Régions chooses operational certifications for its assets by taking into account its tenants' CSR policies. As a result, after having obtained the "NF HQE™ *Bâtiments tertiaires en exploitation*" certification for Tour CB 21 in early 2012 (68,000 m² in La Défense), then for Carré Suffren in late 2012 (25,000 m² close to the Eiffel Tower in the 15th Arrondissement of Paris), 11 assets have since obtained the BREEAM In-Use certification, representing 138,497 m² and an appraisal value of €761.6 million as at 31 December 2014.

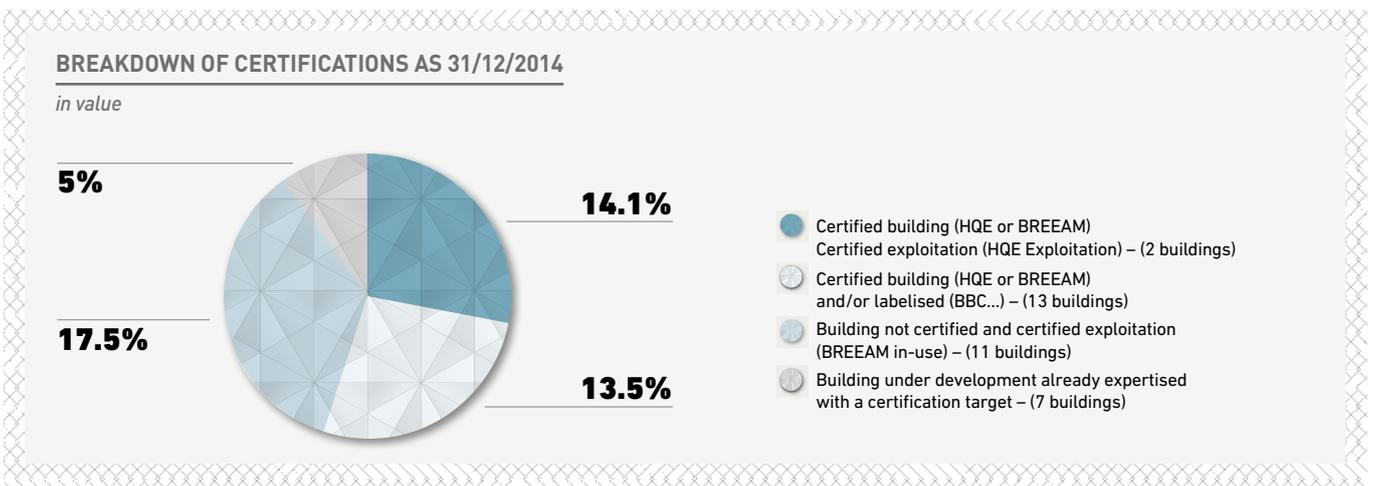
These two types of processes require the involvement of teams, suppliers and tenants to collect data, define and monitor quantified objectives and maintain the momentum that they generate from these processes. The HQE Exploitation certification is issued for five years with annual follow-up audits. Its British counterpart provides for renewal audits every three years, and intermediary audits can be conducted if significant work is carried out.

These processes support the shared dynamic under the environmental annexes and involve adjusting communication tools (awareness meetings, screens located in the buildings' halls or elevators, posters, flyers, etc.) in order to encourage the end-user's support.

State of progress on the greening of the portfolio

The percentage of green assets is calculated as a value on the entire Offices portfolio held in France. This indicator is part of the monthly CSR reporting.

The chart below illustrates the breakdown of certifications as at 31 December 2014, and in particular how a significant portion of assets (14.1%) have both HQE and BREEAM certifications. In addition, the portion of assets with BREEAM In-Use certification increased from 11.3% at the end of 2013 to 17.5% at the end of 2014.





The HQE (High Environmental Quality) certification characterises the virtuous practices that sum up at least three Highly Efficient (HE) targets and four Efficient (E) targets out of a total of fourteen targets set out in the Reference guide.

As indicated in the table below, Foncière des Régions maintains its focus on targets 1, 3, 4, 6, 7 and 8, thus highlighting its requirements in the area of eco-construction and respect for the environment, eco-management and energy performance, in addition to user comfort.

HQE certifications obtained								Construction		Eco-management				Comfort			Health Quality			Number of HE or E targets		
Asset name	City	Delivery date	HQE Certification	Label (BBC, THPE, etc.) or other certification	Thermal regulation	Usable area	Net living area	Environmental	Procedure	Work site	Energy	Water	Waste	Maintenance	Hygrothermie	Acoustics	Visual	Olfactory	Space		Air	Water
								Target														
								1	2	3	4	5	6	7	8	9	10	11	12		13	14
Operations delivered																						
Dassault Systèmes	Vélizy-V.	2008	HQE Construction	-	RT 2000	NC	56,193 m ²	HE	E	HE	HE	HE	E	HE	B	B	E	E	B	E	B	10/14
Tour CB 21	La Défense	2010	HQE Exploitation	BREEAM Good	RT 2000	NC	68,077 m ²	HE	E	HE	E	E	HE	HE	HE	HE	HE	HE	B	E	HE	13/14
Carré Suffren	Paris	2011	HQE Exploitation	-	RT 2000	NC	24,864 m ²	E	B	HE	B	B	HE	HE	HE	B	E	E	E	E	E	10/14
Siège Eiffage Construction	Vélizy-V.	2011	HQE Construction	BBC	RT 2005	NC	9,819 m ²	HE	E	HE	HE	HE	HE	HE	HE	HE	E	HE	HE	HE	E	14/14
Le Divo	Metz	2012	HQE Construction	BBC	RT 2005	NC	5,298 m ²	HE	B	HE	HE	B	E	HE	HE	B	E	E	B	E	B	9/14
Le Floria	Fontenay-sous-Bois	2012	HQE Renovation	BBC	RT Globale	NC	9,420 m ²	HE	HE	HE	HE	E	B	HE	HE	HE	HE	HE	B	HE	E	12/14
SICRA	Chevilly-Larue	2012	HQE Construction	HPE	RT 2005	NC	6,533 m ²	HE	B	HE	HE	B	HE	E	E	B	B	E	B	E	HE	9/14
Le Patio	Lyon-Villeurbanne	2013	HQE Renovation	BBC BREEAM	RT 2005	13,277 m ²	14,369 m ²	HE	E	E	HE	B	B	HE	HE	B	B	E	B	E	B	8/14
Le Pégase	Clichy	2013	HQE Construction	BBC	RT 2005	NC	4,998 m ²	HE	E	HE	E	B	HE	E	E	B	E	E	B	E	B	10/14
New Vélizy Thales	Vélizy-V.	2014	HQE Construction	BREEAM Very Good	RT 2012	NC	45,262 m ²	HE	E	HE	E	E	HE	HE	E	B	E	B	E	B	HE	11/14
Montpellier Egis	Montpellier	2014	HQE Construction	BREEAM Very Good	RT 2012	6,335 m ²	6,073 m ²	HE	E	HE	E	B	HE	HE	E	B	E	E	B	E	HE	11/14
Operations in progress - HQE profiles targeted																						
Steel	Paris	2014	HQE Renovation	BBC Renovation	-	NC	3,690 m ²	HE	B	HE	HE	HE	E	HE	HE	E	B	HE	B	HE	HE	11/14
Respiro	Nanterre	2015	HQE	BBC Effinergie +	RT 2005	11,183 m ²	11,506 m ²	HE	E	HE	HE	B	E	HE	E	B	B	B	B	B	HE	8/14
Campus Eiffage	Vélizy-V.	2015	HQE	Effinergie + BREEAM	RT 2012	23,553 m ²	NC	HE	E	HE	HE	HE	HE	HE	HE	HE	HE	HE	HE	HE	HE	14/14
Green Corner	Saint-Denis	2015	HQE Construction	BBC BREEAM Very Good	RT 2005	NC	22,120 m ²	HE	E	HE	HE	HE	E	HE	B	E	E	E	E	E	E	13/14
Euromed Center	Marseille	2015	HQE Construction	BBC	RT 2005	-	47,494 m ²	HE	B	E	HE	E	HE	HE	B	B	B	E	B	B	E	8/14
Extension DS Campus	Vélizy-V.	2016	HQE Construction	-	RT 2012	12,684 m ²	-	HE	E	HE	E	E	E	HE	B	B	B	B	B	B	E	8/14
Silex 1	Lyon	2016	HQE Construction	BREEAM	RT 2012	11,000 m ²	NC	HE	E	HE	E	E	HE	HE	E	B	E	E	B	E	E	12/14
Avignon	Avignon	2016	HQE Construction	-	RT 2012	4,254 m ²	NC	HE	E	HE	E	B	HE	HE	E	E	E	E	E	E	E	13/14
Bose	Saint-Germain-en-Laye	2016	HQE Construction	-	RT 2012	4,953 m ²	NC	HE	B	HE	E	E	E	HE	E	B	E	B	B	B	E	9/14

HE: Highly efficient; E: Efficient; B: Basic

« Certification obtainment rate: 100% of applications processed have been successful



INNOVATION, A VALUE-CREATION DRIVER

With each new development and renovation project we research new innovative solutions to optimise the quality of the building and services over the long-term while controlling costs. By operating under the assumption that Foncière des Régions will hold its portfolio for several years, the group prioritises solutions that are consistent with its entire sustainable development policy and which will ensure its clients' comfort and satisfaction.

Prior to delivery, Foncière des Régions uses "commissioning", a process which enables it to carry out an assessment at each stage of the building's completion in order to confirm that the energy and environmental performance scenario modelled during the design phase will be effectively met once the building is in operation.

Foncière des Régions anticipates regulations and innovates in areas as diverse as energy (box below and see pages 29 to 31), tools (see pages 10-11), biodiversity (see pages 34-35) and air quality (see page 36).

By being a step ahead, Foncière des Régions is leading the way, protecting its assets from rapid obsolescence and providing its teams access to learning future solutions. In a number of respects, innovation constitutes a value-creation driver for Foncière des Régions.

As a landlord concerned with the economic and environmental performance of its assets, Foncière des Régions practices an approach that consists of questioning the overall cost, which enables it to take into account both construction or renovation expenses as well as current operating expenses (rental costs, maintenance work).

Energy or ecological impacts must also be considered for the entire life of the asset. Lastly, new tools must be invented and shared to control the work site, then to manage the asset.

Understanding impacts with LCA

Since 2010, Foncière des Régions has used Life Cycle Analysis (LCA) to measure the footprint of its development programmes. In 2013, Foncière des Régions broke new ground by completing one of the first LCAs (if not the first) on a building renovation (the Steel building in the 16th arrondissement of Paris) and on a hotel (see page 39). Assigned to the HQE Performance programme, these studies helped make the ELODIE software (developed by the CSTB) calculation methods more reliable, helped build a database and helped fine tune key indicators, which will be used in the next version of the HQE certification.

The LCA performed for the Steel building with the RFR Eléments Research firm became the pilot used by the *Centre Scientifique et Technique du Bâtiment* (CSTB) in late 2014/early 2015 to create the LCA Renovation Reference Guide, which will be tested in 2015/2016.

The different LCAs are built from the analysis of six modules (materials, energy, water, travel, work site and waste), based on nine environmental indicators: total primary energy consumption (kWh) and non-renewable primary energy consumption (kWh), climate change (kgCO₂e), water consumption (m³), hazardous waste (t), radioactive waste (t), non-hazardous waste (t), atmospheric acidification (kg equivalent SO₂) and formation of photochemical ozone (kg equivalent C₂H₄).

In addition to optimising impacts from thermal building regulations, these innovative approaches enable Foncière des Régions to identify the areas that require more effort: energy and water consumption during the work site stage, CO₂ emissions and transport. LCA is a decision-making tool that considers environmental restrictions, especially in the choice of materials and equipment, taking into account their manufacture and their impacts in terms of energy (embodied energy) and biodiversity (embodied biodiversity).



EUROMED CENTER STARTS USING OCEAN GEOTHERMAL ENERGY

Euromed Center is located in the middle of the Euroméditerranée business district in Marseille and is being developed by Foncière des Régions and Crédit Agricole Assurances. It includes the construction of 70,000 m² divided up into four office buildings, the 4* hotel Golden Tulip and a public car park.

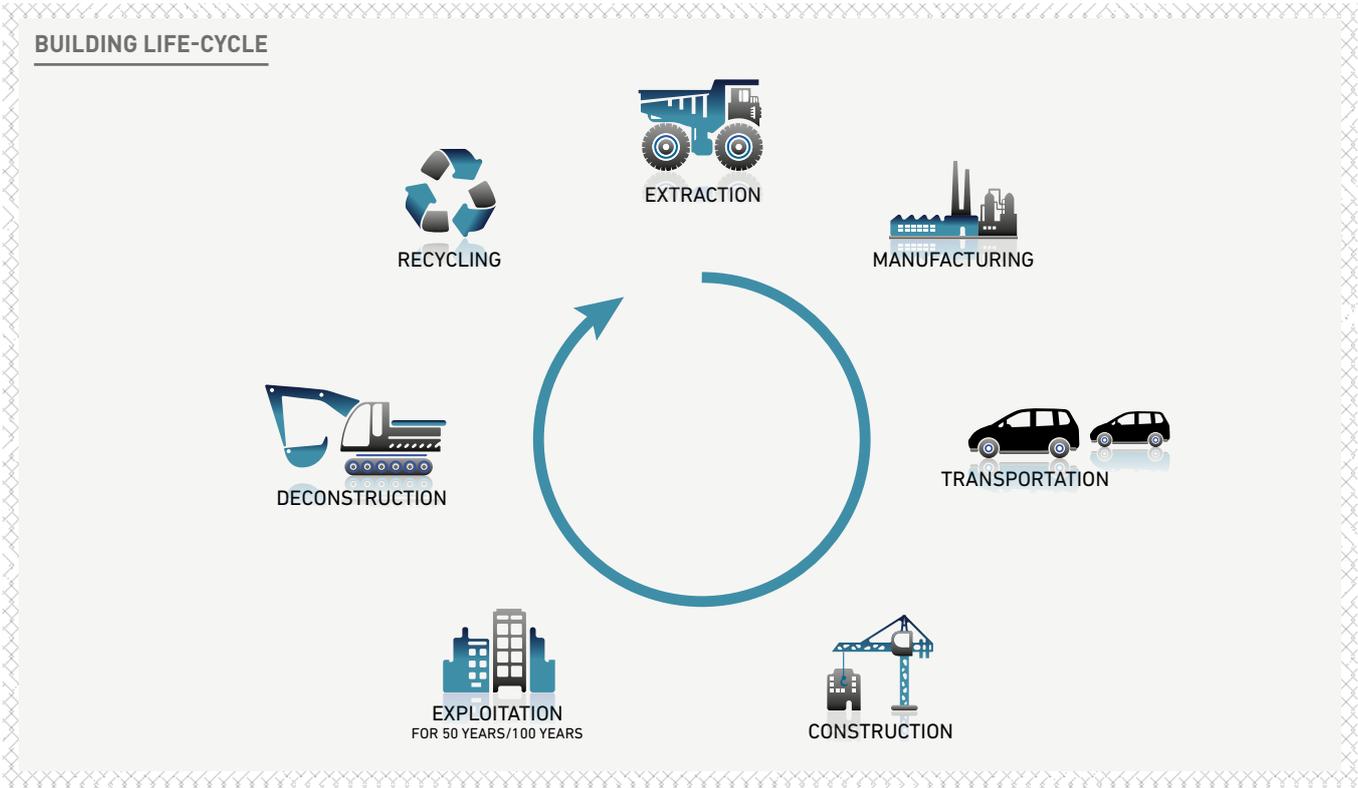
Starting in 2016, this programme will be put together with one of the largest ocean geothermal energy power stations in Europe, called "Thassalia", for four of the five assets remaining to be built. It will pump seawater from the Port of Marseille to feed heat exchangers and pumps that will produce either

heat or refrigeration to meet demand for both heating and cooling systems in the buildings. This installation will reduce greenhouse gas emissions by 70% and water consumption used in the cooling systems by two-thirds. Compared to a classic system, joining this installation will enable:

-40% of electrical consumption
+70% renewable energy
-70% of CO₂ emissions

-90% of refrigerants
-65% of water consumption
-80% of chemical product use

[Source: Cofely]



BERTRAND DELCAMBRE

PRESIDENT OF THE DIGITAL TRANSITION PLAN FOR BUILDINGS



As in most industries, real estate and buildings are on the cusp of a dramatic digital transformation. Through its involvement in major R&D issues, Foncière des Régions demonstrates its ongoing commitment to all innovative and structural topics (BIM digital modelling, Metrology, etc.), which open the way to digital buildings.

Building and Managing in 3D with BIM

The New Vélizy campus, developed by Foncière des Régions in Vélizy-Villacoublay close to Paris, is one of the first French buildings whose construction has benefited from Building Information Modelling, called BIM since 2012. Delivered in the autumn of 2014, this Thales headquarters, comprising three office buildings totalling 49,000 m², currently uses the BIM mock-up for its maintenance and operation.

Building Information Modelling (BIM) builds and sustains a comprehensive and coherent 3D building database, throughout the life of the project: design, completion, operation, deconstruction. This database allows all participants in the project to collaborate through one same platform, at each stage of the project. With 3D tools, precise plans and metrics can be prepared.

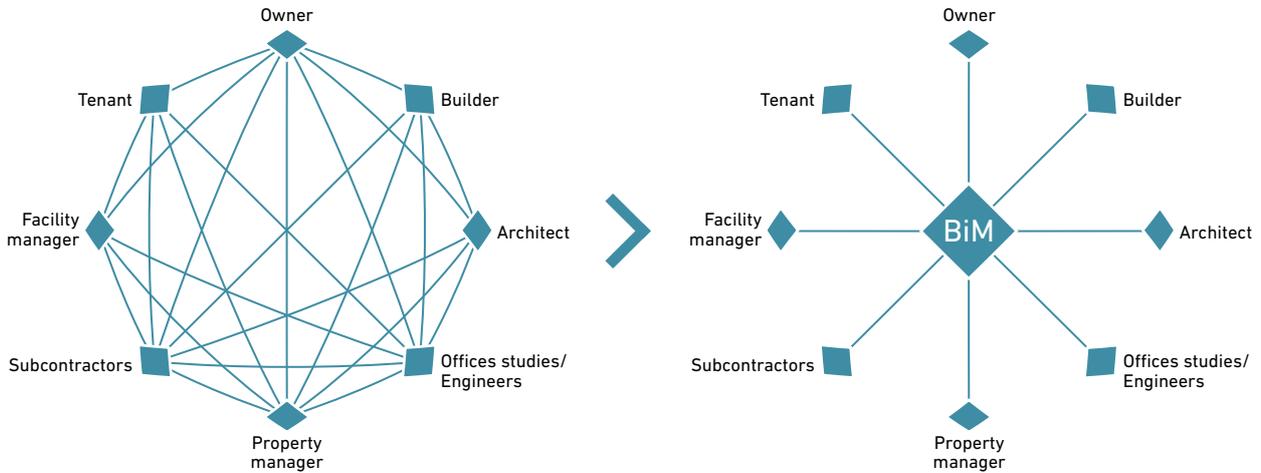
Going forward, using these procedures and tools should allow for construction that is quicker, less expensive and takes all environmental matters into account. In the case of the New Vélizy operation, 3D modelling has even allowed for better integration of the asset into the block where it sits, thanks to modelling of the land surrounding it.

Using this type of collaborative platform can also be useful for handling challenges related to “cleantech” (renewable energy, smart grids, etc.), waste treatment, transport, etc.

For Foncière des Régions, the BIM is a tool that helps in decision-making, design and management, and could make it easier to monitor operations at every stage of the life cycle. Once again, innovation is long-lasting and meets a triple objective of continually improving service quality provided to tenants, improving asset performance at all stages of its life cycle and creating synergies between the parties involved in the asset.



BIM: AN INTEROPERATIONAL PLATFORM



Inspired by Frank Hovorka and Pierre Mit's scheme presented in the working group "BIM and asset management".

IMPROVING THE ENERGY PERFORMANCE OF BUILDINGS

Foncière des Régions' goal is to reduce primary energy consumption per m² on average for its entire portfolio by the end of 2015 (the reference year being 2008); for the 2015-2020 period, the goal is an additional decrease set at 15% [see action plan pages 19 to 21].

In order to reach these ambitious goals, the overall energy policy applied to the portfolio enables it to use different drivers simultaneously: asset development and renovation, negotiations to acquire higher-performance assets, optimisation of site maintenance by using lessons learned from the first operating certifications obtained or in progress, annual work programmes (earmarking 15-20% for materials or equipment that improves building performance). All of these initiatives "mechanically" reduce energy consumption.

As a signatory of the French Charter for commercial and private building energy efficiency, Foncière des Régions communicates its energy consumption to the Sustainable Building Plan as part of an annual follow-up for the Charter.

Leading an ambitious works policy

Multi-annual work plans help keep up momentum in monitoring improvements to energy performance in the portfolio: without creating new expenses and simply ensuring that the work carried out helps control costs and saves energy. Thanks to this, every terrace waterproofing renovation job includes insulation criteria, every heating, air conditioning or lighting project is carried out featuring low energy consumption equipment, etc. Foncière des Régions also uses low-consumption lighting, materials and products (paint, carpeting, etc.) that are low in emissions of volatile organic compounds (class A+), and it upgrades systems (heating, air, etc.), which helps continuously improve the environmental performance of its portfolio. This work is performed while ensuring that they are eligible for energy savings certificates. In less than three years, close to €267,000 has been saved thanks to this mechanism.

In 2014, Foncière des Régions created a Green Work Site Charter for its tenants (covering all environmental aspects), which will ensure that their work takes into account matters related to energy, water, waste, noise, pollution risks, emissions into air and water as well as relations with locals, as best as it can.



THE DECREE OF 24 NOVEMBER 2014

This legislation requires companies with more than 250 employees whose annual revenue exceeds €50 million, or whose total balance sheet exceeds €43 million, to conduct energy audits by 5 December 2015. The audits must pertain to assets representing 80% of invoices (65% for the first year) and must be conducted every four years.

This requirement applies to the party that "manages the energy" – in other words, specifically the entity, analysed by SIREN, that pays the invoices and is able to carry out improvement work. In practice, Foncière des Régions is subject to this requirement for French, multi-let buildings that it directly manages. Tenants are managing this subject for single-let buildings.



JACQUES LEGRAND
DIRECTOR OF REAL ESTATE ENGINEERING
FONCIÈRE DES RÉGIONS



Our multi-annual work and asset renovation plans, conducted annually, constitute two catalysts to making our Offices portfolio greener. This policy increases the attractiveness of our portfolio, while improving the satisfaction of our tenants.

Monitoring improvements to energy performance in the portfolio

Monitoring consumption trends is carried out through an energy mapping programme conducted with CSTB, drawing a distinction between three asset "families": Orange, EDF and "other offices". From 10% in 2008 (sample of initial study), the collection rate increased to reach 79% of the portfolio's surface area by 2014, enabling the company to better understand its actual performance. At the same time, the level of energy consumption adjusted for climatic variations has fallen between 2008 and 2014 from 220 to

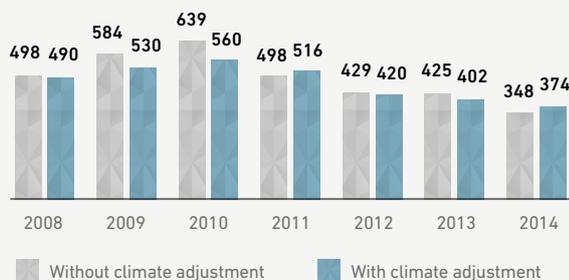
181 kWhfe/m²SHON/year, and from 490 to 374 kWhpe/m²SHON/year, representing a drop of 18% and 24% respectively, which is in line with the improvement of the portfolio's environmental quality and with the 25% reduction target by the end of 2015. These figures concern its French office portfolio in its entirety.

The reduction recorded in 2014 was due to efforts to reduce the portfolio's energy footprint as well as changes in the composition of the portfolio.

The two charts below show the results taking climate adjustments (summer and winter) into account, as calculated by the CSTB, so as to make consumption since 2008, the benchmark year, comparable.

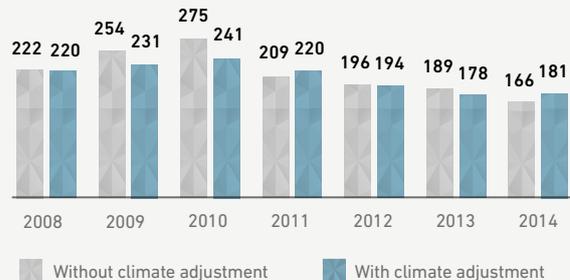
CHANGE IN PRIMARY ENERGY RATIO

(kWhpe/m²SHON/year)



CHANGE IN THE FINAL ENERGY RATIO

(kWhfe/m²SHON/year)

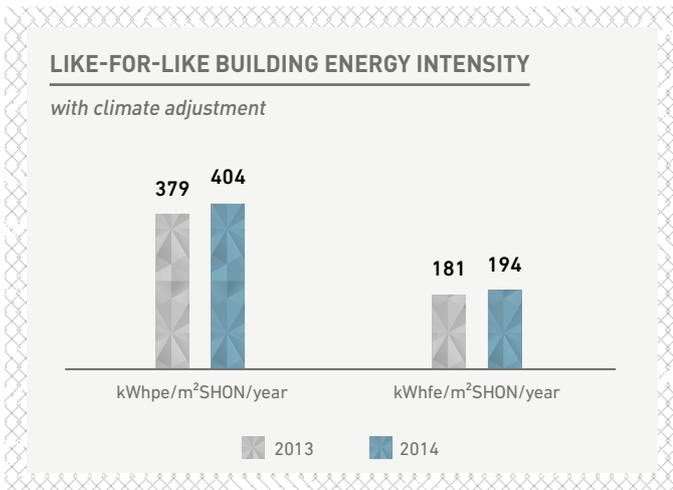


Consumption for the Office portfolio fell again between 2013 and 2014.

Like-for-like, energy consumption with climate adjustment showed a slight increase in final energy (consumed) and in primary energy (gross energy before transformation), theoretically reflecting the fact that improving the overall performance of Foncière des Régions' portfolio occurs by rotating the portfolio.

-23.7%

REDUCING FONCIÈRE DES RÉGIONS' AVERAGE PRIMARY ENERGY CONSUMPTION PER M² (FRANCE OFFICES) OVER THE 2008/2014 PERIOD



In addition to monitoring actual consumption (from invoices), monitoring Energy Performance Diagnostics carried out to meet regulatory requirements provides additional insight, albeit less qualitative. These tests are required for all locations and all asset sales. Valid for 10 years, they thus present a snapshot. The table below shows a breakdown of Foncière des Régions' Office portfolio according to Energy Labels from the EPC performed on the portfolio owned as at 31 December 2014. The percentage of assets tested accounted for 69% in value as at the end of 2014 (vs 65% as at the end of 2013).

BREAKDOWN OF THE FONCIÈRE DES RÉGIONS' OFFICE PORTFOLIO ACCORDING TO ENERGY PERFORMANCE CERTIFICATE ENERGY LABELS

Energy Label: energy consumption (kWhpe/m ² /year)	Value (€M)		Surface area (m ²)	
	Energy Label	2014	2014	2014
≤ 50 A	A	244 6.5%	57,399	3.3%
51-110 B	B	168 4.5%	112,516	6.5%
111-210 C	C	774 20.6%	194,222	11.2%
211-350 D	D	311 8.3%	181,749	10.5%
351-540 E	E	358 9.6%	243,308	14.0%
541-750 F	F	262 7.0%	142,194	8.2%
> 750 G	G	462 12.3%	260,341	15.0%
Total		2,579 69%	1,191,728	69%

REDUCING THE CLIMATE FOOTPRINT

The Intergovernmental Panel on Climate Change (IPCC) has highlighted a link between the acceleration of greenhouse gas emissions released into the atmosphere, which has been exponential since the Industrial Revolution, and climatic changes observed worldwide, including drought, desertification, melting glaciers, arctic warming, elevated sea levels, etc.

A two to four degree rise in temperature on average is expected during the 21st century, and the consequences of this on flora and fauna, including species extinctions, are incalculable today. This trend is in addition to different environmental degradations (pollution, deforestation, etc.) associated with human activity.

In addition to World Climate Summits (the next of which will be held in Paris in late 2015) and European or national initiatives, Foncière des Régions believes that it is everyone's responsibility to adopt responsible behaviour. In order to reduce its carbon footprint and combat climate change, the group adopted a global carbon and reporting policy in 2010 enabling Foncière des Régions to monitor the progress against its action plans.

Reducing carbon emissions from buildings

Since 2010, Foncière des Régions has also aimed to control greenhouse gas emissions to levels below 26 kgCO₂e/m²SHON/year on average in its French operational offices portfolio. Carbon emissions and embodied energy are systematically and extensively analysed for all new operations, renovations and work carried out on the portfolio. The LCAs (see page 27) supplement this process in order to adopt the best solutions at an equivalent price. Modelling based on technical solutions, cross-referenced with financial feasibility studies, optimises the balance between environmental and financial performance.

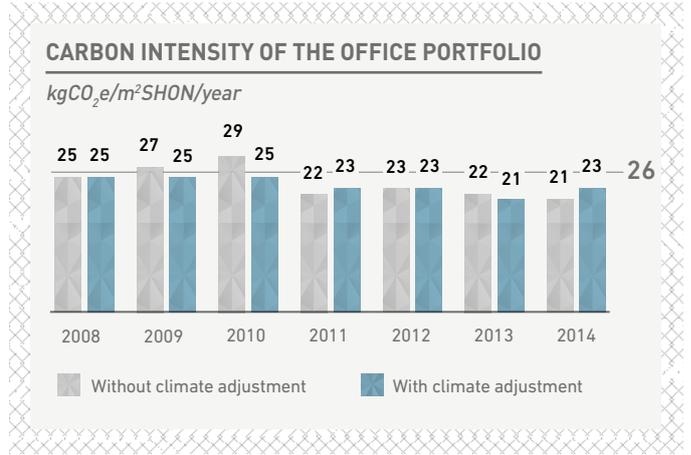
For instance, based on regulatory calculations, renovations carried out on its operational portfolio resulted in a reduction of emissions in the Le Patio building in Lyon-Villeurbanne to 3 kgCO₂e/m²/year, those of the Le Floria building in Fontenay-sous-Bois to 3 kgCO₂e/m²/year and the Clermont-Ferrand ERDF site to 5 kgCO₂e/m²/year. The decline reached -92% in the case of the last operation.



Measuring to reduce

In order to ensure maximum transparency, Foncière des Régions' carbon reporting follows EPRA and GHG Protocol recommendations. In addition, Foncière des Régions asked CSTB, responsible for all of the group's environmental indicator calculations, to estimate each business activity's largest greenhouse gas emissions. The results showed a substantial percentage of carbon among them.

The carbon footprint adjusted for climactic differences has declined from 25 kgCO₂e/m²SHON/year for the portfolio in 2008 to 23 kgCO₂e in 2014 (vs 21 kgCO₂e in 2013), i.e. a decrease of 8%. Over the 2013/2014 period, the increase recorded reflects a more carbon-heavy energy mix over the entire reporting scope.



On a like-for-like scope, carbon emissions increased 8.6%, with climate adjustment. These results are broken down by greenhouse gas in the table below.

GHG emissions like-for-like	2013	2014
CO ₂	20.867	22.712
CH ₄	0.015	0.015
NO ₂	0.283	0.302
HFCs	0.000	0.000
PFCs	0.010	0.011
SF ₆	0.097	0.102
NF ₃	0.000	0.000
Other	1.446	1.539
Total emissions (kgCO₂e/m²SHON/year)	22.7	24.7

Lastly, Foncière des Régions' carbon footprint approach for the Offices portfolio according to the EPCs performed on 68% of the surface area owned as at 31 December 2014.

The table below presents the breakdown according to the Carbon Label called the "Climate Label":

Climate Label: greenhouse gas emissions (kgCO ₂ e/m ² /year)	Value (€M)		Surface area (m ²)		
	Climate Label	2014	2014	2014	
≤ 5 A	A	21	1%	29,235	1.7%
6-15 B	B	406	11%	168,057	9.7%
16-30 C	C	1,310	35%	509,994	29.4%
31-60 D	D	563	15%	231,030	13.3%
61-100 E	E	194	5%	161,077	9.3%
101-145 F	F	10	0%	12,536	0.7%
≥ 145 G	G	76	2%	79,798	4.6%
Total		2,579	69%	1,191,728	69%



Euromed Center, Marseille

CONTROLLING HEALTH AND CLIMATE RISKS

Asset acquisition and management require carrying out a certain number of diagnostic tests, which may be mandatory depending on the asset's construction date, and include asbestos, pest report according to the municipality (e.g., termites), physical and geological risks report (e.g. risks of flood, subsidence, coastal submersion, Seveso risks, etc.), energy performance certificate, as well as lead, electricity and gas for housing units.

With attention to the specific requirements for ICPE sites (i.e. establishment classified for environmental protection) Foncière des Régions strives to control the health and environmental risks of all its office assets.

These risks may be subjected to additional investigations (ground contamination, etc.), periodic monitoring (asbestos, for example) or specific analysis (legionella, etc.).

Each asset undergoes all regulatory diagnostic testing.

Foncière des Régions has a dedicated team responsible for matters related to environmental safety. It is involved in the analysis of acquisitions, and again during the management period, up to the creation of data rooms for sale.

As at 31 December 2014, the main risks for the Foncière des Régions Offices portfolio related to 375 sites (vs 423 at 31 December 2013 – a difference due to disposals), were as follows:

Area	Diagnostic procedures in place			
	2013		2014	
Technological and natural risks – number of cases surveyed	423 ⁽¹⁾	100%	375	100%
Polluted sites and ground: pollution risks – number of sensitive sites	125 ⁽²⁾	100%	121	100%
Cooling towers – number of sites concerned	2 ⁽³⁾	100%	2	100%

⁽¹⁾ Status of risk surveys in place.

⁽²⁾ Sites where the history and use suggest a ground pollution problem.

⁽³⁾ Sites where the operator of the tower is the owner.

As in previous years, in 2014, Foncière des Régions was not convicted nor had any judgement against it for failure to comply with environmental regulations. Foncière des Régions has therefore never had to book provisions or guarantees for contingencies in the environmental domain.



LIMITING ENVIRONMENTAL IMPACTS BY ANTICIPATING REGULATIONS

Reducing water consumption

A building consumes water both during its construction (concrete, cleaning, etc.) and during its operation (occupier usage, housekeeping, watering, cooking, etc.). The new operations developed by Foncière des Régions most often recover rain water and use it for watering.

Regarding its operating Offices segment, Foncière des Régions has set an objective of measuring and monitoring water consumption across the entire reporting scope. With the operating portfolio, reducing its water footprint involves systematically using water-saving equipment and carefully monitoring consumption, whether this concerns the occupants or, where applicable, company restaurants and green spaces.

To this end, a water usage reporting campaign is carried out each year among tenants. It has reached 90% for assets falling under "operational control", namely the multi-let sites managed directly by Foncière des Régions teams, and 40% of single-let buildings, for which the tenants report their usage. All of these consumption figures are detailed in pages 96 to 105.

For the 2015/2020 period, Foncière des Régions' goal will be to keep water consumption below 0.5 m³/m²/year in its France Offices operating portfolio, and monitor volumes used as part of development and renovation operations.

Analysing the impacts of business activities on biodiversity

Foncière des Régions aims to manage the sites that it holds in such a manner as to make them true drivers of biodiversity. Pages 71-72 present Foncière des Régions' policy on biodiversity.

With the operational offices portfolio, the BREEAM In-Use certification procedures carried out in 2013 and 2014 led to the completion of advanced environmental studies by a specialised firm. These allow for defining areas of progress for each site concerned and for progressively creating a biodiversity map for the portfolio.

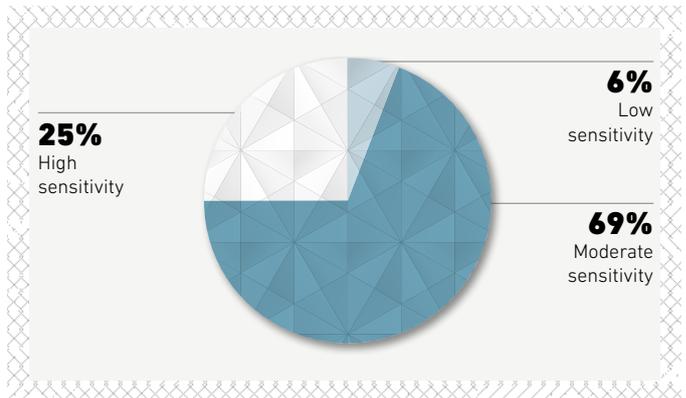
Furthermore, an analysis was carried out in 2014 on 16 out of 20 Office sites whose green spaces Foncière des Régions' teams directly manage (the green spaces of single let sites are managed by the tenants), in order to assess the impact of business activities on biodiversity. Most of these sites are located in the Paris region and the other assets are spread out across France.

An analysis was carried out regarding four GRI 4 Biodiversity indicators.

Sensitivity of site location in relation to ecological interest areas

The G4-EN11 indicator provides information on "operational sites owned, leased or managed in protected areas or adjacent to protected areas, as well as areas with high levels of biodiversity outside protected areas". Protected areas (Natura 2000, Protection Decrees and Biotope), and areas with high levels of biodiversity (natural areas of ecological, flora and fauna interest, called ZNIEFF) were identified within 1, 2, and 5 km radii of each site studied using analysis and mapping data.

Result: none of the sites in the research scope were located in ecological interest areas as defined by the GRI, and only 25% of sites were located close to several areas subject to regulations or with high levels of biodiversity.



Breakdown of sites according to their ecological sensitivity:

- ♦ Low sensitivity: no ecological interest area within a 5 km radius.
- ♦ Moderate sensitivity: between one and three ecological interest areas, including at least one Natura 2000 protected area.
- ♦ High sensitivity: more than three ecological interest areas, including several Natura 2000 protected areas.



Impact of sites on ecological interest areas

The G4-EN12 indicator describes “significant impacts of activities, products, and services on biodiversity in protected areas and areas with high levels of biodiversity outside protected areas”.

Result: at the end of the mapping analyses, no site in the study was located in an ecological interest area, which means that the impact of sites studied on these areas is very low.

Foncière des Régions’ business does, however, have an impact on biodiversity.

The construction of new buildings can cause the destruction or fragmentation of natural areas. Work site stages are also sources of disruption for flora and fauna, especially if the work site stage is taking place during breeding periods.

The consumption of construction materials also indirectly impacts biodiversity. The type of material (renewable or not) and conditions of their use (pollution, habitat destruction, not restoring habitat after use) are both criteria to take into consideration to reduce the impacts of this “embodied biodiversity” (*ex-situ*).

Lastly, in designing and managing building green spaces, it is possible, for instance, to encourage the implementation of continuous green space areas that are more favourable to biodiversity than several small and broken up plots; to limit glass surfaces, which can cause bird collisions and to reduce light pollution, harmful to nocturnal insects and a certain number of bat species.

Arranging green spaces helps make sites favourable areas for biodiversity through:

- ◆ **landscaping**
 - ◆ surface area of green spaces and continuity
 - ◆ selecting planted and seeded varieties
 - ◆ presence of areas favourable to biodiversity
- ◆ **managing green spaces**
 - ◆ maintenance schedules (e.g. grass cutting)
 - ◆ using plant protection products.

Presence of sites in protected or restored habitats

The G4-EN13 indicator “Presence of sites in protected or restored habitats” aims to indicate the surface area and location of protected or restored habitats under the influence of the company’s business activities.

Result: out of all the habitats present on Foncière des Régions’ sites that underwent analysis and ecological visits, none were in protected or restored habitats. Therefore, these sites have no impact on protected or restored habitats.

Impact of sites on species appearing on the IUCN’s red lists

The G4-EN14 indicator “Impact of sites on species appearing on the IUCN’s red lists” aims to define the “total number of threatened species appearing on IUCN’s global red list and on its domestic equivalent and whose habitats are located in areas affected by business activities, by level of extinction risk”.

Result: the ecological diagnostic tests performed under BREEAM In-Use certifications obtained did not observe animal species appearing on the IUCN’s red lists. Therefore, there was no impact.

Producing less and less waste

Aware of the advent of the circular economy, Foncière des Régions is committed to raising awareness of waste-related challenges among its tenants and its staff at its own premises by promoting waste recycling (see page 84), as well as at its work sites (developments, renovations and major repairs).

In France, the municipalities manage waste removal in almost all of the assets owned by Foncière des Régions. The only information likely to be collected from the company concerns the selective nature (or not) of the collection. Out of the entire portfolio of assets owned by Foncière des Régions as at 31 December 2014, 100% benefit from selective collection (*i.e.*, separate collection of different waste streams to allow for it to be recycled or disposed of most appropriately).





However, on a few sites, there are private companies that are responsible for waste removal, which enables to monitor waste tonnage by type and percentage of waste recycled (see page 105). This is the case in Foncière des Régions locations where 100% of paper and cardboard have been recycled for more than five years.

Lastly, development and renovation operations are strictly monitored in terms of waste production, just like energy and water consumption.

For example, the table below presents an extract from a work site's consolidated environmental reporting.

New Vélizy in Vélizy-Villacoublay	
Offices surface area (<i>m²SHON</i>)	45,262
Energy consumption	2,299,296 kWh
Water	N/A
Non-hazardous waste (DIB) (<i>tonnes</i>)	658
<i>Of which % recycled/reused</i>	74%
<i>Of which % incinerated for recycling as energy</i>	21%
<i>Of which % buried/dumped</i>	5%
<i>Of which % managed by the municipality</i>	N/A
Hazardous Waste (<i>tonnes</i>)	23.4
Inert Waste (<i>tonnes</i>)	734

Consumer health, indoor air quality

After home, the office is the most frequented place for a fair amount of French people. There are several factors related to quality of work environment that influence employee health, well-being and performance, such as air quality, acoustics, lighting, etc. At the same time, there is currently little data on these spaces in comparison to homes and living areas welcoming children. The European OFFICAIR research project thus set the objective of studying air quality and comfort in new or recently renovated office buildings in Europe. In France, 21 office buildings participated in the project between 2012 and 2014 (out of a total of 167 spread across eight countries), two of which were buildings of Foncière des Régions.

Several lessons were learnt from this project. For example, the first reference framework of data pertaining to the air quality inside office buildings, is available today due to measures implemented (volatile organic compounds, ozone, nitrogen dioxide, particles, etc.). Reproduced during two contrasting seasons (summer/winter) and under various configurations, particularly on different floors of a building, these measures help to understand the effect of certain parameters: proximity to the road, influence of the temperature, etc. Additionally, an intervention study conducted in one building per country (eight buildings in all) revealed the emission of volatile organic compounds by floor cleaning products for the first time. A decrease in aldehyde concentration in the air was observed in the air of the spaces where a lower-emission product was used to clean the floors every day. The contribution of office equipment, printers and photocopiers, was not shown in the project, as ozone and particle concentrations are more often associated with concentrations measured in outside air. This can be related to the fact that this equipment is often placed in dedicated rooms, a location that remains preferable.

The currently available data remains limited to a few buildings for France, including the two Parisian headquarters of Foncière des Régions. In order to enlarge the sample, the Observatory of Interior Air Quality (OQAI) launched a national campaign to measure interior air quality and comfort in 300 office buildings spread out across all of France. Foncière des Régions is also a participant in this unique campaign.



CORINNE MANDIN
MANAGER OF THE "EXPOLOGIE" DEPARTMENT
INTERIOR AIR QUALITY OBSERVATORY, CSTB



The CSTB, operator of the Interior Air Quality Observatory (OQAI), is conducting the first air quality studies in offices. Foncière des Régions was involved in the European Officair study carried out between 2012 and 2014 and will also be joining us in contributing to the current national campaign, which includes air quality and user comfort criteria.



Noise nuisance pollution

Noise is one of the factors related to a building which has one of the largest impacts on employee productivity. Comfort and user well-being are key concerns for Foncière des Régions, so the company strives to make buildings that optimise acoustics for occupants, while taking into account the growing demand for open space and modular locations as well as urban density: protecting occupants from exterior noise and reducing the building's noise nuisance (rooftop equipment, etc.) for third parties (locals, etc.).

