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OFFERING CIRCULAR DATED 19 OCTOBER 2023



Région Île-de-France

Euro 9,000,000,000

### Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme described in this offering circular (the "**Offering Circular**"), Région Île-de-France (the "**Issuer**" or "**Région Île-de-France**" or the "**Région**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (Euro Medium Term Notes) (the "**Notes**") to finance and/or refinance the general investment budget of the Issuer for projects with environmental and/or social projects as described in the chapter "*Use of Proceeds*". The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 9,000,000,000 (or the equivalent in other currencies). The Notes will constitute *obligations* under French law.

This Offering Circular (and any amendments thereto) supersedes and replaces the Offering Circular dated 5 August 2022. This Offering Circular is valid for a period of one year and will be subject to an annual update (the "**Update**"). This Offering Circular does not constitute a base prospectus within the meaning of the Prospectus Regulation (as defined below) and has not been submitted to the approval of a competent authority within the meaning of the Prospectus Regulation (as defined below).

Application will be made in certain circumstances for Notes issued under the Programme to be admitted to trading on a regulated market of Euronext Paris ("**Euronext Paris**"). Euronext Paris is a regulated market in the sense of directive 2014/65/EC of 15 May 2014, as amended ("**MiFID II**") appearing on the list of regulated markets published by the European Securities and Markets Authority (a "**Regulated Market**"). The Notes may also be admitted to trading on another Regulated Market of the European Economic Area ("**EEA**") or an unregulated market of the EEA or another unregulated market or not be admitted to trading. The relevant Pricing Supplement (as defined in the chapter "*Principal characteristics of the Programme*") (the form of which is contained in this Offering Circular) in respect of the issue of any Notes will specify whether or not such Notes will be admitted to trading and will state, as the case may be, the relevant Regulated Market.

Notes will have a face value equal or higher than EUR 100,000 (or the exchange value of this amount in any other currency) or any higher amount which should be authorised by any relevant competent authority or any applicable law or regulation.

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**"), as more fully described in this Offering Circular.

Dematerialised Notes will at all times be in book entry form in compliance with Articles L.211-3 *et seq.* and R. 211-1 *et seq.* of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes. Dematerialised Notes may, at the option of the Issuer, be (a) in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France ("**Euroclear France**") (acting as central depository – as defined in chapter "Terms and Conditions of the Notes – Interest and other Calculations") which shall credit the accounts of Account Holders (as defined in the chapter "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination") including Euroclear Bank S.A./ N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, SA ("**Clearstream**") or (b) in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iv)) of the Terms and Conditions of the

Notes, in either fully registered form (*nominatif pur*), in which case they will be inscribed either with the Issuer or with a registration agent (designated in the relevant Pricing Supplement) for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a "**Temporary Global Certificate**") will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for Definitive Materialised Notes in bearer form ("**Definitive Materialised Notes**") with, where applicable, coupons for interest attached, on or after a date expected to be on or about the 40th calendar day after the issue date of the Notes (subject to postponement as described in "*Temporary Global Certificates issued in respect of Materialised Notes*") upon certification as to non-U.S. beneficial ownership, as more fully described in this Offering Circular.

Temporary Global Certificates will (a) in the case of a Tranche (as defined in the chapter "General Characteristics of the Programme") intended to be cleared through Euroclear and/or Clearstream, be deposited on the issue date with a common depository on behalf of Euroclear and/or Clearstream and (b) in the case of a Tranche intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

Moody's France SAS ("**Moody's**") has assigned a long-term credit rating of Aa2 with stable outlook to the Issuer and its short-term debt has been rated P-1. Fitch Ratings Ireland Limited ("**Fitch Ratings**") has assigned a long-term credit rating of AA- with a stable outlook to the