Land use

Aware of the decreased availability of fertile/food-producing land and ground water (soil sealing), as well as of flood risks, Foncière des Régions strives to limit urban sprawl by including its developments in requalification operations that encourage "rebuilding the city on top of the city". For instance, the operations in Cœur d'Orly, Green Corner (Saint-Denis), New Vélizy (Vélizy-Villacoublay) or Euromed Center (Marseille), illustrate this approach: they add value to already urbanised land and to existing assets, thus helping to safeguard still untouched areas with strong potential for biodiversity.

As at 31 December 2014, Foncière des Régions is not concerned by an obligation to decontaminate or clean up one of its sites in operation.

Foncière des Régions has implemented reporting on various risks considered as relevant to its business activities:

Once again this year, Foncière des Régions has not had a conviction or judgement rendered against it for not complying with environmental regulations and has never had to book provisions or provide guarantees for environmental contingencies.

Adapting to the consequences of climate change

Following the 5th Assessment Report published in 2014, the Intergovernmental Panel on Climate Change (GIEC), and the work of the National Observatory on the effects of global warming (ONERC), Foncière des Régions has identified the main paragraphs which could have an impact on its business activities and has implemented measures to prevent and adapt as necessary, which aim to:

- ♦ reduce the vulnerability of occupants to the effects of heat waves and increase summer comfort requirements in buildings
- ♦ analyse the risks of temporary or permanent river or sea flooding (flood risk prevention plan – PPRi) resulting from rising sea levels and due to storms
- ♦ study land quality and its vulnerability to flooding prior to any acquisition, and adapt building foundations to ground instability (shrinking and swelling of clay-based soils)
- ♦ implementing recommended provisions in regulations of Natural Risk Prevention Plans.

Risks	Number of sites concerned	
	2013	2014
Subsidence	44	46
Earthquake	2	2
Flood	84	75
Thermal effect	3	3
Waiver effect	3	3
Toxic effect	2	2
Drought	13	10
Avalanche	0	0
Forest fires	9	10
Torrential rain	0	0
Cyclone	0	0
Rise in groundwater level	2	2
Volcano	0	0
Mining	0	0
Other mining risks	1	1
Other natural risks	32	30
TOTAL	195	184



**STRONG PARTNERSHIPS WITH
TENANTS THAT STRENGTHEN
THE HOTELS AND SERVICE
SECTOR BUSINESS**

Pullmann, Roissypole



With over 400 hotels in Europe, Foncière des Régions is the European leader in the Hotels and Service Sector.

28.5% owned by Foncière des Régions and controlled via a partnership structure, Foncière des Murs has built up recognised expertise in acquiring and increasing the value of real estate portfolios outsourced by leading players in the various sub-sectors, including hotels (Accor, B&B Hôtels, Louvre Hotels Group, NH Hotel Group and Meininger), restaurants (Courtepaille, Quick), health (Korian) and retail (Jardiland).

The occupancy rate of the assets remained at 100% at year end 2014, with long leases offering a residual term of 6.8 years on average.

As at 31 December 2014, the Hotels and Service Sector portfolio was valued at €3.2 billion, covering a total area of 1.45 million m².

The Hotels and Service Sector's staff belongs to the Foncière des Régions Economic and Social Unit.

INNOVATING TO SUPPORT USERS

In 2014, Foncière des Régions expanded its presence in hotels, assisting the French hotel group B&B Hôtels with the financing of its organic growth in Germany through the development of 10 or so hotels in Berlin, Frankfurt, Hamburg and Munich, representing almost €50 million. Other geographic diversification by the group were the acquisition of the 4* NH Amsterdam hotel for €48.3 million, let to the NH Hotel Group under an indexed, fixed-rent, 20-year, firm, triple net lease, the development of a partnership with Meininger, a chain which rolling out across Europe a hybrid hotel concept where rooms or beds can be rented, targeting both families and business travellers.

The needs and strategies of tenants have changed since Foncière des Régions started this business in the early 2000s.

Now, a certain number of operators are looking to sell businesses as well as premises. Always looking to innovate and support its partners, Foncière des Régions decided to innovate by establishing a new structure, led by hotel management specialists, dedicated to investing in hotel premises and businesses. With an investment capacity of at least €300 million in 2015, this new structure will expand its delivery models in conjunction with leading European hotel chains, starting with the purchase of two Motel One hotels in Germany, for €104 million, with a view to transforming them into "Première Classe" hotels (via a management contract with Louvre Hotels Group), as well as the off-plan purchase from Eiffage of a 305-room Pullman hotel (€55 million) in Roissypole (Roissy-Charles de Gaulle airport), which will be run by Accor, also under a management contract.

DESIGNING ECO-FRIENDLY ASSETS

Since 2010, Foncière des Régions has set itself the goal of having all new developments in its hotels and service sector portfolio designated "green", namely having the construction and/or usage certified (HQE or BREEAM, or LEED, or equivalent) and/or designed in line with recognised energy performance standards (BBC-effinergie, HPE, THPE, RT Globale).

The construction of the B&B Porte des Lilas hotel, completed in June 2014, is an example of this, with receipt of HQE "Commercial Buildings-HQE Approach-Hotels" certification, the Clé Verte-Hôtel label, and a level of conventional energy consumption around 45% below the 2005 French thermal regulation, equivalent to the THPE EnR label. This 7,104 m² and 265-room complex was built in an urban renewal zone. The rooftop equipment was carefully considered in order to limit noise nuisance and the terrace of one of the two buildings was planted and the rainwater collected.

This hotel boasts very high-performance equipment: production of domestic hot water (DHW) using a Heliopac system covering 50% of DHW needs; Technical Building Management (TBM) to manage equipment; dual-flow air treatment unit with energy recovery and full exterior insulation.

Moreover, this building is the first hotel in France to have undergone a life cycle analysis (LCA). Reporting to CSTB as part of the HQE Performance programme, this LCA covered the 11 programme indicators and constitutes a unique tool for analysing the various areas of impact: energy and embodied energy, carbon, materials, water, waste, etc. This analysis showed that the Heliopac system made it possible to reduce the impact of the Energy Module by 33% and to save 118 kWhpe/m²SHON/year, thereby avoiding the production of 2.5 tonnes of radioactive waste during the asset life cycle, modelled over 50 years.



SPEEDING UP THE ENVIRONMENTAL TRANSITION OF THE PORTFOLIO

In the Hotels and Service Sector segment, Foncière des Régions has so-called “triple net” leases, meaning that the tenant is responsible for ongoing maintenance, the major works in Article 606 of the French civil code as well as taxation. Foncière des Régions therefore has very limited scope for managing the energy and environmental performance of single-let buildings outside of specific works programmes, such as those agreed in return for an extension to the lease and/or an increase in rent.

The sustainable development partnership committees, established since 2009, have nevertheless facilitated the signing of environmental annexes, as well as the energy and environmental mapping of assets, which has involved measuring their environmental footprint across some twenty indicators.

Improving the environmental performance of its assets through environmental annexes

The partnerships developed with tenants have enabled the inclusion of environmental annexes in all leases for premises over 2,000 m².

Since 2013, environmental annexes have been included in 100% of the leases covered by this requirement (new or in progress). Furthermore, portfolios comprising assets that are individually under the regulatory threshold of 2,000 m² (e.g. Quick, Courtepaille) also added environmental annexes.

These annexes in particular cover rules governing the communication of data on utility consumption required for the detailed reporting in pages 106 to 108. In such cases, tenants are asked to participate in studies (energy, biodiversity etc.) or provide feedback (asset certification, metrology-metering, carbon footprint etc.).

34.1%

**OF THE HOTELS AND
SERVICE SECTOR PORTFOLIO
IS ISO 14001 CERTIFIED**

Improving the energy performance of its assets

Since operating expenses are often second among expense items after payroll for businesses in the hotel and health sectors, the tenants in the Hotels and Service Sector portfolio are particularly sensitive to matters involving energy or water use.

While in-use certification (HQE Exploitation, BREEAM In-Use, LEED EBOM) has not yet been rolled out in the hotel sector, Foncière des Régions has nevertheless decided to carry out a number of tests in 2015, in coordination with four of its tenants, in order to make them aware of these new tools. In addition, a number of them prefer ISO 14001 certification, in order to ensure widespread application of best practices and CSR reporting on their portfolios. Accor has thus rolled it out across its Ibis and Novotel hotel portfolios. At year end 2014, 34.1% of the Hotels and Service Sector portfolio was already ISO 14001 certified.

Measuring in order to reduce the footprint

The energy and environmental mapping done with CSTB in 2009-2010 on the Accor, Courtepaille and Quick portfolios was extended in 2011 to the Jardiland and Korian portfolios, and in 2014 to the B&B Hotels one. Updated each year, for energy and water it covers circa 85% of the total surface area of the consolidated reporting scope of the Hotels and Service Sector portfolio as at 31 December 2014. The twenty indicators used are common to the different activities of Foncière des Régions and its subsidiaries; similarly, an IT tool, designed by CSTB, allows asset and property managers to consult summary files for each asset or to analyse them again.

Each asset is occupied by a single tenant, who retains operational control of maintenance, with no “operational control” (direct management) over the building by the owner. Foncière des Régions does not have any energy supply contract for the Hotels and Service Sector portfolio.

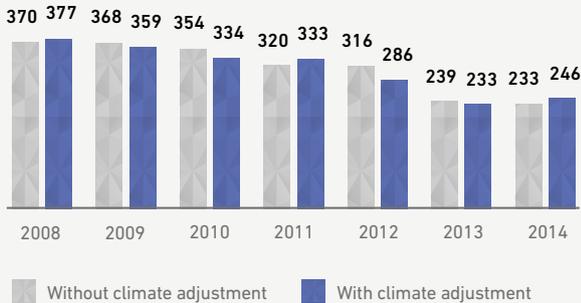
The two charts below show the results with and without climate adjustments (summer and winter), as calculated by the CSTB, so as to render them more comparable since 2008, the baseline year for Foncière des Régions.

Overall consumption shows a slight increase in final energy (energy consumption) and a further reduction in primary energy (gross energy before transformation), as a result of changes to the portfolio and an energy mix that used a little less electricity and more gas in 2014 compared to 2013.



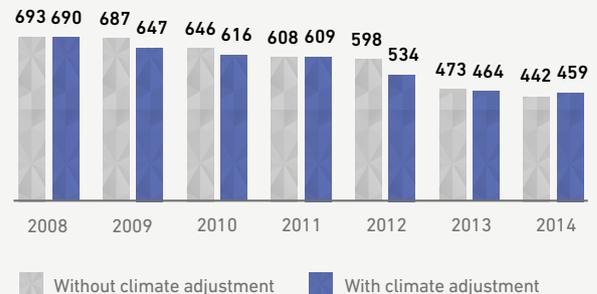
CHANGE IN FINAL ENERGY RATIO
(with and without climate adjustment)

kWhfe/m²SHON/year



CHANGE IN PRIMARY ENERGY RATIO
(with and without climate adjustment)

kWhpe/m²SHON/year

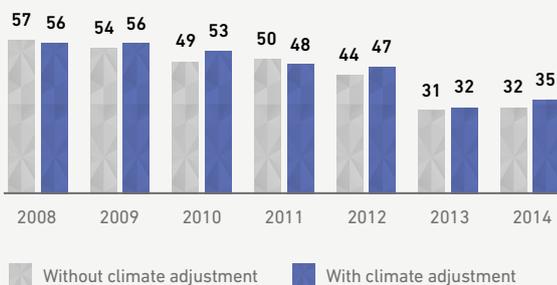


Mitigating climate impact

Since 2008, the baseline year for the calculation of the carbon footprint of the Hotels and Service Sector portfolio of Foncière des Régions, CO₂ emissions have gone from 57 kgCO₂e/m²SHON/year in 2008 to 35 kgCO₂e/m²SHON/year in 2014, a 38.6% reduction. The increase in the emission ratio per m² reflects a greater proportion of assets heated with gas in 2014 compared to 2013. However, like-for-like, a reduction of close to 1.5 kgCO₂e/m²SHON/year was achieved over the period.

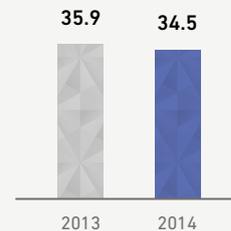
CHANGE IN THE CARBON RATIO OF THE PORTFOLIO
(with and without climate adjustment)

kgCO₂e/m²SHON/year



CARBON INTENSITY OF THE PORTFOLIO LIKE-FOR-LIKE
(with climate adjustment)

kgCO₂e/m²SHON/year

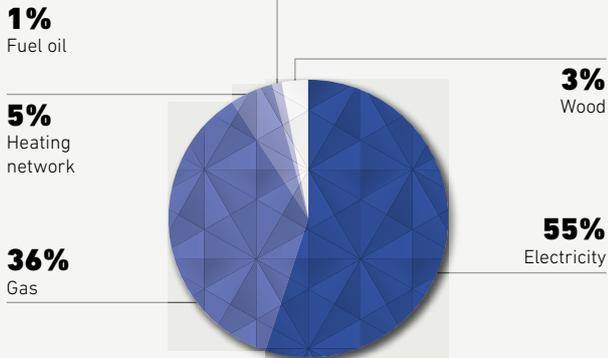


B&B Porte des Lilas, Paris



STRONG PARTNERSHIPS WITH TENANTS THAT STRENGTHEN THE HOTELS AND SERVICE SECTOR BUSINESS

ENERGY MIX OF THE PORTFOLIO IN 2014



Saving water

The tenants of the Hotels and Service Sector portfolio of Foncière des Régions have implemented water usage reduction programmes, which involved raising awareness among their staff and among their clients.

When an asset is occupied by a single tenant, it is the latter who signs a water supply contract. All of the water consumption figures used for the calculations reported in page 108 are taken from invoices.

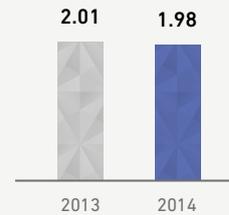
Nevertheless, Foncière des Régions is focussed on gaining a deeper understanding of its portfolio through having an environmental footprint of it. It thus set itself the goal of measuring and monitoring water consumption across 100% of the entire reporting scope, which represents 94.8% in value (81.8% of the area) of the portfolio owned at year end 2014.

For 2014, the water consumption data collected covered 84% of the entire reporting scope (in area) vs 87% in 2013.

The graph below shows stable consumption like-for-like between 2013 and 2014. The portion of hotels with restaurants directly affects this ratio, in line with acquisitions and disposals. The existence or otherwise of landscaped areas affects asset consumption to a lesser extent. On the other hand, the water consumption ratio like-for-like was unchanged between 2013 and 2014.

WATER INTENSITY OF THE PORTFOLIO, LIKE-FOR-LIKE

m³/m²/year



Sofitel, Marseille



Meininger, Bruxelles, Belgique

Preserving biodiversity

As each asset is let to a single tenant, the leases assign responsibility for building use to the user. While Foncière des Régions does not control day-to-day management and in particular matters relating to landscaped areas, it is nevertheless committed to rolling out the biodiversity policy across the group, with the objective of better designing its future locations and reducing the environmental impact of its assets.

It is therefore by raising tenant awareness and the exchange of tools and analysis, in particular through the sustainable development committees, that issues such as biodiversity, transportation, etc. are addressed. Many major partners of Foncière des Régions thus took part in the mapping of corporate gardens carried out between 2012 and 2014 at a certain number of sites, in order to look at the existing biodiversity drivers and, above and beyond the ecological inventory, at what could be done to help conserve animal and plant species.



Motel One, Magdeburg, Allemagne

Optimising waste management and treatment

Strict regulations govern the removal of food waste (requirement to install grease traps, etc.); these provisions apply to hotel (Accor, B&B Hôtels) and restaurant tenants (Courtepaille, Quick), in the same way as hygiene considerations in general and consumer health in particular. Similarly, health assets (Korian) are subject to the rules governing health establishments that ensure waste is treated in an optimal manner.

Apart from this specific waste, the collection of non-hazardous waste in France is generally done by local authorities, which do not provide information on the volumes or tonnages collected. Municipalities are moving towards widespread waste sorting: at year end 2014, of the 75% of assets within the entire reporting scope providing information on the existence or otherwise of selective sorting, 100% had selective collection. These issues are reviewed at the partnership committee meetings with tenants in line with the provisions of the environmental annexe in order to identify paths toward progress.



NH Hotel Group, Amsterdam

Managing environmental risks

Leases of the Hotels and Service Sector of Foncière des Régions systematically stipulate that the tenant retains control of and responsibility for environmental risks, the user or the site manager being responsible for the premises for the purposes of regulations governing environmental risks.

Nevertheless, upon acquisition and throughout the ownership of each asset, Hotels and Service Sector staff examine environmental safety issues (ground pollution, asbestos, etc.).

At 31 December 2014, no land within the Hotels and Service Sector portfolio owned by Foncière des Régions was required to be cleaned up or decontaminated for legal site operation. Like in previous years, in 2014 the business was not convicted nor had any judgment against it for failure to comply with environmental regulations and did not need to book provisions or provide guarantees for environmental contingencies.



**THE PERFORMANCE
OF THE LOGISTICS
BUSINESS**



Logistique, France



In the context of the strategic refocusing carried out by Foncière des Régions, new policies were conducted in the Logistics activity in 2014, leading to a reduction in assets from €791 million at the end of 2013 (87.1% France and 12.9% Germany) to €288 million at 31 December 2014 (100% France).

As part of Foncière des Régions' strategic shift in focus, the logistics business was subject to new changes to its portfolio in 2014, which meant reducing the portfolio from €791 million in value at year end 2013 (87.1% France and 12.9% Germany) to €288 million at 31 December 2014 (100% France). The most significant disposal concerned 17 logistics platforms, representing a total surface area of nearly 750,000 m² located in France and Germany, which were sold to Blackstone for €473 million. These sites form part of Logicor, Blackstone's European logistics platform, and include in particular "Garonor", a platform that has benefited from several environmental investments, with in particular building

renovations aimed at BREEAM certification and a Biodiversity policy that earned the EVE label®.

Within this framework, and bearing in mind the sales programme, the environmental initiatives on the Logistics portfolio focus on fluid monitoring and cost control, biodiversity challenges that overlap with the group's policy, the monitoring of health and environmental risks, and, in all cases, operating permits and ICPE sites (installations classified for environmental protection), which are among the most important challenges related to logistics.

The teams in charge of the logistics portfolios form part of the Foncière des Régions ESU.

CHALLENGES SPECIFIC TO LOGISTICS

Logistics assets most often comprise a main component dedicated to storage, and an office component. Only the office component is subject to Thermal Regulations, as storage areas kept below 12° (in order to frost-protect inventories) are not targeted.

From an energy consumption and carbon emissions perspective, greenhouse gas footprints and the life cycle analysis of Logistics buildings show that the buildings have a marginal impact compared with that of the related transport methods. The quality of locations is thus decisive in Logistics. Foncière des Régions'

Logistics assets have relevant locations in terms of road, rail, river or sea connections. Besides being accessible to multiple modes of transport, the sites are close to city centres, facilitating the use of electric vehicles.

The energy and environmental mapping study conducted on this portfolio in 2009, which is updated and fleshed out each year, has revealed the fact that, considering the cost of building logistics assets, the drivers for improving energy efficiency mainly focus on lighting and the insulation of facades (frost-free double skin).

REDUCING THE ENVIRONMENTAL FOOTPRINT

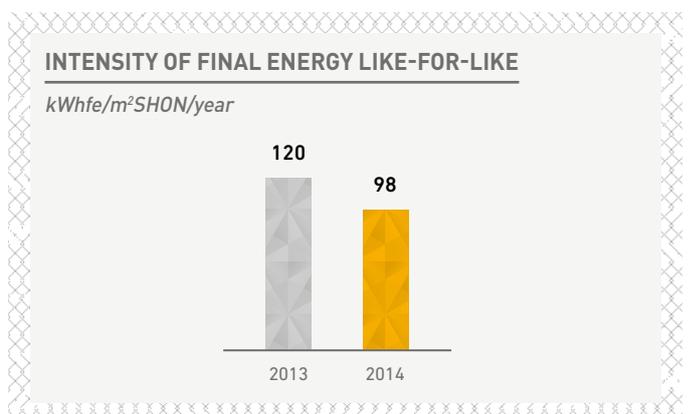
For each of these portfolios, Foncière des Régions strives to reduce its entire environmental footprint, which entails the measurement of several indicators: energy and water consumption, carbon emissions and waste management.

The energy and water consumption monitored as part of the Logistics portfolio are those covered by Foncière des Régions and re-invoiced to tenants: they concern collective equipment and the common areas of multi-let sites, managed by the group's property management teams.

Improving energy performance

Energy consumption is subject to careful monitoring, based on the use of two types of information:

- Consumption for the scope managed directly saw a slight increase between 2013 and 2014, from 86 to 91 kWh/m²SHON/year. Like-for-like, the data recorded shows a considerable decrease in gas consumption (-20%) and an increase in electricity consumption (+5%). This decrease, which includes no climate adjustment, is partly due to milder temperatures in 2014, combined with reduced requirements for frost-protecting inventories.



- The EPCs also demonstrate the strong performance of its assets, since 93.8% of the assets (in surface area) were awarded a grade between A and C. At 31 December 2014, the portfolio was broken down as shown in the chart next page.



Reducing climate impacts

Carbon emissions are monitored according to the aforementioned scope.

- Carbon emissions are calculated by the CSTB based on energy bills (see page 111). Due to reduced energy consumption, carbon emissions were reduced by 19.5% like-for-like between 2013 and 2014. The table below presents the proportionate share of each greenhouse gas in these emissions.

The following chart shows the share of each greenhouse gas emissions.



GHG emissions like-for-like	2013	2014
CO ₂	23.583	18.991
CH ₄	0.002	0.002
NO ₂	0.090	0.077
HFCs	0.000	0.000
PFCs	0.002	0.002
SF ₆	0.010	0.010
NF ₃	0.000	0.000
Other	2.662	2.127
Total emissions (kgCO₂e/m²SHON/year)	26.35	21.21

- The EPCs also show the strong performance of its assets, since 95.8% of the assets (in surface area) were awarded a grade of between A and D.

At 31 December 2014, the portfolio was broken down as shown in the chart below.

Energy consumption			Greenhouse gas emissions		
Label (kWh/m ² /year)	Number	Surface area	Climate label (kgCO ₂ e/m ² /year)	Number	Surface area
≤ 50 A	7.7%	9.9%	≤ 5 A	15.4%	25.7%
51-110 B	46.2%	65.8%	6-15 B	15.4%	12.2%
111-210 C	30.8%	18.2%	16-30 C	46.2%	47.2%
211-350 D	0%	0%	31-60 D	15.4%	10.6%
351-540 E	0%	0%	61-100 E	0%	0%
541-750 F	7.7%	0.7%	101-145 F	0%	0%
> 750 G	7.7%	5.5%	≥ 145 G	7.7%	4.2%
EPC performed	100%	100%	EPC performed	100%	100%

Preserving biodiversity

Logistics assets are often located in peri-urban areas, except in the case of so-called urban logistics, where they are located in denser areas covering a smaller surface area. Biodiversity challenges concern both types of site, and involve issues relating in particular to roadways, soil sealing and the choice of materials. Accordingly, good practices include the very limited use of chemical products (herbicides, plant protection products and synthetic fertilizers), the use of native plants that consume little water, etc. These environmentally-sound actions also contribute to better cost control.

Optimising waste management and treatment

In France, waste removal is often handled by municipalities, which do not provide any information on the volumes or tonnages that they collect with their services or with concessionaires.

In keeping with the principles of the circular economy, which aims to produce goods and services while strongly limiting the use of raw materials and non-renewable energies, Foncière des Régions makes its tenants aware of waste recycling, which is now becoming a general practice throughout the portfolio.



Progress report on operating permits held directly

In Logistics, environmental risk is mainly monitored *via* operating declarations and permits for classified facilities and the management of fire risks. Foncière des Régions' Logistics objective is to hold operating declarations and permits for all its sites. This measure is a long-term process because reviewing new applications can only be done when operators change.

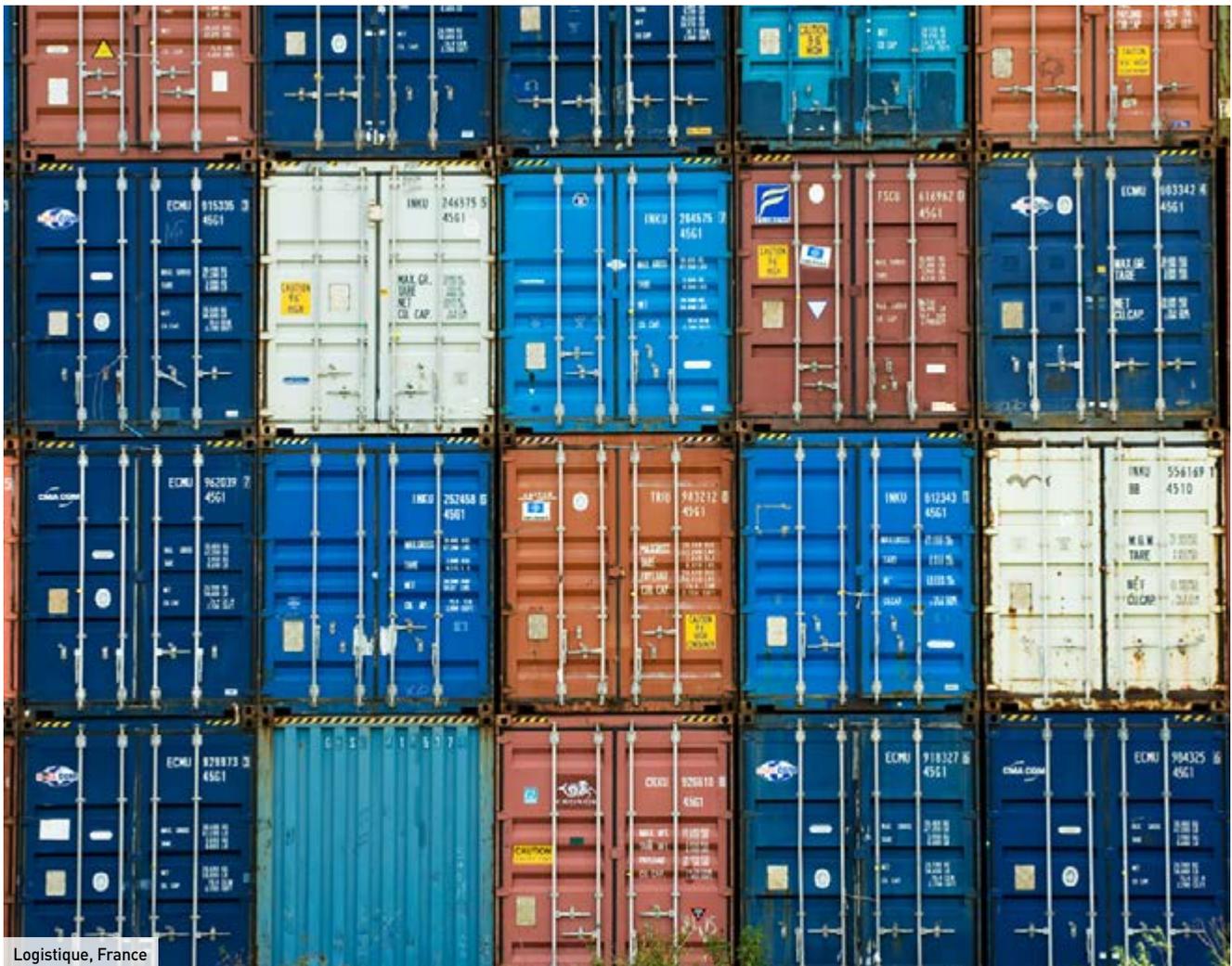
As at 31 December 2014, Foncière des Régions held 90% of the authorisation decrees and declarations for its Logistics business, compared to 84% at the end of 2013; it has not been convicted or judged for non-compliance in 2014.

Specific management for specific risks

For Foncière des Régions, the prevention of environmental risks to ensure the safety of people and goods is at the heart of the obligations for site management, in particular for its Logistics activity. The environmental mapping conducted with the CSTB made it possible to prepare a detailed review of the environmental and health risks and to set targets for improvement.

In addition to the ICPE sites (installations classified for environmental protection), which already represent a major challenge for the Logistics business, the various compulsory analyses (EPC, DTA, etc.) are also applicable. As with the Offices business, the DTA analyses are managed *via* the Proxevi platform.

The studies and analyses regarding the various risks are coordinated by a team dedicated to service portfolios, which centralises and monitors 23 identified risks, in particular: floods, (2 sites), subsidence (2), earthquakes (1), waiver effect (1), toxic effect (1), droughts (0), cyclones (0), rise in groundwater level (0), etc.



Logistique, France



**DYNAMIC MANAGEMENT
OF THE RESIDENTIAL
PORTFOLIO**

Residential, Berlin, Allemagne



In 2014, Foncière des Régions further strengthened its presence in the Residential sector in Germany by purchasing a direct investment (60.9%) in its German subsidiary, Immeo AG (41,000 units in Germany) to capitalise on the positive outlook for this market. At the same time, Foncière des Régions maintained its shareholding of 60.1% of Foncière Développement Logements capital (2,069 units in France). The following pages provide insight on common environmental issues in the residential sector and give further details about the performance of the two “Residential” subsidiaries of Foncière des Régions.

ISSUES SPECIFIC TO HOUSING

In the European Union, housing is considered to be a strong issue in the environmental and social policies of each Member State. Regulations with respect to construction and renovation are gradually becoming more stringent to encourage the emergence of healthy, energy and water-efficient habitats with a smaller environmental footprint.

The energy and environmental policies of Germany and France are an expression of the EU Sustainable Development Strategy (EU SDS) adopted in June 2001 in Gothenburg by EU heads of States and Governments and the European directives that it has engendered since then. The EU SDS targets the environment, employment, economic reform and social cohesion, with five major objectives in the long term: climate change, transport, health,

natural resources and poverty and social exclusion. Similarly, the European Energy Efficiency Directive (2012/27/EU) also applies to both sides of the Rhine.

The Residential sector is involved in issues related to urban planning, urban diversity, use of land and even to accessibility and transport issues. It is at the heart of environmental concerns because it must both respond to common types of buildings issues (energy and water consumption, carbon emissions, materials, waste, interior air quality, biodiversity, etc.), as well as to more specific topics, which are subject to regulations specific to it (lead, safety requirements, compliance of gas facilities, electricity, etc.) or related to tenant conditions (purchasing power, health, etc.). It addresses all dimensions of sustainable development.

A COMPREHENSIVE SUSTAINABLE DEVELOPMENT POLICY

The housing sector is marked by a strong social dimension, which includes taking into account the tenant's individual situation and his or her comfort and health, *via* accessibility criteria (proximity to public transport), energy and water performance, environmental security (asbestos and lead prevention), as well as thermal and sound insulation (such as double glazing).

The Immeo AG and Foncière Développement Logement asset portfolios were also part of the energy and environmental mapping study conducted in 2009/2010 with the Building Scientific and Technical Centre (CSTB) and based on 20 indicators. Each year, the reporting was monitored and enriched to allow a better understanding of portfolio performance.

IMMEO AG, THE GERMAN MODEL OF INTEGRATED CSR

As at 31 December 2014, Immeo AG held 41,000 housing units in Germany and provided expertise in the management of buildings for other group entities, such as hotels.

In 2014, its geographical diversification accelerated with the acquisition of 2,373 housing units in Berlin (€222 million) and

2,225 housing units in Dresden (€116 million). When these new transactions were completed, Foncière des Régions' residential portfolio in Germany reached €2.7 billion, of which 21% were in Berlin and 3% in Dresden. This expansion into booming and attractive markets is helping to secure potential capital gains and to improve the property portfolio.



Reducing energy consumption

Housing tenants are increasingly attentive to energy consumption. In Germany, the Integrated Energy and Climate Plan adopted in August 2008 aims to reduce greenhouse gases (GHG) by 40% between 1990 and 2020.

From 2021, building permit applications in Germany will be exclusively for the construction of passive buildings, with energy production and consumption to achieve zero emissions, with a balance that should be between 10 and 15 kWh/m²/year, as the European Energy Performance of Buildings Directive (EPBD) states "nearly zero energy". This has given rise to subsequent thermal building regulations on building energy performance known as EnEv (*Energieeinsparverordnung* for 2007, 2009 and 2014), which transpose the European Directive of 16 December 2002 into German law.

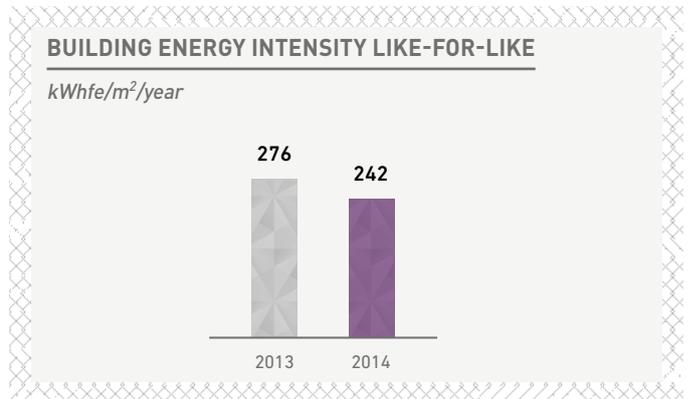
EnEv 2014 states that:

- ♦ new buildings: obligation to improve buildings' energy performance by 12.5% compared with the 2009 EnEv regulation
- ♦ renovations: obligation to improve post-work energy efficiency by 30%.

The measurement of Immeo AG's portfolio energy performance is based on two types of information collected:

- ♦ a representative sample that was selected in 2014 of 126 buildings, in which changes in energy consumption over several years are monitored. The perimeter is comprised exclusively of assets over which Immeo AG has operational control, *i.e.* the management of common equipment and common areas of the assets, which excludes apartments owned in assets under joint ownership.

Like-for-like, consumption has decreased by 12%. Since data were not corrected for climate, the results were due to temperatures that were milder in 2014 than in 2013.



- ♦ across the housing portfolio, through the *Energieausweis*. These are mandatory for any rental or transfer, and they are updated for each renovation so that an updated vision of portfolio performance is available. The *Energieausweis* uses a different calculation method (see box) to the French EPC. In addition, these calculations multiply surface areas by a regulatory factor of 1.2 in order to take common areas, cellars, etc. into account.



RAINER LANGENHORST
TECHNICAL DIRECTOR, IMMEO AG



Immeo AG pays particular attention to the energy performance of its assets. The aim, during routine renovation work on its portfolio, is to provide increasingly high performance housing, in particular through the use of more efficient heating systems, and frequently involving insulation work on the building.



Residential, Berlin, Allemagne



WAS IST EIN ENERGIEAUSWEIS?

Energieausweise are energy certificates that have been made compulsory since January 2009 in Germany for all residential and commercial buildings by the European Energy Performance of Buildings Directive. These certificates must be drawn up when new buildings are delivered, and every time a landlord leases premises or sells an asset. They only take a portion of consumption into account, primarily heating and domestic hot water, and specifically exclude lighting and household appliances.

German law provides for two kinds of certificates, depending on the landlord's choice:

- a certificate based on the building's energy requirements – *Bedarfsausweis* – which must be drawn up by approved consultancies according to a standardised calculation method. This is the option selected by Immeo AG, where the qualifications held by some engineers enable it to perform these assessments
- a certificate based on energy consumption – *Verbrauchsausweis* – which is drawn up by reading the previous occupants' meters (more similar to the French EPCs).

DISTRIBUTION OF HOUSING BY ENERGY LABEL (*Energieausweis*)

Label	As at 31/12/2013			As at 31/12/2014		
	In number	As a %	As a % of total portfolio	In number	As a %	As a % of total portfolio
A+	-	-	-	10	0.03%	0.02%
A	-	-	-	-	0.00%	0.00%
B	265	0.90%	0.70%	1,094	3.00%	2.60%
C	3,300	11.70%	8.80%	4,023	11.00%	9.70%
D	7,483	26.40%	20.00%	9,367	25.60%	22.70%
E	7,536	26.60%	20.20%	8,469	23.10%	20.50%
F	5,542	19.60%	14.80%	6,029	16.50%	14.60%
G	3,788	13.40%	10.10%	6,559	17.90%	15.90%
H	386	1.40%	1.00%	1,039	2.80%	2.50%
TOTAL	28,300	100%	75.70%	36,590	100%	88.50%
No diagnostic	9,074		24.30%	4,756	12%	11.50%
TOTAL	37,374		100.00%	41,346		100.00%

Each year, several rehabilitations of housing units or common equipment (such as boilers) or insulation (such as façades and double glazing) improve portfolio performance in a sustainable manner. Accordingly, for €155,000, renovation carried out in 2014 on a building purchased in Duisburg in 2013, which consisted of insulating the façade and roofing, led to a reduction in energy consumption from 230 to 155 kWh/m²/year, *i.e.* a decrease of 32.6%.

In 2014, 2,928 Immeo AG housing units were renovated and modernised in order to re-let them more easily and add to their value. Among these, 425 units received replacement windows in PVC double glazing. In addition, 12,000 m² of ceilings were insulated in the upper floors of some assets. At the same time, 23,500 m² of outside walls were insulated externally. Boiler systems are also regularly modernised, and in 2014, 35 condensation boilers were installed to replace less efficient systems. In Essen and Berlin, 96 buildings were connected to urban systems that receive heat from cogeneration systems.

Alongside these initiatives, Immeo AG is promoting a circular economy by using recycled materials when carrying out works on the portfolio. This was specifically the case for the materials used for external building insulation.

88.5%

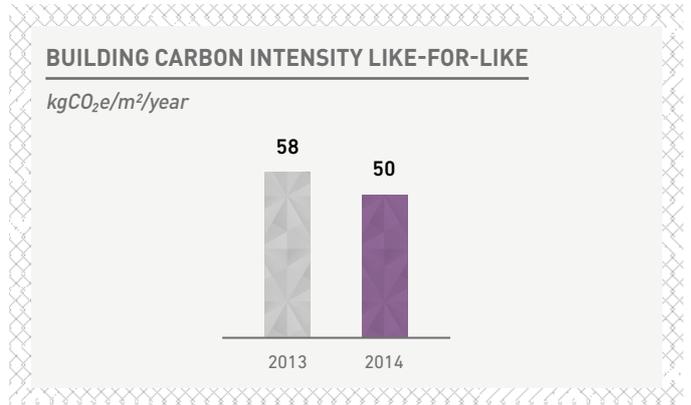
OF THE PORTFOLIO HAS AN
ENERGIEAUSWEIS



Reducing the GHG footprint

The energy mix in France (with its dominant nuclear component) and Germany (with its dominant fossil fuel component) is very different, and this has a significant impact on indirect CO₂ emissions. Carbon emissions are tracked using a representative sample of 126 assets, explained in further detail in page 50. The results, which are detailed in page 113, show a reduction in such emissions, like-for-like, of 13.8% between 2013 and 2014, which is slightly higher than the energy consumption decrease, because of the low carbon energy mix.

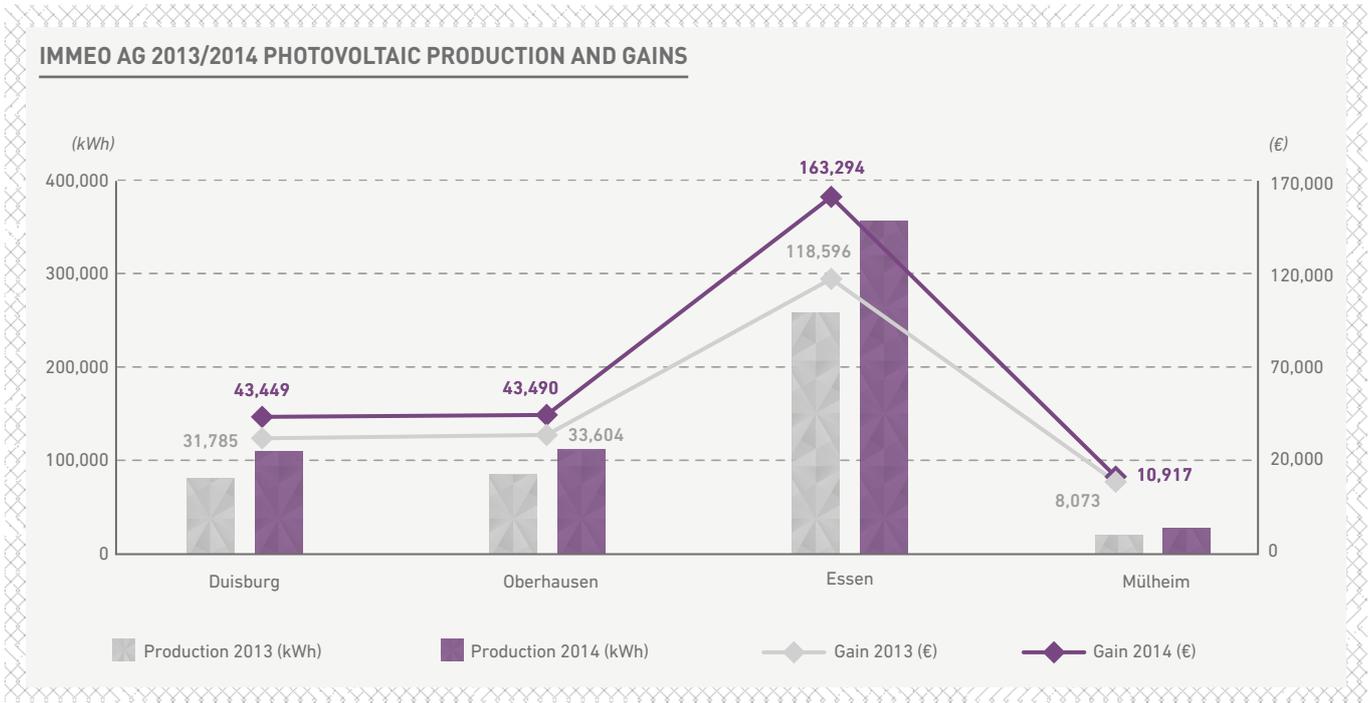
At Immeo AG, GHG emissions have been reduced through various initiatives, primarily consisting in the insulation of outside walls and the replacement of 35 gas boilers with gas condensation boilers. In Oberhausen and Mülheim, six buildings had their night accumulation heating replaced by a connection to the urban heat cogeneration network.



Producing renewable energies to reduce carbon footprints

Photovoltaic facilities have been installed in six assets located mainly in the west of the country. The power from them, as detailed below, slightly exceeds the estimates provided by feasibility studies. The solar panels have been installed on (sloping) roofs, and provide Immeo AG with an additional income stream.

The equipment is depreciated over nine years. Immeo AG, as a long-term player, preferred to be the owner of facilities in order to capture all of the revenues generated by electricity production and to develop new know-how, based on the outlook for passive buildings through 2020.





RENEWABLE ENERGY PRODUCTION – KEY FIGURES

5,200 m² of panels distributed over six sites in Essen, Duisbourg, Oberhausen and Mülheim

608,370 kWh of theoretical production in 2014, vs. 552,000 kWh⁽¹⁾ in 2013

€262,000 excluding VAT generated in 2014, i.e., €50.40 excl. VAT/m²

Average investment → €436 excl. VAT/m²

Return on investment → 9 years on average (20 years of panel estimated useful life)

⁽¹⁾ Value revised following a meter replacement.

Reducing water consumption

Water consumption is monitored carefully for the reduction of the ecological footprint and control of expenses. In addition to raising tenant and employee awareness, efficient systems are routinely installed during renovations to reduce water consumption (dual flush buttons, flow reduction, etc.).

Immeo AG's historical portfolio contained large amounts of green spaces. The acquisitions made in 2013, which have accelerated since 2014 in Berlin and Dresden, relate to assets in the city centre, where there is far less land.

Reporting on water consumption is conducted on 100% of the representative sample, on the basis of the general meter, which counts consumption in common areas (cleaning, green spaces, etc.) and tenant areas (tenant consumption). Consumption is increasingly distributed through individual meters by housing unit, thus helping to raise tenant awareness and increase fairness.

Like-for-like, water consumption has stabilised at around 1.6 m³/m²/year.

Managing waste production

Since waste removal is performed by municipal services that do not produce any information as to the tonnage removed, it is not possible to conduct exhaustive monitoring. Nevertheless, in each building, waste sorting has been organised in connection with the city, with the setting up of containers of various colours.

Awareness has been raised among tenants regarding the sorting of waste by a service provider. If they do not put their waste in the right containers, penalties are applied by their municipality. The service provider has been paid based on the decline in the amount of penalties issued.

Like-for-like, (85% of the representative panel), 100% of assets have selective collection.

Health risks at the heart of concerns

Out of concern for the safety of the occupants and their property, an increasing number of assessments are performed before any acquisition and are the subject of regular monitoring by specialised staff.

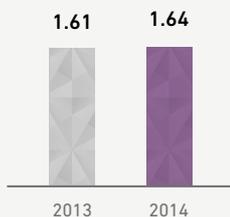
Special attention is paid to business-related health and environmental risks, such as the presence of asbestos or lead, and soil, water and air pollution, as well as natural and technological risks (flooding, etc.).

From 2012, Immeo AG launched a campaign to install monitoring devices on the collective domestic hot water equipment, thus anticipating by a year the drinking water legislation that has applied in Germany since December 2013, and which aims to avoid legionnaire's disease in residential or commercial buildings.

In 2014, no cases of soil pollution were identified on the managed portfolio and no provision for environmental and health risks needed to be incorporated.

WATER CONSUMPTION IN CUBIC METRES LIKE-FOR-LIKE

in m³/m²/year





A social and societal dynamic

Since Immeo AG entered the Foncière des Régions group in 2007, its employees have continued to benefit from the specific characteristics of German law and have not been linked to the Foncière des Régions ESU. Immeo AG's social policy is described on pages 130 to 132.

In terms of its societal policy, Immeo AG has been conducting specific measures, such as, for example, a social information awareness day at its Oberhausen offices in June 2014. This day gave inhabitants of the city access to a housing advice service,

home assistance and aid to persons in situations of dependency. Medical examinations were also offered to the inhabitants, along with a road safety awareness programme by a local association. This day was also an opportunity to inform residents about two initiatives involving Immeo AG. The first, "Probewohnen", is a project for mentally disabled persons that enables them to test their own autonomy in suitable housing. The second, "Wohnen im Pott", consists of opening a local office in Oberhausen to enable people with disabilities to come to learn about the rights and solutions they can enjoy with respect to housing. This multi-purpose room is open to all inhabitants and encourages inhabitants of the same neighbourhood to socialise with one another.

FRENCH HOUSING AT A TIME OF ECOLOGICAL TRANSITION

Foncière Développement Logements, a subsidiary of Foncière des Régions that specialises in the Residential sector in France, is continuing its real estate strategy, with asset recovery work and the active rotation of the portfolio. Its 2014 portfolio of 2,069 housing units was valued at approximately €860 million at 31 December 2014. More than 70% of it was located in Paris and Île-de-France, and its net triple net asset value (NAV) was about €500 million.

Foncière Développement Logements staff are part of the Foncière des Régions ESU [see pages 76 to 85].

The reporting tables in pages 115 to 117 refer to this perimeter. Equipment varies from one asset to the next and the control exercised over the equipment varies for collective heating for some, and individual heating for others, with different types of energy (gas, electricity, etc.).

Ultimately, only an analysis "like-for-like" on assets held during the 24-month period covering 2013/2014 offers a comparable basis. It shows a decrease in energy consumption of 15.9% between 2013 and 2014, which can be explained by overestimates made by suppliers of gas and of the district heating in 2013 and improvements made to the assets.

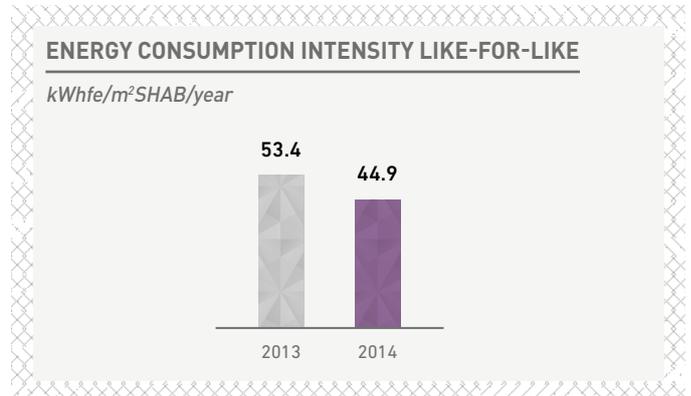
Reducing energy consumption

In France, the residential sector represents nearly 30% of energy consumption (source: ADEME), which explains why it is subject to various regulatory measures to improve the performance of buildings, such as the Grenelle 1 and 2 Laws (of 2009 and 2010) and "RT 2012" thermal regulation, which introduced a ceiling of 50 kWhpe/m²SHAB/year for new assets.

For existing buildings, the granting of energy performance certificates (EPCs) based on EU directives is obligatory for any sale or rental. Though it could stand to be improved, this document provides an initial level of information on energy consumption levels and carbon emissions from housing.

The energy performance of the portfolio is monitored at two levels:

- ♦ buildings 100% owned by Foncière Développement Logements, whose management is outsourced to a specialised structure. Energy consumption by collective equipment and common areas is under the operational management of the owner.



- ♦ for housing, via the EPCs; at 31 December 2014, 1,755 EPCs were issued, covering 90% of housing units in the Foncière Développement Logements portfolio.



Residential, Paris

The following table breaks down the allocation of housing by energy label.

2014 – PERFORMANCE AS A % OF THE NUMBER OF HOUSING UNITS

Energy label (<i>kWh/m²SHAB/year</i>)	Energy Label	2012	2013	2014
≤ 50 A	A	0%	0%	0.1%
51-90 B	B	2.3%	2.1%	0.7%
91-150 C	C	6.7%	7.5%	8.90%
151-230 D	D	40.8%	38.5%	43.0%
231-330 E	E	31.2%	29.7%	34.7%
331-450 F	F	8.3%	10.2%	8.5%
> 450 G	G	10.8%	12.0%	4.1%
Total		1,807	1,938	1,755

Work that improve the performance of the portfolio, in terms of both energy and carbon, may involve:

- ♦ rehabilitation of vacated housing: in this case, rehabilitation is carried out on equipment (energy-efficient heaters, installation of double-glazing, high-efficiency water fixtures, etc.)
- ♦ building renovation or the replacement of equipment to enhance the performance of the asset (boiler replacement, low-consumption lighting, etc.). For example, for the asset in rue Marcadet in Paris, the replacement of the air handling unit with a heat pump in 2012 led to a reduction in energy consumption of more than 40% in 2014 compared with 2011. This decrease is even more remarkable since the new equipment produces not only heating, like the previous one, but also provides cooling during the summer.

A reduced GHG footprint

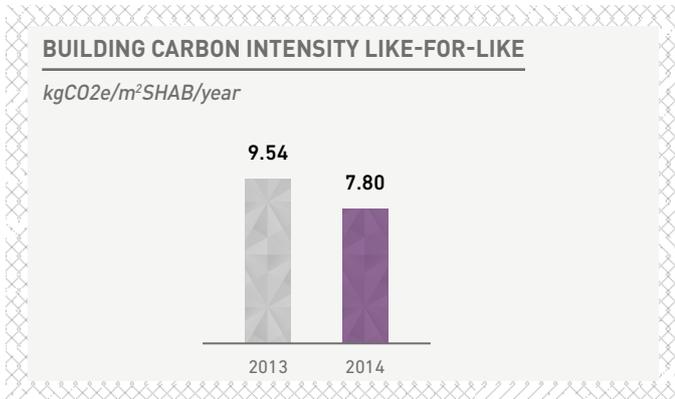
As with energy consumption, on the basis of which they are calculated, carbon emissions are monitored:

- ♦ in fully-owned assets; the reporting tables in page 116 are based on this perimeter.

The data collected show a decrease in the carbon footprint of the portfolio like-for-like in 2014 of 18.3% [7.8 kgCO₂e/m²SHAB/year], which is mainly related to overestimates by gas and district heating suppliers in 2013 for certain assets. This situation was rectified with 2014 invoices.



In 2014, for the sake of transparency and in order to include more emissions from various greenhouse gases, the latter were assessed according to the recommendations of the Carbon Disclosure Project (CDP), as decomposed, like-for-like, in the table below:



GHG emissions like-for-like	2013	2014
CO ₂	8.717	7.128
CH ₄	0.002	0.002
NO ₂	0.072	0.061
HFCs	0.000	0.000
PFCs	0.001	0.001
SF ₆	0.012	0.011
NF ₃	0.000	0.000
Other	0.732	0.591
Total emissions <i>(kgCO₂e/m²SHAB/year)</i>	9.54	7.80

Carbon emissions are tracked from the EPCs and established from tenant energy invoices (electricity, gas, etc.), which indiscriminately include all of their consumption.

The table below shows that as at 31 December 2014, 50.3% of EPC climate labels range from A to D. The target set in 2010 that at least 50% of the portfolio should receive a D climate level by the end of 2015 has thus been exceeded.

2014 – PERFORMANCE AS A % OF THE NUMBER OF HOUSING UNITS

Climate label <i>(kgCO₂e/m²SHAB/year)</i>	Climate Label	2012	2013	2014
≤ 5 A	A	0.8%	0.6%	0.6%
6-10 B	B	14.2%	12.6%	14.7%
11-20 C	C	21.9%	21.5%	17.4%
21-35 D	D	12.4%	12.6%	17.6%
36-55 E	E	25.3%	24.3%	26.8%
56-80 F	F	14.8%	13.8%	16.1%
91-110 G	G	10.6%	14.6%	6.9%
	Total	1,807	1,938	1,755

Monitoring water savings

Reporting of water consumption includes fully-owned assets as at 31 December 2014, with a data collection rate that, like last year, covers 100% of assets within this scope. It is based on the invoices paid by the owner or his or her manager, for each building from this perimeter, for water for which there was single metering for the site. Since this consumption relates both to common areas and tenant areas, they are distributed by tenant, increasingly by using individual meters per apartment.

The change in the portfolio *via* acquisitions and disposals of assets with or without large green spaces, more or less large common areas (entrance hall, landings, etc.), and tenants, whose number varies considerably from one site to another (due to the size of housing units, occupancy density, etc.), water consumption

comparisons are difficult from one year to the next. With these precautions in mind, 2014’s collection saw a slight increase in consumption like-for-like in 2014, with 1.31 m³/m²SHAB/year (vs. 1.23 m³/m²SHAB/year in 2013).

Optimised waste management

Like-for-like, 88% of Foncière Développement Logements directly-managed assets had selective collection in 2014 (the same as in 2013).

In France, even though the sorting of waste now occurs in almost all cities, there unfortunately is not yet a system in place to quantify its weight. Waste from construction sites is managed by the suppliers, with a growing concern for recycling.



Health risks at the heart of concerns

In France, many diagnostics have to be performed for a sale or a rental.

Foncière Développement Logements pays especially close attention to health and environmental risks, from the acquisition of the assets and while they are held, with precise monitoring for each asset. More than 20 risks are managed, including asbestos; lead; soil pollution; physical and geological risks (such as flooding), etc. Gas boiler installations are covered by maintenance agreements and there is strict follow-up, to ensure the comfort and satisfaction of tenants and longevity of facilities, as well as for safety reasons (avoiding carbon monoxide emissions).

In 2014, Foncière Développement Logements has never had a conviction or judgement rendered against it for not complying with environmental regulations and has never had to book provisions or provide guarantees for environmental contingencies.

Finally, no cases of soil pollution were identified in 2014 and no land held by Foncière Développement Logements is under an obligation to be remediated or cleared to allow its legal use.

Relevant risks	% of assets with an assessment as at 31/12/2014	Number of assets concerned as at 31/12/2013	Number of assets concerned as at 31/12/2014
Technical Asbestos Assessment (DTA)	100%	26	14
Lead Assessment	100%	16	9
Lead confinement (D3)	/	5 ⁽¹⁾	5 ⁽¹⁾

⁽¹⁾ Number of housing units that still need to be assessed.



Residential, Paris



AN APPROACH
SHARED WITH ALL
SUBSIDIARIES

Tours Garibaldi, Milan, Italie



The sustainable development momentum is shared by all of the Group's business lines and activities. Subsidiaries take on board, in line with their specific needs and their stakeholders' expectations, the challenges and the policies issued by the Group's Sustainable Development Department.

BENI STABILI PLAYS A MAJOR ROLE IN THE SUSTAINABLE COMMERCIAL REAL ESTATE MARKET IN ITALY

Beni Stabili is a leading REIT in Italy in the field of office real estate, and 92.1% of its portfolio was long-term (Core) as at 31 December 2014.

91% of that Core portfolio is office assets, with a total area of 1,621,305 m²GLA (Gross Leasing Area) worth €3,334.4 million, and the remaining 9% is comprised of 92,430 m²GLA of retail premises with a value of €336.1 million.

A 48.3% subsidiary of Foncière des Régions, Beni Stabili has a portfolio located mainly in city centres in Northern and Central Italy, including Milan and Rome that it leases to key accounts such as Telecom Italia, Intesa San Paolo, Maire Tecnimont, the Italian Government, Boscolo Group, Auchan and Coin.

Besides its activity as an investor, Beni Stabili also provides asset and property management for its assets and develops environmentally ambitious office assets through its development team.

Beni Stabili is a public company listed on the Milan and Paris stock exchanges. An engaged player, its sustainable development strategy is based around three major concepts: transparency, professional expertise and innovation. It publishes a Sustainable Development Report in line with GRI G4 guidelines and EPRA Best Practices Recommendations, for which it was rewarded with an EPRA Gold Award in 2014.

The report is available on line at: www.benistabili.it

Major changes in environmental regulation

Italy's National Sustainable Development Strategy (*Strategia Nazionale dello Sviluppo Sostenibile*) was introduced in 2002 and supplemented in 2012 by the National Energy Efficiency Action Plan, which was updated in 2014 to cover the 2014-2020 period.

Environmental legislation in Italy derives from the transposition of European directives. Environmental policy and laws are then developed at regional or even city level, and cover the environment, energy, human capital, governance, and more. Italy has set a national target of 25% for the reduction of primary energy consumption by 2020 (*i.e.* 20 Mtoe⁽¹⁾), a target that exceeds European commitments to cut primary energy consumption by 20% over the same period. In addition, the measures adopted are aimed at reducing CO₂ emissions by approximately 55 million tonnes per year, to reduce imports of fossil fuels (fuel oil, gas, coal, etc.) and to promote renewable energy and low-GHG emission solutions.

These measures impact both new projects and existing assets through the implementation of energy performance assessments (ACE: *Attestato di Certificazione Energetica*), new thermal regulations which are mandatory as of the 2012, tax incentives, etc.

At the same time, international operators are also having an impact on the Italian real estate market through their determination to achieve high environmental quality and comfort levels.

The sector is also benefiting from the environmental commitment of a small number of developers, with Beni Stabili foremost among them.

In Milan, where Beni Stabili's development teams are headquartered, the market is active and gaining traction from the World Expo due to be held in the city in 2015.

Beni Stabili and the challenges of tomorrow's cities

An active partner in imagining the city of the future, Beni Stabili supports the European "EC Horizon 2020 Lighthouse cities" sustainable cities project. Led by the city of Milan, the initiative is shared with London and Lisbon and enjoys the support of a number of committed operators in Italy, including Beni Stabili and Politecnico di Milano.

The project for Milan combines protection of the environment, promotion of quality urban planning and development of biodiversity, for example, by transforming land occupied by disused railways (Porta Romana Railway Yard) into a latest-generation tram, a bicycle path and a pedestrian promenade.

This re-appropriation of urban space has a strong societal dimension, with the redevelopment of the ancient district of Ripamonti and the economic revival that the site will offer, combining commercial (offices and retail premises) and cultural (Prada Foundation) activities and an upgraded habitat. The district will benefit from multimodal transport that will link it with the rest of the city of Milan, since the barrier posed by the disused tracks will have been removed.

⁽¹⁾ Mtoe: Mega tonne oil equivalent.



The Symbiosis programme developed by Beni Stabili forms the core of this project and is set to deliver 119,000 m² of Prime offices, on completion of the rehabilitation of the Ripamonti brownfield area. The project, designed by architects Citterio & Partners, will see the construction of ten new modular buildings combining offices and commercial space. It aims to achieve LEED Gold certification and an A energy rating from the Italian energy rating agency (ACE – *Attestato di Certificazione Energetica*). The technologies used for this ambitious Symbiosis development are showcased in the building that currently houses the Symbiosis marketing team: earthquake-proof walls, windows made from recycled glass recovered from the Garibaldi Towers site, sound-proofing materials made from vegetable fibre, CO₂ absorbent concrete, as well as vegetable fibre flooring materials. The first building in this office programme, with an area of 12,072 m²GLA, will be LEED Gold certified. Several companies in the world of fashion have expressed interest in Symbiosis, which will be adjacent to the Prada Foundation and form a creative cluster with it.



ANNA DI GIRONIMO
PRODUCT DEVELOPMENT MANAGER
BENI STABILII



A benchmark player in the commercial real estate market in Italy, Beni Stabili has rapidly seized the opportunities offered by sustainable development by participating in the honing of the BRaVE initiative, in cooperation with Politecnico di Milano. Our new development projects have very ambitious environmental targets and comply with the LEED Italia rating system.



URBAN RENEWAL: THE MAJOR CHALLENGE FOR TOMORROW'S CITIES

In return for a construction permit for the last Garibaldi Tower in 2013, Beni Stabili developed a 20,000 m² leisure park on the abandoned "Monluè" site, a building that was started to coincide with the 1990 FIFA World Cup but was never completed.

Working in cooperation with the WWF, Beni Stabili planted 166 trees (poplar, cherry, oak, maple and linden) once the demolition was completed, creating a park for the people in the locality: residents, children, patients in the Monzino cardiology facility, etc.

Successful projects and ambitious objectives

Beni Stabili is firmly committed to improving the quality of new developments and renovations and to measure their environmental performance (energy, carbon footprint, water, waste, health and safety).

The company has set a target to develop at least 100,000 m² of green offices by 2020. Symbiosis (see page 59) counts among these, and it is currently being assessed according to the LEED Italia certification process.

For its new developments, Beni Stabili's goal is to obtain AA rating according to the BRaVE rating system developed by Politecnico di Milano in an initiative supported by the company. After renovation, the Garibaldi Towers was awarded an AA rating.

In addition, Green Rating™ studies were conducted on some assets to analyse their strengths and weaknesses, as well as their potential with respect to a certain number of criteria.



Symbiosis, Milan, Italie



GREEN ASSETS – CERTIFICATIONS/LABELS

Name	City	Certifications (BREEAM, ITACA, LEED, etc.) or labels	Level	Date obtained	Surface (m ² GLA)
Symbiosis – Building A	Milan	LEED	Gold	In progress	8,320 m ²

GREEN ASSETS – RATINGS

Name	City	Type of rating BRaVe/Green Rating	Rating obtained	Date obtained	Surface (m ² GLA)
Piazza San Fedele 2	Milan	BRaVe ⁽¹⁾	AA – 83.7	31 October 2014	5,619 m ²
Piazza Cadorna 3	Milan	BRaVe ⁽¹⁾	AAA – 90.4	11 September 2014	11,705 m ²
Via dell'Arte 68	Rome	BRaVe ⁽¹⁾	A – 72.3	31 October 2014	6,400 m ²
Garibaldi – Tower A	Milan	BRaVe ⁽¹⁾	AA – 81.1	27 December 2012	16,349 m ²
Garibaldi – Tower B	Milan	BRaVe ⁽¹⁾	A – 74.8	26 July 2010	16,567 m ²
Via Dante 7	Milan	Green Rating ⁽²⁾	Intrinsic: 6.1 Potential Intrinsic: 6.9	9 July 2012	6,199 m ²
Piazza San Fedele 2	Milan	Green Rating ⁽²⁾	Intrinsic: 6.4 Potential Intrinsic: 6.8	18 June 2012	5,619 m ²

⁽¹⁾ Evaluation by the Politecnico di Milano.

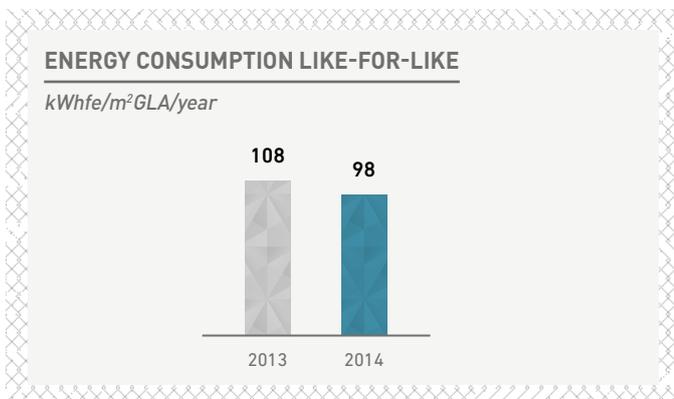
⁽²⁾ Before 2014 renovation.

Conscious of the fact that the performance of new or renovated buildings requires streamlined maintenance, Beni Stabili decided in 2012 to set up a team dedicated to commissioning, a first in Italy.

Measuring to optimise performance

Beni Stabili has established environmental reporting that covers the 19 assets under full management (EPRA scope). Beni Stabili is carrying out improvement works on its assets, based on the energy mapping that was prepared in 2009 for the most representative assets in terms of value through its work with Politecnico di Milano.

The portfolio's energy performance is measured on the basis of invoices, without climate adjustment, which allows precise monitoring. Further details are presented in pages 121-122. The monitoring like-for-like shows a decrease in consumption of 9% between 2013 and 2014.



Knowledge of the portfolio also involves the use of ratings in conjunction with BRaVe (with three new ones introduced in 2014) and with Green Ratings studies.

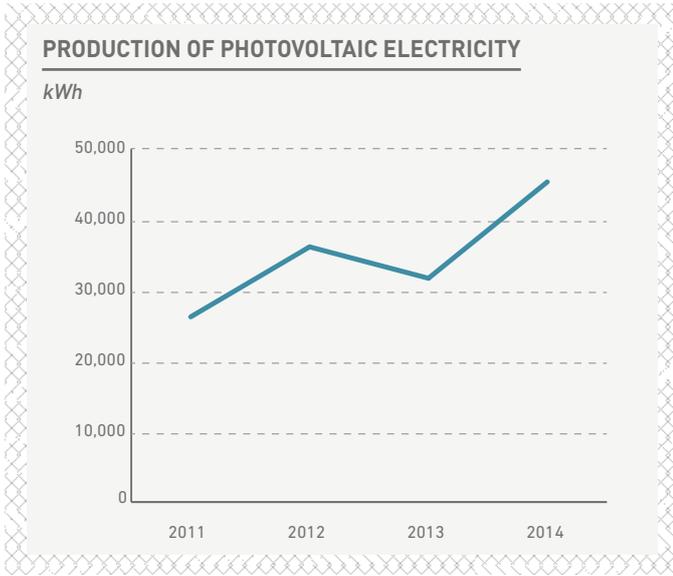
Lastly, Italian regulations require the performance of the *Attestato di Certificazione Energetica* (ACE), which are the Italian counterpart of the French EPCs. They do not use the same calculation methods as the EPCs, which makes comparison irrelevant. In addition, they do not have climate (CO₂) labels. They are mandatory for all real estate rentals or sales.

Sustainable development as innovation

Developments and renovations also provide the ideal opportunity to combine the twin aims of innovation and sustainability. As a result, for the development of Piazza Cardona, some of the roofs will be green and deliver environmental benefits (increase of biodiversity in the city centre, heat absorption and regulation of carbon dioxide), energy savings (a reduction of 1°C in surface temperature leads to a 5% reduction in electricity consumption for air conditioning), and improvements in occupant productivity and well-being (e.g., sound and heat insulation, space for socialising and relaxation).

Energy efficiency and innovation also feature prominently in the Garibaldi Towers, specifically through bioclimatic architectural principles and an outdoor air pre-cooling system using geothermal technologies.

Green electricity is also produced on-site by the 804 m² of solar panels.



Sharing building history

Beni Stabili has developed apps for smartphones and tablets to give stakeholders information on the Garibaldi Towers and the Symbiosis project. The two apps also include a Chapter on the environmental performance of these buildings.

Control of environmental risks

Beni Stabili has a separate department specialising in examining and auditing the environmental risks associated with the purchase of properties and development projects: it examines factors such as the presence of asbestos, soil pollution, elevator compliance, etc.

This risk control is a guarantee of safety for Beni Stabili's clients.

Taking measures a step further, two health and safety audits were conducted in 2014 aimed at ensuring that procedures are correctly applied and that all relevant documents are up-to-date.

A proactive social policy

The regulatory framework in Italy is based on national industry agreements, which take the form of collective bargaining agreements negotiated by representatives of staff affiliated with representative unions, within each company.

As Beni Stabili is a subsidiary of Foncière des Régions, it is not included in the Human Resources Chapter (see pages 76 to 85) which covers the staff of the Foncière des Régions ESU. Information relating to Beni Stabili employee relations is set out in pages 132-133.



San Nicolao, Milan, Italie



ELECTRIC VEHICLES, A CHALLENGE FOR URBAN MOBILITY

Air pollution caused by dense city-centre traffic is a serious concern in Italy. However, air quality has improved in recent years in Milan as a result of a series of socio-economic measures introduced in 2008, including: urban congestion charges, improved public transport, and large-scale public awareness campaigns. Electric cars are exempt from the congestion charge because the number of recharging stations

in the centre of the city remains very limited. To support this initiative, 2013 saw Beni Stabili install charging stations for electric cars (provided free for its tenants) in eight of its Milan properties, including its head office, where an electric company car is also available. Moreover, all the energy supply to these properties is green energy.



URBIS PARK, A GLOBAL CAR PARK OPERATOR AND PLAYER IN URBAN MOBILITY SOLUTIONS

A 60% subsidiary of Foncière des Régions, Urbis Park has managed to find its place among the main operators in the sector *via* a range of services based on innovation and CSR dynamics.

Urbis Park develops its activities in partnership with local authorities in the cities of the Greater Paris region as well as the metropolitan areas of Marseille, Bordeaux, Nancy, Reims and also Metz, where the company was founded and currently manages five car parks in the city centre.

Even though it is no longer in fashion to adapt the city to the car, cars remain an essential part of travel policy, which is currently developed using a comprehensive, intermodal mobility approach. Parking is thus at the heart of urban mobility policies, whether to regulate traffic, determine road sharing practices, promote modal shifts, or strengthen the economic or touristic attractiveness of a city centre.

As a leading car park operator in France (60,000 spaces managed – €38 million in revenue), Urbis Park is firmly positioned as a player in urban mobility. As such, its CSR policy is structured around four priority concepts:

- ♦ environmental responsibility
- ♦ innovation to improve urban mobility
- ♦ customer satisfaction and responsiveness
- ♦ a proactive human resources policy based on solidarity and respect for the individual.

Controlling the environmental impacts associated with Parking business

Low-nuisance work sites

There are no environmental certifications, HQE or otherwise, for parking assets. Nevertheless, the construction and renovations carried out by Urbis Park meet demanding specifications. This translates into quality requirements and a voluntary “Low-nuisance Work Site” protocol that promotes sorting and reusing rubble. It seeks to preserve and secure the lifestyle of the neighbourhood during the works.

The signing of a “clean site” charter by businesses guarantees environmental monitoring, which requires the cleaning of work areas and site accommodations, limiting the production of dust (through regular watering of the ground, etc.) and noise nuisances, while promoting the use of products that pollute less.

At each major work site, a waste organisation and disposal monitoring chart (SOSED) is implemented in order to evaluate and classify waste by category, thus ensuring that it will be routed for reuse and recycling.

A policy for the management of car parks in line with environmental issues

For the management of its car parks as regards both roads and construction, Urbis Park incorporates environmental impact mitigation strategies into its activities, *via* measures to save energy (installation of LED lighting systems to reduce energy consumption by about 30%), analysis of air quality (deployment of controls and improvement of air quality in construction: NO/NO₂ detectors, installation of carbon monoxide analysers to detect and treat stale air), waste reduction and sorting (installation of waste sorting bins in car parks and the recycling of batteries used in ticket machines), use of biodegradable cleaning products and a responsible purchasing policy, and waste management in partnership with the public entity Eco Systèmes, an eco-organisation recognised by the public authorities for the collection, pollution control and recycling of waste from electric and electronic equipment (WEEE).

Increasingly energy-efficient parking facilities

Fluid consumption and CO₂ emissions from the works managed by Urbis Park are detailed in annual reports. The reporting effort is monitored by Urbis Park executives on the basis of invoicing and is centralised at the Department of Sustainable Development at Foncière des Régions and analysed by CSTB.

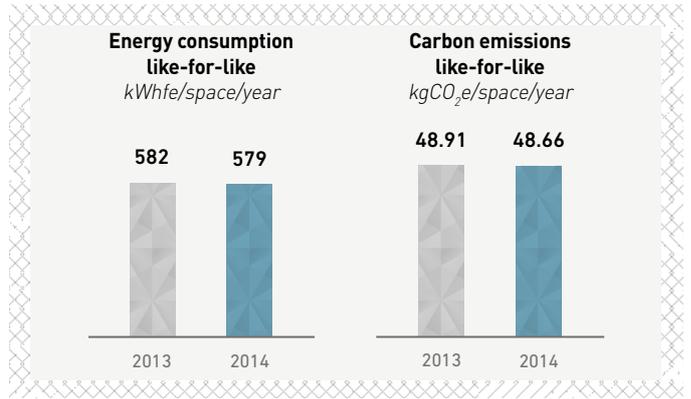


AN APPROACH SHARED WITH ALL SUBSIDIARIES

Average electricity consumption by location over the portfolio decreased by 5% between 2013 and 2014, from 605 to 575 kWhfe/space/year, which can be explained by the arbitration of locations in favour of new, more efficient sites.

Like-for-like, energy consumption remained stable, around 580 kWhfe/space/year. Since electricity is the only form of energy consumed in these car parks, carbon emissions, like-for-like, changed in the same proportion, around 49 kgCO₂e/space/year.

Finally, car parks do not receive EPCs.



CO₂ EMISSION INTENSITY RATIO

	GHG emissions like-for-like (kgCO ₂ e/space/year)	
	2013	2014
CO ₂	45.680	45.441
CH ₄	0.064	0.064
NO ₂	1.069	1.063
HFCs	0.000	0.000
PFCs	0.046	0.045
SF ₆	0.438	0.436
NF ₃	0.000	0.000
Other	1.617	1.608
Total emissions	48.91	48.66

Car parks, urban mobility challenges

Urbis Park clients can be motorists and cyclists, or pedestrians or users of public transit. Depending on their restrictions, they go from one method of transport to another and need car parks to be able to adapt to these new forms of mobility.

In Metz, in the République car park (2,100 spaces in the heart of town), Urbis Park will, in spring 2015, open a Mobility Space, a place specially arranged so that customers can find information, practical services and solutions all in one place to easily get them to where they want to go.

In this specially redesigned space, a range of mobility services will be on offer:

- ♦ carpooling: in partnership with Citiz Lorraine
- ♦ car sharing
- ♦ secure bike garages
- ♦ electric bike rental
- ♦ recharging points for electric vehicles: five car parks in all will be equipped, with a total of about 50 spaces
- ♦ a reception area to view the mobility offer and information sites to manage travel in Metz and the surrounding Sillon Lorrain region.

The accessibility law for institutions receiving public funding adopted on 26 June 2014 requires all owners and managers of institutions receiving public funding (including operators of car parks) to adapt their portfolios. The programmed accessibility agenda also says that compliance work must be completed no later than October 2018. Urbis Park has anticipated these new regulations and has begun compliance work. For 2014 and 2015, more than €600,000 excluding VAT was invested under this new regulatory context.



Urbis Park, France



Client interactions and responsiveness

Every year, Urbis Park conducts several types of customer satisfaction surveys. BVA, a specialised body, conducts these onsite investigations. Through several regional offices, Urbis Park clients are surveyed on cleanliness, safety, quality of commercial premises, services and so on. The results of these surveys measure the level of overall satisfaction and serve as the basis for improvement efforts.

Finally, for its client responsiveness and relations activity, Urbis Park has set up a number (09 70 60 99 55) to receive calls from its clients six days a week. On social networks, Urbis Park has created a Twitter account (@urbisparking) to interact directly with its clients.

Finally, a quality management plan was put in place for the major public service delegation agreements, which resulted in the establishment of regular controls for both operations and car park safety.

Innovation to improve urban mobility

Urbis Park was the first company in France to introduce parking payments by mobile, in Metz in early 2011. Since that date, via the Urbis Mobile solution (urbismobile.com), Urbis Park manages the cities of Metz, Nancy, Laval and Bordeaux, a total of nearly 20,000 road spaces. The Urbis Mobile system also allows parking fees to be paid in car parks using "contactless" NFC technology.

In Metz, Urbis Park deployed seven ticket machines equipped with this technology as well as 120 smart sensors to transmit, in real time, the availability of parking spaces in an area of the city. Urbis Mobile allows for payment of parking time actually consumed (payment by the minute) and keeps motorists from having to handle money on public roads.

This innovative system optimises income and the rate of adherence and allows payments and any claims to be traced. Finally, Urbis Park place QR codes on walls and/or posts that can be scanned by clients to send information to their smartphones about their parking level and space number even if no network is available.

A committed company

The company regularly calls on local job insertion and/or social agencies for workers through the Local Job Insertion Plan (PLIE). For certain administrative jobs, Urbis Park contacts Work Aid Centres (CAT) first in order to promote certain categories of persons finding work.

At the end of 2013, Urbis Park signed the Business and Regional Charter with the Plaine Commune District and the City of Saint-Ouen, which urges businesses established in this region to integrate youths unable to find a job.

Information relating to Urbis Park's employee relations is set out in pages 134 to 136. As Urbis Park is a subsidiary of Foncière des Régions, it is not concerned by the Social Chapter relating to the Foncière des Régions ESU.



Urbis Park, France



PROMOTING
REGIONAL
EXPANSION

Silex¹ et Silex², Lyon-Part-Dieu



Foncière des Régions helps transform cities by developing high-performance real estate that is sensitive to the environment, users and all stakeholders.

Foncière des Régions has had a strong regional foothold since its creation, which has been developed by expanding its asset ownership activities nationally and developing often-times emblematic operations in major French cities. In 2014, in line with this momentum, Foncière des Régions led a study on the attractiveness of major regional cities as well as

several works that have resulted in a better understanding of regional stakeholders, particularly with the completion of the first analysis of the company's economic impacts, which supports its biodiversity policy and the continued roll-out of its responsible procurement policy.

ACCELERATING REGIONAL TRANSFORMATION

The programmes developed by Foncière des Régions are designed with an eye towards rebuilding previously urbanised areas by restructuring existing assets, repositioning obsolete sites and working closely with public players and local authorities. By contributing substantially towards urban regeneration through innovative and high-performance projects, Foncière des Régions is contributing to the emergence of a sustainable, collaborative and intelligent city.

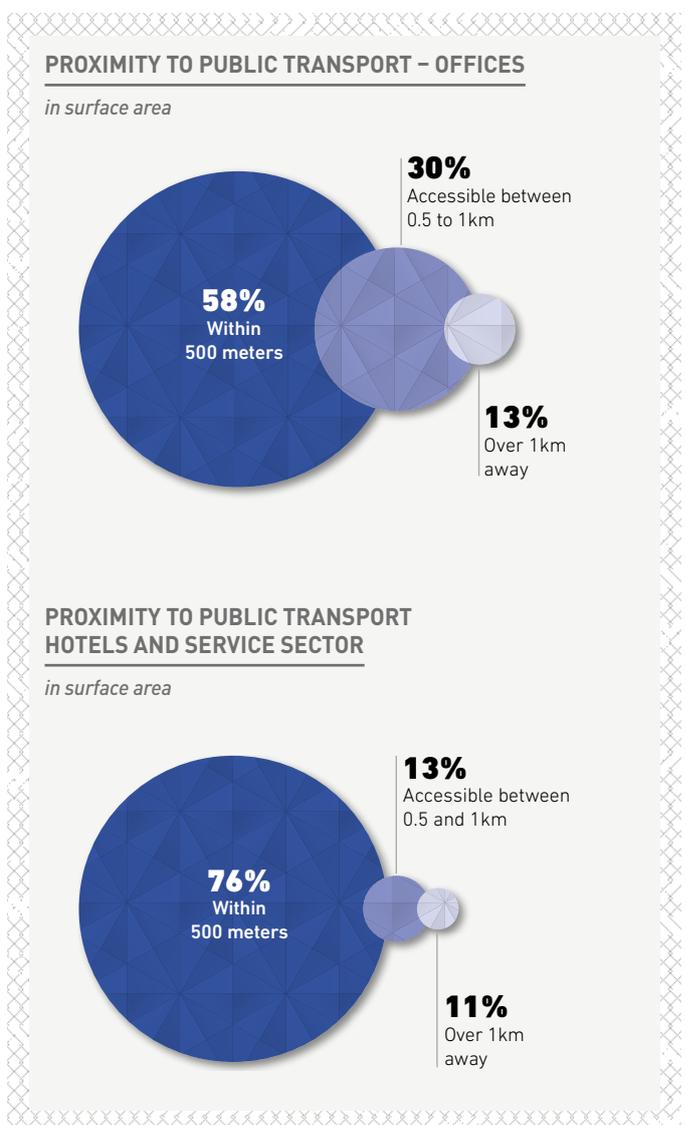
Currently, the challenge is not to continue urban sprawl or increase the number of m², but to develop or restructure the existing surface area as well as possible. This is what the group is doing in France in its strategic markets.

Promoting the development of sustainable transport

Asset location plays a central role in their use and remains a major concern for tenants. In terms of environmental responsibility, taking accessibility criteria into consideration helps decrease the impact of a real estate in terms of carbon, due to the proximity of public transport. Conscious of the increasing impact of these topics, Foncière des Régions encourages the urban integration of its sites, and has been studying the distance from each of its sites in the French office and hotels portfolio to public transport options since 2011.

At the end of 2014, 87% of office assets (vs. 81% in 2013) were located less than 10 minutes by foot (1 km) from public transportation; for the hotel portfolio, the percentage was 89% on the same date (vs. 90% in 2013).

Within its first greenhouse gas assessment (see pages 83-84) conducted in 2011 and renewed in 2013 and 2014 on locations the group occupies and on its employees' commutes, Foncière des Régions was able to identify its activities with the highest CO₂ emissions. The findings of this assessment led to initiatives such as reduced use of taxis in favour of Autolib', the first self-service, short-term vehicle rental system with 100% electric cars, serving 46 districts in Paris.





A strong regional foothold in major regional cities

With more than two thirds of the its French office portfolio located in Paris, Foncière des Régions pays close attention to developments in this market. Through the Greater Paris initiative, the priority is not to create new districts, but to create a coherent and integrated urban area.

For a long-term investor like Foncière des Régions, the Greater Paris initiative is vital and necessary to boost the allure of the

Capital Region internationally, by better connecting the different Paris regions and thus ensuring greater regional coherence.

Foncière des Régions is historically present in major regional cities, and its metropolitan approach is largely the same as in Île-de-France.

It involves offering the best office assets in the best locations that best meet expectations.



STUDY ON MAJOR REGIONAL CITIES

Every year, Foncière des Régions conducts a study on major trends in the commercial real estate market. For its 2014 edition, office real estate and the allure of French metropolises were put into perspective.

When the law on regional public action and metropolitan assertion was announced in January 2014, proposing the creation of future metropolitan region maps, Foncière des Régions wanted to bring a new perspective to the logic behind corporate location to a national level. While companies are managing their real estate more and more carefully and expanding the geographic scope of their location strategy and at a time when building users develop new relations with space and distances, what is the perception of management and employees on new metropolitan dynamics?

Carried out with 1,012 employees and 500 managers of companies with more than 250 employees, the study revealed three major lessons:

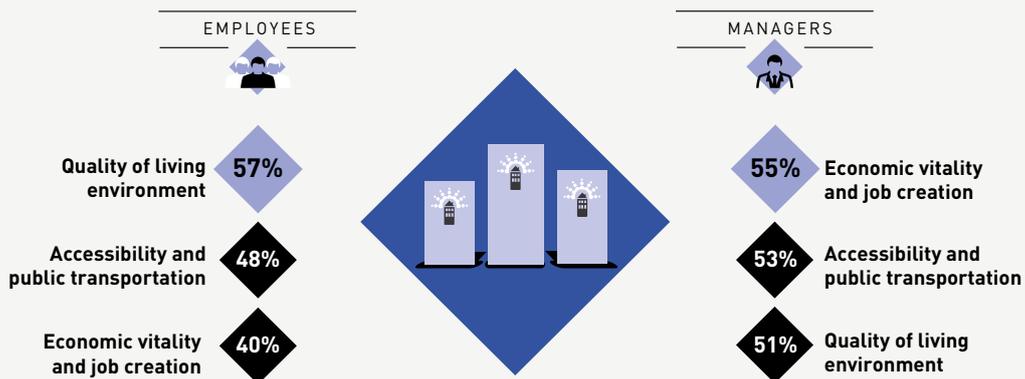
1. Employees, and company managers even more so, expressed a strong attachment to the region in which they work or are located
2. Quality of life, public transportation and economic strength were common determining factors of a region's appeal
3. Reasons for moving or relocating are economic in nature first and foremost, for management as well as employees.

Detailed results of the study on office real estate and French metropolitan appeal are available on Foncière des Régions' website.

ATTACHMENT TO THE LOCATION OF THEIR COMPANY



3 DETERMINING FACTORS OF A REGION' APPEAL





Acting together to promote a sustainable city

Since 2010, Foncière des Régions has invested in many industry initiatives on commercial real estate, from conducting industry-related studies to being pro-actively involved as a sponsor of various organisations. In 2014, its initiatives were intensified on several levels.

Anticipating industry-related challenges

With the desire to always better anticipate major property and socio-economic trends in commercial real estate, Foncière des Régions published two qualitative studies in 2014. The first one focused on office neighbours, putting into perspective the relevance of workplace well-being for its end-users – employees. Against the backdrop of an economic crisis, life in the workplace often conjures up the difficulties that it represents (insecurity, performance obligations, burn out, etc.). The study conducted by OpinionWay on behalf of Foncière des Régions highlighted the main positive aspects of life in the workplace: relationships between colleagues and workplace well-being. Detailed results of this study are available on Foncière des Régions’ website. The second study related to challenges pertaining to company location, the details of which are located on the opposite page.

Leading a collaborative policy on skill-based sponsorships

Sponsor of the Real Estate and Sustainable development Chair of ESSEC since 2011, Foncière des Régions actively participates in the Chair’s work, and in particular, in its annual conference organised for the MIPIM. Foncière des Régions has also participated in the panel of experts during the Chair’s conference with the theme: “Vegetated buildings: utopia or reality? A sustainable and profitable asset?” and provided input to the Chair on drafting the working paper on this subject. By participating in this discussion, Foncière des Régions is positioning itself on this subject of global urbanisation and is providing its property expertise from an investor’s point of view. By engaging in this partnership, Foncière des Régions is also involved in teaching students by providing financial support, special contacts and a reception for the 20 or so students of the Chair. In 2014, three managers and Directors of Foncière des Régions helped six students with their essays, and three interns were welcomed during the year.

As a founding sponsor of the Fondation Palladio, a benchmark think tank for property issues, Foncière des Régions is supporting and getting involved with rolling out initiatives pertaining to one of the biggest challenges of the 21st century – construction of a city and its living areas. Created under the aegis of the Fondation de France in 2008, the Fondation Palladio brings together investors, thinkers and other players in the city of tomorrow. It undertakes educational initiatives for the future decision-makers of the real estate industry by organising seminars and conferences. By supporting applied research, notably through Palladio Scholarships, the Foundation supports those who will be building the city of tomorrow and, via the Institut Palladio, brings together all real estate players in order to face major challenges pertaining to sustainable cities and identifies areas of research and development in order to encourage far-reaching actions with the goal of working more cohesively. In addition to substantial financial support, more than 15 Foncière des Régions employees were actively involved in Fondation’s initiatives and governance in 2014.

Bridging Education and Enterprise

Since 2008, Foncière des Régions has been involved in an innovative and concrete skills-based sponsorship programme to promote equal opportunities. The “Passerelle” programme enables young high school students located in priority educational zones (ZEP) in Bobigny (French Department 93) and Forbach (Department 57) to meet professionals (IT, accounting, human resources, general management, real estate, etc.). During a time in their life when they must start making committed choices about their course of study, more than 2,000 high school students, technical school students or students of preparatory classes for both schools took part in various activities (career counselling interviews, CV workshops, internships, participation in round-table discussions and visits to buildings, etc.) through the volunteer actions of some 50 group employees. In 2014, Foncière des Régions supported the university training of a student who received a summer job through the Passerelle programme in 2013, this time under the professional internship status, with a view to obtaining her undergraduate degree.

Furthermore, paid internships are opened up to high school students every year at Foncière des Régions, offering them an introduction to the workplace.

An industry-specific partnership approach

Foncière des Régions contributes to French government building policy through strong commitments within various French and European working groups and professional associations, which enables it to develop its expertise and discussions on its sustainable development policy. In 2014, Foncière des Régions participated in the Association des Directeurs Immobiliers (ADI) working group on rehabilitating brownfield areas, among other things. As both an investor and player in the new regions of tomorrow, Foncière des Régions provides unique expertise to the working group on topics such as rebuilding the city on the city, thanks to its large-scale renovation operations in Marseille, for example, and presenting its economic and financial point of view on these urban development projects. The other organisations to which Foncière des Régions is providing assistance are shown in page 95.



INGRID NAPPI-CHOLET
RESEARCHER AT ESSEC, HOLDER OF THE REAL ESTATE
AND SUSTAINABLE DEVELOPMENT CHAIR



Foncière des Régions and ESSEC’s Real Estate And Sustainable Development Chair share the same commitment to the next generation: that of passing on knowledge and experience to future decision-makers in the real estate sector.



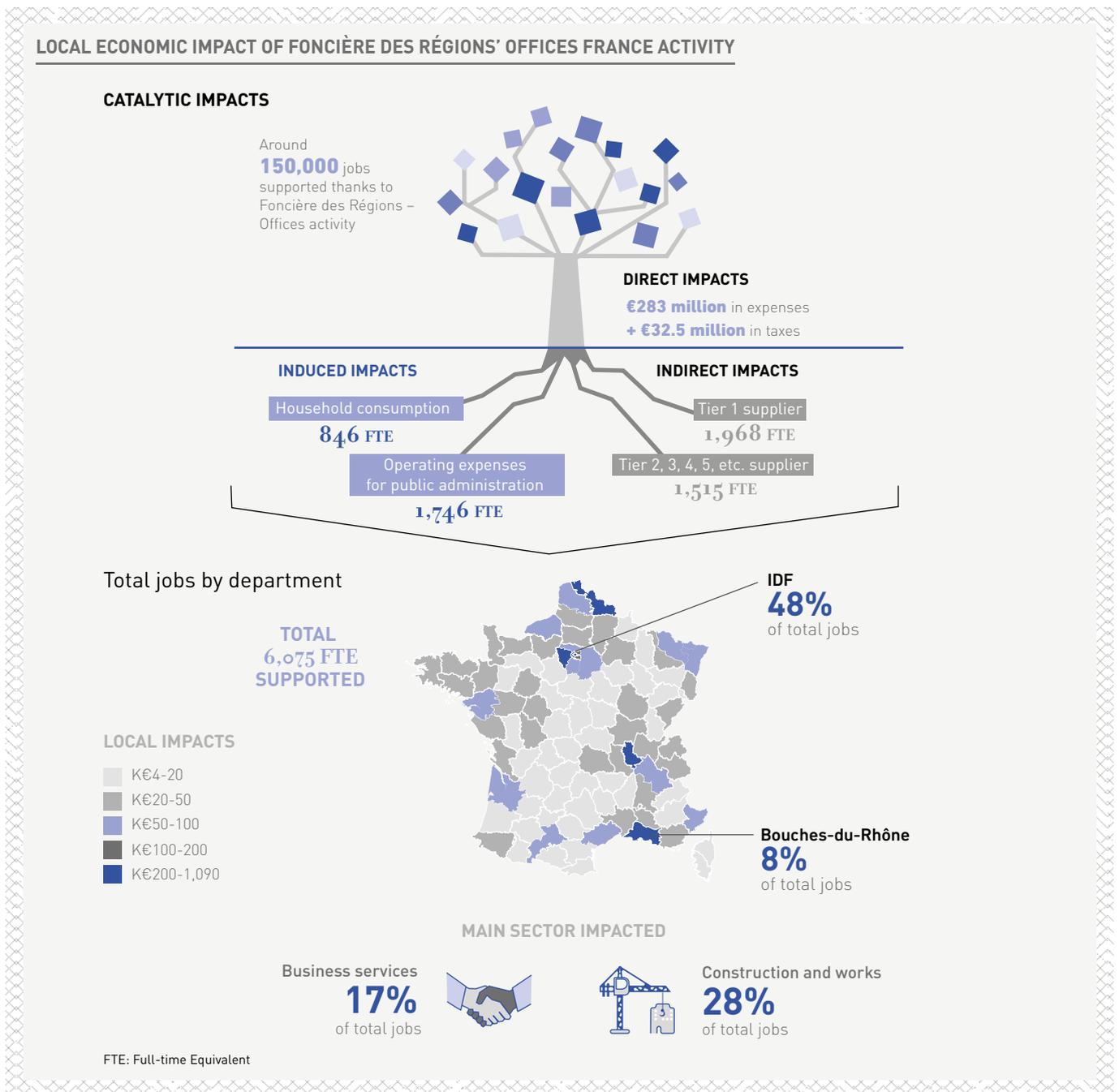
Measuring the local economic impact of its business activities

In order to characterise its regional footprint, notably in France, in 2014, Foncière des Régions broke new ground by being one of the first players in its sector to quantify its socio-economic impact. This initial study was conducted using the LOCAL FOOTPRINT® methodology in order to estimate the economic benefits of its Offices business in France (in operation or under development). This model is based on the national trade statistics tables between business sectors (from the World Input Output Database, a project funded by the European Commission) and well-known scientific work (Wassily Leontief's algorithm, winner of the Nobel Prize in Economics in 1973 and the University of Bristol's research on regional economics).

Based on data from Foncière des Régions' Offices business (from 1 November 2013 to 31 October 2014), the economic benefits (jobs created) were calculated with top-tier suppliers, then simulated consecutively for the entire chain of suppliers, according to the business sectors and French regional departments impacted. Regional economic impacts from duties and taxes paid to public authorities were also evaluated.

The analysis of the footprint was based on a scope that included 395 Office assets in 76 French regional departments representing more than 1.5 million m² in surface area.

The total impact is represented in the chart below:





These impacts can be broken down as follows:

- ◆ *direct impacts*, which include expenses with Foncière des Régions' suppliers, for €283 million (excluding tax) and €32.5 million in duties and taxes paid. This enabled the creation or perpetuation of a total of 6,075 FTE jobs (full-time equivalent for one year) for all of the regional departments in France. The added value (GDP) generated in France thus rose approximately €392 million. 48% of these total jobs were located in the departments of Île-de-France, followed by the Bouches-du-Rhône department, which accounted for 8% of total jobs. The industries most impacted were construction and works, which represented 28% of total jobs, and business services for 17%
- ◆ *indirect impacts*, which refer to jobs supported by Foncière des Régions' clients as well as the suppliers of these suppliers throughout the entire chain, amounted to 3,483 FTE (1,968 FTE at Foncière des Régions' suppliers and 1,515 FTE along the rest of the chain). The main industries impacted were construction and business services
- ◆ *induced impacts*, which include two levels:
 - ◆ impacts caused by household consumption: the salaries paid by the entire chain of suppliers increases purchasing power in homes, which, in turn, supported 846 FTE through their consumption. The main industries impacted were business services, with 113 FTE, retail, with 98 FTE, then hotel and restaurant businesses with 75 FTE
 - ◆ impacts resulting from government spending: economic activity generated in the chain of suppliers resulted in the payment of duties and taxes, which added €32.5 million paid

by Foncière des Régions. Government operating expenditure caused by Foncière des Régions' Offices business supported a total of 1,746 FTE over the entire country. The main industries impacted were healthcare and social action, with 518 FTE, public administrations, with 511 FTE, then education, with 371 FTE.

This study on socio-economic footprint was supplemented by an analysis of "catalyst" impacts related to the occupation of Foncière des Régions' offices. This involves measuring the total economic contribution of those occupying offices, produced by their indirect and induced impacts (estimated from spending and taxes paid on the regions).

This contribution is therefore not directly attributed to Foncière des Régions, nor is it added to or compared with the socio-economic benefits from the Offices business.

These initial works highlighted the following information:

- ◆ 1.5 million m² of office surface area accommodates approximately 60,000 people
- ◆ spending brought about from the activities of the companies using the office spaces supported around 35,000 FTE in the chain of suppliers
- ◆ this activity also support jobs created by household consumption for approximately 20,000 FTE
- ◆ lastly, jobs induced by government spending *via* taxes and duties paid by any activity described above represented around 34,000 FTE.

TURNING EACH SITE INTO A BIODIVERSITY DRIVER

Today, biodiversity constitutes an important and coherent component of Foncière des Régions' sustainable development policy.

Protecting biodiversity as a social commitment also helps increase the intangible value of assets by enhancing the well-being of their occupants (thermal comfort, scenery, recreation, etc.).

Since 2013, Foncière des Régions has particularly collaborated in work led jointly by the associations HQE and Orée, of which it is a member; this work resulted in the production of a general public educational handbook with players in construction and real estate (http://www.oree.org/_script/ntsp-document-file_download.php?document_file_id=3528), and in 2015, it highlighted the biodiversity indicators for the next HQE certification reference guide.

At the same time, an analysis of the impacts of business activities on biodiversity was led in 2014 using criteria defined by version 4 of the GRI, and two "Blue Butterfly" Charters were drafted internally with the help of a specialised research firm to outline the process in conjunction with the various teams concerned.

A comprehensive policy on biodiversity

Foncière des Régions' biodiversity policy focuses on five main areas and takes into consideration the different stages in the useful life of an asset:

- ◆ development and renovation eco-design very early on taking into account biodiversity and interactions with the urban fabric as a whole, stakeholders and green corridors
- ◆ planting native plant species and preserving butterflies and birds
- ◆ enhancing the functions of green spaces for building users
- ◆ adapting the upkeep of green spaces to meet eco-responsible criteria, such as modifying maintenance schedules, limiting the use of chemicals, etc.
- ◆ participating in research, in particular to create a mapping of biodiversity on the commercial portfolio in the Greater Paris region.

Biodiversity is also one of the topics discussed during civic actions conducted by Foncière des Régions, such as the Passerelle project: secondary school students carry out a study, with the support of Foncière des Régions and one of its biodiversity consultants (Astrance), which will feed national biodiversity databases used by researchers at the National Museum of Natural History (MNHN).



Two internal Charters to promote biodiversity

In order to ensure that challenges related to biodiversity are taken into consideration, and to obtain labels in this area, two internal Charters were written in 2014 in relation to operational teams, enabling Foncière des Régions to manage a tool that assists with every stage in its property chain:

- ♦ one charter concerning the creation of green spaces, intended for green space development or total renovation operations. Compliance with its provisions will make it easier to obtain the BiodiverCity label
- ♦ a second charter concerning the management of green spaces, targeting operations in use. Compliance with its provisions will enable the company to receive the Eve or EcoJardins label.

These two charters describe the way in which Foncière des Régions intends to manage challenges pertaining to biodiversity and landscaping, by integrating these challenges both during the creation of green spaces and in their management.

These two documents ensure strong cohesion between the development and management phases, and in addition to paying particular attention to butterflies, which are indicators of biodiversity, they implement a well thought-out maintenance and attentive management plan of grounds and green waste, prioritising customised selections of plant species, environmentally-friendly watering and no use of plant protection products.

Foncière des Régions' biodiversity policy, promoted by the Sustainable Development Department, involves all departments concerned (developments, property and asset management) as well as all players: architects, developers, builders, ecologists, landscape architects and green space companies.

For biodiversity, as for all other subjects, environmental and social performance hinges upon suppliers' compliance with the company's objectives.

CAPITALISING ON TRUST-BASED RELATIONSHIPS WITH ITS SUPPLIERS

Challenges

Considering that purchases must make up part of its environmental and operational performance, Foncière des Régions has implemented a responsible procurement policy since 2011, which covers both business-related activities (building development and management) and support (IT, service providers, consulting, etc.) with the decision to exclude a certain number of purchasing items: insurance, banks, co-ownership entities, tenants, taxes, duties and fees.

As a member of the United Nations Global Compact since 2011 (see page 82), Foncière des Régions has designed tools for its responsible purchasing policy as ways to comply with and encourage its commitments, in its chain of suppliers and internally, in complying with principles related to human rights, labour standards and the environment, and combating corruption.

Policy

The responsible procurement policy was rolled out in France and within the Offices business (building development and management), Logistics and Car parks, as well as for the group's corporate scope. It was suspended for the housing business whose management has been outsourced, and for the hotels and service sector, where management is the tenant's responsibility. It is intended to guarantee:

- ♦ respect for the safety of people and property
- ♦ compliance with legislation regarding labour law and Human Rights
- ♦ use of secure technologies that respect the environment, promote the fight against climate change, help conserve energy and water and encourage the recycling of waste
- ♦ technical and economic competitiveness
- ♦ the quality of the contractual relationship with suppliers
- ♦ promoting local economic and social life by understanding regions better.



Thaïs, Levallois-Perret



Progress and action plan

The responsible procurement policy led by Foncière des Régions relies on three additional tools:

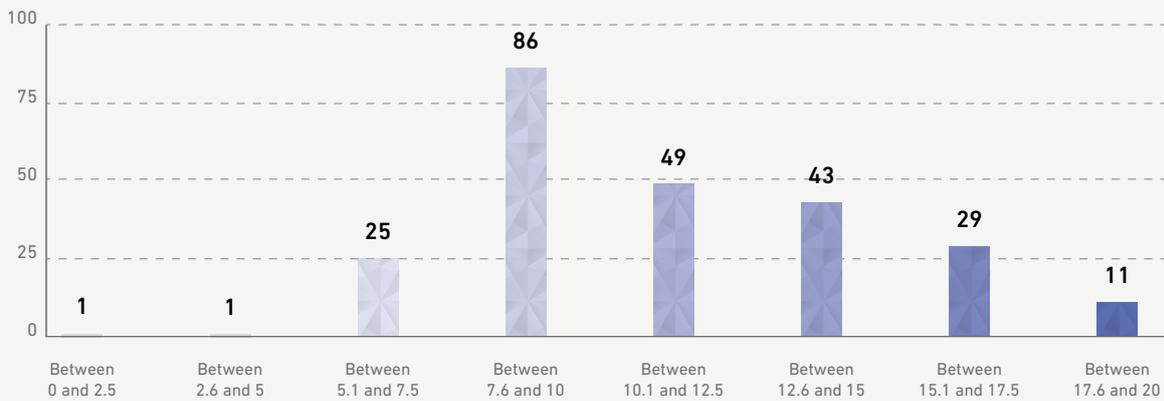
- ♦ a survey form: handled with the utmost confidentiality, the responses to this survey enable the company to map out suppliers' CSR performance
- ♦ in the new contracts, five contractual clauses embody suppliers' CSR commitments
- ♦ Foncière des Régions' responsible procurement charter: a commitment based on ten principles which cover all aspects pertaining to sustainable development, taken from the Global Compact and the International Labour Organisation (ILO).

245 committed suppliers

At the end of 2014, 245 suppliers (vs. 207 at the end of 2013 and 107 at the end of 2012) had responded to the survey and signed Foncière des Régions' responsible procurement charter. This process is useful to Foncière des Régions in better understanding the CSR profiles of its suppliers and characterising their positioning with regard to the group's core values.

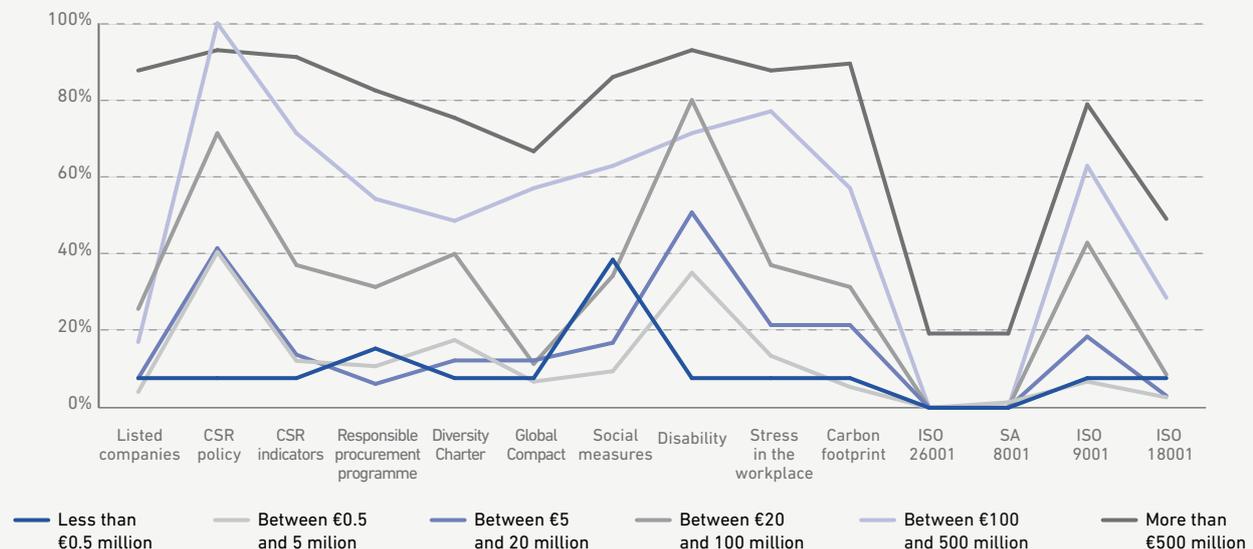
Responses to the survey led to a grade weighted according to the supplier's revenues and number of employees, with an average grade of 11.2/20 (vs.11.3/20 last year).

BREAKDOWN OF GRADES AS AT 31 DECEMBER 2014



The chart below shows that, as a trend, the commitment of companies in the area of CSR is correlated to their revenue (all customers together).

CSR COMMITMENTS OF COMPANIES AND REVENUE





PROMOTING REGIONAL EXPANSION

In order to systematise the process, an IT module was developed in conjunction with the management tool: when an order amounting to more than €200,000 (excluding tax) is involved, the purchaser must then state the contact information of that supplier's Sustainable Development Manager if they have not yet been assessed. Once contact information has been entered, a message is automatically sent to the supplier with the survey form, the five contractual clauses that embody CSR commitments of suppliers, and Foncière des Régions' responsible-purchasing Charter.

The process started by Foncière des Régions with its suppliers also translates into R&D or societal actions, with partnerships which

involve both research (e.g., CSTB, Vinci, etc.), the development of tools (e.g., BIM with Petit-Lainé-Delau, etc.) and even studies (use value with Bouygues, etc.). Certain suppliers have participated in initiatives from the Passerelle programme (see page 69) and Green Meetings at Foncière des Régions (see page 85).

Every year, ten audits are conducted by a third-party specialist with suppliers who responded to the survey. To date, no suppliers have been removed from the list as no serious anomaly has been recorded. Feedback to suppliers focuses on progress rather than exclusion.

STATISTICS

Number of suppliers	Queried	Evaluated	Response rate	Checked	Received recommendations	"De-listed"
Total at 31/12/2014	377	245	65%	30	23	0
Total at 31/12/2013	327	207	63%	20	14	0
Total as at 31/12/2012	159	107	67%	10	4	0
Change as a % 2014/2013	+15%	+18%		+50%		
GRI 4	G4-EN32 G4-LA14 G4-S09				G4-LA15 G4-S010 G4-EN33	



Euromed Center, Marseille



In 2014, focus on subcontracting

Foncière des Régions pays very close attention to its own suppliers' use of subcontracting (construction, facility management, maintenance) and reserves the right, by contract, to approve the potential subcontractors based on a detailed file of their skills and practices. The policies developed and applied internally by the suppliers must also be distributed to their subcontractors (called "tier 2") to ensure the long-term viability and consistency of the process.

The 10 suppliers who underwent an audit in 2014 had their use of subcontractors analysed. Overall, the organisations interviewed take into account the roll-out of certain initiatives with their subcontractors very well, notably in terms of work safety and reducing environmental impacts (often with increased vigilance on waste or hazardous products). Certain virtuous practices were thus noted:

- ♦ the implementation of 15-minute safety meetings or 15-minute environmental meetings for both the suppliers' employees as well as their subcontractors

- ♦ zero-tolerance policies for wearing PPE (Personal Protective Equipment)
- ♦ the implementation of "Responsible work site" charters
- ♦ conducting work site audits, etc.

Certain suppliers have implemented their own responsible procurement process. Platforms dedicated to monitoring subcontractors are often implemented in order to obtain reliable reporting data. Some organisations (for the large work sites) include the performance of their subcontractors in their own reporting, particularly regarding employee safety (accident frequency and severity rates, for example).

Suppliers generally handle waste safety and sorting well with their subcontractors. Some groups go even further, by supporting their subcontractors: updating for small businesses, use of social inclusion clauses, etc.



HUMAN CAPITAL

Thaïs, Levallois-Perret



The human resources policy of Foncière des Régions is based on four pillars, defined in 2012, which form part of the strategic 2015-2020 targets set out in pages 21-22, namely: raising levels of professionalism and seeking excellence at every level, fair-remuneration policy, directly related to performance and achievement, transparent and exemplary management at local team level, a transparent and constructive social climate.

A HUMAN RESOURCES POLICY THAT SUPPORTS THE GROUP STRATEGY

Foncière des Régions' human resources management helps to constantly adapt the company to the economic context and its corporate strategy by maintaining strong and ongoing actions in terms of skills development, responsible assistance with strategic changes and the adaptation of its organisation.

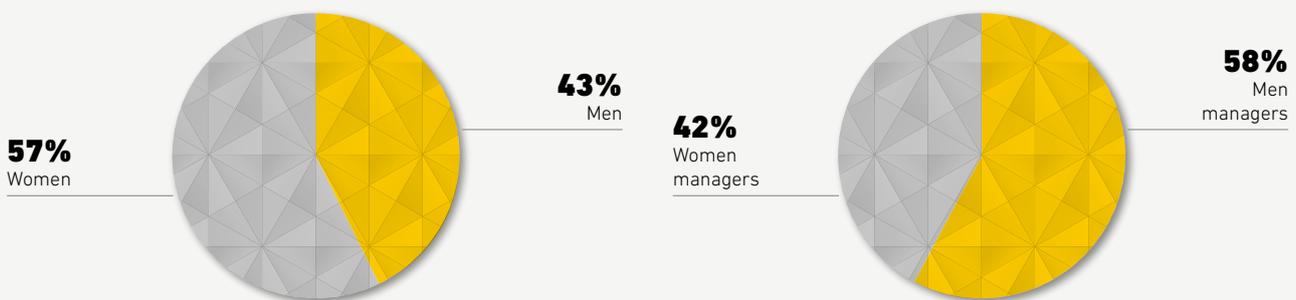
A slight decrease in the workforce

In 2014, the workforce of the Economic and Social Unit (ESU) of Foncière des Régions was down compared with 2013. This decrease is due to the accelerated disposal of the logistics portfolio, in particular the sale of the Garonor platform, acquired in 2007. It was also accompanied by the voluntary transfer of employees to the buyer's workforce (see page 78), thereby ensuring continued employment. In the same way, the disposal of residential assets led to the transfer of their caretakers, who left the group's workforce in 2014. Accordingly, the decrease in the size of the workforce has entailed no loss of employment, since the employees affected by these transfers have kept their positions. Restated for these transfers associated with disposals, turnover amounted to 8.5%.

The regional breakdown of the teams remains stable, with nearly a quarter of the workforce based in Metz. The breakdown by gender is also stable. The breakdown by socio-professional category has changed slightly, with a slight increase in the shares of Managers and Employees (73% and 9% respectively, compared with 71% and 8% in 2013) in relation to the Supervisors and Building Caretakers categories, which is due to promotions, more Apprentices (Employee category), and fewer caretakers with the modifications to the French Residential portfolio.

BREAKDOWN OF WORKFORCE IN 2014

Economic and Social Unit (ESU) of Foncière des Régions





Fixed-term contracts are down (1.8% versus 3.4% in 2013) and 60% of them concern absent employees (maternity leave or parental leave).

Likewise, the percentage of permanent contracts is slightly down, due to an increasing number of apprentices in 2014, which amounted to 17 work-study contracts in the year (6.1% of the workforce), including three renewals of apprentices working with the company since 2013. These students are systematically given a tutor – a recognised professional in his/her field – and are monitored throughout the year by the Human Resources department, which monitors the successful conduct of the apprenticeship in terms of the assignments entrusted to the apprentice, his/her integration in the company and his/her workload.

The company’s support for young people in employment is also reflected in the seasonal recruitment of students, 50% of whom are recruited as part of the Passerelle partnership (see page 69) on the sites in Paris and Metz. Young people from two schools, namely Louise Michel (Bobigny) and Blaise Pascal (Forbach), are thereby offered their first professional experience. In 2014, Foncière des Régions supported the university training of a student met through a summer job with Passerelle in 2013, this time under the professional internship status, with a view to obtaining her undergraduate degree.

Disposal of Garonor: responsible support

As part of the strategy to focus on offices, German residential property and hotels, the disposal of logistic assets has accelerated, in particular with the disposal of the Garonor platform in June 2014. As ten employees working at the site were directly affected by the disposal, the project was prepared beforehand with the staff representative bodies, in particular the Works Council. Accordingly, the project was subject to a memorandum from the Works Council in October 2013, followed by a consultation in April 2014, which was ultimately approved in terms of the economic and social aspects.

The procedures for employee transfers were subject to a memorandum and sustained support was provided to the employees affected throughout the project. In particular, Foncière des Régions offered specific support measures to foster the voluntary transfer to the buyer of each employee concerned, thereby ensuring continued employment.

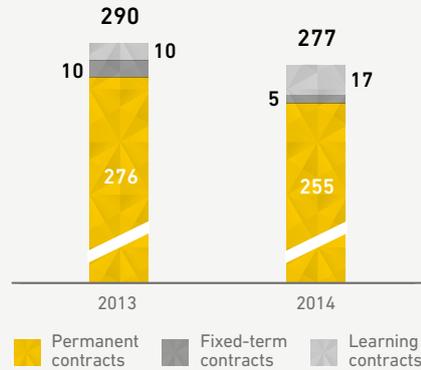
After the period of reflection, 80% of the employees concerned decided to join the buyer.

An active recruitment policy

The number of permanent contract hires was kept at a high level, and in more than half of the cases reflected the creation of a position corresponding to the development of the activity in question, thereby attesting to the group’s dynamic momentum, and in particular to that of the Development, Tenant Relations and Property Engineering divisions, in addition to the Hotels and Service Sector Teams, which were strengthened in 2014.

Foncière des Régions continued its graduate training scheme to recruit young people: 35% of hires under permanent contracts in 2014 were young graduates, and more than half of such contracts benefited young people under 30 years of age. Among the young graduates hired in 2014, two former Foncière des Régions apprentices joined the teams under permanent contracts.

BREAKDOWN OF WORKFORCE BY TYPE OF CONTRACT



ADAPTING THE ORGANISATION

Following the “Chorus” project carried out in 2013, Foncière des Régions continued the alignment of its organisation with strategic guidelines in 2014 (creation of a Sales division in particular), in addition to its communication on the changes, through cross-disciplinary workshops and conferences bringing together all group employees in July 2014. The staff representatives were actively involved and followed the changes introduced through a specific Commission that met twice in 2014.



THE COMMITMENTS OF THE GENERATION CONTRACT IN TERMS OF RECRUITMENT

The company has set itself the goal of recruiting, before the end of the agreement, at least 10 young people under 30 years of age under permanent contracts. The company has also undertaken to foster the recruitment of young hires under open-ended contracts within the company under work-study contracts. Lastly, the company has undertaken to recruit one employee of at least 55 years of age, and to ensure the continued employment of employees aged 55 and over, accounting for 5% of its workforce.



The recruitment commitments made in the Generation Contract agreement (which entered into force on 7 August 2013), valid for a period of three years, have been achieved in 2014, in particular through the recruitment of an employee over 55 years of age under a permanent contract. An induction programme has been implemented within the group and adapted to each profile to facilitate the reception and integration of new employees. This programme combines cross-disciplinary participation in team meetings, the meeting of managers and corporate officers, and

even participation in General Shareholders' Meetings. Accordingly, each year it enables new hires to discover the group's diversity and business lines and to meet its various players. Each new hire benefits in particular from an hour-long interview with the Sustainable Development Director as a first step to raising awareness of CSR issues and policy. The programme ends with an informal exchange in the form of a discovery report with a member of the Executive Committee.

ENSURING THE DEVELOPMENT OF **SKILLS** AND REWARDING THE **PERFORMANCE** OF EACH EMPLOYEE

The challenge of developing individual and collective skills within Foncière des Régions is one of its main concerns to offer the best service to its clients and partners, in addition to ensuring the appropriate and motivating development of each employee's career.

Ambitious training policy

Foncière des Régions takes special care to develop each individual's skills: in all, 95% of employees have attended training programmes during the year, whether internal/external or collective/individual. On average, each trained employee has benefited from nearly three days of training during the year (20 hours), *i.e.* a sharp increase compared with 2013 (due in part to the semi-annual frequency of the Training Week).

Business training sessions accounted for 70% of the initiatives, thereby reflecting a continued effort to develop its real estate expertise for its clients. In this respect, Foncière des Régions is focusing in particular on internal training, in line with its conviction that the best skills are acquired as closely as possible to the field and to operating conditions. 15% of employees helped to coordinate internal training sessions in 2014 (5% outside of the Training Week), and some employees continued their "trainer training" course in 2014.

Nearly 40% of the training budget is devoted to the development of management and behavioural skills (personal effectiveness, communication, public speaking, etc.). For example, a significant programme on training in negotiation was implemented this year for the asset management and sales & marketing business lines, and will be extended to other business lines in 2015.

As in 2013, the appropriation of IT tools forms an important part of the training programme, with 16% of shares and 10% of the total budget.

With a view toward ongoing improvement and the selection of the best training bodies and programmes, each training session is assessed *via* an online questionnaire sent to the relevant trainee. In terms of collective programmes, specific assessments are performed in two stages: immediately afterwards, followed by a few months later, in order to measure their impact on employee skills development. The People Reviews of each business line help to assess 1) the programmes rolled out for a business line over the last two years, 2) the skills of the employees comprising the business lines, 3) their initial training, and 4) their strengths and paths for development, thereby determining the strategic avenues for skills development over the next few years.



2014 TRAINING WEEK

During one week, after the summer holidays, Foncière des Régions makes an effort to share its internal expertise, deepen mutual knowledge of business lines and promote its talent. 15 training modules, prepared and presented by internal coordinators, are alternated throughout one week, representing 56 hours of training open to all. Nearly three out of four employees attended this second edition in 2014, thereby ensuring the post-holiday return to work was at once studious, social and fun.

3.48%

OF PAYROLL WAS ALLOCATED TO TRAINING

Our training policy reflects Foncière des Régions' ambitions in terms of continual development of the human capital and the Company.

Individual and collective training allow each employee to continue to progress in a customer-focused approach.



ELSA CANETTI
HUMAN RESOURCES
DEVELOPMENT
MANAGER



JESSY JÉRÔME
TRAINING
OFFICER



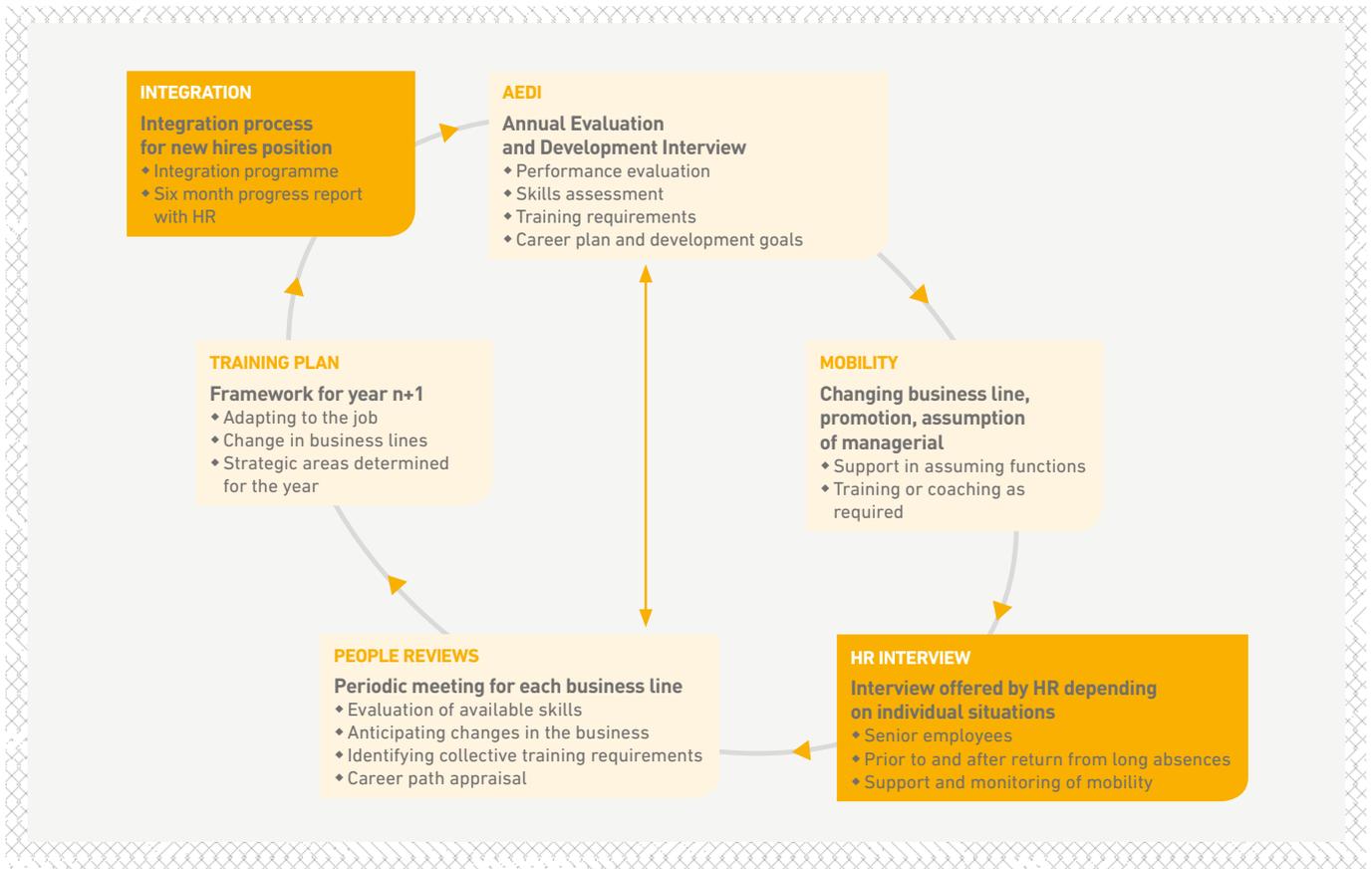


Integrated and dynamic career management

Employees' annual appraisal meetings with their managers and the various interviews conducted by the Human Resources department are at the heart of Foncière des Régions' career development programme and go beyond the requirements of the French Labour Code.

In 2014, 98% of the employees present were able to perform an Annual Evaluation and Development Interview (AEDI) with their managers. These appraisal meetings, in addition to assessing achievements and setting targets for the year to come, are also used to draw up a full report on skills acquired and those that must

be developed in the position or in view of a professional project. The annual appraisal and development meeting provides information to Human Resources regarding training, career management, remuneration and action plans concerning work organisation. During these meetings, employees are also encouraged to provide feedback to their managers on their managerial practices and to determine avenues of progress with them with a view to improving the functioning of the employee-manager team. In January 2014, a seminar held by the extended Executive Committee was dedicated to the subject of evaluation, thereby offering improvements to the evaluation process and form.



From 2015, regulatory developments will supplement this programme through new interviews: interviews to monitor workload, and professional interviews (periodic review of employees' careers and their aspirations for development), which are separate from the performance evaluation.

In addition, the interviews planned within the framework of the various collective agreements will be maintained: interviews conducted after a long absence (maternity leave, individual training leave, etc.), interviews dedicated to employees aged 55 and over, career interviews upon request, mobility monitoring interviews, etc. Accordingly, the HR team met with 12% of the workforce in 2014, formally and with a personalised approach.



2014 PEOPLE REVIEW MANAGEMENT

Each of the group's business lines is periodically subject to a detailed skills review: the files of all employees of a single mobility area are assessed collectively by the managers and corporate officers of the business line in question, in order to determine their strengths, avenues of progress, and the individual and collective actions plans to be implemented (mobility, training, recruitment, specific guidance, etc.). In 2014, this exercise was carried out with the Executive Committee for the entire management population (excluding support staff), based on new "management standards". This People Review resulted in an ambitious management development plan which will be rolled out in 2015.



Compensating performance

The bonus-pay policy is incorporated into the concept of individual performance, based on the extent to which the business objectives determined during the annual appraisal meeting were achieved. The challenge is to make this essential element of an employee's contribution to the group more objective and more transparent to its employees. 70% of individual bonuses awarded in 2014 thus varied compared with 2013.

In addition to the individual approach, Foncière des Régions once again allocated bonus shares to all its employees in 2014. The idea was to enable the entire staff to share in the financial achievements of 2013. The promotion of employee shareholding is an effort to provide a long-term link between employees and group income.

Employee investments, profit-sharing schemes and savings agreements have been rolled out within the group as part of the agreements negotiated and signed in 2013. An average incentive of 9.65% of annual salary averages was paid to employees in 2014 based on their performance in 2013. 88% of beneficiaries opted to invest all or part of their awards in the group Savings Plan. 64% of beneficiaries chose to invest in Foncière des Régions shares, as such an investment leads to an additional amount of group share, thereby encouraging employee shareholding.

As of 2013, the bonus criteria of several senior executives include a CSR component, particularly in terms of improvement in portfolio quality and in the percentage of green portfolio achieved.

ACT FOR QUALITY OF LIFE AT WORK

Foncière des Régions undertakes to promote Quality of Life at Work, in particular through an agreement signed on 19 December, 2014. Recurring or occasional problems related to workload, organisational changes, ongoing and necessary skills development, and the widespread use of New Technologies of Information and Communication (N.T.I.C.) may cause stress and unease for some employees.

The Quality of Life at Work agreement provides for the establishment, as of 2015, of tools allowing the prevention and treatment of psychosocial risks. An external and confidential telephone counselling unit is available 24/7; the freephone number brings employees into contact with qualified psychologists only. An alert procedure has been established internally, covering in particular any incidents of harassment. A training plan aimed at identifying hazardous situations and action drivers to prevent and manage such situations will be rolled out in 2015 for all ESU employees, in accordance with the procedures specific to each type of player: Executive Committee, Human Resources and staff representatives, managers and employees.

In the context of Quality of Life at Work, the agreement on the reorganisation and reduction of working hours of 25 November 2014 specifies the individual and collective responsibilities and guarantees regarding the monitoring of workload and the organisation of working hours, in particular the "right to disconnect", a strong driver for the primary prevention of psychosocial risks. It also provides for workload monitoring, which will become a reality in 2015 through two follow-up interviews that will be held on this subject.

In terms of work safety, Foncière des Régions is committed beyond statutory regulations, with 11% of employees holding first-aid rescue worker (SST) certificates, and 8% of the workforce trained in 2014, whether through initial training in Health and Safety at Work or through a refresher course to maintain their level of expertise and the validity of their certificate. The work accident rate remains very low at 0.72%.

Health and safety risks related to the group's business activity concern mainly business travel. The group's business travel policy, updated in 2014, provides that "public transport must systematically be used for all business travel". Company vehicles are provided to employees in business lines with high mobility (technical managers and development project managers, for example), but all journeys of more than 250 km must necessarily be made via public transport, in order to limit the risk of fatigue and road accidents.



"QUALITY OF LIFE AND WORK AND NTIC" (EXTRACT FROM ART. 7.3.3 – REORGANISATION AND REDUCTION OF WORKING HOURS AGREEMENT)

"The New Technologies of Information and Communication (email, laptops, mobile telephones, smartphones, extranet portal, etc.) are working methods that form part of the working environment, and are essential for the proper functioning of the company. However, it is important to ensure that their use does not infringe on employees' resting times and private lives. [...]"

Employees have a right to disconnect remote communication tools in order to benefit from minimum rest periods. In the absence of exceptional circumstances, based on the urgency and importance of the subjects under consideration, and with the exception of senior managers, Foncière des Régions' employees must strive not to use working tools connected remotely outside of conventional working hours.

In any event, outside of special circumstances when the employees need to be available, the right to disconnect is ensured for all Foncière des Régions employees, who may in no case be penalised for not replying to a message or any other professional request not during their working hours."



PROMOTING DIVERSITY AND EQUALITY

A signatory of the Diversity Charter in 2010 and of the Global Compact in 2011, Foncière des Régions renewed the Professional Equality and Diversity agreement of 21 December 2011 in 2014.

In terms of recruitment, the review of candidacies and invitations for job interviews has been under analysis since 2013 to ensure diversity amongst profiles of those being considered for each job. The recruiting team received awareness training on this issue when the recruitment management computer resource was implemented. In 2014, it presented a report to the members of the Equality Diversity Commission (staff representatives) regarding the number of candidacies processed by gender, age and disability, at each stage of the recruitment process (sorting through CVs, feedback following the job interview, final decision).

In terms of remuneration, the implementation of the Professional Equality and Diversity agreement of 21 December 2011 continued in 2014. The analysis of compensation gaps was repeated, but the corrective measures to be implemented were marginal given the progress made in previous years.

Foncière des Régions is also committed to parenthood. In 2014, 100% of male employees took the paternity leave offered to them. At the same time, the Flexi Crèche programme, which offers backup infant care solutions to employees (as parents or grand-parents), continues to support families in need for up to ten days per year. A guide on parenthood in the company was prepared as part of the Equality Diversity agreement and will be distributed in early 2015. It is intended to inform employees about the rights of parents and future parents, and about the programmes implemented by the company. Moreover, Foncière des Régions will sign the Parenthood Charter in 2015.

In terms of disabilities, Foncière des Régions prepared a thorough review in 2014 (which was shared with staff representatives) concerning the employment of people with disabilities, potential obstacles to their integration, and the means to ensure the group is more open to this population. Two major avenues for action have emerged for 2015: renewing the systematic use of centres providing assistance for employment (ESAT), and increasing contact with associations and organisations connecting companies with students with disabilities. Given that the great majority of the group's employees work as managers and hold university degrees, the integration of people with disabilities (77% of whom have not completed secondary school) is very difficult.

Accordingly, Foncière des Régions wishes to help young people with disabilities to graduate, whether through internships, apprenticeship contracts, or even by offering them permanent contracts at the end of their studies.



FONCIÈRE DES RÉGIONS APPLIES ILO CONVENTIONS

Foncière des Régions currently applies the eight International Labour Organisation (ILO) conventions, including those concerning the right to organise, effective recognition of collective bargaining, eliminating all forms of forced labour, ending child labour and suppressing discrimination in employment and professions, among others.



Toulouse Marquette, Toulouse



GUARANTEEING TRANSPARENT SOCIAL DIALOGUE

The Works Council was in great demand in 2014, due to major projects such as the disposal of Garonor (see page 78), the creation of a new structure to develop the Hotels business, and even recurring topics of information and consultation. Transparent and effective social dialogue was guaranteed through the provision of information well ahead of any changes, and the special attention devoted to employee expectations and group challenges.



LIST OF AGREEMENTS SIGNED IN 2014

- 2014 Mandatory Annual Negotiations Agreement: 25 November 2014
- Amendment No. 1 to the ARTT Agreement: 29 November 2014
- Quality of Life at Work Agreement: 19 December 2014
- Amendment No.1 to the Professional Equality and Diversity Agreement: 19 December 2014

Organisations such as the Health, Safety and Working Conditions Committee (CHSCT), the Training Commission and even Prospective Employment and Skills Management (GPEC) – dedicated in 2014 to the implementation of the Chorus organisation – met on several occasions to deal with topics in depth and to follow action plans within the framework of dedicated meetings.

By working with trade union organisations throughout the year, the company was also able to negotiate and sign four collective agreements. Two of them were intended to adjust previous agreements (Agreement on the Reduction of Working Hours or Equality Diversity), taking into account the conclusions of monitoring committees, for example. The Quality of Life at Work agreement built on the success of the anti-stress agreement of 2009, while broadening its scope of application to include all psychosocial risks and by acquiring new tools for the group (psychological support unit, wider role of the CHSCT, etc.). Mandatory annual negotiations (N.A.O.) were entered into in November 2014 via an agreement with social partners. In particular, it determines the budget for increases in fixed salaries and the terms for such increases, and provides for the award of 30 bonus shares to all employees of the ESU.

JOINING FORCES FOR SUSTAINABLE DEVELOPMENT

The process of change regarding the various challenges for sustainable development entails the strong commitment of each Foncière des Régions employee. Foncière des Régions strives to set an example through the management of its assets and its internal operations. Accordingly, the various initiatives undertaken by its teams (the main initiatives are listed below) are carried out in keeping with the sustainable development policy.

(renovation of the boiler room at 30 Kléber, etc.) and to the teams from Metz being moved from two less eco-friendly buildings to a single site, the Le Divo building.

The greenhouse gas footprint is calculated based on the ADEME V6 carbon footprint table.

Measuring carbon emissions

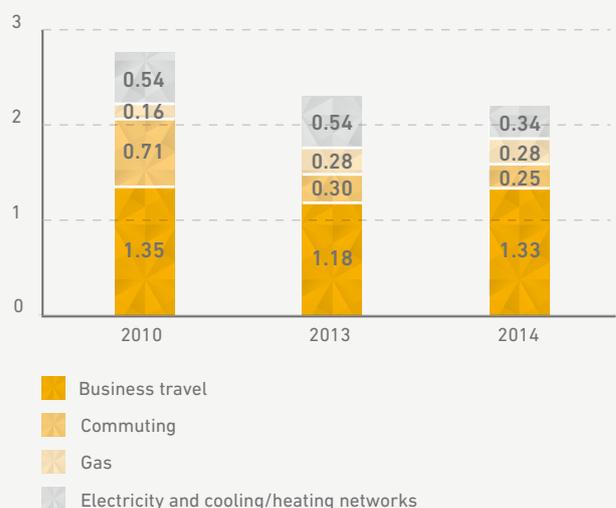
The first greenhouse gas report produced for Foncière des Régions was conducted in 2011 based on 2010 energy consumption. In January 2015, the practice was repeated based on 2014 energy consumption, once again in keeping with the recommendations of the GHG Protocol (Greenhouse Gas Protocol), as in 2011 and 2013. This reporting and evaluation standard for greenhouse gases is currently one of the most widespread in the international arena.

The three studies conducted since 2011 analyse the emissions generated by the business trips and commuter travel of employees with the Foncière des Régions ESU, working in Paris and Metz, and by the offices occupied by employees in the capital (two buildings) and in Metz (two of the seven floors of the Le Divo building). In 2014, this scope covered 95% of the workforce (vs. 93% in 2013). The results are monitored by an independent third party, Ernst & Young, as part of its assignment to verify the CSR information.

The average level of emissions per employee is 2.2 tonnes of CO₂ equivalent for 2014 (vs. 2.26 tonnes of CO₂ equivalent for 2013 and 2.75 tonnes of CO₂ equivalent in 2010), i.e. a 20% decrease compared with 2010, due to the various actions related to the carbon policy

AVERAGE LEVEL OF EMISSIONS PER EMPLOYEE

TCo₂e



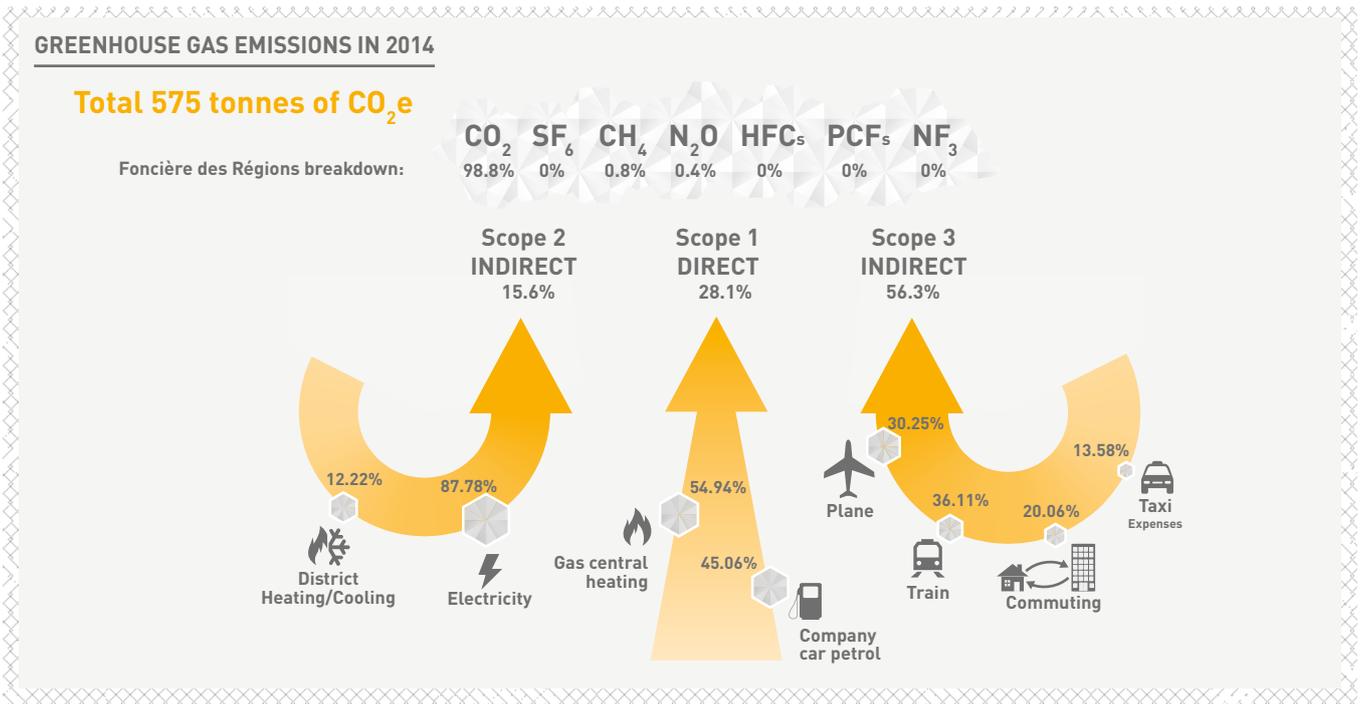


Calculating greenhouse gas emissions follows the GHG Protocol by distinguishing between the following three sources of emissions:

◆ Scope 1 – direct emissions: these emissions are related to the burning of fossil fuels from buildings or company vehicles. For Foncière des Régions, direct emissions come from the consumption of natural gas (73 tonnes of CO₂ equivalent per year) and of fuel by fleet vehicles (89 tonnes of CO₂ equivalent per year).

◆ Scope 2 – indirect emissions related to the purchase of electricity and to heat/cold from district heating: for Foncière des Régions, such emissions come from the consumption of electricity (79 tonnes of CO₂ equivalent per year) and to district cooling and heating (11 tonnes of CO₂ equivalent per year).

◆ Scope 3 – other indirect emissions: these are all other indirect emissions, including passenger transport. For Foncière des Régions, other indirect emissions come primarily from transport inherent to the business (259 tonnes of CO₂ equivalent per year), as well as commuting to work (65 tonnes of CO₂ equivalent per year).



Eco-behaviour on company premises

The company's commitment to sustainable development is based on active involvement at all levels, both in its business performance and through environmental reflexes that are gradually becoming essential in everyday life. Employees are demanding more and more practical efforts from the company in favour of the environment and city life. For an increasing number of them, initiatives taken in this area contribute to their pride in working for the company.

The practical initiatives implemented in Paris and Metz as part of this eco-friendly approach include the following:

- ◆ HQE certification for the Le Divo building and BREEAM In-Use certification for the headquarters premises at 30 and 10 avenue Kléber in Paris (16th arrondissement), obtained in 2012, 2013 and 2014 respectively
- ◆ waste sorting at the premises to separate and recycle paper and cardboard (approximately 80% of office waste). Accordingly, 21 tonnes of paper waste were collected at the two sites in Paris in 2014. A collection area was also introduced at the Metz site, where employees could dispose of printer toner cartridges, batteries and plastic bottle caps for recycling
- ◆ water savings thanks to the introduction of motion-detector taps, and dual-flush toilets enabling significant reductions in water consumption
- ◆ good practices and awareness-raising articles regularly disseminated via the group Intranet

- ◆ the collection of plastic bottle caps in favour of the Bouchons d'Amour association, in order to purchase equipment (wheelchairs, etc.) for people with disabilities
- ◆ the Canibal waste compactor, which is used to collect aluminium cans, water cups and bottles, with an incentive system enabling users to make donations towards tree-planting projects (see insert below).



CANIBAL, A FUN APPROACH TO RECYCLING

Located at the Paris headquarters of Foncière des Régions since the end of 2011, Canibal has enabled the collection of nearly 6,000 waste units, of which 49% plastic bottles, 29% cans and 22% water cups in 2014.

The 2014 waste collection has prevented the emission of 63 kg of CO₂ and enabled 458 donations to be collected (€0.05) towards the planting of trees. These donations made a direct contribution to the planting of five trees by local producers in the Alto Huayabamba region of the Peruvian Amazon. This initiative is backed by an organisation invested in fair trade, environmental conservation and the socio-economic development of communities.



Raise awareness, inform and train through Green Meetings

In addition to the initiatives indicated in the previous chapter and the renovation works to improve building performance (replacement of heating equipment, motion detectors in common areas, etc.), information and awareness-raising meetings – called Green Meetings – have been organised every month since 2009 at Foncière des Régions. Open to all employees, these meetings foster discussions between professionals in the sector (lawyers, architects, design offices, etc.) regarding cross-disciplinary topics. In 2014, these meetings focused on the following topics in particular: energy performance tools, BIM, wooden constructions, urban biodiversity, etc.

In addition to real estate topics, employees are regularly encouraged to adopt eco-responsible behaviour: besides selective waste collection in offices, aimed at recycling 100% of paper and cardboard, a genuine paper policy was introduced in 2013. This policy organises the exclusive use of PEFC-certified⁽¹⁾ paper (guaranteeing that the paper is sourced from sustainably managed forests), and benefits from the European Eco-label (taking into account the full product life-cycle, its quality and its use). This paper policy applies to all print-outs and external publications related to administration (reports, etc.) and marketing (brochures, etc.). At the same time, an awareness-raising campaign was launched to encourage all employees to reduce printing by more than 30% between April 2013 and the end of 2014.

Travel policy

Given that commuting and business travel account for 61% of Foncière des Régions' overall carbon footprint, they represent an important driver for improving its carbon footprint. Accordingly, employees are encouraged to use public transport: for business trips of under three hours by train, employees may not travel by air. For Paris and surrounds, the Autolib' solution is offered as an alternative to taxi travel, and 50% of public transport and bicycle passes are paid for by the company.

Implementing Green IT solutions

Foncière des Régions confirms its commitment to sustainable development through changes to its information system. By rolling out the last phase of its paperless project, Foncière des Régions fully subscribes to a strategy to reduce the use of paper documents within the group.

The implementation of the Office365 solution, initially for its email service, but also for all its other features, represents a significant step towards Cloud Computing solutions, mobility and information security. These features can be accessed at any time from a tablet, smartphone or any workstation *via* the Internet.

Sensitive business data is managed and secured within a dedicated data centre. Such data is made reliable through a regularly tried and tested business continuity plan.



Campus Eiffage, Vélizy-Villacoublay

⁽¹⁾ Programme for the Endorsement of Forest Certification.



OPEN AND TRANSPARENT
GOVERNANCE

Résidentiel, Berlin, Allemagne



Foncière des Régions has a governance process characterised by a desire to ensure effective corporate bodies.

Foncière des Régions has a governance process characterised by a desire to ensure that corporate entities are effective. By opting to separate the roles of Chairman and Chief Executive Officer, the company chose to allow the CEO to focus on executive management. The Chairman of the Board of Directors, who is also an independent Director, ensures governance bodies are transparent and effective.

Foncière des Régions continuously analyses the best practices in corporate governance in the Afep-Medef Code and endeavours to follow its recommendations.

As a result, the company simultaneously increased the proportion of independent and female Directors on the Board.

It also capitalised on an initial independent evaluation by an external agency, all in accordance with commitments undertaken.

A GOVERNANCE STRUCTURE THAT ADHERES TO THE REQUIREMENTS OF THE AFEP-MEDEF CODE AND ENSURES ITS EFFECTIVENESS

The corporate governance code of public companies, published by the Afep-Medef, was adopted in November 2008 as a reference for Foncière des Régions corporate governance. It currently refers to the revised version of that Code, which was published on 16 June 2013, and relies on the work of the High Committee on Corporate Governance.

In 2014, this new Governance system for Foncière des Régions was strengthened with the addition of a new Board member and more transparency in communications on the application of Afep and Medef recommendations.

This progress helped to maintain dynamic Governance oriented toward serving the long-term interests of the company, its shareholders, tenants, stakeholders and employees.

These efforts were applauded by analysts and rating agencies and awarded with a Bronze medal in the AGEFI Governance Process Competition for Dynamic Governance.

Foncière des Régions will pursue this strategy in 2015, again increasing the share of female and independent Directors on the Board, while endeavouring to achieve the best balance between French and foreign Directors and emphasising skills that ensure efficient corporate governance.

The mass expiry of ten terms of Directors in 2015 will also provide an opportunity to stagger Directors' terms starting in 2016.

CORPORATE GOVERNANCE AROUND THE BOARD OF DIRECTORS

In order to adopt an open, transparent, ethical, efficient and appropriate governance system for the way it functions and for its shareholding structure, Foncière des Régions changed its governance structure in January 2011, impacting its composition,

organisation and functioning, in line with the recommendations of the Afep-Medef, EPRA and the Code of Ethics of the European Public Real Estate Association (FSIF).



Composition and operation of the Board of Directors and its Committees

The governance of Foncière des Régions is based on a Board structure that has opted to separate the functions of Chairman of the Board and Chief Executive Officer.

The following table summarises some of the corporate governance best practices adopted by the company regarding the recommendations of the Afep-Medef Code:

	Board of Directors	Strategic and Investment Committee	Audit Committee	Appointments and Remunerations Committee
Independent/total members	7/14 (50%) ⁽¹⁾	1/6 (17%)	4/6 (67%)	2/4 (50%)
Chairman	Independent Director		Independent Director	Independent Director
Term of office	4 years	N/A	N/A	N/A
Proportion of women	29% ⁽²⁾	16%	33%	0%
Average age of Board members	57	63	49	61
Percentage of international Directors	36%	33%	50%	50%
Performance review	Annually	Annually	Annually	Annually
Number of meetings in 2014	7	1	3	3
2014 attendance rate	93%	83%	94%	100%

⁽¹⁾ Vs 46% in 2013 and potentially 57% in 2015.

⁽²⁾ Vs 23% in 2013 and potentially 36% in 2015.

N/A: Not Applicable.

Details of the composition of the Board of Directors and the Committees are shown in the Chapter on Control of the company of this report (see Chapter 4.1 of the 2014 Reference Document), and the list of terms held by each Board member is shown in the Chapter on Terms and Functions of corporate officers (see Chapter 1.14.3 of the 2014 Reference Document).

A Board of Directors increasingly based on the independence of its members

Based on recommendations from the Remunerations and Appointments Committee, the Board of Directors analyses the independence of the serving Directors on an annual basis. The Board of Directors classified 50% of Directors as independent following a review performed by the Board during the 19 February 2015 meeting. To carry out this analysis, the Board applied the Afep-Medef Code criteria, which specifically require that, in order to be classified as independent, Directors may not have any sort of relationship with the company, its group or its management that may compromise them in exercising their free judgment. Based on its criteria, the Board conducts an *in concreto* assessment to determine if, despite complying with the Afep-Medef Code criteria, Directors have no other links (professional or personal relationships) that may impede their freedom of analysis

and decision or if, conversely, although they can be classified as non-independent with regard to one of the criteria, Directors could still be considered to be free from restrictions. In addition, during its 19 February 2015 meeting, the Board decided to recommend the appointment of Delphine Benchetrit as a new independent Director, subject to the approval of the shareholders at their meeting on 17 April 2015. Assuming that this appointment is approved by the shareholders, the percentage of independent members will increase to 57%, insofar as the Board of Directors has qualified her character as independent. The independence criteria used are those shown in the Internal Regulations of Foncière des Régions published on its Internet site (http://www.en.foncieredesregions.fr/finance_en/financia_information/regulated_information/).

A better balance of men and women

The percentage of women serving on the Board, which was 29% following the Combined General Shareholders' Meeting on 28 April 2014, should increase to 36%, providing the General Meeting of Shareholders of April 2015 approves the appointment of Delphine Benchetrit as Board member.

The company's Board has set the objective of continuing to increase membership of women on the Board so as to quickly achieve a better balance of men and women, with a view to achieving early compliance with legal provisions in this area.



An effective Board of Directors

After producing two internal assessments, in 2011 and 2012, the company undertook an initial independent evaluation at the end of 2013, performed by the specialised agency Egon Zehnder, to review the capacity of the Board of Directors to meet the expectations of shareholders and assess the contribution of each member through a review of its organisational structure and its method of functioning. All Directors expressed their satisfaction with the functioning of the Board as well as the Chairman – Chief Executive Officer two-man team, notably because of the quality and relevance of information available to it. The results highlighted the Board's ability to take decisions, while recommending increased outside contributions, especially on macroeconomic issues. They were presented to the Board of Directors on 26 February 2014 and are detailed in the Report of the Chairman of the Board on corporate governance and internal controls (see Chapter 4.1.1.4.6 of the 2014 Reference Document).

In 2014, the Chairman of the Board of Directors focused on implementing all of the recommendations in this evaluation, including the strengthening of real estate and international skills with the arrival of Sigrid Duhamel, and by extending consultation on risk management.

An induction programme for new Directors has been in place since 2012. It helps new Directors, particularly through meetings with management, increase their knowledge of the company and its sector of activity. Furthermore, the members of the Governance Committees cooperate from time to time with certain support departments such as Human Resources and Internal Audit.

Since 2013, measures approved during a Board meeting are systematically monitored in successive meetings. Furthermore, more regular strategy and market updates were implemented in 2013 and continued in 2014.

In consideration for their work with the Board, Directors receive attendance fees, the value of which is determined by the Board of Directors based on an overall amount for all Directors that is approved by the Shareholders' General Meeting. The attendance fees include a fixed rate and a variable portion linked to attendance at meetings and effective contribution to the work of the Board. The remuneration of Directors is presented and detailed in the management report contained in Part 1 of the 2014 Reference Document.

The Works Council designates two of its members as representatives at meetings of the Board of Directors. These members attend all the Board's meetings in a consultative capacity. They receive the same documents that are circulated to Directors.

The Board's rules of procedure provide a mechanism to prevent conflicts of interest arising when investment projects are submitted to the Board and/or the Strategy and Investment Committee. More specifically, it states that all Directors have the obligation to do their best to determine in good faith whether or not a conflict of interest exists and to report it to the Chairman as soon as they are aware of any situation that may constitute such a conflict between the company and themselves or the company they represent, or any company of which they are employees or corporate officers.

This applies in particular when, for any transaction being considered or undertaken by the company, a member of the Board or a company of which a Director is an employee or corporate officer

might have competing interests or interests opposed to those of the company or the companies in its group. In this case, the relevant Board member must refrain from participating in the deliberations of the Board or any Committee relating to the transaction, and more generally observe a strict duty of confidentiality.

A Board of Directors attentive to CSR challenges

Given the importance of the challenges posed by sustainable development for Foncière des Régions and its stakeholders, the Board is regularly consulted on CSR matters, so that they may be integrated into the company's strategic focus. Since 2013, the April meeting of the Board of Directors is devoted to CSR subjects. On this occasion, the Board will review the company's performance in the area of the environment and will monitor progress of the objectives it has set, confirm the major opportunities of improving CSR performance in the group and compare results and progress achieved by the company with that of other companies in the real estate sector.

The Board of Directors will also examine the group's social policy as well as the non-financial information it publishes, particularly in corporate and environmental areas. It will analyse the ratings awarded by non-financial rating agencies. Lastly, it ensures that ethical rules set out by the group are applied and evaluates sponsoring policies and sponsoring and philanthropic activities that have been implemented.

In April 2014, the state of progress with regard to the four lines of Foncière des Régions' sustainable development policy was presented to the Board of Directors:

- ♦ sustainable building: greening of the asset base, reducing energy consumption in assets, accessibility of buildings to persons with reduced mobility and the status of environmental schedule signatures
- ♦ governance: the objective of an increased proportion of women on the Board, the breakdown of independent Directors, adherence to recommendations for the composition of Committees, etc.
- ♦ employee-related: employee development initiatives, such as Training Week, training of Managers; and
- ♦ corporate: responsible purchasing policy, financial and skills assistance through the ESSEC's Real Estate and Sustainable Development Chair, the Palladio Foundation, the Passerelle programme, etc.

In November 2013, the AMF (*Autorité des Marchés Financiers*) produced a report on information published by public companies in the area of employee-related, societal and Governance responsibilities, highlighting twelve recommendations and three points for consideration. This report is a follow-up to the application of Article 225 of the Grenelle 2 Law since the publication of the decree dated 24 April 2012. Foncière des Régions is part of a panel of 60 public companies that were analysed as part of this report. The company adheres to nearly every one of the recommendations.

Nevertheless, it strives to make further progress in reporting. The main point of improvement, which is considered in this report, is to describe further the process of identification, analysis and treatment of risks. The AMF did not publish a similar report in 2014, as it prefers to publish such reports at a less frequent rate.



AN EXECUTIVE COMMITTEE INTERESTED IN CSR PERFORMANCE

The Executive Committee is the management body consulted for each major decision or transaction of Foncière des Régions in terms of Governance, monitoring of subsidiaries/holdings and financial/asset turnover policies. It is formed by the company's corporate officers listed below:

- ♦ Christophe Kullmann – Chief Executive Officer
- ♦ Olivier Estève – Deputy General Manager
- ♦ Aldo Mazzocco – Deputy General Manager of Foncière des Régions, and Managing Director of Beni Stabili.

In addition, Chief Operating Officer Yves Marque also participates in the Executive Committee as Chief Operating Officer for meetings.

Each member of the Executive Committee is in charge of implementing the CSR objectives of the group within their particular area of responsibility in coordination with the Sustainable Development Department.

Their achievements in this domain are now systematically incorporated into the criteria for determining bonuses for each person.

GENERAL MEETINGS

The company encourages shareholder participation in the General Meetings of Shareholders. With this perspective, it decided as from the 2013 meeting to make an internet tool available to shareholders for receiving the notice of the Meeting, obtaining information

about the General Meeting of Shareholders and entering voting instructions before the General Meeting directly through the Internet.

This approach has helped to increase shareholder investment, as evidenced by the following results:

	Combined General Meeting of Shareholders of 24 April 2013		Combined General Meeting of Shareholders of 24 April 2014		2013/2014 change	
	Ordinary Resolutions	Extraordinary Resolutions	Ordinary Resolutions	Extraordinary Resolutions	Ordinary Resolutions	Extraordinary Resolutions
Number of shareholders present, represented or having a postal vote	941	942	1,316	1,310	+39.85%	+39.06%
Number of shares that voted	45,147,143	45,143,231	50,620,471	50,583,266	+12.2%	+12.05%
Attendance rate	78.74%	78.75%	80.94%	80.88%	+3 points	+3 points
Rate of approval of Resolutions	92.70%	98.60%	97.60%	96.46%	+5.3 points	-2.2 points

Apart from the financial delegations, the main items submitted to the shareholders' vote generally related to the approval of the company's financial statements, allocation of income and the distribution of dividends to all shareholders, decisions regarding the appointment and renewal of Directors as well as the approval of regulated agreements.

The 2014 General Meeting provided an opportunity to respond to questions from shareholders regarding dividends and related taxation, the company's shareholding structure, operating costs, the consequences of adoption of the Alur law on Residential and the pursuit of the investment strategy in this business sector.

Implementation of "Say on pay"

In application of Article 24.3 of the Afep-Medef Code, shareholders attending the 28 April 2014 General Meeting were consulted about individual remuneration through the "Say on pay" scheme due for the year ended 31/12/2013 and pertaining to the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy General Manager.

Shareholders spoke very approvingly of these resolutions, thus welcoming the transparency efforts accomplished and the balance of the remuneration policy.

		Percentage of votes "for"
Jean Laurent	Chairman of the Board of Directors	99.63%
Christophe Kullmann	Chief Executive Officer	97.14%
Olivier Estève	Deputy General Manager	96.81%
Aldo Mazzocco	Deputy General Manager	83.81%



ADDRESSING SHAREHOLDER CONCERNS AND ENSURING TRANSPARENCY OF FINANCIAL INFORMATION

Foncière des Régions does its utmost to provide institutional investors and individual shareholders with quality information regarding its business and strategy. It is conducting a substantive piece of work to consolidate its long-term relationship of trust with the financial community and to develop its market transparency.

Foncière des Régions has no mechanisms to strengthen control by certain shareholders and plans to propose the abandonment of the automatic assignment of double voting rights provided by the Florange law of 29 March 2014 at the next meeting.

The company is also helping to raise the level of professionalism within the industry and to issue high quality information by means of its active involvement with the IEIF (Real Estate Savings Institution), the FSIF, EPRA (European Public Real Estate Association) and IPD (Investment Property Databank).

Foncière des Régions also takes a proactive attitude in dealings with institutional investors.

As a result, management holds some 250 meetings every year with their main representatives, particularly when the annual and semi-annual results are released in the major European and US markets, and sets up some 15 site visits of representative assets in its portfolio for these groups.

In parallel, Foncière des Régions participates annually in around a dozen conferences intended for international investors that are set up by well-known companies working in the financial markets such as J.P. Morgan, Merrill Lynch, etc.

Foncière des Régions listening to individual shareholders

Foncière des Régions posts an annual letter to its 12,000 individual shareholders. Foncière des Régions also provides them with a dedicated chapter on the company's website, a documentation service as well as a shareholders' freephone number (0 805 400 865). This specific multimedia-type communication, which is available on a permanent basis, enables Foncière des Régions to answer its shareholders' questions more efficiently.

Lastly, since the General Meeting of Shareholders of 24 April 2013, Foncière des Régions allows its shareholders to receive their notice of meeting and also related documentation *via* the Internet. Shareholders can now vote *via* the Internet. This initiative promotes the participation of individual shareholders in General Meetings of Shareholders.

Foncière des Régions has also been a partner of FFCI (*Fédération Française des Clubs d'Investissement* – French Federation of Investment Clubs) since 2010.

A process recognized by the 2014 EPRA Awards

The quality and transparency of Foncière des Régions financial and non-financial reporting was recognised twice at the EPRA Annual Conference of 2014, with two EPRA Gold Awards. The first trophy was for the financial portion of the 2013 Reference Document, and the second was for the non-financial portion of the same document as well as the 2013 Sustainable Development Report.

PROMOTING FAIR AND ETHICAL PRACTICES

Foncière des Régions updated its risk mapping in 2014 to include changes to the company and the environment in which it operates. Other mapping had previously been carried out in 2006, 2009 and 2012. The methodology and the results of this update are presented in greater detail in the Report of the Chairman of the Board of Directors on corporate governance and internal control (see Chapter 1.11 of the 2014 Reference Document).

During its mapping, Foncière des Régions reviewed the risks related to the environment and to the group's social and societal policy. Action plans were defined for these topics, in particular to strengthen their level of control.

The group is also a signatory of the Diversity Charter and, at the international level, it has been a member of the Global Compact since October 2011.

Initiated by the United Nations (UN) and signed on a voluntary basis by companies, this Compact covers ten universal principles relating to Human Rights, labour, environmental standards and corruption. Foncière des Régions incorporates these principles into its strategy, reviews their progress and promotes the Global Compact with its stakeholders, in particular suppliers, by appending the document to its responsible purchasing charter.

In 2013, Foncière des Régions renewed its commitment by publishing its third "Communication On Progress" report, which is available on the group's site: <http://www.en.fonciere-des-regions.fr/> and on the Global Compact site: <http://www.unglobalcompact.org/participant/15495-Fonciere-des-Regions>.



A Code of Ethics for greater responsibility

The Foncière des Régions Code of Ethics, which was implemented in 2011 as part of its ethical and compliance strategy, is intended for all employees in the Economic and Social Unit, and Code of Ethics were also put in place for staff in Germany and Italy. It may be consulted on the Foncière des Régions website: www.fonciere-des-regions.fr.

The Code of Ethics defines the ethical principles that all Foncière des Régions employees must apply to their professional practices and behaviour vis-à-vis all their outside contacts. Lastly, the Code of Ethics describes ethical Governance, as implemented in the company's various business lines.

The basic principles contained in this Code of Ethics are:

- ♦ compliance with laws and regulations
- ♦ respect for individuals (health and safety at work, prevention of discrimination, respect for third parties)
- ♦ respect for the environment
- ♦ compliance with rules concerning insider dealing
- ♦ prevention of conflicts of interest (links with competitors, clients, suppliers, compliance with anti-corruption rules)
- ♦ protection of Foncière des Régions' activities (protection of information, assets and resources)
- ♦ transparency and integrity of information.

The Audit and Internal Control department ensures that the Code of Ethics is distributed to all employees of the Foncière des Régions ESU.

When new hires arrive at Foncière des Régions, individual interviews are set up with the Audit and Internal Control, and Human Resources departments specifically review this Code.

Furthermore, training on the procedures, known as "Process Mornings" is dispensed to employees, which focuses on the major principles of the Code of Ethics and on the role of compliance officers. In 2014, close to 50% of employees participated in these awareness meetings, and they will continue in 2015 for other employees.

The Chief Operating Officer was appointed as the ethics officer. The Chief Operating Officer is involved in determining rules and duties in terms of professional ethics and ensures compliance across the company. He provides assistance and advice on ethics to any employee who asks for it and helps in adopting and deploying the Code of Ethics. The Chief Operating Officer was consulted on around ten occasions in 2014, primarily by staff who wished to clarify their situation regarding invitations received from group partners, the purchase of group shares outside of black out date periods or regarding a personal relationship with one of the group's partners.

The Code of Ethics was fully reviewed in 2014. Some points were expanded, such as the inclusion of a chapter relating to the implementation of a warning system within the group, which is explained in the following paragraph. This new Code of Ethics will be resubmitted to the employee representative bodies in 2015, then distributed to all employees.

Preventing the risk of fraud and corruption with the establishment of an whistle blowing system

In compliance with the 10th principle of the Global Compact, which urges companies to act against corruption in all its forms, including the extortion of funds and bribes, Foncière des Régions has increased its vigilance on these matters.

In view of the findings of the risk mapping process in December 2012, the Board of Directors deemed that, given its business activities and organisation, the potential risk of fraud and corruption were adequately reviewed and addressed. Transactions that are deemed sensitive, such as sales of assets or companies, major construction or renovation works or calls for tender are guided by stringent procedures, especially regarding contact with intermediaries, which is subject to regular monitoring. Moreover, the separation between orders and payments reduces the risk of fraud.

Since 2011, the company has also implemented, during the Process Morning sessions, training for employees managing transactions that involve a risk of fraud. Anti-fraud audits are carried out regularly within the group and have revealed no significant dysfunctions.

Establishment of a warning system

In order to strengthen its risk prevention tools, Foncière des Régions established a warning system in late 2014. It is restricted to specific cases of serious and intentional acts that may affect the company exclusively in the following areas:

- ♦ accounting
- ♦ banking
- ♦ financial
- ♦ fighting corruption
- ♦ breaches of competition law
- ♦ efforts against discrimination and harassment in the workplace
- ♦ protection of the environment.

In this way, any group employee can report a risk that he or she has identified in these areas by contacting the compliance officer by any convenient means, including *via* a dedicated e-mail address.

The compliance officer will systematically examine any declaration and take any measures necessary to the processing of the alert.

Anonymous alerts will not be processed. However, the identity of the person reporting it will be kept strictly confidential.

If the actions that triggered the alert are not confirmed, the data from the alert is destroyed without delay, with no penalty for the person who alerted the company.

Data relating to alerts requiring verification will not be retained beyond two months after completion of the audit, except for initiations of disciplinary or judicial proceedings against the person in question or someone who makes a false alert. Until the destruction of the data, persons identified under the mechanism will have a right to access and correct data concerning them, within the limits of preservation of the whistleblower's anonymity.



Guaranteeing fair competition

Foncière des Régions, in its business and more specifically in its sales, acquisition and construction work, complies with the provision of Articles L. 410-1 *et seq.* of the French Commercial Code relating to competition. As such, the company has set up procedures to address this risk. Consequently, work involving sums above a certain euro threshold necessitate a mandatory competitive bidding process and the procedures put in place and validated by General Management set the bidding conditions.

Employees carrying out this work by this are briefed about the risk during the Process Morning sessions. The major control and validation principles were reviewed, notably the obligation of setting up bidding procedures for work, procurement, markets and also for the sale of assets. In this way, depending on the amounts and type of transaction, bids from one, two or three companies must be accepted and reviewed prior to awarding a job. In the same manner, the company uses a procedure for opening bids involving a minimum of two employees and the drafting of a record of the opening of bids for some tender processes in order to ensure the widest degree of transparency and fair competition possible. Audits were carried out in 2013 and 2014 on certain development operations in order to ensure compliance with the tender procedure. These audits revealed no significant issues.

The risk of anti-trust behaviour is limited within the framework of group activities as ownership of real estate assets is widely fragmented.

Combating money laundering

In 2010, Foncière des Régions and its subsidiaries introduced a system for combating money laundering and the financing of terrorism, in the form of a procedure that lists and describes actions to be taken by the employees concerned. The procedure was reviewed in 2012 to clarify its scope of application. The Director of Audits and Internal Control is the designated LAB/LFT Manager. Two Tracfin Correspondents and Registrants, the group Legal Director and the Corporate Life Legal Affairs Manager were appointed at the end of 2010 and early 2012 respectively.

This system is based on a vigilant stance adopted when third-party contracts are initiated, in all cases in which a company of the group is involved as an intermediary for a third party and as a part of the sale or purchase of an asset, securities or stakes in real estate companies.

The implementation of the LAB mechanism was supported by an extensive training campaign that was initiated in 2010 involving some 60 employees *via* a dedicated training module set up by the Legal Department, which contributes to continued adjustments to the system. Training more specifically for asset managers took place in 2012 and a refresher during "Process Mornings" was carried out in 2014.

Association with, or membership of, domestic or international organisations

Foncière des Régions undertakes no direct lobbying activity. In contrast, the company contributes to French government building policy through a strong commitment in working groups and professional associations. As a member of the Sustainable Development commissions of EPRA, the *Fédération des Sociétés Immobilières et Foncières* (FSIF), of which Christophe Kullmann, Chief Executive Officer of Foncière des Régions, has been president since 2011, it is also a founding member of SB Alliance and France GBC, under whose aegis it contributed to the drafting of the "CSR Reporting Guide – Article 225 Real Estate Construction". Foncière des Régions is also a member of the HQE Association and a signatory of the HQE Performance Charter of Commitment. Through involvement in these entities, Foncière des Régions plays a major role in promoting the assimilation of the environment and CSR. Its commitments in working groups such as Plan Bâtiment Durable and Orée, as well as its participation in nationwide and European studies such as RICS, EPRA, Officair and s-i-r-e bear witness to the company's commitment to contribute to the sustainable real estate discussions.

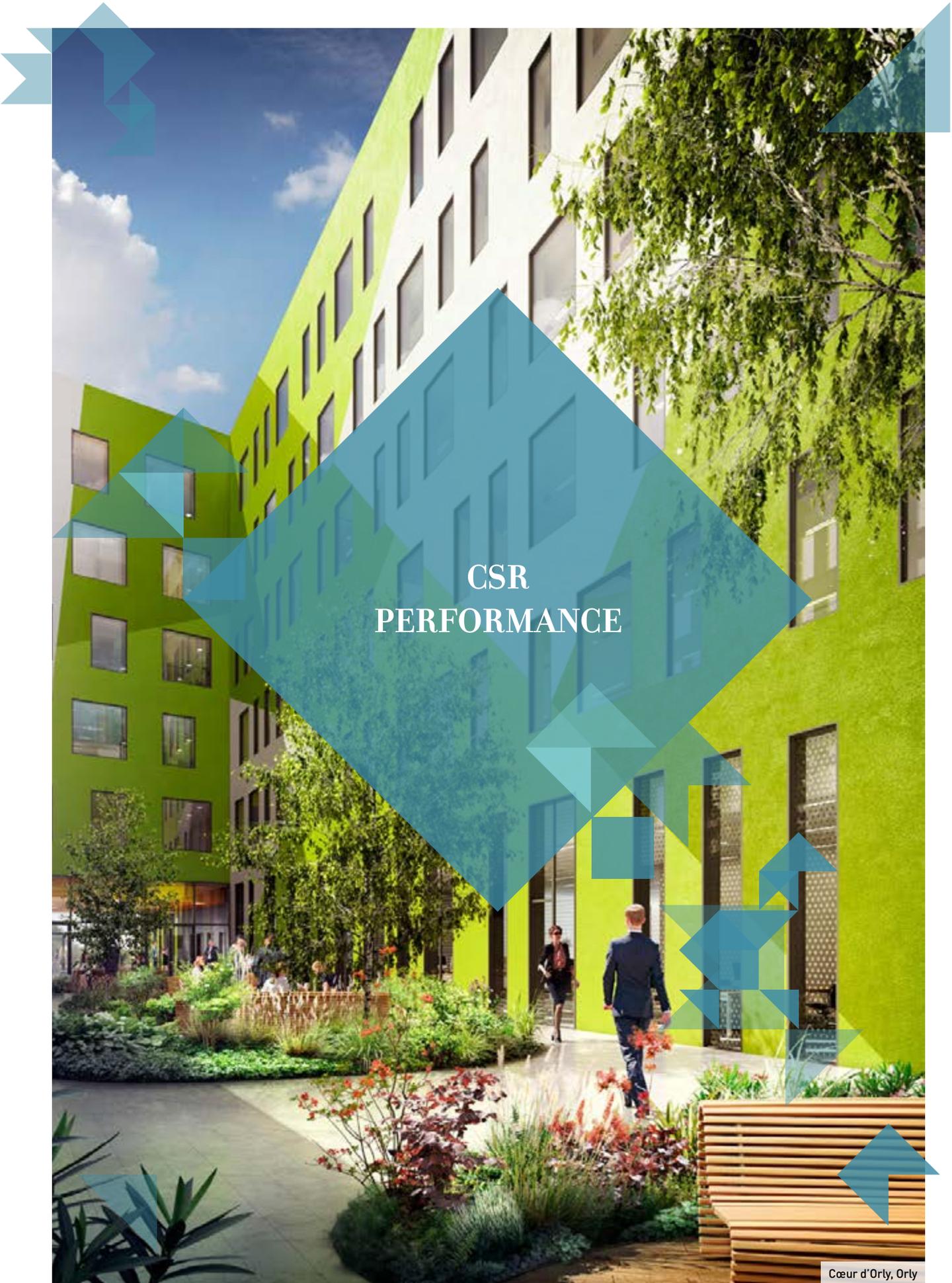
Foncière des Régions and its subsidiaries contribute no funds and provide no services to any political party whatsoever, nor to any government incumbent or candidate for any public position. Notwithstanding, the company acknowledges the commitments of those of its staff who participate or wish to participate in public life in the capacity of private citizens.



MARJOLAINE ALQUIER
INTERNAL CONTROL AND AUDIT DIRECTOR
FONCIÈRE DES RÉGIONS



In 2014, Foncière des Régions put a whistleblowing system in place to enable employees to alert management to particular cases of serious and malicious misconduct which could be harmful to the Company, in very specific areas, and to deal with any irregularities noted. This system is an integral part of the Group's policy of exemplary behaviour and transparency.



CSR
PERFORMANCE

Cœur d'Orly, Orly



The monitoring of the CSR action plan of each Foncière des Régions' activity is based on indicators: a number of them are reported in this Chapter.

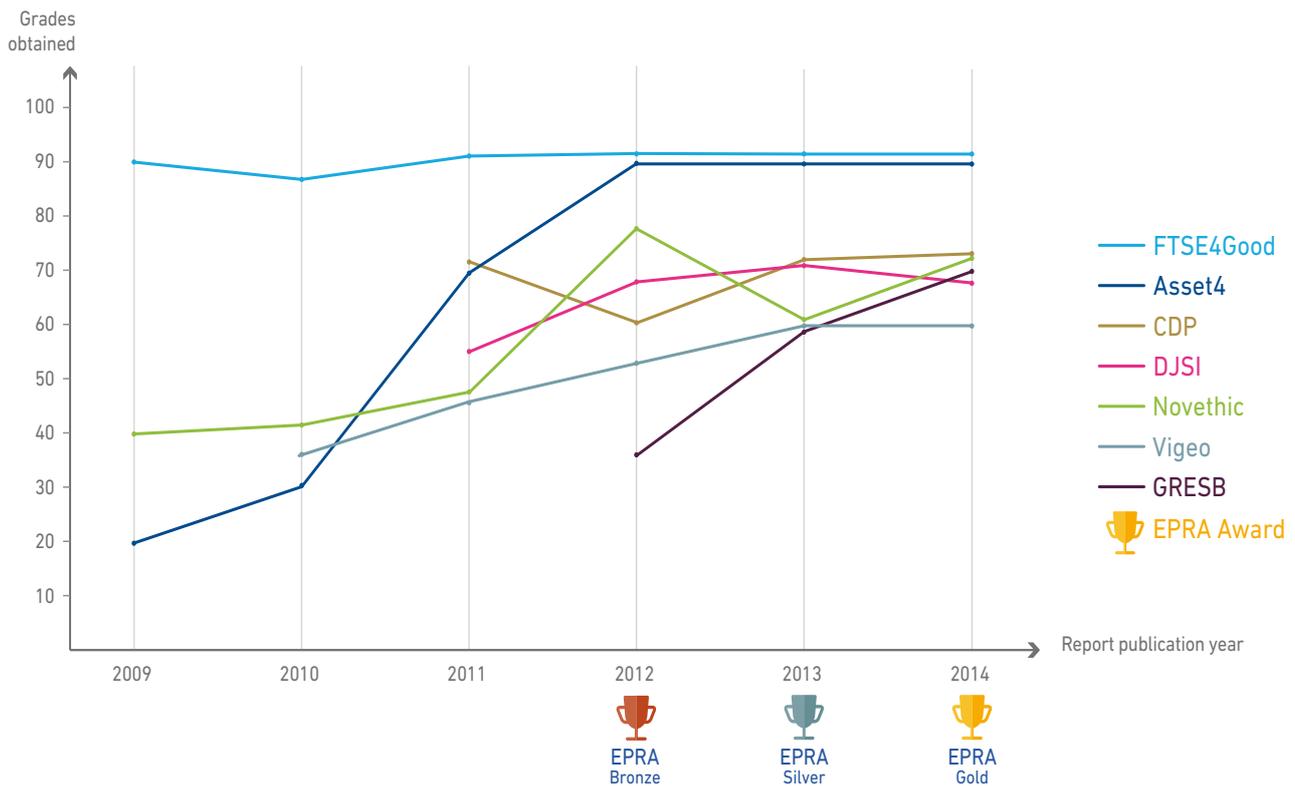
RECOGNITION OF ITS PERFORMANCE BY ANALYSTS

Foncière des Régions made the decision in 2014 to update its reporting framework from GRI 3.1 to G4 and the GRI CRESO (Construction and Real Estate Sector Supplement). This new methodology focuses on materiality, in contrast to the previous guidelines which concentrated on comprehensive reporting. G4 refocuses attention on the companies' core CSR strategy and management indicators.

Having achieved "Core" compliance and now using the "GRI Materiality Disclosure Service", Foncière des Régions reaffirms its commitment to quantitative and qualitative monitoring of its CSR strategy, in line with policy overall.

Foncière des Régions' reporting also complies with the provisions of the French Decree of 24 April 2012 of the Grenelle 2 Law on CSR transparency, and with the European Directive of 15 April 2014 and the principles of Integrated Reporting. Similarly, the group follows the recommendations of the CSR Reporting Guide, Article 225 of France GBC and the 2014 version of Best Practices Recommendations issued by EPRA.

Foncière des Régions' sustainable development policy has not gone unnoticed and was evaluated by the main non-financial rating agencies and research bodies, as illustrated in the chart below.





The highlights of the year included being singled out for an EPRA Gold award for non-financial reporting, and the marked 10-point improvement in Foncière des Régions' GRESB score, which consolidates the *Green Star* rating obtained in 2013.

- ♦ **Asset 4:** this index prepared by Thomson Reuters, a CSR strategy consultant, evaluates companies according to ESG (2) criteria. Foncière des Régions scores progressed greatly, moving from 20/100 in 2009 to 90/100 in 2012 and 2013. Foncière des Régions is included in the index once again in 2014.
- ♦ **DJSI:** the Dow Jones Sustainability Indexes come out of annual analyses done by RobecoSAM for the Robeco bank. Foncière des Régions was selected for the DJSI World Index in 2013 and 2014 with stable ratings, based on a questionnaire submitted voluntarily since 2011.
- ♦ **EPRA BPRs Sustainability Awards:** the European Public Real Estate Association has awarded prizes each year since 2012 to property companies that implement EPRA best practices and key indicators in their non-financial reporting (Best Practices Recommendations). For the third edition, Foncière des Régions distinguished itself in 2014 by earning the EPRA Gold Award, having won the EPRA Silver Award in 2013.
- ♦ **Carbon Disclosure Project:** with a score of 72C in 2014, up from 70C the previous year, Foncière des Régions' performance continued its steady improvement since 2012.
- ♦ **Ethibel:** rated "B", Foncière des Régions was selected for the 370-company Ethibel Excellence Investment Register index in 2013 and 2014 and the Ethibel Pioneer index, a best-in-class index containing the best evaluations out of 370.
- ♦ **FTSE4Good:** a CSR index developed by the Financial Times Stock Exchange and known for its categories of stock market indices. Foncière des Régions has been selected for the FTSE4Good index since 2010.

- ♦ **GRESB:** Foncière des Régions was top of the GRESB 2014 ranking in the "Offices France" category, and was ranked 38th out of the 362 European property companies and 80th out of the 637 companies analysed worldwide. For the second time, the group achieved a GRESB "Green Star" rating.
- ♦ **Novethic survey:** in 2014, Foncière des Régions was ranked as a "Committed" REIT in this eco-performance index for buildings. For three years, Foncière des Régions has been one of the main leaders in this domain.
- ♦ **NYSE Euronext Vigeo:** in 2014, Foncière des Régions retained its listing in the NYSE Euronext Vigeo France 20, Europe 120, Eurozone 120 and the World 120 indices.
- ♦ **Oekom:** Oekom research AG rates more than 3,500 companies throughout the world, assigning grades ranging from D- to A+. Most of the 191 companies in the real estate sector are rated between D+ and D-. Based on the 2011 report, Foncière des Régions was ranked 19th out of 191 companies with an overall grade of D+.

While its grades improved for each of the ESG criteria, there is still room for improvement with regard to how the results are presented to bring them into line with the frameworks used by some of the organisations in their surveys (CDP, GRESB and others).

In addition, the methodologies of the agencies implement Anglo-Saxon methods that in certain cases cannot be transposed in France. For example, some data, such as origin of employees, have not been monitored due to the legal context, in this case the IT laws of 1978 and 2004, and the desires of companies in this regard.

A CLEAR AND TRANSPARENT METHODOLOGY

Every year since 2006, the theme of sustainable development has taken up a chapter of Foncière des Régions' Reference Document. 2010 was the first year for which a standalone Sustainable Development Report was published.

The tables presented in the following pages provide a summary of the indicators used by Foncière des Régions to measure environmental and corporate performance, particularly with respect to the targets that have been set. These indicators have been selected based on the following international standards: GRI 4 and its sector-specific CRESO, EPRA Best Practices Recommendations on Sustainability Reporting, as well as the annual studies: Carbon Disclosure Project (CDP), Global Real Estate Sustainability Benchmark (GRESB).



External verification by an independent consultant

In compliance with the Decree of 24 April 2012 on CSR transparency, arising from Article 225 of the Grenelle 2 Law, Foncière des Régions' CSR reporting was verified by an external independent consultant, Ernst & Young, in the interest of monitoring reporting reliability. This verification was also used to measure the application of the EPRA's BPRs as well as "Core" compliance under GRI 4 CRESO. This advisor's statement is included at the end of the report.

Application of GRI 4 – CRESO	Comprehensive	Core
Self-declaration		✓
External verification Ernst & Young		✓



ENVIRONMENTAL INDICATORS

In compliance with the Decree dated 24 April 2012, the non-financial reporting scope is based on Foncière des Régions' financial scope and includes the following activities: in France: Offices, Hotels, Service sector, Residential, Logistics and Parking; in Germany: Residential (Immeo AG); in Italy: Offices (Beni Stabili).

In order to follow Foncière des Régions' financial approach, assets under construction or renovation are excluded from the reporting scope, as are assets acquired or sold during the year.

Potential material variations in the scope of each portfolio held, other than those arising from rotating the portfolio *via* disposals and acquisitions, are detailed below and the number of assets involved is specified where relevant.

Processing and analysis of consumption data by CSTB

Once consumption figures are collected and consolidated by the Sustainable Development Department of Foncière des Régions, they are then processed by the CSTB, Scientific and Technical Centre for Building, a public organisation for innovation in buildings, which acts on two levels:

- ♦ by applying calculations to energy consumption data for the assets of Offices France (including headquarters assets), and the Hotels and Service Sector, to take summer and winter weather-driven demand into account. This method is applied to the assets of Offices France and Hotels and Service Sector, enabling to adjust the consumption levels of a given year under baseline weather conditions (statistics for each of the three major weather zones in metropolitan France have been gathered over a thirty-year period). This adjustment is carried out for consumption of both heating and air conditioning. It is not applied to other consumption and allows meaningful comparison of results from one year to another in line with the CSTB's scientific rigour
- ♦ by extrapolating a number of data to the complete portfolio, based on intensity ratios per m² on the basis of actual consumption, data is extrapolated for information purposes only to the surface area of the entire scope.

Reporting tables

In order to simplify the reading of Foncière des Régions' environmental performance, the indicators were grouped using the following colour code:

- ♦ **Blue background:** this is the scope covered by EPRA recommendations and represents properties over which Foncière des Régions or its agent (property manager for FDL) have "operational control", meaning that it manages them directly. This involves:
 - ♦ multi-let buildings: Offices France and Italy, Logistics and Residential France, for which environmental information concerning common areas is managed by property managers (internal or external in the case of Foncière Développement Logements)
 - ♦ car parks, for which all energy and water consumption data is managed directly by Urbis Park staff and in which there are no tenant areas.

- ♦ **White background:** this involves buildings or parts of buildings over which Foncière des Régions or its subsidiaries do not have "operational control". In these cases, the tenant manages the building and obtains directly all energy, water consumption and waste. This information has been collected from the tenant where available. This refers to either:
 - ♦ the tenant areas of multi-let buildings: the data collected in this category either wholly or partially supplement data recorded under operational control of common areas
 - ♦ single-let buildings: Offices France, Hotels and Service Sector are all included in this category.

The reporting period for environmental and social information is the calendar year, except for Car Parks, where the reporting period runs from 1 October to 30 September of the following year.

The types of surfaces used to calculate the ratio is identical to those used in the portfolios for each activity: m²SHON in France – m²GLA in Italy – m²Nütz in Germany. For Car Parks, the ratios are calculated relative to parking space in accordance with common practices in the sector.

Compliance with EPRA Sustainability Best Practices Recommendations (BPRs)

As a member of the EPRA Sustainable Development Commission, Foncière des Régions helps promote good practices in sustainable reporting for the real estate sector. Since April 2011, Foncière des Régions has included EPRA recommendations in its internal and external reporting.

In the table after, Foncière des Régions summarises its reporting method and process in connection with the EPRA's Best Practices Recommendations (BPR's) and its General Principles in order to achieve the highest level of compliance. With regard to energy, such as electricity, gas, heating and cooling systems, as well as water, data is collected in conformity with the process described in the box after.



DATA COLLECTION IN COMPLIANCE WITH EPRA BPRs

For assets under Operational Control that are directly managed by Foncière des Régions, consumption data is collected based on invoices by the Properties department. This is indicated by the blue background in the tables below. For tenant areas in multi-let buildings and for the whole building in single-let buildings, data is collected by the tenants (or the energy or water supplier with the tenant's approval).

This data collected refers to calendar years, from 1 January to 31 December.

In order to ensure maximum accuracy and transparency, where consumption data is unavailable for any utility, it is not estimated and thus impacts the portfolio's coverage rate.

Information was estimated for only one family in 2014, but this concerns a portfolio held by the Hotels and Service Sector business, for which reporting is optional under the EPRA BPRs (single-let buildings which fall outside the scope of Operational Control).

The extrapolated data is clearly identified and appear on specific lines (against a white background outside EPRA BPR reporting).

COMPLIANCE WITH EPRA RECOMMENDATIONS (2014 VERSION)

● Compliant
 ● Partially compliant
 ● Non-compliant

EPRA Performance Indicators	Compliance self-assessment	The Foncière des Régions approach
Total energy consumption from electricity <i>(annual kWh)</i>	●	Elec-Abs – Foncière des Régions reports its energy consumption for all of its portfolios, taking into account renewable energy production. Annual total energy consumption data is gathered on the basis of invoice statements using the process described in the box above. Consumption is presented in terms of final energy. Primary energy equivalencies are indicated for the total, as this is obligatory in France under Thermal Regulations.
Total energy consumption from district heating and cooling <i>(annual kWh)</i>	●	DH&C-Abs – Foncière des Régions reports its energy consumption for all of its portfolios in operation and for the headquarters buildings occupied by its teams. Annual total energy consumption data for district heating and cooling is gathered on the basis of invoice statements using the process described in the box above. Consumption is presented in terms of final energy. Primary energy equivalencies are indicated for the total, as this is obligatory in France under Thermal Regulations.
Total energy consumption from fuels <i>(annual kWh)</i>	●	Fuel-Abs – Foncière des Régions reports its energy consumption for all of its portfolios in operation and for the headquarters buildings occupied by its teams. Annual total energy consumption data for natural gas, fuel oil and wood is gathered on the basis of invoice statements using the process described in the box above. Consumption is presented in terms of final energy. Primary energy equivalencies are indicated for the total, as this is obligatory in France under Thermal Regulations.
Building energy intensity <i>(kWh/m²/year)</i>	●	Energy-Int – Foncière des Régions reports its energy intensity ratios for all of its portfolios in operation and for the headquarters buildings occupied by its teams. Intensity ratio per m ² are calculated directly from invoice statements: energy in kWh is divided by corresponding occupied areas <i>(in m²SHON)</i> . Consumption is presented in terms of final energy and primary energy.
Total direct GHG emissions <i>(tCO₂e/year)</i>	●	GHG-Dir-Abs – Foncière des Régions reports on its carbon emissions for each of its portfolios in operation and on the headquarters buildings occupied by its teams. This data is reported in tonnes of CO ₂ equivalent <i>(tCO₂e/year)</i> on the basis of energy invoices including natural gas, fuel oil and wood, for all buildings in the portfolio. These are Scope 1 emissions as described in the GHG protocol.
Total indirect GHG emissions <i>(tCO₂e/year)</i>	●	GHG-Indir-Abs – This data is reported in tonnes of CO ₂ equivalent <i>(tCO₂e/year)</i> for all of the portfolios. The data is reported in tonnes of CO ₂ equivalent <i>(tCO₂e/year)</i> on the basis of energy invoices for electricity and district heating and cooling. These are Scope 2 emissions as described in the GHG protocol.
Building carbon intensity <i>(kgCO₂e/m²/year)</i>	●	GHG-Int – Foncière des Régions reports on the carbon intensity ratios in kgCO ₂ e/m ² SHON/year for all of its buildings in operation. Intensity ratios per m ² are calculated directly from invoice statements divided by corresponding occupied surface areas <i>(in m²SHON)</i> .
Total water consumption <i>(annual m³)</i>	●	Water-Abs – Foncière des Régions reports its total annual water consumption in m ³ for all of its portfolios in operation and the headquarters buildings occupied by its teams. Annual total water consumption data is directly gathered on the basis of invoice statements using the process described in the box above.
Building water intensity <i>(litres/person/year, or m³/m²/year)</i>	●	Water-Int – Data is reported in m ³ /m ² /SHON/year. The intensity ratios per m ² are calculated by comparing the volumes collected to the corresponding surface areas occupied <i>(in m²SHON)</i> .
Total mass of waste by treatment method <i>(tonnes per year)</i>	●	Waste-Abs – In most cases, waste is collected by public organisations directly linked to the municipalities. Foncière des Régions then pays for this service through <i>local</i> taxes. It is not possible to establish monitoring procedures in terms of total mass, except for buildings with private waste contractors, of which there are four in the French Offices portfolio as well as the two Foncière des Régions headquarters buildings in Paris. The proportion of waste by disposal rate <i>(% of total waste)</i> is indicated when it can be monitored by service providers.



EPRA Overarching Recommendations	Compliance self-assessment	EPRA BPRs and methodology references
Organisational boundaries	●	<p>As in previous years, reporting is based on what is known as "Operational Control", which corresponds to the scope within which Foncière des Régions, its subsidiaries and investments directly manage energy, water and waste. The results for this scope are given on a blue background in the tables in pages 100 to 126.</p> <p>This environmental reporting is based on Foncière des Régions' financial reporting boundaries and scope for consistency and in compliance with the Decree dated 24 April 2012. The scope encompasses the following activities: Offices France, Hotels and Service Sector, Logistics, Residential and the Urbis Park (Car Parks) and Beni Stabili (Offices Italy) investments.</p> <p>The reporting scope for year N includes all assets owned at 31/12/N. Assets under construction, in redevelopment, vacant and acquired or sold during the year are not included. If an asset is sold during the year, the tenant will not necessarily provide consumption data if no legal connection exists with the former owner of the asset. The environmental reporting period is from 1 January to 31 December, except for parking facilities, which are reported from 1 October to 30 September, as energy and water consumption data for this activity is not correlated to climate or to a period of a year.</p>
Breakdown of Landlord – Tenant consumption	●	<p>Foncière des Régions' reporting is separated into three levels of data collection and analysis:</p> <ul style="list-style-type: none"> ♦ Corporate scope: this includes headquarters buildings. ♦ Operational control scope: this includes buildings under full management over which Foncière des Régions or a contracted Property Manager have control of the management of shared equipment, i.e. equipment located in common areas of the building, and over consumption of water and energy, to include lighting, collective heating, etc. These are Scope 1 and 2 emissions as described in the GHG protocol. Reporting is done from invoices, with no estimates. ♦ Tenant areas scope: this relates to the tenant areas of multi-let buildings for which Foncière des Régions has operational control over common areas of the building. Tenants are responsible for consumption of energy and individual water use. It also relates to single-let buildings, for which users are wholly responsible for managing building equipment and energy and water consumption of the building. <p>Foncière des Régions does not rebill its tenants for energy, unless it is consumed in the common areas in multi-let buildings.</p> <p>Estimates are not made: however data may be extrapolated based on intensity ratios. These cases are highlighted on a white background.</p>
Consumption reporting – headquarters buildings	●	<p>As previously indicated, Foncière des Régions reports the consumption for the assets occupied by its teams. The results are presented in pages 118 to 120 under the Headquarters heading.</p>
Intensity normalisation	●	<p>Intensity ratios by m² are calculated by dividing environmental data for a year N concerning energy, water and carbon to corresponding occupied areas in terms of m²SHON.</p> <p>These calculations are used to measure efficiency for each indicator.</p> <p>In France, a distinction is drawn between final energy, which is consumed and invoiced, and primary energy, which is required to produce final energy.</p>
Year-on-year like-for-like comparison	●	<p>Elec-LfL, DH&C-LfL, Fuels-LfL, GHG-Dir-LfL, GHG-Indir-LfL, Water-LfL Waste-LfL – Like-for-like data is calculated for energy, greenhouse gas emissions, water and waste and are used to assess changes from one year to the next of the various indicators on a strictly comparable portfolio comprising the same assets. The calculation uses consumption data collected over 24 months, from 1 January 2013 to 31 December 2014, for assets held at 31 December 2014 and in operation over the same 24-month period.</p> <p>Example:</p> <ul style="list-style-type: none"> ♦ in 2013, consumption data collected on 70 assets, with a possible reporting scope of 90 assets ♦ in 2014, consumption data collected on 95 assets with a possible reporting scope of 100 assets ♦ of these, data was collected on 65 assets in 2013 and 2014; while 93 assets were held in 2013 and 2014 and are considered as applicable. <p>■ The like-for-like basis therefore relates to 65 of 93 assets.</p>
Segmental analysis	●	<p>Foncière des Régions has structured its analysis by segment and by business type: Offices France, Hotels and Service Sector, Logistics, Residential and the Urbis Park (Car Parks) and Beni Stabili (Offices Italy) investments.</p>
Coverage ratio of data collection	●	<p>The coverage ratio is indicated by segment and business type in each reporting table (energy, carbon, water and waste). For each indicator, this coverage ratio is calculated as an area (% of m²SHON) and as a number of assets.</p>
Narrative on performance	●	<p>Foncière des Régions provides comments and explanations on environmental performance trends and data:</p> <ul style="list-style-type: none"> ♦ in the body of the report (see pages 22 to 65) ♦ in the chapter containing data relative to assessing performance for each business (see pages 100 to 126).
Assurance – external verification by an independent consultant	●	<p>Since the report for the 2010 fiscal year, the environmental, social, and societal data is verified by an independent third party. The EPRA indicators and compliance with its methodology are verified as part of the process, as are compliance with GRI4 CRESO and the GHG emissions report.</p> <p>The advisor's statement is included in Foncière des Régions' annual Reference Document and its Sustainability Report. You will find these documents in both English and French on the Foncière des Régions website.</p>
Location of EPRA Sustainability Performance Measurements	●	<p>The EPRA performance measurements and correspondence to principles are disclosed and reported annually in the Foncière des Régions Sustainability Report and in its Reference Document. You will find these documents in both English and French on the Foncière des Régions website.</p>
Type and number of assets certified	●	<p>Cer-Tot – This indicator is expressed by dividing the value of the assets with certification, accreditation or a grade at 31 December 2014 by the value of the total portfolio held by a business on the same date (for example Offices France: 50.1%).</p>



Offices France

The scope of reporting for Offices France at 31 December 2014 relates to 211 out of the 432 sites included in the scope of financial reporting, excluding assets under construction, renovation, or disposed of during the year. A portfolio of 101 non-core assets representing 2% of the value of the total was not included within the scope, since portfolio energy and environmental mapping has not yet been performed.

All consumption data is taken from invoice statements, with no estimates used at all. As an exception to the "process included" principle of energy consumption, the energy consumed by telephone equipment in the buildings rented to Orange is not included in the calculations based on an assessment performed by the CSTB.

The results are presented on the next page with climate adjustment (winter and summer). Weather-related adjustments are calculated by the CSTB in order to make like-for-like performance more comparable; energy and carbon results are presented in the charts in pages 23 to 32.i

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT) (SEE PAGE 23)

At 31 December 2014, 50.1% (in value) of the Office assets owned by Foncière des Régions had HQE and/or BREEAM certification (construction and/or operation) and/or were certified as low energy consumption buildings (BBC) or Overall TR. This percentage is expressed relative to all the assets held on this date, including both assets under construction and in operation.

The rate rose to 68.6% at the end of 2014 if taking the ratio of certified and or accredited buildings to the total core portfolio, *i.e.* those intended to remain in the portfolio in the long term.



Offices France

ENERGY – DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR BUILDINGS IN OPERATION

The results are presented with climate adjustment.

The consumption values reported below are based on the data collected according to two scopes:

- ♦ operational control scope: assets managed by Foncière des Régions' teams (multi-let buildings). Reporting is done from invoices, with no estimates. This is the scope involving EPRA BPRs
- ♦ non-operational control scope: reporting is done on the basis of the energy invoices provided by tenants, concerning:
 - ♦ the tenant areas of multi-let buildings
 - ♦ all energy consumption in single-let buildings.

Within the "operational control" scope, the coverage ratio of the data collected is 96% of the area.

Total energy consumption (Abs)	Multi-let buildings									
			Operational control scope		Tenant areas scope		Single let buildings		Portfolio total	
	GRI 4	EPRA BPRs	2013	2014	2013	2014	2013	2014	2013	2014
Coverage of reporting scope in area <i>(% of m²SHON)</i>			188,886 100%	160,281 96%	82,076 45%	111,926 93%	1,109,404 77%	818,710 77%	1,298,290 76%	978,991 79%
Coverage of scope as a number of assets			15/15	13/14	4/14	7/14	211/278	147/197	230/307	160/211
Intensity <i>(kWhfe/m²SHON/year)</i>	CRE1	Energy-Int	198	211	84	101	164	161	178	181
Intensity <i>(kWhpe/m²SHON/year)</i>			304	326	218	259	374	348	402	374
Total direct energy (kWhfe)	G4-EN3	Fuels-Abs	9,748,123	7,817,944	0	0	24,565,669	31,189,766	34,313,792	39,007,710
Natural gas <i>(direct energy)</i>	G4-EN3	Fuels-Abs	9,748,123	7,817,944	0	0	21,674,837	26,941,161	31,422,960	34,759,105
Fuel oil <i>(direct energy)</i>	G4-EN3	Fuels-Abs	0	0	0	0	2,570,372	4,164,067	2,570,372	4,164,067
Wood <i>(direct energy)</i>	G4-EN3	Fuels-Abs	0	0	0	0	320,460	84,538	320,460	84,538
Total indirect energy (kWhfe)	G4-EN3	Elec-Abs	27,695,677	25,938,916	6,957,840	11,257,339	157,259,532	100,964,488	191,913,049	138,160,744
Electricity <i>(indirect energy)</i>	G4-EN3	Elec-Abs	12,606,219	11,753,738	6,957,840	11,257,339	147,390,821	96,853,604	166,954,880	119,864,682
Renewable energy production	G4-EN3	Elec-Abs	0	0	0	0	0	0	0	0
o/w solar			0	0	0	0	0	0	0	0
o/w wind			0	0	0	0	0	0	0	0
o/w hydraulic			0	0	0	0	0	0	0	0
o/w geothermal			0	0	0	0	0	0	0	0
District heating and cooling <i>(indirect energy)</i>	G4-EN3	DH&C-Abs	15,089,458	14,185,178	0	0	9,868,711	4,110,884	24,958,169	18,296,062
Total energy consumption (kWhfe)			37,443,800	33,756,860	6,957,840	11,257,339	181,825,201	132,154,254	226,226,841	177,168,454
Total energy (GJ)			134,798	121,525	25,048	40,526	654,571	475,755	814,417	637,806
Total energy consumption (kWhpe)			57,347,989	52,327,767	17,900,947	29,043,936	414,574,514	285,149,133	489,823,450	366,520,835
Estimated consumption for vacant space <i>(kWhpe)</i>			0	0	0	0	0	0	0	0
Estimated consumption for occupied areas where no data is available <i>(kWhpe)</i>			0	2,378,695	25,903,351	2,085,275	124,155,678	86,269,030	150,059,029	90,733,000
Total extrapolated energy consumption <i>(kWhpe)</i>			57,347,989	54,706,461	43,804,298	31,129,211	538,730,192	371,418,163	639,882,479	457,253,836



Offices France

The table below details the energy consumption paid for by the owner and re-invoiced for shared facilities and common areas in buildings. The landlord does not invoice tenants for private energy consumption. The energy consumption paid for by the owner relates to shared facilities, such as lighting and lifts and when provided on a collective basis: boiler, air conditioning, etc. on the basis of a breakdown of charges between the tenants.

				Total consumption (Abs) – Operational control scope			Like-for-like (Lfl) – Operational control scope			Like-for-like (Lfl) – Portfolio total		
EPRA BPRs				2013	2014	Change (%)	2013	2014	Change (%)	2013	2014	Change (%)
Number of applicable assets				15/15	13/14		9/14			131/211		
Coverage of reporting scope in area (m ² SHON)				188,886	160,281	96%	132,529	132,529	79%	792,510	64%	
Proportion of estimated data				0%	0%		0%	0%		0%	0%	
Owner scope "operational control"				12,606,219	11,753,738	-7%	7,947,626	9,702,532	22%	99,438,198	105,452,344	6%
Consumption in tenant areas re-invoiced to tenants (metering)				0	0		0	0		0	0	
Total electricity consumption paid by the owner				12,606,219	11,753,738	-7%	7,947,626	9,702,532	22%	99,438,198	105,452,344	6%
Owner scope "operational control"				15,089,458	14,185,178	-6%	14,250,697	13,732,558	-4%	14,456,827	15,514,450	7%
Consumption re-invoiced to tenants				0	0		0	0		0	0	
Total district heating and cooling consumption data collected, paid by the owner				15,089,458	14,185,178	-6%	14,250,697	13,732,558	-4%	14,456,827	15,514,450	7%
Owner scope "operational control"				9,748,123	7,817,944	-20%	8,582,713	7,328,911	-15%	29,381,941	32,536,646	11%
Consumption re-invoiced to tenants				0	0		0	0		0	0	
Total Gas-Fuel oil-Wood data collected, paid by the owner				9,748,123	7,817,944	-20%	8,582,713	7,328,911	-15%	29,381,941	32,536,646	11%
INTENSITY (kWh/m²SHON/year)				232.3	232.1	-0.06%	180.8	193.7	7%			



Offices France

CO₂ CARBON – TOTAL DIRECT OR INDIRECT GREENHOUSE GAS EMISSIONS FROM BUILDINGS IN OPERATION

The data is calculated by the Building Scientific and Technical Centre (CSTB) based on the invoice statements, as detailed above. The scopes covered are identical.

Within the “operational control” scope, in accordance with EPRA recommendations, the coverage ratio of the data collected is 96% of the area.

Total carbon emissions (Abs)	Multi-let buildings														
	GHG Protocol		Operational control scope				Tenant areas scope		Single-let buildings		Portfolio total				
	GRI 4	EPRA BPRs	Scopes 1 & 2		Scope 3		Scope 3		Scopes 1, 2 and 3						
			2013	2014	2013	2014	2013	2014	2013	2014					
Coverage of reporting scope in area (% of m ² SHON)		188,886	100%	160,281	96%	82,076	45%	111,926	93%	1,109,404	77%	818,710	77%	76%	79%
Number of applicable assets			15/15	13/14		4/15	7/14		211/278	147/197	230/307	160/211			
Carbon intensity (kgCO ₂ e/m ² SHON/year)	CRE3	GHG-Int	33	34	7	8	18	20	20.7	23					
Total emissions (tCO ₂ e)			6,207	5,512	574	946	20,175	16,471	26,956	22,929					
of which direct emissions (tCO ₂ e)	G4-EN15	GHG-Dir-Abs	2,281	1,829	0	0	5,851	7,555	8,132	9,384					
of which indirect emissions (tCO ₂ e)	G4-EN16	GHG-Indir-Abs	3,925	3,682	574	946	14,324	8,917	18,823	13,545					
Estimated emissions for vacant space (tCO ₂ e)			0	0	0	0	0	0	0	0					
Estimated emissions for occupied areas where no data is available (tCO ₂ e)			0	0	831	68	6,041	4,983	6,872	5,051					
Total extrapolated carbon emissions (tCO ₂ e)			6,207	5,762	1,405	1,014	26,216	21,455	333,828	28,231					

Within the operational control scope, the results shows a reduction of 11.2% in total carbon emissions and a reduction of 4.5% like-for-like. This presentation is based on the table above.

	Total emissions (Abs) – Operational control scope					Like-for-like (LfL) – Operational control scope				Like-for-like (LfL) – Portfolio total			
	GRI 4	EPRA BPRs	2013	2014	Change (%)	2013	2014	Change (%)	2013	2014	Change (%)		
Number of applicable assets			15/15	13/14		9/14			131/211				
Coverage of reporting scope in area (m ² SHON)		188,886	100%	160,281	96%	132,529	79%	132,529	79%	792,510			
Proportion of estimated data			0%	0%		0%	0%		0%	0%			
Carbon intensity (kgCO ₂ e/m ² SHON/year)			33	34		41	39	-4.5%	22.7	24.7	8.7%		
Scope 1 – Total direct emissions	G4-EN15	GHG-Dir-LfL	tCO ₂ e	2,281	1,829	-20%	2,008	1,715	-15%	-15%	6,904	7,756	12%
Scope 2 – Total indirect emissions	G4-EN16	GHG-Indir-LfL		3,925	3,682	-6%	3,375	3,424	1%	1%	11,100	11,806	6%
Scope 3 – Other emissions		GHG-Indir-LfL		0	0		0	0			0	0	
Total emissions (tCO ₂ e/year)			6,207	5,512		5,384	5,139		18,004	19,562			
CHANGE IN CARBON EMISSIONS 2014/2013				-11.2%			-4.5%			8.7%			



Offices France



WATER – TOTAL WATER CONSUMPTION AND WATER INTENSITY OF OPERATING BUILDINGS

Water used in the portfolio comes from a single source, municipal water supplies.

Multi-let buildings: the landlord receives the invoices; tenants do not have individual contracts.

Single-let buildings: the tenant has an individual contract with the water supply concessionaire. All elements reported below originate with invoices.

In 2014, data was consolidated for 90% of the operational control scope based on the information collected, corresponding to the EPRA BPRs.

	Multi-let buildings				Single-let buildings		Portfolio total			
	Operational control scope		Tenant areas scope							
Total water consumption (Abs)	GRI 4	EPRA BPRs	2013	2014	2013	2014	2013	2014		
Coverage of reporting scope in area [% m ² SHON]			175,579 93%	150,374 90%			751,048 52%	422,103 40%	926,927 57%	572,477 46%
Coverage of scope as a number of assets			13/15	11/14			104/278	46/197	118/307	57/211
WATER INTENSITY <i>[m³/m²SHON/year]</i>	CRE2	Water-Int	0.35	0.44			0.27	0.32	0.28	0.35
Total consumption of water <i>[m³]</i>	G4-EN8	Water-Abs	61,195	66,722	N/A		70,275	134,689	131,470	201,410
Estimated water consumption in vacant space <i>[m³]</i>			0	0			0	0	0	0
Estimated consumption in occupied areas for which data is not available <i>[m³]</i>			4,638	7,629			428,872	205,589	433,510	232,728
Total extrapolated consumption of water <i>[m³]</i>			65,833	74,350			499,147	340,278	564,980	434,138
Water consumption – Like-for-like (LfL)										
Number of applicable assets			8/14				15/197		23/211	
Coverage of scope of reporting <i>[m²SHON]</i>			124,888	75%			175,295	16%	300,183	24%
Proportion of estimated data			0%	0%	N/A		0%	0%	0%	0%
WATER INTENSITY <i>[m³/m²SHON/year]</i>			0.38	0.45			0.27	0.28	0.31	0.35
Water consumption in cubic metres like-for-like <i>[m³]</i>	G4-EN8	Water-LfL	47,736	56,178			46,700	49,345	94,437	105,523
CHANGE IN WATER INTENSITY 2014/2013			18%				6%		12%	



Offices France

WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD

In France, waste is collected by municipal services that do not weigh or monitor data. Recording tonnage data is possible only where waste is managed by private waste contractors. Four buildings in the Offices France scope, representing 66% of multi-let surface area, contract private waste suppliers, making monitoring as recorded below possible.

Total waste production (Abs)	GRI 4	EPRA BPRs	Multi-let buildings				
			Operational controle scope		Tenant areas scope		
			2013	2014	2013	2014	
Number of applicable assets in area (<i>% m²SHON</i>)			111,050	100%	111,050	100%	
Number of applicable assets			4/4		4/4		
Estimated share				0%		0%	
Total waste (tonnes)	G4-EN23	Waste-Abs	316		502		
of which waste recycled, reused or composted	G4-EN23	Waste-Abs	250	79%	336	67%	N/A
of which incinerated (including with energy recovery)	G4-EN23	Waste-Abs	N/A		N/A		
of which landfill	G4-EN23	Waste-Abs	N/A		N/A		
of which other disposal methods	G4-EN23	Waste-Abs	N/A		N/A		
Rate of selective collection			100%		100%		
Total extrapolated production of waste (<i>tonne</i>)			0		0		
Production of waste – Like-for-like (LfL)							
Number of applicable assets (<i>number of buildings</i>)					4/4		
Coverage of scope (<i>m²SHON</i>)			111,050		100%		
Proportion of estimated data			0%		0%		
Rate of selective collection			60%		100%		
Total waste (tonnes)	G4-EN23	Waste-LfL	369		502		
of which waste recycled, reused or composted			290	79%	336	67%	
of which incinerated (including with energy recovery)			N/A		N/A		
of which landfill			N/A		N/A		
of which other disposal methods			N/A		N/A		
CHANGE IN TOTAL WASTE 2014/2013					36.0%		



Hotels & Service Sector

The Hotels and Service Sector portfolio of Foncière des Régions is made up entirely of single let buildings. The tenants are responsible for the operation and management of energy, water and waste for each asset. **As such, Foncière des Régions does not have operational control of the assets and is thus exempted from environmental reporting in light of EPRA recommendations.**

Nonetheless, Foncière des Régions is determined to monitor and reduce the environmental footprint of its portfolio and organises reporting with its tenants, who provide their data on waste production, energy and water consumption each year.

The scope of environmental reporting is based on the consolidated financial reporting scope for Foncière des Murs. Any assets excluded from this scope are detailed below. The reporting scope includes

portfolios in operation in France, excluding the buildings purchased in advance of future completion: Accor, B&B, Courtepaille, Jardiland, Korian and Quick (excluding franchised establishments), account for 94.8% of the total portfolio value at 31 December 2014, and 81.8% of the area. The following assets have been excluded from the reporting scope: 1 Hotel NH in Amsterdam, 1 Club Med site in Portugal, 4 Sunparks sites and the B&B hotels in Germany.

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT)

At 31 December 2014, 36.8% of the reporting scope (in value group share) had HQE, BREEAM or ISO 14001 certification.

⚡ ENERGY – DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR BUILDINGS IN OPERATION

The reporting scope coverage rate is 85% for energy, which allows relevant comparison like-for-like, making the results directly comparable from one year to the next. The results are presented with climate adjustment. These are Scope 3 emissions as described in the GHG protocol. Since none of this consumption is managed or paid for by the owner (operational control), all data is based on energy invoices paid by the tenants, giving the volume

consumed (kWh), with the exception of one hotel portfolio. For this portfolio, the consumption volumes were calculated based on the invoice amounts paid to the energy companies, taking an average of €0.48/kWh for electricity and €0.376/kWh for gas. Consumption of primary energy fell 1%, while final energy consumption rose 6%, due to the change in the energy mix inherent in the changes in the portfolio.

	GRI 4	EPRA BPRs	2008	2012	2013	2014
Coverage of scope (m ² SHON)			10%	81%	85%	85%
Number of applicable assets			NC	230/385	385/477	343/426
Intensity (kWhfe/m ² SHON/year)	CRE1	Energy-Int	377	286	233	246
Intensity (kWhpe/m ² SHON/year)			690	534	464	459
Total direct energy (kWhfe)	G4-EN3	Fuels-Abs	ND	78,119,049	77,919,945	90,461,340
Natural gas (direct energy)	G4-EN3	Fuels-Abs	ND	73,489,932	69,858,559	82,319,311
Fuel oil (direct energy)	G4-EN3	Fuels-Abs	ND	348,213	1,420,304	1,402,708
Wood (direct energy)	G4-EN3	Fuels-Abs	ND	4,280,904	6,641,082	6,739,320
Total indirect energy (kWhfe)	G4-EN3	Elec-Abs	30,200,862	137,354,946	162,362,690	139,600,209
Electricity (indirect energy)	G4-EN3	Elec-Abs	28,341,446	125,381,923	149,310,942	127,623,102
Renewable energy production	G4-EN3	Elec-Abs	0	0	0	0
District heating and cooling (indirect energy)	G4-EN3	DH&C-Abs	1,859,416	11,973,023	13,051,748	11,977,108
Total energy consumption (kWhfe)			51,786,937	215,473,995	240,282,635	230,061,549
Total energy (GJ)			186,433	775,706	865,017	828,222
Total energy consumption (kWhpe)			94,879,071	412,350,943	473,617,157	429,010,322
Estimated consumption for vacant space (kWhpe)			0	0	0	0
Total extrapolated consumption of energy (assets for which no data is available) (kWhpe)			845,336,042	98,372,504	86,873,628	74,512,584
Total consumption of energy, including estimated and extrapolated consumption (kWhpe)			940,215,113	510,723,447	560,490,785	503,522,905



Hotels & Service Sector

The table below presents total energy consumption, as well as like-for-like, and shows a reduction of 5%.

				Total consumption (Abs)			Like-for-like				
EPRA BPRs				2013	2014	Change (%)	2013	2014	Change (%)		
Number of applicable assets				385/477	343/426		309/423				
Coverage of reporting scope in area (m ² SHON)				1,027,278	85%	934,068	85%	863,681	79%	863,681	79%
Proportion of estimated data				0%	0%		0%				
Owner scope "Operational control"	Electricity	Elec-Abs	kWh	0	0		Elec-LfL	0	0		
Consumption managed and paid for by tenants				149,310,942	127,623,102	-15%		129,897,657	119,384,885	-8%	
Total electricity consumption				149,310,942	127,623,102	-15%		129,897,657	119,384,885	-8%	
Owner scope "Operational control"	District heating and cooling	DH&C-Abs		0	0		DH&C-LfL	0	0		
Consumption managed and paid for by tenants				13,051,748	11,977,108	-8%		12,657,710	11,977,108	-5%	
Total district heating and cooling consumption data collected				13,051,748	11,977,108	-8%		12,657,710	11,977,108	-5%	
Owner scope "Operational control"	Gas-Fuel oil-Wood	Fuels-Abs		0	0		Fuels-LfL	0	0		
Consumption managed and paid for by tenants				77,919,945	90,461,340	16%		81,340,819	80,563,756	-1%	
Total gas-fuel oil-wood data				77,919,945	90,461,340	16%		81,340,819	80,563,756	-1%	
				INTENSITY (kWh/m²/year)			259	245	-5%		

CO₂ CARBON - TOTAL DIRECT OR INDIRECT GREENHOUSE GAS EMISSIONS FROM BUILDINGS IN OPERATION

Carbon emissions are calculated according to the provisions of the Decree of 15 September 2006. The reduction in emissions since 2008 is significant taken in terms of both absolute volume and intensity. This improvement is due to a combination of the group's carbon policy, the acquisition of energy-efficient assets and changes to the energy mix to less carbon-intensive energy products. The coverage of the reporting scope for carbon emissions is also 85%, since it is based on energy invoices. Like-for-like, the coverage rate is 79% from one year to the next, with a carbon intensity ratio remaining at around 35 kgCO₂e/m²SHON/year.

				Total emissions (Abs)			Like-for-like		
GRI 4 EPRA BPRs				2013	2014	Change (%)	2013	2014	Change (%)
Number of applicable assets				385/477	343/426		309/423		
Coverage of reporting scope in area (m ² SHON)				1,027,278	85%	934,068	85%	863,681	79%
Proportion of estimated data				0%	0%		0%		
Carbon intensity (kgCO₂e/m²SHON/year)	CRE3	GHG-Int		31	31	13%	35.9	34.5	-4%

				2013	2014	Change (%)	2013	2014	Change (%)
GHG Protocol									
Scope 1 - Total direct emissions	G4-EN15	GHG-Dir-Abs	(tCO ₂ e)	0	0		GHG-Dir-LfL	0	0
Scope 2 - Total indirect emissions	G4-EN16	GHG-Indir-Abs		0	0		GHG-Indir-LfL	0	0
Scope 3 - Other emissions		GHG-Indir-Abs		32,023	32,767	2%	GHG-Indir-LfL	31,047	29,817
Total emissions (tCO₂e/year)				32,023	32,767		31,047	29,817	
CHANGE IN CARBON EMISSIONS 2014/2013				2.3%			-4.0%		



Hotels & Service Sector

WATER – TOTAL WATER CONSUMPTION AND BUILDING WATER INTENSITY

Water used in the portfolio comes from a single source, municipal water supplies. Missing consumption data were not included in the evaluation, with the exception of a hotel portfolio for which the volumes were calculated based on invoices (amounts in euro), taking an average price per cubic metre of water of €1.83/m³ (based on INSEE data).

Total water consumption (Abs)	GRI 4	EPRA BPRs	2008	2012	2013	2014
Number of applicable assets			NC	247/385	384/450	343/426
Coverage of scope (<i>m²SHON</i>)			8%	79%	87%	923,283 84%
WATER INTENSITY (<i>m³/m²SHON/year</i>)	CRE2	Water-Int	2.34	1.76	1.50	1.99
Total water consumption (<i>m³</i>)	G4-EN8	Water-Abs	250,847	1,285,048	1,583,643	1,836,643
Estimated water consumption in vacant space (<i>m³</i>)						
Total extrapolated water consumption (<i>m³</i>)			3,135,588	1,626,643	1,820,279	2,180,821
Water consumption – Like-for-like (LfL)					2013	2014
Number of applicable assets					328/423	
Coverage of reporting scope in area (<i>m²SHON</i>)					898,406	82%
Proportion of estimated data					0%	
WATER INTENSITY (<i>m³/m²SHON/year</i>)					2.01	1.98
Water consumption in cubic metres like-for-like (<i>m³</i>)	G4-EN8	Water-LfL			1,807,012	1,776,191
CHANGE IN WATER INTENSITY 2014/2013						-2%

WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD

In France, the municipalities provide waste removal services. They provide no data with regard to the weight or exact disposal route. Foncière des Régions is looking to identify the proportion of assets with selective waste collection.

Total waste production (Abs)	GRI 4	EPRA BPRs	2013	2014
Number of applicable assets			266/477	258/426
Coverage of scope (<i>m²SHON and %</i>)			60%	821,764 75%
Estimated proportion			0%	0%
TOTAL WASTE (<i>tonnes</i>)	G4-EN23	Waste-Abs	NC	NC
Rate of selective collection			100%	100%
Total production of waste – Like-for-like (LfL)			2013	2014
Number of applicable assets				229/423
Coverage of scope (<i>m²SHON</i>)			707,756	65%
Proportion of estimated data				0%
Rate of selective collection				100%



Logistic

The reporting scope includes multi-let buildings owned in France and managed by Foncière des Régions staff. The consumption data appearing below relates exclusively to the operational control scope. Consumption data of tenants in tenant areas (energy) or concerning single-let buildings (all energy types) are not dealt with here. Data is not adjusted for climate.

In view of the assets disposed of in 2014, there are far fewer assets included in the reporting for 2014 than in the prior year.

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT)

Since the disposal of the asset portfolio in 2014, Foncière des Régions no longer holds certified and/or accredited logistics assets.

ENERGY – DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR BUILDINGS IN OPERATION

The data below relates to landlord obtained energy in multi-let buildings.

It is difficult to compare consumption data between 2013 and 2014 since the facilities managed within the operational control scope vary significantly from one asset to another (collective or individual heating, extent of exterior lighting, etc.), and the change in the size of the portfolio. Moreover, a large percentage of the area in one of the assets was vacated and gas consumption fell by 25% at this site as a result. The results are presented without climate adjustment.

	GRI 4	EPRA BPRs	2012	2013	2014
Coverage of scope (<i>m²SHON</i>)			68%	75%	100%
Number of applicable assets			4/11	4/10	7/7
Intensity (<i>kWhfe/m²SHON/year</i>)	CRE1	Energy-Int	78	86	91
Intensity (<i>kWhpe/m²SHON/year</i>)			89	97	118
Total direct energy (<i>kWhfe</i>)	G4-EN3	Fuels-Abs	15,015,156	14,100,403	13,352,582
Natural gas (<i>direct energy</i>)	G4-EN3	Fuels-Abs	15,015,156	14,100,403	13,352,582
Fuel oil (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0	0
Wood (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0	0
Total indirect energy (<i>kWhfe</i>)	G4-EN3	Elec-Abs	1,406,287	2,846,573	3,027,432
Electricity (<i>indirect energy</i>)	G4-EN3	Elec-Abs	1,406,287	1,435,420	3,027,432
Renewable energy production	G4-EN3	Elec-Abs	0	0	0
o/w solar			0	0	0
o/w wind			0	0	0
o/w hydraulic			0	0	0
o/w geothermal			0	0	0
District heating and cooling (<i>indirect energy</i>)	G4-EN3	DH&C-Abs	0	1,411,153	0
Total energy consumption (<i>kWhfe</i>)			16,421,443	16,946,976	16,380,014
Total energy [GJ]			59,117	61,009	58,968
Total energy consumption (<i>kWhpe</i>)			18,643,376	19,214,940	21,163,357



Logistic

The table below details the energy consumption paid for by the owner and re-invoiced for shared facilities and common areas in buildings. The landlord does not invoice tenants for private energy consumption. The energy consumption paid for by the owner relates to shared facilities, such as lighting and lifts and when provided on a collective basis: boiler, air conditioning, etc. on the basis of a breakdown of charges between the tenants.

EPRA BPRs	Total consumption (Abs)			Like-for-like (LfL)		
	2013	2014	Change [%]	2013	2014	Change [%]
Number of applicable assets	4/10	7/7		3/6		
Coverage of reporting scope in area (m ² SHON)	197,825	179,260	75% 100%	129,719	129,719	72% 72%
Proportion of estimated data	0%	0%		0%	0%	
Owner scope "Operational control"	1,435,420	3,027,432	111%	1,411,705	1,485,037	5%
Consumption in tenant areas re-invoiced to tenants (metering)	0	0		0	0	
Total electricity consumption paid by the owner	1,435,420	3,027,432	111%	1,411,705	1,485,037	5%
Owner scope "Operational control"	1,411,153	0	-100%	0	0	0%
Consumption re-invoiced to tenants	0	0		0	0	
Total district heating and cooling consumption data collected, paid by the owner	1,411,153	0	-100%	0	0	0%
Owner scope "Operational control"	14,100,403	13,352,582	-5%	14,100,403	11,224,194	-20%
Consumption re-invoiced to tenants	0	0		0	0	
Total Gas-Fuel oil-Wood data collected, paid by the owner	14,100,403	13,352,582	-5%	14,100,403	11,224,194	-20%
Intensity (kWh/m ² /year)				120	98	-18%



Logistic

CARBON – TOTAL DIRECT OR INDIRECT GREENHOUSE GAS EMISSIONS FROM BUILDINGS IN OPERATION

Carbon emissions are calculated using energy consumption data analysed above and therefore the reservations expressed concerning the change to the portfolio and the partial vacancy of one of the assets also apply to carbon emissions. Total carbon emissions were down 8.4% and fell 19.5% like-for-like.

	GRI 4	EPRA BPRs	Total emissions (Abs)			Like-for-like (LFL)			
			2013	2014	Change (%)	2013	2014	Change (%)	
Number of applicable assets			4/10	7/7		3/6			
Coverage of reporting scope in area (m ² SHON)			197,825 75%	179,260 100%		129,719 72%	129,719 72%		
Proportion of estimated data			0%	0%		0%	0%		
Carbon intensity (kgCO ₂ e/m ² SHON/year)	CRE3	GHG-Int	19	19	-25%	26.35	21.21	-20%	
GHG Protocol			2013	2014		2013	2014	Change (%)	
Scope 1 – Total direct emissions	G4-EN15	GHG-Dir-Abs	[tCO ₂ e]	3,299	3,125	-5%	GHG-Dir-LfL 3,299	2,626	-20%
Scope 2 – Total indirect emissions	G4-EN16	GHG-Indir-Abs		389	254	-35%	GHG-Indir-LfL 119	125	5%
Scope 3 – Other emissions		GHG-Indir-Abs		0	0		GHG-Indir-LfL 0	0	0%
Total emissions (tCO₂e/year)			3,688	3,379		3,418	2,751		
CHANGE IN CARBON EMISSIONS 2014/2013				-8.4%		-19.5%			

WATER – TOTAL WATER CONSUMPTION AND BUILDING WATER INTENSITY

Water used in the portfolio comes from a single source, municipal water supplies.

Total water consumption (Abs)	GRI 4	EPRA BPRs	2013	2014
Number of applicable assets			6/6	7/7
Coverage of scope (m ² SHON)			100%	100%
WATER INTENSITY (m³/m²SHON/year)	CRE2	Water-Int	0.12	0.16
Total water consumption (m³)	G4-EN8	Water-Abs	31,401	28,034
Water consumption – Like-for-like (Lfl)			2013	2014
Number of applicable assets			6/7	
Coverage of reporting scope in area (m ² SHON)			126,376	70%
Proportion of estimated data			0%	
WATER INTENSITY (m³/m²SHON/year)			0.24	0.21
Water consumption in cubic metres like-for-like (m ³)	G4-EN8	Water-LfL	29,754	26,138
CHANGE IN WATER INTENSITY 2014/2013			-12%	

WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD

As sorting is done by public authorities, it is not possible to obtain relevant information concerning waste tonnage. On the other hand, selective collection is in operation for the entire reporting scope.



Residential Germany

In 2014, the group decided to monitor energy consumption and waste production in a representative sample of this residential portfolio. Please see pages 49 to 56 for an explanation of this methodology. All reported consumption relates to the operational control scope.

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT)

German residential assets were purchased in operation and without certifications.

ENERGY – DIRECT AND INDIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR BUILDINGS IN OPERATION (OPERATIONAL CONTROL SCOPE)

The data relates to the owner scope and is based on invoices with no estimates.

The results are presented without climate adjustment. In most cases, the tenants do not provide the data. Initial trends show a drop in consumption without climate adjustment (down 12% like-for-like), due mainly to the mild weather in 2014.

	GRI 4	EPRA BPRs	2013	2014
Coverage of scope (<i>m²SHON</i>)			100%	100%
Number of applicable assets			124/124	126/126
INTENSITY (<i>kWhfe/m²/year</i>)	CRE1	Energy-int	276	243
INTENSITY (<i>kWhpe/m²/year</i>)			289	256
Total direct energy (<i>kWhfe</i>)	G4-EN3	Fuels-Abs	13,588,755	12,067,178
Natural gas (<i>direct energy</i>)	G4-EN3	Fuels-Abs	13,091,173	11,599,963
Fuel oil (<i>direct energy</i>)	G4-EN3	Fuels-Abs	497,582	467,215
Wood (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0
Total indirect energy (<i>kWhfe</i>)	G4-EN3	Elec-Abs	5,868,561	4,995,206
Electricity (<i>indirect energy</i>)	G4-EN3	Elec-Abs	255,855	257,046
Renewable energy production	G4-EN3	Elec-Abs	160,218	174,533
o/w solar			160,218	174,533
o/w wind			0	0
o/w hydraulic			0	0
o/w geothermal			0	0
District heating and cooling (<i>indirect energy</i>)	G4-EN3	DH&C-Abs	5,772,924	4,912,693
TOTAL ENERGY CONSUMPTION (<i>kWhfe</i>)			19,457,316	17,062,385
Total energy (GJ)			70,046	61,425
TOTAL ENERGY CONSUMPTION (<i>kWhpe</i>)			19,540,380	18,133,744



Residential Germany

EPRA BPRs	Total consumption (Abs)			Like-for-like (Lfl)			
	2013	2014	Change (%)	2013	2014	Change (%)	
Number of applicable assets	124/124		126/126	124/124		N/A	
Coverage of reporting scope in area <i>[m²]</i>	69,212 100%	70,917 100%		69,212 100%	69,212 100%	N/A	
Proportion of estimated data	0%	0%		0%	0%		
Owner scope "operational control"	Electricity	Elec-Abs	kWh	Elec-Lfl	255,855	230,636	-10%
Consumption in tenant areas re-invoiced to tenants (metering)							
Total electricity consumption paid by the owner					255,855	230,636	-10%
Owner scope "operational control"	District heating and cooling	DH&C-Abs	kWh	DH&C-Lfl	5,772,924	4,912,693	-6%
Consumption re-invoiced to tenants							
Total district heating and cooling consumption data collected, paid by the owner					5,772,924	4,912,693	-6%
Owner scope "operational control"	Gas-Fuel oil-Wood	Fuels-Abs	kWh	Fuels-Lfl	13,588,755	11,572,047	-15%
Consumption re-invoiced to tenants							
Total Gas-Fuel oil-Wood data collected, paid by the owner					13,588,755	11,572,047	-15%
INTENSITY <i>(kWh/m²/year)</i>				275.86	241.51	-12%	

CO₂ CARBON – TOTAL DIRECT OR INDIRECT GREENHOUSE GAS EMISSIONS FROM BUILDINGS IN OPERATION (OPERATIONAL CONTROL SCOPE)

Carbon emissions are calculated according to energy invoices. Emissions fell 9.9% across the representative sample of assets, and by 13% like-for-like in assets for which data was obtained over a 24-month consecutive period.

GRI 4	EPRA BPRs	Total emissions (Abs)			Like-for-like (Lfl)			
		2013	2014	Change (%)	2013	2014	Change (%)	
Number of applicable assets		124/124		126/126	124/124			
Coverage of reporting scope in area <i>(m²)</i>		69,212 100%	70,917 100%		69,212 100%	69,212 100%		
Proportion of estimated data		0%	0%		0%	0%		
Carbon intensity <i>(kgCO₂e/m²/year)</i>	CRE3	GHG-Int	58	51	-12%	58	50	-13%

GHG Protocol		2013	2014	Change (%)	2013	2014	Change (%)		
Scope 1 – Total direct emissions	G4-EN15 GHG-Dir-Abs	<i>(tCO₂e)</i>	3,213	2,855	-11%	GHG-Dir-Lfl	3,213	2,739	-15%
Scope 2 – Total indirect emissions	G4-EN16 GHG-Indir-Abs		787	747	-5%	GHG-Indir-Lfl	787	731	-7%
Scope 3 – Other emissions	GHG-Indir-Abs		0			GHG-Indir-Lfl	0	0	
Total emissions <i>(tCO₂e/year)</i>		3,999	3,602		3,999	3,469			
CHANGE IN CARBON EMISSIONS 2014/2013				-9.9%	-13%				



Residential Germany



WATER – TOTAL WATER CONSUMPTION AND ASSET WATER INTENSITY (OPERATIONAL CONTROL SCOPE)

Water used in the portfolio comes from a single source, municipal water supplies.

Total water consumption (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			124/124		126/126	
Coverage of scope (m ²)			69,212	100%	70,917	100%
WATER INTENSITY (m³/m²/year)	CRE2	Water-Int	1.61		1.70	
Total water consumption (m³)	G4-EN8	Water-Abs	111,654		120,394	
Water consumption – Like-for-like (LfL)						
Number of applicable assets			124/124			
Coverage of reporting scope (m ²)			69,212	100%	69,212	100%
Proportion of estimated data			0%		0%	
WATER INTENSITY (m³/m²/year)			1.61		1.64	
Water consumption in cubic metres like-for-like (m ³)	G4-EN8	Water-LfL	111,654		113,552	
CHANGE IN WATER INTENSITY 2014/2013			2%			



WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD (OPERATIONAL CONTROL SCOPE)

Waste data is collected in volume (litres) and converted to cubic metres in the table below. The data collected shows that waste production remained practically stable year-on-year, with a slight 1.1% increase between 2013 and 2014.

Selective collection is in operation for all of the assets in the reporting sample.

Total waste production (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			109/124		115/126	
Coverage of scope (m ²)			61,287	89%	64,789	91%
Estimated share			0%		0%	
TOTAL WASTE (tonnes)	G4-EN23	Waste-Abs	9,168,068	100%	9,462,180	100%
of which recycled, re-used or composted waste	G4-EN23	Waste-Abs	N/A		N/A	
of which incinerated (including with energy recovery)	G4-EN23	Waste-Abs	N/A		N/A	
of which landfill	G4-EN23	Waste-Abs	N/A		N/A	
of which other disposal methods	G4-EN23	Waste-Abs	N/A		N/A	
Rate of selective collection			100%		100%	
Production of waste – Like-for-like (LfL)						
Number of applicable assets			105/124			
Coverage of scope (m ²)			58,533	85%	58,533	85%
Proportion of estimated data			0%		0%	
Rate of selective collection			100%		100%	
Total waste (tonnes)	G4-EN23	Waste-LfL	8,810,828		8,904,740	
CHANGE IN TOTAL WASTE 2014/2013			1.1%			



Residential France

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT)

French residential assets were purchased in operation and without building certification for the most part.

ENERGY – DIRECT AND INDIRECT ENERGY CONSUMPTION BY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR FULLY-OWNED ASSETS (OPERATIONAL CONTROL SCOPE)

Consumption data is based on actual invoices obtained from the property management company or energy supply companies. No estimates were made. Up a slight 1% like-for-like in the period 2013 to 2014 for electricity, consumption was stable overall for the properties over which Foncière Développement Logements has operational control. District heating and gas usage declined significantly. The fall in the former was due to a substantial reduction in one of the two assets supplied with district heating, while gas was lower, because the supplier's estimates in 2013 were far higher than the actual consumption metered in 2014.

	GRI 4	EPRA BPRs	2013	2014
Coverage of scope (<i>m²SHAB</i>)			100%	100%
Number of applicable assets			28/28	17/17
Intensity (<i>kWhfe/m²SHAB/year</i>)	CRE1	Energy-Int	67	45
Intensity (<i>kWhpe/m²SHAB/year</i>)			85	65
Total direct energy (<i>kWhfe</i>)	G4-EN3	Fuels-Abs	1,996,029	591,803
Natural gas (<i>direct energy</i>)	G4-EN3	Fuels-Abs	1,996,029	591,803
Fuel oil (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0
Wood (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0
Total indirect energy (<i>kWhfe</i>)	G4-EN3	Elec-Abs	4,211,519	1,422,399
Electricity (<i>indirect energy</i>)	G4-EN3	Elec-Abs	1,064,430	557,075
Renewable energy production	G4-EN3	Elec-Abs	0	0
o/w solar			0	0
o/w wind			0	0
o/w hydraulic			0	0
o/w geothermal			0	0
District heating and cooling (<i>indirect energy</i>)	G4-EN3	DH&C-Abs	3,147,089	865,324
TOTAL ENERGY CONSUMPTION (<i>kWhfe</i>)			6,207,548	2,014,202
Total energy (GJ)			22,347	7,251
TOTAL ENERGY CONSUMPTION (<i>kWhpe</i>)			7,889,347	2,894,381



Residential France

EPRA BPRs	Total consumption (Abs)			Like-for-like (LfL)								
	2013	2014	Change (%)	2013	2014	Change (%)						
Number of applicable assets	28/28	17/17		17/17								
Coverage of reporting scope in area (m ² SHAB)	92,902 100%	44,859 100%		44,859 100%	44,859 100%							
Proportion of estimated data	0%	0%		0%	0%							
Owner scope "Operational control"	Electricity	Elec-Abs	kWh	Elec-LfL	1,064,430	557,075	-48%	562,480	557,075	-1%		
Consumption in tenant areas re-invoiced to tenants (metering)												
Total electricity consumption paid by the owner					1,064,430	557,075	-48%	562,480	557,075	-1%		
Owner scope "Operational control"	District heating and cooling	DH&C-Abs	kWh	DH&C-LfL	3,147,089	865,324	-73%	1,101,393	865,324	-21%		
Consumption re-invoiced to tenants												
Total district heating and cooling consumption data collected, paid by the owner					3,147,089	865,324	-73%	1,101,393	865,324	-21%		
Owner scope Operational scope	Gas-Fuel oil-Wood	Fuels-Abs	kWh	Fuels-LfL	1,996,029	591,803	-70%	731,894	591,803	-19%		
Consumption re-invoiced to tenants												
Total Gas-Fuel oil-Wood data collected, paid by the owner					1,996,029	591,803	-70%	731,894	591,803	-19%		
INTENSITY (kWh/m²SHAB/year)					53	45	-16%					

CO₂ CARBON - TOTAL GREENHOUSE GAS EMISSIONS FROM FULLY-OWNED ASSETS (OPERATIONAL CONTROL SCOPE)

Carbon emissions are calculated according to actual energy consumption. Emissions were down in 2014, reflecting the policy of more energy efficient facilities and the fact that fuel oil is no longer used in the buildings within the operational control scope.

GRI 4	EPRA BPRs	Total emissions (Abs)			Like-for-like (LfL)		
		2013	2014	Change (%)	2013	2014	Change (%)
Number of applicable assets		28/28	17/17		17/17		
Coverage of reporting scope in area (m ² SHAB)		92,902 100%	44,859 100%		44,859 100%	44,859 100%	
Proportion of estimated data		0%	0%		0%		
Carbon intensity (kgCO₂e/m²SHAB/year)	CRE3 GHG-Int	12	8	-35%	9.54	7.80	-18%

GHG Protocol			2013	2014	Change (%)	2013	2014	Change (%)		
Scope 1 - Total direct emissions	G4-EN15	GHG-Dir-Abs	[tCO ₂ e]	467	138	-70%	GHG-Dir-LfL	171	138	-19%
Scope 1 - Total indirect emissions	G4-EN16	GHG-Indir-Abs		687	211	-69%	GHG-Indir-LfL	257	211	-18%
Scope 3 - Other emissions		GHG-Indir-Abs		0	0		GHG-Indir-LfL	0	0	
Total emissions (tCO₂e/year)			1,154	350	-69.7%	428	350	-18.3%		
CHANGE IN CARBON EMISSIONS 2014/2013			-69.7%			-18.3%				



Residential France

WATER – TOTAL WATER CONSUMPTION AND INTENSITY RATIO FOR FULLY-OWNED BUILDINGS (OPERATIONAL CONTROL SCOPE)

Water used in the portfolio comes from a single source, municipal water supplies.

Water is supplied by contracts to entire buildings. Invoices corresponding to consumption (common areas: cleaning, landscaped areas, etc., and tenant areas) are paid by the landlord. The water is then re-invoiced to tenants in the form of charges. The consumption data is based on the invoices provided by the water supply companies. The total water consumption ratio per m² rose 15% for the portfolio, which should be seen relative to the more modest 7% increase like-for-like.

Total water consumption (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			26/26		17/17	
Coverage of scope (m ² SHAB)			81,708	100%	44,859	100%
WATER INTENSITY (m³/m²SHAB/year)	CRE2	Water-int	1.14		1.31	
Total water consumption (m³)	G4-EN8	Water-Abs	93,130		58,826	
Water consumption – Like-for-like (LfL)						
Number of applicable assets			17/17			
Coverage of reporting scope (m ² SHAB)			44,859			
Proportion of estimated data			0%			
WATER INTENSITY (m³/m²SHAB/year)			1.23		1.31	
Water consumption in cubic metres like-for-like (m ³)	G4-EN8	Water-LfL	55,083		58,826	
CHANGE IN WATER INTENSITY 2014/2013			7%			

WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD (OPERATIONAL CONTROL SCOPE)

It is difficult to quantify production of waste insofar as the information is not available from the majority of public waste management companies. The only information that can be reported for all of the assets within the reporting scope is the rate of selective collection, which amounted to 88% in 2014.

Total waste production (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			28/28		17/17	
Coverage of scope (m ² SHAB)			92,902	100%	44,859	100%
Estimated share			0%		0%	
TOTAL WASTE (tonnes)	G4-EN23	Waste-Abs	N/A		N/A	
of which recycled, re-used or composted waste	G4-EN23	Waste-Abs	N/A		N/A	
of which incinerated (including with energy recovery)	G4-EN23	Waste-Abs	N/A		N/A	
of which landfill	G4-EN23	Waste-Abs	N/A		N/A	
of which other disposal methods	G4-EN23	Waste-Abs	N/A		N/A	
Rate of selective collection			87%		88%	
Production of waste – Like-for-like (LfL)						
Number of applicable properties			17/17			
Coverage of scope (m ² SHAB)			44,859		100%	
Proportion of estimated data			0%		0%	
Rate of selective collection			88%		88%	
Total waste (tonnes)	G4-EN23	Waste-LfL	N/A		N/A	
CHANGE IN TOTAL WASTE 2014/2013			N/A			



Headquarters

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT): 100%

The three assets occupied by Foncière des Régions' teams in France have the following certifications: HQE for the Divo building in Metz, and BREEAM In-Use for 10 and 30 avenue Kléber in Paris, which brings to 100% the number of certified corporate buildings.

ENERGY – DIRECT AND INDIRECT ENERGY CONSUMPTION BY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR “CORPORATE” BUILDINGS OCCUPIED BY FONCIÈRE DES RÉGIONS’ TEAMS (OPERATIONAL CONTROL SCOPE)

Consumption data is based on actual invoices obtained from the property management company or energy supply companies. The area was adjusted in one of the assets to reflect common areas used by tenants, which increased the total by 6%. No estimates were made. The results are presented without climate adjustment. Consumption remained stable in the 2013 to 2014 period.

	GRI 4	EPRA BPRs	2013		2014	
Coverage of scope (<i>m²SHON</i>)			6,721	100%	7,196	100%
Number of applicable assets			3/3		3/3	
Intensity (<i>kWhfe/m²SHON/year</i>)	CRE1	Energy-Int	230		230	
Intensity (<i>kWhpe/m²SHON/year</i>)			426		424	
Total direct energy (<i>kWhfe</i>)	G4-EN3	Fuels-Abs	378,001		389,820	
Natural gas (<i>direct energy</i>)	G4-EN3	Fuels-Abs	378,001		389,820	
Fuel oil (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0		0	
Wood (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0		0	
Total indirect energy (<i>kWhfe</i>)	G4-EN3	Elec-Abs	1,166,536		1,262,887	
Electricity (<i>indirect energy</i>)	G4-EN3	Elec-Abs	836,788		886,318	
Renewable energy production	G4-EN3	Elec-Abs	0		0	
District heating and cooling (<i>indirect energy</i>)	G4-EN3	DH&C-Abs	329,748		376,570	
TOTAL ENERGY CONSUMPTION (<i>kWhfe</i>)			1,544,537		1,652,707	
Total energy (GJ)			5,560		5,950	
TOTAL ENERGY CONSUMPTION (<i>kWhpe</i>)			2,866,663		3,053,089	



Headquarters

The table below shows that the surface areas owned as of 2014 increased slightly as a result of incorporating the private use of some of the surface area in the Metz building. Accordingly, like-for-like calculations are based on the new total surface area (i.e. 7,196 m²).

EPRA BPRs	Total consumption (Abs)			Like-for-like (LfL)		
	2013	2014	Change (%)	2013	2014	Change (%)
Number of applicable assets	3/3	3/3		3/3		
Number of applicable assets in area (m ² SHON)	6,721 100%	7,196 100%		7,196 100%		
Proportion of estimated data	0%	0%		0%	0%	
Owner scope "Operational control"	836,788	886,318	6%	889,385	886,318	0.3%
Consumption in tenant areas re-invoiced to tenants (metering)						
Total electricity consumption paid by the owner	836,788	886,318	6%	889,385	886,318	0.3%
Owner scope "Operational control"	329,748	376,570	14%	260,224	376,570	45%
Consumption re-invoiced to tenants						
Total district heating and cooling consumption data collected and paid by the owner	329,748	376,570	14%	260,224	376,570	45%
Owner scope "Operational control"	378,001	389,820	3%	405,517	389,820	-4%
Consumption re-invoiced to tenants						
Total Gas-Fuel oil-Wood data collected, paid by the owner	378,001	389,820	3%	405,517	389,820	-4%
INTENSITY (kWh/m²SHON/year)				216	229	6%

CO₂ CARBON – TOTAL DIRECT OR INDIRECT GREENHOUSE GAS EMISSIONS FROM CORPORATE BUILDINGS (OPERATIONAL CONTROL SCOPE)

The increase in carbon emissions like-for-like was generated by higher usage of district heating and cooling in 2014 compared with the previous year, in line with occupant demand.

GRI 4	EPRA BPRs	Total emissions (Abs)			Like-for-like (LfL)				
		2013	2014	Change (%)	2013	2014	Change (%)		
Number of applicable assets		3/3	3/3		3/3				
Coverage of reporting scope in area (m ² SHON)		6,721 100%	7,196 100%		7,196 100%				
Proportion of estimated data		0%	0%		0%	0%			
Building carbon (kgCO₂e/m²SHON/year)	CRE3	GHG-Int	28	33	18%	30	33	8%	
GHG Protocol:									
Scope 1 – Total direct emissions	G4-EN15	GHG-Dir-Abs	74	91	23%	GHG-Dir-LfL	95	91	-3.9%
Scope 2 – Total indirect emissions	G4-EN16	GHG-Indir-Abs	111	146	32%	GHG-Indir-LfL	124	146	18%
Scope 3 – Other emissions		GHG-Indir-Abs	0	0		GHG-Indir-LfL	0	0	
Total emissions (tCO₂e/year)			185	237			219	237	
CHANGE IN CARBON EMISSIONS 2014/2013			28.2%			8.3%			



Headquarters



WATER – TOTAL WATER CONSUMPTION AND CORPORATE BUILDING WATER INTENSITY (OPERATIONAL CONTROL SCOPE)

Water used in the portfolio comes from a single source, municipal water supplies.

Water consumption data was collected for all three Foncière des Régions locations in 2014: in addition to the two buildings in Paris, for which water consumption remained stable at around 25 m³/m²SHON/year, data was also compiled for water volumes consumed in the Metz building. Landscaped areas on terraces go some way to explaining the increase in total consumption in 2014.

Total water consumption (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			3/3		3/3	
Coverage of scope (m ² SHON)			6,721	100%	7,196	100%
WATER INTENSITY (m³/m²SHON/year)	CRE2	Water-Int	0.20		0.31	
Total water consumption (m³)	G4-EN8	Water-Abs	1,317		2,254	
Water consumption – Like-for-like (LfL)						
Number of applicable assets			2/3			
Coverage of reporting scope (m ² SHON)			5,475		76%	
Proportion of estimated data			0%		0%	
WATER INTENSITY (m³/m²SHON/year)			0.24		0.25	
Water consumption in cubic metres like-for-like (m ³)	G4-EN3	Water-LfL	1,290		1,368	
CHANGE IN WATER INTENSITY 2014/2013					6%	



WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD FOR CORPORATE BUILDINGS (OPERATIONAL CONTROL SCOPE)

Tonnage of waste produced by the two assets in Paris is monitored monthly, as well as the total paper and cardboard (100% recycled). A large volume of paper was disposed of in 2013 as a result of reorganising the teams and the layout of the offices. This tonnage dropped sharply in 2014, as shown in the table below.

Total waste production (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			2/2			
Coverage of scope (m ² SHON)			5,475	100%	5,475	100%
Total waste (tonnes)	G4-EN23	Waste-Abs	56		33	
of which recycled, re-used or composted waste	G4-EN23	Waste-Abs	43.68	78%	20.94	63%
of which incinerated (including with energy recovery)	G4-EN23	Waste-Abs	0		0	
of which landfill	G4-EN23	Waste-Abs	0		0	
of which other disposal methods	G4-EN23	Waste-Abs	12.32	22%	12.56	37%
Rate of selective collection			100%		100%	
Production of waste – Like-for-like (LfL)						
Number of applicable assets			2/2			
Coverage of scope (m ² SHON)			5,475		100%	
Proportion of estimated data			0%		0%	
Rate of selective collection			100%		100%	
Total waste (tonnes)	G4-EN23	Waste-LfL	56		33	
of which recycled, re-used or composted waste			43.68	78%	20.94	63%
of which incinerated (including with energy recovery)			0		0	
of which landfill			0		0	
of which other disposal methods			12.32	22%	12.56	37%
CHANGE IN TOTAL WASTE 2014/2013					-40.1%	



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TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT)

The rate of building certification for the EPRA Cert-Tot indicator is detailed in the Beni Stabili Sustainable Development Report.

ENERGY – DIRECT AND INDIRECT ENERGY CONSUMPTION BY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR FULLY-OWNED BUILDINGS (OPERATIONAL CONTROL SCOPE)

Consumption data is based on actual invoices obtained from the property management company or energy supply companies. The results are presented without climate adjustment.

Consumption of gas in 2013 was invoiced on an estimated basis using the metering method. Following improvements to this method, 2013 and 2014 invoices were updated. Consumption like-for-like takes this adjustment into account, but total 2013 consumption remains unchanged in the energy and carbon reporting tables below.

	GRI 4	EPRA BPRs	2013		2014	
Coverage of scope (<i>m²GLA</i>)			111,945	100%	150,683	95%
Number of applicable assets			16/16		18/19	
Intensity (<i>kWhfe/m²GLA/year</i>)	CRE1	Energy-Int	81		95	
Intensity (<i>kWhpe/m²GLA/year</i>)			162		146	
TOTAL DIRECT ENERGY (<i>kWhfe</i>)	G4-EN3	Fuels-Abs	1,324,757		7,861,362	
Natural gas (<i>direct energy</i>)	G4-EN3	Fuels-Abs	747,077		7,038,072	
Fuel oil (<i>direct energy</i>)	G4-EN3	Fuels-Abs	577,680		823,290	
Wood (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0		0	
TOTAL INDIRECT ENERGY (<i>kWhfe</i>)	G4-EN3	Elec-Abs	7,724,192		6,478,730	
Electricity (<i>indirect energy</i>)	G4-EN3	Elec-Abs	7,724,192		6,478,730	
Renewable energy production	G4-EN3	Elec-Abs	0		0	
o/w solar			0		0	
o/w wind			0		0	
o/w hydraulic			0		0	
o/w geothermal			0		0	
District heating and cooling (<i>indirect energy</i>)	G4-EN3	DH&C-Abs	0		0	
Total energy consumption (<i>kWhfe</i>)			9,048,949		14,340,092	
Total energy (GJ)			32,576		51,624	
Total energy consumption (<i>kWhpe</i>)			18,163,496		21,984,993	



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The coverage of the reporting scope was 100% in 2013 and 95% in 2014. Consumption was down 9% like-for-like.

EPRA BPRs				Total consumption (Abs)				Like-for-like (LfL)				Change (%)
				2013		2014		2013		2014		
Number of applicable assets				16/16		18/19		14/14		N/A		
Coverage of reporting scope in area (m ² GLA)				111,945	100%	150,683	95%	116,665	100%	116,665	100%	N/A
Proportion of estimated data				0%		0%		0%		0%		
Owner scope "operational control"				7,724,192		6,478,730		5,629,404		5,032,101		-11%
Consumption in tenant areas re-invoiced to tenants (metering)				0		0		0		0		
Total consumption of electricity paid by the owner				7,724,192		6,478,730		5,629,404		5,032,101		-11%
Owner scope "operational control"				0		0		0		0		
Consumption re-invoiced to tenants				0		0		0		0		
Total district heating and cooling consumption data collected, paid by the owner				0		0		0		0		
Owner scope "operational control"				1,324,757		7,861,362		6,957,713		6,446,045		-7%
Consumption re-invoiced to tenants				0		0		0		0		
Total Gas-Fuel oil-Wood data collected, paid by the owner				1,324,757		7,861,362		6,957,713		6,446,045		-7%
INTENSITY (kWh/m²GLA/year)								108		98		-9%



CARBON - TOTAL GREENHOUSE GAS EMISSIONS FROM FULLY-OWNED ASSETS (OPERATIONAL CONTROL SCOPE)

Carbon emissions are calculated based on energy invoices. Emissions fell 9.3% like-for-like, a performance related directly to lower consumption.

GRI 4 EPRA BPRs				Total emissions (Abs)				Like-for-like (LfL)				Change (%)
				2013		2014		2013		2014		
Number of applicable assets				16/16		18/19		14/14				
Coverage of reporting scope in area (m ² GLA)				111,945	100%	150,683	95%	116,665	100%	116,665	100%	
Proportion of estimated data				0%		0%		0%		0%		
CARBON INTENSITY (KgCO₂e/m²GLA/year)				39		29		25		22		-9%
GHG Protocol				2013		2014		2013		2014		Change (%)
Scope 1 - Total direct emissions	G4-EN15	GHG-Dir-Abs	[tCO ₂ e]	311	1,624	422%	GHG-Dir-LfL	1,517	1,410	-7%		
Scope 2 - Total indirect emissions	G4-EN16	GHG-Indir-Abs		4,102	2,807	-32%	GHG-Indir-LfL	2,439	2,180	-11%		
Scope 3 - Other emissions		GHG-Indir-Abs		0	0		GHG-Indir-LfL	0	0			
Total emissions (tCO₂e/year)				4,413		4,430		3,956		3,590		
CHANGE IN CARBON EMISSIONS 2014/2013						0.4%				-9.3%		



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WATER – TOTAL WATER CONSUMPTION AND INTENSITY RATIO FOR FULLY-OWNED BUILDINGS (OPERATIONAL CONTROL SCOPE)

Water used in the portfolio comes from a single source, municipal water supplies. The increase across the entire reporting scope should be seen relative to the like-for-like 7% increase.

Total water consumption (Abs)	GRI 4	EPRA BPRs	2013		2014	
Number of applicable assets			14/16		15/19	
Coverage of scope (m ² GLA)			106,134	95%	139,098	93%
WATER INTENSITY (m³/m²GLA/year)	CRE2	Water-Int	0.92		1.26	
Total water consumption (m³)	G4-EN8	Water-Abs	97,247		175,071	
Water consumption – Like-for-like (LfL)						
Number of applicable assets			12/14			
Coverage of reporting scope (m ² GLA)			108,650	93%	108,650	93%
Proportion of estimated data			0%		0%	
Water intensity (m³/m²GLA/year)			1.04		1.12	
Water consumption like-for-like (m ³)	G4-EN8	Water-LfL	113,446		121,199	
CHANGE IN WATER INTENSITY 2014/2013					7%	

WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD

Selective collection is available in an increasing number of assets included in the reporting scope (40% at end 2014) and waste is collected for recycling and composting.



Urbis Park

Reporting was carried out for 17 managed sites as of 31 December 2014 through a Public Service Delegation, a concession or a commercial lease for parking spaces. The ratios are expressed per parking space and not per m² to reflect the particular characteristics of this business. Assets delivered or disposed of during the year are excluded from the reporting scope. In the same way, assets under lease contracts are not used as the Urbis Park corporate purpose does not include work and operations. This reporting is based on the periods of 1 October N to 1/30 September N, *i.e.* 12 months on a sliding scale.

There are no tenant areas in the car parks. Consumption therefore exclusively concerns the scope of management of Urbis Park staff, within the scope covered by the EPRA recommendations (in blue in the tables).

TYPE AND NUMBER OF SUSTAINABILITY CERTIFIED ASSETS – (CERT-TOT)

In France, there is no system of certification covering the construction or operation of car parks.

ENERGY – DIRECT AND INDIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE AND ENERGY INTENSITY RATIO FOR BUILDINGS IN OPERATION (OPERATIONAL CONTROL SCOPE)

Electricity was the only energy consumed in the Urbis Park portfolio in 2011 and 2012. Due to the absence of air conditioning and heating, electricity consumption does not take into account adjustments for climate conditions. The actions taken on the portfolio including audits, replacement of lighting, etc. resulted in a reduction in consumption of 9% between 2012 and 2013.

	GRI 4	EPRA BPRs	2012	2013	2014
Coverage of scope (<i>m²SHON</i>)			100%	100%	100%
Number of applicable assets			18/18	17/17	17/17
Intensity (<i>kWfe/parking space/year</i>)	CRE1	Energy-Int	739	605	575
Intensity (<i>kWpe/parking space/year</i>)			1,905	1,561	1,483
Total direct energy (<i>kWhfe</i>)	G4-EN3	Fuels-Abs	0	0	0
Natural gas (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0	0
Fuel oil (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0	0
Wood (<i>direct energy</i>)	G4-EN3	Fuels-Abs	0	0	0
Total indirect energy (<i>kWhfe</i>)	G4-EN3	Elec-Abs	8,383,465	6,603,956	5,807,906
Electricity (<i>indirect energy</i>)	G4-EN3	Elec-Abs	8,383,465	6,603,956	5,807,906
Renewable energy production	G4-EN3	Elec-Abs	0	0	0
District heating and cooling (<i>indirect energy</i>)	G4-EN3	DH&C-Abs	0	0	0
TOTAL ENERGY CONSUMPTION (<i>kWhfe</i>)			8,383,465	6,603,956	5,807,906
Total energy (GJ)			30,180	23,774	20,908
TOTAL ENERGY CONSUMPTION (<i>kWhpe</i>)			21,629,340	17,038,206	14,984,396



Urbis Park

				Total consumption (Abs)			Like-for-like (Lfl)			
EPRA BPRs				2013	2014	Change (%)	2013	2014	Change (%)	
Number of applicable assets				17/17	17/17		15/15		N/A	
Coverage of reporting scope (number of parking spaces)				10,913	10,103	100%	9,280	9,280	100%	N/A
Proportion of estimated data				0%	0%	0%	0%	0%	0%	
Owner scope Operational scope	Electricity	Elec-Abs	kWh	6,603,956	5,807,906	-12%	5,403,759	5,375,479	-0.5%	
Consumption in tenant areas re-invoiced to tenants (metering)										
Total electricity consumption paid by the owner				6,603,956	5,807,906	-12%	5,403,759	5,375,479	-0.5%	
Owner scope Operational scope	District heating and cooling	DH&C-Abs		0	0		0	0		
Consumption re-invoiced to tenants										
Total district heating and cooling consumption data collected, paid by the owner				0	0	0%	0	0	0%	
Operational control by owner scope	Gas-Fuel oil-Wood	Fuels-Abs		0	0	0%	0	0	0%	
Consumption re-invoiced to tenants										
Total Gas-Fuel oil-Wood data collected, paid by the owner			0	0	0%	0	0	0%		
INTENSITY (kWh/e/parking space/year)							582	579	-0.5%	

CO₂ CARBON - TOTAL GREENHOUSE GAS EMISSIONS FROM FULLY-OWNED ASSETS (OPERATIONAL CONTROL SCOPE)

Total direct and indirect and greenhouse gas emissions from buildings in operation.

In as much as the sites use a single type of energy utility, the drop observed in carbon emissions is the same as for energy consumption, i.e. 1% like-for-like between 2013 and 2014.

			Total emissions (Abs)			Like-for-like (Lfl)		
GRI 4	EPRA BPRs		2013	2014	Change (%)	2013	2014	Change (%)
Number of applicable assets			17/17	17/17		15/15		
Coverage of scope of reporting (number of parking spaces)			10,913	10,103	100%	9,280	9,280	100%
Proportion of estimated data			0%	0%		0%	0%	
Carbon intensity								
(kgCO ₂ e/parking space/year)	CRE3	GHG-Int	51	48	-5%	49	49	-1%

GHG Protocol			2013	2014	Change (%)	2013	2014	Change (%)		
Scope 1 - Total direct emissions	G4-EN15	GHG-Dir-Abs	0	0		GHG-Dir-LfL	0	0	0%	
Scope 2 - Total indirect emissions	G4-EN16	GHG-Indir-Abs	(tCO ₂ e)	555	488	-12%	GHG-Indir-LfL	454	452	-1%
Scope 3 - Other emissions		GHG-Indir-Abs		0	0	0%	GHG-Indir-LfL	0	0	0%
Total emissions (tCO₂e/year)										
CHANGE IN CARBON EMISSIONS 2014/2013			-12.1%			-1%				



Urbis Park

WATER – TOTAL WATER CONSUMPTION AND INTENSITY RATIO FOR FULLY-OWNED BUILDINGS (OPERATIONAL CONTROL SCOPE)

Water used in the portfolio comes from a single source, municipal water supplies. Quantities of water consumed in car parks are very low, as shown below.

Total water consumption (Abs)	GRI 4	EPRA BPRs	2012	2013	2014
Number of applicable assets			16/16	15/15	15/17
Coverage of scope <i>(parking space)</i>			100%	100%	90%
WATER INTENSITY <i>(m³/parking space/year)</i>	CRE2	Water-Int	0.23	0.19	0.17
Total water consumption <i>(m³)</i>	G4-EN8	Water-Abs	2,590	2,057	1,590
Water consumption – Like-for-like (LfL)				2013	2014
Number of applicable assets <i>(number of buildings)</i>				14/15	
Number of applicable assets <i>(number of parking space)</i>				93%	
Proportion of estimated data				0%	0%
Water intensity <i>(m³/parking space/year)</i>				0.20	0.17
Water consumption in cubic metres like-for-like <i>(m³)</i>	G4-EN8	Water-LfL		1,696	1,426
CHANGE IN WATER INTENSITY 2014/2013				-16%	

WASTE – TOTAL WEIGHT OF WASTE IN TONNES BY TYPE AND DISPOSAL METHOD (OPERATIONAL CONTROL SCOPE)

Volumes of waste collected in car parks are negligible and are not included in reported data. Furthermore, waste in all car parks included in the reporting scope is removed by municipal services who do not communicate any data relating to tonnage collected and proportions recycled or incinerated.



SOCIAL INDICATORS

ESU Foncière des Régions

		2012	2013	2014		
	GRI 4	Numbers of employees	290	290	277	
Total workforce by type of employment contract broken down by gender		Permanent	95%	93.1%	92.1%	
		Men	46%	44%	45%	
		Women	54%	56%	55%	
		Temporary	2%	3.4%	1.8%	
		Men	50%	60%	20%	
		Women	50%	40%	80%	
		CAP (vocational training certificate)	3%	3.4%	6.1%	
		Men	63%	10%	18%	
		Women	38%	90%	82%	
Total workforce by type of job broken down by gender		Full-time	92%	90%	90%	
		Men	50%	46%	47%	
		Women	50%	54%	53%	
		Part-time	8%	10%	10%	
		Men	13%	17%	10%	
		Women	88%	83%	90%	
Distribution of workforce by geographic area and broken down by gender	G4-10	Paris	70%	70%	71%	
		Men	47%	43%	44%	
		Women	53%	57%	56%	
		Metz	23%	23%	23%	
		Men	46%	45%	43%	
		Women	54%	55%	57%	
		Regional offices	6%	7%	5%	
		Men	44%	40%	40%	
		Women	56%	60%	60%	
	Breakdown of workforce by professional category		Managers	70%	71%	73%
		Men	55%	51%	51%	
		Women	45%	49%	49%	
		Supervisors	18%	17%	16%	
		Men	25%	24%	23%	
		Women	75%	76%	77%	
		Employees	7%	8%	9%	
		Men	40%	17%	20%	
		Women	60%	83%	80%	
		Building caretakers	4%	4%	3%	
		Men	23%	25%	25%	
		Women	77%	75%	75%	
Breakdown of workforce by gender	G4-LA12	Men	47%	43%	43%	
		Women	53%	57%	57%	
Breakdown of managerial staff		Men Managers	63%	58%	58%	
		Women Managers	37%	42%	42%	
Makeup of Governance bodies (Committee or Council in charge of Strategic Leadership, Control, Management)		Men in Governance bodies	See page 88 on Governance			
		Women in Governance bodies	See page 88 on Governance			
Breakdown of workforce by age group			Age < 30	14%	16%	19%
			30-50 years old	65%	63%	58%
			Age > 50	21%	21%	23%



		2012	2013	2014	
Staff turnover M/W	G4-LA1	Total Permanent Contract departures	54	26	36
		Rate of Permanent contract departure turnover	6%*	9.4%	8.5%*
		Men	7%	5.4%	5.5%
Turnover by age group	G4-LA1	Women	10%	4.0%	7.8%
		Age < 30	2%	1%	2%
		30-50 years old	8%	5%	7%
Turnover by geographic area	G4-LA1	Age > 50	7%	3%	4%
		Paris	11%	6%	9%
		Metz	2%	1%	1%
Turnover rate for less than 2 year	G4-LA1	Regional offices	4%	2%	3%
		Rate of permanent contract departure turnover after less than 2 years	9%	10.0%	17.6%
Rate of new hires by contract type	G4-LA1	Total entries (first contract for staff position excluding replacement caretaker staff)	58	50	57
		Total recruitment permanent contracts	17	20	21
		Of which conversion to permanent contract		7	6
		Of which Youth Policy (summer jobs or apprentices)		23	26
		Of which medium term/ replacement temporary contracts		14	10
Average number of hours of training per employee by gender and professional category	G4-LA9	Per employee	22.4	17.6	20.0
		Per man	22.4	18.3	23.0
		Per woman	22.4	17.0	18.0
		Per manager	22.9	18.4	21
		Per supervisor	22.4	19.7	20
		Per employee	17.0	7.1	10
Percentage of employees receiving regular performance and career development reviews, by gender and professional category	G4-LA11	Total	96%	99%	98%
		Per man	46%	45%	44%
		Per woman	50%	54%	55%
		Per manager			72%
		Per supervisor			17%
		Per employee			9%
Rate of absenteeism by geographic area and broken down by gender	G4-LA11	Total	2.4%	2.9%	2.6%
		Men	0.6%	0.8%	0.9%
		Women	1.7%	2.1%	1.8%
		Paris	1.7%	1.6%	1.5%
		Metz	0.4%	0.6%	0.6%
		Regional offices	0.3%	0.7%	0.6%
Work accident rate by geographic area and broken down by gender	G4-LA6	Total	1.38%	0.69%	0.72%
		Severity rate	0.03	0.01	0.05
		Frequency rate	2.13	4.55	2.36
		Men	0.3%	0.2%	0.4%
		Women	1.0%	0.5%	0.4%
		Paris	1.0%	0.5%	0.7%
Occupational illness rate by geographic area and broken down by gender	G4-LA6	Metz	0.0%	0.0%	0.0%
		Regional offices	0.3%	0.2%	0.0%
		Total	0%	0%	0%
		Men	0%	0%	0%
		Women	0%	0%	0%
		Paris	0%	0%	0%
Percentage of all employees covered by collective bargaining agreements	G4-11	Metz	0%	0%	0%
		Regional offices	0%	0%	0%
		Total	100%	100%	100%
		Men	100%	100%	100%
		Women	100%	100%	100%

* Turnover including the impacts of disposals and transfers of building caretakers was 17% in 2012 and 13.3% in 2014.



		2012	2013	2014	
Ratio between the base salary and remuneration for women compared with the ratio for men, by professional category and by main operating site	G4-LA13	Base salary for men (average) (before vocational training certificate contracts (CAP) and suspension)	63,229	62,411	64,727
		Base salary for women (average) (before vocational training certificate contracts (CAP) and suspension)	44,041	45,594	47,517
		M/W ratio (excluding vocational training certificate contracts and suspension of contract)	0.70	0.73	0.73
		Base salary, men, executive	68,973	67,923	69,204
		Base salary, women, executive	53,503	57,757	55,525
		Executive women-to-men ratio	0.78	0.85	0.80
		Average base salary, men, supervisors	31,345	32,133	33,848
		Average base salary, women, supervisors	31,563	31,722	31,971
		Ratio M/W Supervisors	1.01	0.99	0.94
		Base salary, men, office staff	24,193	24,345	26,064
		Base salary, women, office staff	24,200	23,536	24,635
		Office staff women-to-men ratio	1.00	0.97	0.95
		Average base salary, men, property agent	25,988	26,846	29,495
		Average base salary, women, property agent	22,483	26,339	25,097
		Ratio M/W property agent	0.87	0.98	0.85
Return to work and retention rates after parental leave, by gender	G4-LA3	Number of employees with right to parental leave (with children younger than 3 years)	19%	18%	17%
		Women	8%	10%	9%
		Men	11%	9%	7%
		Number of employees who had children during the year	6.6%	5.9%	6.5%
		Women	3.1%	3.4%	4.0%
		Men	3.4%	2.4%	2.5%
		Employees who took parental leave (worked part time or took full parental leave)	21%	19%	44%
		Women	44%	33%	55%
		Men	0%	0%	29%
		Employees who returned to their jobs (full-time)	74%	81%	56%
		Women	44%	67%	45%
		Men	0%	100%	71%
		Employees who returned to work following parental leave (excluding renewals)	100%	100%	100%
		Women	100%	100%	100%
		Men	-	-	100%
Percentage of total workforce represented in mixed Management-employee committees for health and safety at work monitoring and submitting opinions on the Health and Safety at Work (HSW) programme	G4-LA5	100%	100%	100%	
% of employees who received training	Foncière des Régions indicators	92%	90%	95%	
% of payroll dedicated to training	Foncière des Régions indicators	4%	3.38%	3.48%	
Internal mobility	Foncière des Régions indicators	18	18	14	
Loans to personnel <i>(% of employees who took out loans compared to total staff)</i>	Foncière des Régions indicators	5%	5%	3%	
Works Council subsidies <i>(percent of payroll)</i>	Foncière des Régions indicators	2%	2%	2%	



Immeo AG

As at 31 December 2014, Immeo AG was staffed by 388 employees, most of whom are located in Oberhausen. In 2014, 37 new employees were taken on, mainly to run the agencies in Berlin, Dresden and Leipzig in order to extend the local administration of buildings. As Immeo AG is not a member of the Foncière des Régions economic and social unit (ESU) the company has its own HR policy.

G4-10 AND G4-LA12: TOTAL WORKFORCE BY TYPE OF EMPLOYMENT CONTRACT, BY PROFESSIONAL CATEGORY AND TYPE OF JOB, DIVIDED INTO MEN AND WOMEN, BROKEN DOWN BY GENDER AND AGE GROUP

		2012	2013	2014	
	GRI 4	Numbers of employees	369	372	388
Total workforce by type of employment contract broken down by gender		Permanent	76%	75%	74%
		Men	58%	59%	57%
		Women	43%	41%	43%
		Temporary	22%	23%	23%
		Men	47%	32%	40%
		Women	53%	68%	60%
		CAP	2%	2%	2%
		Men	20%	20%	10%
		Women	80%	80%	90%
Total workforce by type of job broken down by gender	G4-10	Full-time	89%	88%	90%
		Men	61%	59%	59%
		Women	39%	41%	41%
		Part-time	11%	12%	10%
		Men	5%	9%	20%
		Women	95%	91%	80%
Total workforce by professional category divided by gender		Managers		5%	4%
		Men		88%	88%
		Women		12%	12%
		Supervisors		2%	2%
		Men		86%	78%
		Women		14%	22%
		Employees		82%	83%
		Men		45%	46%
		Women		55%	54%
		Building caretakers		12%	10%
Breakdown of workforce by gender		Men	54%	53%	52%
		Women	46%	47%	48%
Breakdown of workforce by age group	G4-LA12	Age < 30	17%	9%	12%
		30-50 years old	53%	54%	56%
		Age > 50	30%	37%	32%

The workforce grew by 4% in 2014 in comparison with 2013, reflecting an increase in business, particularly through the purchase of new portfolios in Berlin (25 people taken on in 2014), Dresden (four people taken on in 2014) and Leipzig (three people taken on in 2014).



G4-LA1: STAFF TURNOVER BY GENDER AND AGE GROUP, AND LEVELS OF NEW STAFF RECRUITMENT

		2012	2013	2014	
Staff turnover M/W	G4-LA1	Total departures	24	32	36
		Rate of departure turnover	6%	8.8%	9.2%
		Men	3%	4%	3%
		Women	4%	4%	6%
Turnover by age group	G4-LA1	Age < 30	3%	3%	3%
		30-50 years old	3%	5%	5%
		Age > 50	4%	4%	5%
Rate of new recruitment by gender and age groups	G4-LA1	Total incoming staff	48	27	48
		Recruitment rate	13%	7%	12%
	G4-LA1	Men	5%	1%	6%
		Women	8%	6%	6%
		Age < 30	6%	3%	6%
		30-50 years old	6%	3%	5%
		Age > 50	2%	1%	3%

In 2014, the rate of recruitment exceeded staff turnover which explains the increase in its workforce in 2014. Immeo AG has strengthened its position with the arrival of new employees taken on as account managers. This is primarily due to increased business activity in 2014 in the regions mentioned in the previous paragraph, which also led to 33 positions being filled *via* internal mobility. These figures take account of all incoming staff *i.e.* permanent contracts, fixed-term contracts and students.

G4-LA6: RATE OF ABSENTEEISM/RATE OF INDUSTRIAL ACCIDENTS AND RATE OF JOB-RELATED ILLNESSES BY GENDER

		2012	2013	2014	
Rate of absenteeism by gender	G4-LA6	Total	2.2%	2.0%	1.6%
		Men	1.2%	1.0%	0.7%
		Women	1.0%	1.0%	0.9%

The rate of absenteeism fell by 0.4% between 2014 and 2013. No cases of work-related illness or industrial accident were reported in 2014.

G4-LA9: AVERAGE NUMBER OF HOURS OF TRAINING PER EMPLOYEE, BY GENDER AND PROFESSIONAL CATEGORY

		2012	2013	2014	
Average number of hours of training per employee by gender and professional category	G4-LA9	Per employee	15.0	7.6	18.0
		Per man	9.7	4.8	10.0
		Per woman	5.3	2.8	8.0
		Per manager	0.3	0.2	0.4
		Per supervisor	1.6	0.3	0.7
		Per employee	13.1	5.7	16.8
		Per building caretakers	0	1	0

Training remains a major component of Immeo AG's Human Resources policy. The average number of hours per employee rose in 2014 thanks to the benefits of the training given to employees on tenant relations and the handling of real estate disputes, linked to the opening of new agencies in Berlin and Dresden.



G4-LA13: RATIO BETWEEN THE BASE SALARY AND REMUNERATION FOR WOMEN AND THAT OF MEN, BY PROFESSIONAL CATEGORY

In 2014, the average basic wage within the company rose by over 10% for women and by 3% for men, thereby readjusting the balance between wages and reducing differences between men and women in terms of remuneration. The ratio between Men/Women in terms of basic wage, all job categories included, stood at 0.80 in 2014, showing that it must continue to work on this theme in the years to come. The difference is explained primarily by differences in the number of years of company service and the fact that some women work flexible hours, after maternity leave, representing the majority of part-time workers within the group.

G4-11: PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

As at the end of 2014, 88% of Immeo AG staff were covered by the sector's labour agreements regarding real estate management (the remaining 12% concern employees covered by other agreements, such as managers). The group is also bound by the AGG act concerning equality of treatment. Employees are regularly informed of new industrial agreements, most notably by means of meetings which they are invited to attend from time to time.

Work has also been conducted regarding employee health and safety with training being delivered concerning first aid and fire prevention, as well as workshops open to all in 2014 focusing on the quality of life in the workplace, adapting workstations and employee behaviour from an ergonomic viewpoint.

Beni Stabili

The workforce of Beni Stabili, the Italian subsidiary of Foncière des Régions, is divided evenly between Milan and Rome, with an overall total of 59 employees as at 31 December 2014. Beni Stabili has its own management team and Human Resources strategy. Consequently, its workforce is not part of the Foncière des Régions ESU.

The HR strategy of Beni Stabili is based on respect for nationwide collective bargaining agreements for real estate professions, respect for work-life balance, a remuneration policy tuned to each individual profile, business ethics disseminated to each employee via a dedicated code of ethics, an appropriate health and safety policy, and ambitious career development plans.

Additionally, Beni Stabili began to build its own Sustainable Development policy in 2014, a move that led to the implementation of a more finely detailed Human Resources policy with, in particular, an employee training policy.

G4-10 AND G4-LA12: BREAKDOWN OF WORKFORCE BY TYPE OF CONTRACT, GENDER AND AGE

		2012	2013	2014	
Total workforce by type of employment contract broken down by gender	GRI 4	Numbers of employees	62	58	59
	G4-10	Permanent	97%	91%	92%
		Men	42%	38%	44%
		Women	58%	62%	56%
		Temporary	3%	9%	8%
		Men	50%	60%	60%
Women		50%	40%	40%	
Total workforce by type of job broken down by gender	G4-10	Full-time	95.5%	97%	100%
		Men	42%	41%	46%
		Women	58%	59%	54%
		Part-time	4.5%	3%	0%
		Men	0%	0%	0%
		Women	100%	100%	0%
Breakdown of workforce by gender	G4-LA12	Men	43.0%	39.7%	45.8%
		Women	57.0%	60.3%	54.2%
Breakdown of managerial staff	G4-LA12	Men Managers			75%
		Women Managers			25%
Breakdown of workforce by age group	G4-LA12	Age < 30	10%	12%	14%
		30-50 years old	71%	76%	72%
		Age > 50	19%	12%	14%



As at 31 December 2014, Beni Stabili had 59 employees on its books, with 31 of them in Rome and 38 in Milan. Published figures do not take into account certain forms of employee status, such as students, although Beni Stabili enabled 10 students to gain company work experience in 2013, followed by five in 2014. There are still more women than men, except on the Board of Directors, where the applicable legislation is nonetheless respected with three women out of the nine members of the Board. All Beni Stabili employees work full-time, but the Human Resources Department is always attentive to the flexibility of working hours, depending on individual cases.

G4-LA1: STAFF TURNOVER AND LEVELS OF INCOMING STAFF

		2012	2013	2014	
Staff turnover M/W	G4-LA1	Total Permanent Contract departures	7	5	6
		Rate of Permanent contract departure turnover	12%	9.0%	11%
		Men	5%	5%	4%
Women		7%	4%	7%	
Turnover by age group		Age < 30	3%	0%	2%
		30-50 years old	2%	8%	7%
	Age > 50	7%	2%	2%	
Level of incoming staff	Total incoming staff with Permanent Employment Contracts	2	1	2	

Beni Stabili benefits from a high rate of retention as the average length of service of employees is slightly above five years. Six employees left the company in 2014.

The rate of absenteeism is rather high but does not only reflect sick leave; there are also absences for personal reasons, provided for under Italian labour law allowing absences in cases of major family events. In 2014, no workplace accidents or cases of work-related illness were reported.

G4-LA13: RATIO BETWEEN THE BASE SALARY AND REMUNERATION FOR WOMEN AND THAT OF MEN, BY PROFESSIONAL CATEGORY

		2012	2013	2014	
Ratio between the base salary and remuneration for women compared with the ratio for men, by professional category and for each main operating site	G4-LA13	Base salary for men (average)	€3,300	€3,300	€3,300
		Base salary for women (average)	€3,350	€3,350	€3,350
		Women-to-men ratio	1.02	1.02	1.02
		Base salary, men, executive	€54,300	€54,300	€54,300
		Base salary, women, executive	€54,000	€54,000	€54,000
		Executive women-to-men ratio	0.99	0.99	0.99
		Average base salary, men, supervisors	€31,700	€31,700	€31,700
		Average base salary, women, supervisors	€32,300	€32,300	€32,300
		Ratio M/W Supervisors	1.02	1.02	1.02
		Base salary, men, office staff		€31,700	€31,700.00
		Base salary, women, office staff		€32,300	€32,300.00
		Office staff women-to-men ratio		1.02	1.02

Base salaries have changed very little over the past three years; this apparent wage stability may be explained by the fact that salaries are set by a national branch agreement. The Beni Stabili remuneration policy is also based on performance-related bonuses awarded to employees geared to the achievement of their objectives. Salaries are still above the minimum levels provided for by the sector's collective bargaining agreement. Gender equality is respected in all categories of employment.



Urbis Park

Urbis Park is a subsidiary of Foncière des Régions, and its workforce is not part of the group’s Economic and Social Unit (ESU). Urbis Park has its own Human Resources policy in line with its car park holding and management business.

Its workforce remained stable between 2013 and 2014, reflecting consistent business volume and a balance between new hires and staff leaving. In 2014, Urbis Park continued its policy of promoting local employment and hiring young people. In particular, through its charter as a “Local Company” in the Plaine Commune (which comprises several towns and cities in the Seine-Saint-Denis

area, including Saint-Ouen where the company is located), and its commitments to employment and integration in the labour force, Urbis Park ensures the following:

- ◆ particular focus on local job applicants
- ◆ the use of local job market integration services
- ◆ mentoring young people to enter the workforce
- ◆ stands at job fairs and/or participation in local forums.

The breakdown of the workforce by professional category is dominated by employees who account for the majority of the staff at its sites.

G4-10: BREAKDOWN OF WORKFORCE BY TYPE OF CONTRACT AND PROFESSIONAL CATEGORY

		2012	2013	2014	
Total workforce by type of employment contract broken down by gender	GRI 4	Numbers of employees	251	236	237
		Permanent	92%	86.4%	90.3%
		Men	85%	82%	83%
		Women	15%	18%	17%
		Temporary	7%	11.4%	7.2%
		Men	83%	81%	94%
		Women	17%	19%	6%
		CAP (vocational training certificate) + Emploi d’Avenir contracts	0%	2.1%	2.5%
		Men	0%	20%	67%
		Women	100%	80%	33%
Total workforce by type of job broken down by gender	G4-10	Full-time	89%	90%	91%
		Men	85%	82%	86%
		Women	15%	18%	14%
		Part-time	11%	10%	9%
		Men	79%	71%	57%
		Women	21%	29%	43%
Breakdown of workforce by professional category	G4-10	Managers	9%	10%	10%
		Men	83%	71%	71%
		Women	17%	29%	29%
		Supervisors	10%	12%	11%
		Men	58%	61%	67%
		Women	42%	39%	33%
		Employees	81%	78%	79%
		Men	88%	85%	85%
		Women	12%	15%	15%

G4-LA13: RATIO BETWEEN THE BASE SALARY AND REMUNERATION FOR WOMEN AND THAT OF MEN

		2012	2013	2014	
Ratio between the base salary and remuneration for women compared with the ratio for men	G4-LA13	Base salary for men (average) (before vocational training certificate contracts [CAP] and suspension)	€1,829	€1,878	€1,965
		Base salary for women (average) (before vocational training certificate contracts and suspension)	€2,057	€2,149	€2,170
		M/W ratio (excluding vocational training certificate contracts and suspension of contract)	1.125	1.144	1.104

Average salary increased 4% between 2013 and 2014 and the difference between remuneration paid to men and women narrowed. These indicators on remuneration, career development and training are defined ahead of time and analysed during professional gender

equality committee meetings in order to adjust its improvement plan where relevant. Issues of equal pay are analysed consistently during annual salary reviews.



G4-LA1: TURNOVER AND RECRUITMENT BY GENDER AND AGE GROUP

		2012	2013	2014	
Staff turnover M/W	G4-LA1	Total Permanent Contract departures	37	73	32
		Rate of Permanent contract departure turnover	20%	31%	16%
		Men	17%	29%	11%
		Women	3%	3%	5%
Turnover by age group	G4-LA1	Age < 30	6.0%	3.9%	3.4%
		30-50 years old	9.3%	14.2%	8.3%
		Age > 50	4.9%	13.4%	3.9%
Level of incoming staff	G4-LA1	Total recruitment	88	35	36
		Recruitment rate	48%	15%	17%
		Men	90%	83%	80%
		Women	10%	17%	20%
Number and rate of new hires by age group	G4-LA1	Age < 30	38%	31%	34%
		30-50 years old	48%	60%	52%
		Age > 50	15%	9%	14%

Employee turnover reduced markedly between 2013 and 2014 from 31% (more than half of which was accounted for by the non-renewal of a Public Service Delegation contract) to 16%.

The number of new hires remained stable year-on-year with 36 people hired on permanent contracts in 2014. Excluding

permanent contracts, 71% of new hires in 2014 were on fixed-term contracts as replacement or temporary personnel. This year, three new employees were hired on Emplois d'Avenir contracts (service personnel), bringing the total for this type of contract to four.

Two employees were offered internal mobility opportunities in 2014.

G4-LA6 AND G4-11: ABSENTEEISM, WORKPLACE ACCIDENTS AND OCCUPATIONAL ILLNESSES BY GENDER AND PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

		2012	2013	2014	
Rate of absenteeism by gender	G4-LA6	Total	3.2%	4.5%	4.9%
		Men	2.2%	2.7%	3%
		Women	1.1%	1.8%	1.9%
Workplace accident rate	G4-LA6	Total	4%	3%	3%
		Severity rate	0.9	1	0.2
		Frequency rate	20.69	16.56	14.22
Percentage of all employees covered by collective bargaining agreements	G4-11	100%	100%	100%	

The absenteeism rate remained stable (up 0.4%) between 2013 and 2014. However, it notes a reduction in the severity rates (down 0.8 points) and frequency of workplace accidents (down 2.34 points),

indicating shorter and less serious work stoppages. There were no occupational illnesses reported in the three years of reporting.



G4-LA9: AVERAGE NUMBER OF HOURS OF TRAINING PER EMPLOYEE, BY GENDER AND PROFESSIONAL CATEGORY

		2012	2013	2014	
Average number of hours of training per employee by gender and professional category	G4-LA9	Per employee	5.8	6.9	7.2
		Per man	5.7	6.6	7.1
		Per woman	3.6	3.5	3.6
		Per manager	11	6	11.2
		Per supervisor	10.5	11.1	16.2
		Per employee	4.1	5.1	4.6

The average number of training hours in 2014 was up 7% to a total of 1,530 hours of training delivered for an investment that represented 1.35% of payroll. The Urbis Park training plan includes all training actions by the company over the period of one year. Training is planned according to the company's strategy. Urbis Park trains the workforce with a view to adapting to changes in their position and also to maintain their employability. The training priorities for 2014/2015 are: fire safety, first aid, electrical, customer relations, operations accreditation, management and administration.

In addition 98% of the annual evaluation and development interviews were conducted in 2014.

Particular attention is paid to women when it comes to training. They are given priority in some business line training initiatives introduced by the national automobile training association (Association Nationale pour la Formation Automobile – ANFA), for professional development, skills assessment and raising levels of professionalism in order to promote gender equality in the workplace.



ARTICLE 225 OF THE GRENELLE 2 LAW CONCORDANCE TABLE

Topics and sub-topics arising from the order of Article 225	Foncière des Régions (Offices France)	Foncière des Murs (Hotels and Service Sector)	Immeo AG (Residential Germany)	Foncière Dév. Logements (Residential France)	Beni Stabili (Offices Italy)	Urbis Park (Car parks)
Employment						
The total workforce and breakdown of employees by gender, age and geographic area	127	127	130	127	132	134
New Hires and redundancies	128	128	131	128	133	135
Remuneration and changes in remuneration	129	129	131	129	133	134
Organisation of work						
Organisation of working hours	128	128	131	128	133	134
Absenteeism	128	128	131	128	133	135
Labour/management relations						
Organisation of staff dialogue, specifically information, employee consultation and employee negotiation procedures	83	83	131	83	132	134
Analysis of collective labour agreements	83	83	132	83	133	134
Health and safety						
Workplace health and safety conditions	81	81	132	81	132	135
Analysis of workplace health and safety agreements signed with trade union organisations or employee representatives	83	83	132	83	133	135
Workplace accidents, specifically their frequency and severity, and occupational illnesses	127	127	130	127	133	135
Training						
Training policies implemented	79	79	131	79	133	136
Total number of hours of training	127	127	131	127	132	136
Diversity and equal opportunities/equal treatment						
Policy implemented and steps taken to promote gender equality	82	82	132	82	132	134
Policy implemented and steps taken to promote hiring and integration of the disabled	82	82	132	82	132	134
Policy implemented and steps taken in the area of anti-discrimination	82	82	132	82	132	134
Promotion of and compliance with the provisions of basic ILO agreements regarding						
Freedom of association and the right to bargain collectively	82	82	132	82	132	134
The elimination of discrimination in respect of employment and occupation	82	82	132	82	132	134
The elimination of forced or obligatory labour	82	82	132	82	132	134
The effective abolition of child labour	82	82	132	82	132	134
General environmental policy						
Company organisation to take environmental issues into account and, as necessary, environmental evaluation and certification processes	16	16	49	16	59	63
Employee environmental protection training and information	85	85	130	85	132	136
Resources dedicated to preventing environmental and pollution risks	33	43	46	57	62	63
The amount of provisions and insurance for environmental risks, except if the nature of this information would cause serious harm to the company in connection with on-going litigation	33	43	47	57		
Pollution and waste management						
Measures to prevent, reduce or remedy discharges into the water, air and soil that have serious environmental effects	37	43	53	56	62	63
Measures to prevent, recycle and eliminate waste	35	43	53	56	123	126
Consideration of noise and other forms of pollution specific to a particular activity	37	43	53	57	62	63



Topics and sub-topics arising from the order of Article 225	Foncière des Régions (Offices France)	Foncière des Murs (Hotels and Service Sector)	Immeo AG (Residential Germany)	Foncière Dév. Logements (Residential France)	Beni Stabili (Offices Italy)	Urbis Park (Car parks)
Sustainable use of resources						
Water consumption and water supplies based on local constraints	34	42	53	56	123	126
Consumption of raw materials and steps taken to improve efficiency of use	27	40	49	56	59	63
Energy consumption, steps taken to improve energy efficiency and use of renewable energy	30	41	50	54	121	124
Land use	37	43	53	57	62	64
Climate change						
Greenhouse gas emissions	31	41	52	55	122	125
Adaptation to climate change impacts	37	43	52	55	59	63
Protection of biodiversity						
Steps taken to develop biodiversity	34	43	49	49	60	64
Territorial, economic and social impact of the company's operations						
On employment and regional development	70	70	54	70	59	65
On neighbouring and local populations	68	68	54	68	59	65
Relationships with individuals or organisations affected by the company's operations						
Conditions for dialogue with these individuals or organisations	14	14	54	14	59	65
Partnership and sponsorship activities	69	69	54	69	60	65
Sub-contracting and suppliers						
Consideration of social and environmental issues in the company's purchasing policy	72	72	49	72	61	72
Significance of sub-contracting and consideration, in relationships with sub-contractors and suppliers, of their social and environmental responsibility	75	75	51	75	62	75
Fair business practices						
Actions taken to prevent corruption	92	92		92		
Steps taken to ensure consumer health and safety	36	43	53	57	62	63
Human Rights						
Steps taken to support human rights	82	82	54	82	132	65



GRI 4 CONTENT INDEX AND CRESO

The table below provides the indicators which Foncière des Régions has chosen to report in order to comply with version four of the GRI guidelines and its sector-specific supplement (CRESO). The table in the Annex in pages 144-145 compares the topics emerging from the materiality analysis conducted by Foncière des Régions on the material aspects and the indicators proposed by GRI 4.

Accordingly, the list presented hereafter does not include all the indicators in the framework in order to concentrate on those deemed material in 2014, with respect to the challenges identified for the group (see pages 14-15). Foncière des Régions selected compliance with the "essential criteria" of GRI 4 and achieved GRI 4 "Core" compliance.

✓ = examination as part of external verification

✓ = in-depth examination as part of external verification (advisor's statement: pages 146 to 149)



GENERAL DISCLOSURES

General disclosures	Indicator content	Pages	External verification
Strategy and Analysis			
G4-1	Statement from the most senior decision-maker of the organisation	1	✓
G4-2	Description of key impacts, risks, and opportunities	10 to 13	✓
Organisational Profile			
G4-3	Name of the organisation	1	✓
G4-4	Primary brands, products and services	3-4	✓
G4-5	Location of organisation's headquarters	4 th cover	✓
G4-6	Number of countries where the organisation operates, and names of countries that are specifically relevant to the sustainability topics covered in the report	3-4	✓
G4-7	Nature of ownership and legal form	3-4	✓
G4-8	Markets served	3-4	✓
G4-9	Scale of the reporting organisation	78	✓
G4-10	Total workforce by gender, employment contract, geographic breakdown, and change, where necessary	127	✓
G4-11	Percentage of all employees covered by collective bargaining agreements	128	✓
G4-12	Organisation's supply chain	72 to 75	✓
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	3-4	✓
G4-14	Whether and how the precautionary approach or principle is addressed by the organisation	37	
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives	82	
G4-16	Memberships of associations and national or international organisations	93	
Material aspects and scopes identified			
G4-17	Entities included in the organisation's consolidated financial statements	3-4	✓
G4-18	Definition of the report content and the aspect boundaries, and implementation of the reporting principles for defining the report content	14-15	✓
G4-19	Material aspects identified in the process for defining report content	144-145	✓
G4-20	Aspect boundary within the organisation for the material aspects	144-145	✓
G4-21	Aspect boundary outside the organisation for each material aspect	144-145	✓
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	14-15	✓
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	14-15	✓
Involvement of stakeholders			
G4-24	List of stakeholder groups engaged by the organisation	14	✓
G4-25	Criteria for identification and selection of stakeholders with whom to engage	14	✓
G4-26	Organisation's approach to stakeholder engagement	14	✓
G4-27	Key subjects and concerns raised during dialogue with stakeholders	14	✓



✓ = examination as part of external verification

✓ = in-depth examination as part of external verification (advisor's statement: pages 146 to 149)

General disclosures	Indicator content	Pages	External verification
Report profile			
G4-28	Reporting period	97	✓
G4-29	Date of most recent report published	2014	✓
G4-30	Reporting cycle	97	✓
G4-31	Person to contact for questions regarding the report or its content	4 th cover	✓
G4-32	"Compliance with" option chosen, GRI Index, reference to the External Verification Report	96	✓
G4-33	External verification policy	96 and 146 to 149	✓
Governance			
G4-34	Governance structure of the organisation	86 to 90	✓
G4-38	Composition of the highest governance body and its committees	86 to 90	✓
G4-39	Independence of the Chairman and the highest governance body from management	86 to 90	✓
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	86 to 90	✓
G4-42	Highest governance body's and senior executives' roles in CSR policy	89	✓
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of the organisation's CSR policy	89	✓
G4-49	Process for informing the highest governance body about critical concerns	90	✓
G4-53	How stakeholders' views are sought and taken into account regarding remuneration of the members of the highest governance bodies	90	✓
Ethics and integrity			
G4-56	The organisation's values, principles, standards and norms of behaviour	91 to 93	✓
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity	91 to 93	✓
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity	91 to 93	✓

SPECIFIC STANDARD DISCLOSURES

Material aspects	Indicator content	Pages	External verification
CATEGORY: ECONOMY			
Material aspect: Indirect economic impact			
G4-DMA	Managerial approach	70-71	
G4-EC7	Development and impact of infrastructure investments and services supported	70-71	✓
Material aspect: Purchasing practices			
G4-DMA	Managerial approach	72 to 75	
G4-EC9	Proportion of spending on local suppliers at significant operating locations	72 to 75	✓
CATEGORY: ENVIRONMENT			
Material aspect: Energy			
G4-DMA	Managerial approach	29-30	
G4-EN3	Energy consumption within the organisation	100 to 126	✓
G4-EN5	Building energy	100 to 126	✓
CRE1	Energy intensity of buildings in operation	100 to 126	✓



✓ = examination as part of external verification

✓ = in-depth examination as part of external verification (advisor's statement: pages 146 to 149)

Material aspects	Indicator content	Pages	External verification
Material aspect: Water			
G4-DMA	Managerial approach	34	
G4-EN8	Total water withdrawal by source	100 to 126	✓
CRE2	Water intensity of buildings in operation	100 to 126	✓
Material aspect: Biodiversity			
G4-DMA	Managerial approach	34-35	
G4-EN11	Operational sites held, leased or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	34-35	✓
G4-EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	34-35	✓
G4-EN13	Habitats protected or restored	34-35	✓
G4-EN14	Total number of IUCN Red List species and National Conservation List species with habitats in areas affected by operations, by level of extinction risk	34-35	✓
Material aspect: Emissions			
G4-DMA	Managerial approach	31	
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	100 to 126	✓
G4-EN16	Indirect greenhouse gas (GHG) emissions (Scope 2) related to energy	100 to 126	✓
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	84 and 100 to 126	✓
G4-EN18	Greenhouse gas (GHG) emissions intensity	100 to 126	✓
G4-EN21	NOx, SOx, and other significant air emissions	84	
CRE3	Carbon intensity of buildings in operation	100 to 126	✓
CRE4	Greenhouse gas intensity from buildings in construction or renovation	27	
Material aspect: Waste			
G4-DMA	Managerial approach	35-36	
G4-EN23	Total weight of waste by type and disposal method	100 to 126	✓
Material aspect: Compliance			
G4-DMA	Managerial approach	37	
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	37	
Material aspect: Environmental evaluation of suppliers			
G4-DMA	Managerial approach	72 to 75	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	72 to 75	
CATEGORY: SOCIAL			
Sub-category: Labour Practices and Decent Work			
Material aspect: Employment			
G4-DMA	Managerial approach	77	
G4-LA1	Total number and percentage of new employee hires and employee turnover by age group, gender and geographic area	127 to 129	✓
G4-LA3	Return to work and retention rates after parental leave, by gender	127 to 129	✓
Material aspect: Employee relations/management			
G4-DMA	Managerial approach	78	
G4-LA4	Minimum notice periods regarding operational changes including whether they are specified in collective agreements	78	



✓ = examination as part of external verification

✓ = in-depth examination as part of external verification (advisor's statement: pages 146 to 149)

Material aspects	Indicator content	Pages	External verification
Material aspect: Health and safety at work			
G4-DMA	Managerial approach	81	
G4-LA5	Percentage of total workforce represented by informal joint management-worker Health and Safety Committees that advise on workplace health and safety conditions	127 to 129	✓
G4-LA6	Type of injury and rates of injury, occupational diseases, absenteeism, lost days, and total work-related fatalities, by geographic area and by gender	127 to 129	✓
G4-LA8	Health and safety topics covered in formal agreements with trade unions	83	✓
CRE6	Percentage of the organisation operating under a certified health and safety management system	127 to 129	
Material aspect: Training and education			
G4-DMA	Managerial approach	79 to 81	
G4-LA9	Average hours of training per year per employee by gender, and by employee category	128	✓
G4-LA10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	75 to 81	✓
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and professional category	128	✓
Material aspect: Diversity and equal opportunity			
G4-DMA	Managerial approach	83	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	88	✓
Material aspect: Equal remuneration from men and women			
G4-DMA	Managerial approach	83	
G4-LA13	Ratio between the base salary and remuneration for women compared with the ratio for men, by professional category and by main operating site	129	✓
Material aspect: Supplier assessment for labour practices			
G4-DMA	Managerial approach	73 to 75	
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	73 to 75	
Sub-category: Human rights			
Material aspect: Non discrimination			
G4-DMA	Managerial approach	83	
G4-HR3	Total number of incidents of discrimination and corrective actions taken	83	
Material aspect: Assessment of respect for human rights by suppliers			
G4-DMA	Managerial approach	73 to 75	
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	73 to 75	✓
Sub-category: society			
Material aspect: Anti-corruption			
G4-DMA	Managerial approach	91 to 93	
G4-S04	Communication and training on anti-corruption policies and procedures	91 to 93	
Material aspect: Public policy			
G4-DMA	Managerial approach	93	
G4-S06	Total value of political contributions by country and recipient/beneficiary	93	



✓ = examination as part of external verification

✓ = in-depth examination as part of external verification (advisor's statement: pages 146 to 149)

Material aspects	Indicator content	Pages	External verification
Material aspect: Compliance			
G4-DMA	Managerial approach		
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	No fines or sanctions in 2014	
Material aspect: Assessment of suppliers' impact on society			
G4-DMA	Managerial approach	73 to 75	
G4-S09	Percentage of new suppliers that were screened using criteria relating to impacts on society	73 to 75	✓
Sub-category: Product responsibility			
Material aspect: Customer health and safety			
G4-DMA	Managerial approach	33	
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during the life cycle, by type of outcomes	No incident of this type	
CRE5	Land and other assets remediated and in need of remediation for the existing or intended land use according to applicable legal designations	33	
CRE7	Number of people voluntarily or involuntarily displaced and/or rehoused as part of development projects, by project	Nobody was displaced	
Material aspect: Product and service labelling			
G4-DMA	Managerial approach	23 to 25	
CRE8	Type and number of certifications and accreditations for new buildings, operations, and renovation	23 to 25	✓
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcome	No incident	



ANNEX: FONCIÈRE DES RÉGIONS MATERIALITY CONCORDANCE TABLE AND GRI 4 INDICATORS

Foncière des Régions' topics	GRI G4 aspects	Aspect boundaries (G4 20 and 21)	Related GRI 4 indicators
Sustainable value	Non-GRI 4 definition (see page 6)	All portfolios	N/A
Climate change	Emissions	All portfolios (internal and external impacts)	G4-EN15 – Direct greenhouse gas emissions (Scope 1) See Chapter on GHG emissions for each business, pages 100 to 126 Other G4 indicators: G4-EN 16, G4-EN 21
Energy	Energy	All portfolios (internal and external impacts)	G4-EN3 – Energy consumption within the organisation Other indicators: G4-EN5; CRE1 See the Chapter on Energy for each business, pages 100 to 126
Green value	Non-GRI 4 definition (see page 6)	All portfolios	N/A
User Health/Safety	Customer health and safety	All portfolios (internal and external impacts)	G4-PR2 – Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during the life cycle, by type of outcomes
Tenant partnership	Non-GRI 4 definition (see pages 3 to 5)	All portfolios	N/A
Sustainable cities	Indirect economic impact	All portfolios (internal and external impacts)	G4-EC8 – Material indirect economic impacts, including the importance of these impacts See pages 70-71 CRE7 – Number of people voluntarily or involuntarily displaced and/or rehoused by portfolio, detailed by project
Governance	General information Ethics and integrity/ Combat corruption	Foncière des Régions (internal impacts)	G4-34 – Governance structure of the organisation See pages 86 to 90 G4-56/G4-S04 – Communication and training on anti-corruption policies and procedures See pages 86 to 90
Risk management	Consumer health and safety	All portfolios (internal and external impacts)	G4-PR2 – Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during the life cycle, by type of outcomes See page 143 CRE-5 – Land and other assets remediated and in need of remediation for the existing or intended land use according to applicable legal designations See page 33
Ethics/Transparency	Ethics and integrity/ Combat corruption/ Compliance	Foncière des Régions Beni Stabili (internal impacts)	G4-S04 – Communication and training on anti-corruption policies and procedures See pages 91 to 93 G4-56 – The organisation's values, principles, standards and norms of behaviour See pages 91 to 93
Water	Water	All portfolios (internal and external impacts)	G4-EN8 – Total water withdrawal by source, pages 100 to 126 CRE-2 – Water intensity of buildings in operation See Chapter on Water for each business, pages 100 to 126.
Waste	Effluents and waste	All portfolios (internal and external impacts)	G4-EN23 – Total weight of waste by type and disposal method See Chapter on Waste for each business, pages 100 to 126.



Foncière des Régions' topics	GRI G4 aspects	Aspect boundaries (G4 20 and 21)	Related GRI 4 indicators
Biodiversity	Biodiversity	All portfolios (internal and external impacts)	G4-EN13 – Habitats protected or restored G4-EN11/G4-EN12/G4-EN14 See pages 34-35
Responsible Procurements	Purchasing practices/Environmental assessment/ Human rights/ Suppliers' employment practices	Offices France, Logistic, Urbis Park Corporate France (internal and external impacts)	G4-EN32 – Percentage of new suppliers that were screened using environmental criteria See pages 72 to 75 G4-S09/G4-LA14/G4-HR10
Diversity/Equality	Diversity and equal opportunity Equal remuneration for men and women Employer/employee relations	Foncière des Régions ESU, Beni Stabili, Immeo AG, Urbis Park (external impacts)	G4-LA1 – Total number and percentage of new employee hires and employee turnover by age group, gender and geographic area G4-LA3/G4-LA4/G4-LA5/G4-LA13 See pages 76 to 85 and 127 to 136
Local employment	Indirect economic impacts	Offices France (external impacts)	G4-EC7 – Development and impact of infrastructure investments and services supported See pages 70-71
Skills/Talent	Employment Training/Education	Foncière des Régions ESU, Beni Stabili, Immeo AG (internal impacts)	G4-LA9 – Average number of hours of training per employee per year, by gender and professional category See pages 76 to 85 and 127 to 136
Human Rights	Non discrimination	Foncière des Régions ESU, Beni Stabili, Immeo AG, Urbis Park (internal and external impacts)	G4-HR3 – Total number of incidents of discrimination and corrective actions taken See pages 76 to 85 and 127 to 136 G4-HR1/G4-HR6/G4-HR10
Philanthropy/ Sponsorship	Non-GRI 4 definition (see page 69)	Foncière des Régions ESU and Immeo AG	N/A



**VERIFICATION
BY AN INDEPENDANT
VERIFIER**

Quatuor, Lille-Roubaix



Independent verifier's report on consolidated social, environmental and societal information presented in the management report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

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T
o the shareholders,

In our quality as an independent verifier accredited by the COFRAC⁽¹⁾, under the number n° 3-1050, and as a member of the network of one of the statutory auditors of the company Foncière des Régions we present our report on the consolidated social, environmental and societal information established for the year ended on the 31/12/2014, presented in Chapter 2 of the management report, hereafter referred to as the "CSR Information," pursuant to the provisions of the article L.225-102-1 of the French Commercial code (*Code de commerce*).

Responsibility of the company

It is the responsibility of the Board of Directors to establish a management report including CSR Information referred to in the article R. 225-105 of the French Commercial code (*Code de commerce*), in accordance with the reporting protocols used by the company (hereafter referred to as the "Criteria"), and of which a summary is included in introduction to Chapter 2 of the management report and available on request at the company's headquarters.

Independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions in the article L. 822-11 of the French Commercial code (*Code de commerce*). In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work:

- ♦ to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial code (*Code de commerce*) [Attestation of presence of CSR Information];
- ♦ to express a limited assurance conclusion, that the CSR Information, overall, is fairly presented, in all material aspects, in according with the Criteria.

Our verification work was undertaken by a team of four people between October 2014 and March 2015 for an estimated duration of nine weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness and the reasonable assurance report, in accordance with the international standard ISAE 3000⁽²⁾.

⁽¹⁾ Scope available at www.cofrac.fr

⁽²⁾ ISAE 3000 – Assurance engagements other than audits or reviews of historical information.



Attestation of presence of CSR Information

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the information presented in the management report with the list as provided for in the Article R. 225-105-1 of the French Commercial code (*Code de commerce*).

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial code (*Code de commerce*).

We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial code (*Code de commerce*) with the limitations specified in the Methodological Note in Chapter 2 of the management report, notably.

Based on this work, and given the limitations mentioned above we confirm the presence in the management report of the required CSR information.

Limited assurance on CSR Information

Nature and scope of the work

We undertook nine interviews with the people responsible for the preparation of the CSR Information in the different departments in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- ♦ Assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;
- ♦ Verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

Concerning the CSR Information that we deemed to be the most important⁽¹⁾:

- ♦ We consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report;
- ♦ We undertook interviews to verify the correct application of the procedures and to identify potential omissions and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation.

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information taking into account, if relevant, professional best practices.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

⁽¹⁾ **Environmental and societal information** : the overall environment policy (the company's organisation to take into account environmental issues and the environmental assessment approaches or certifications), sustainable use of resources and climate change (energy consumption and greenhouse gas emissions of the portfolio, measures taken to improve energy efficiency and use of renewable energy), relations with stakeholders (dialogue conditions with stakeholders, including environmental schedules) and taking into account social and environmental issues in responsible purchasing.

Social Information : employment (total number of employees and breakdown by gender, by age and by geographic region), absenteeism and total number of training hours per trained employee.



Conclusion

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

Observations

Without qualifying our conclusion above, we draw your attention to the following points:

- The reporting scope of the Offices business represents 79% of the surface area of the company's asset base and 96% of the portfolio concerned by the EPRA's Best Practices Recommendations on Sustainability Reporting. The scope of the Service Sector represents 94,8% of the portfolio value and information was assembled on 81,8% in terms of surface area of this reporting scope.
- The energy consumption reported for Immeo Wohnen is based on 126 assets representing about 2% of the total portfolio value of Immeo Wohnen, which represents 17% of the portfolio value, group share.
- Furthermore, the ratios of energy and carbon intensity per square meter are calculated based on the consumption data of the tenants of these surfaces; their reliability depends on the quality of internal and external controls implemented by the tenants.

In addition, and according to a specific request, we designated with a ✓✓ sign in Chapter 2 of the management report the consolidated CSR information required by the GRI 4 guidelines (Global Reporting Initiative) in accordance with the Core option, as well as sector information in accordance with the GRI 4 "Construction and Real Estate" sector supplement.

Paris-La Défense, March 5th, 2015

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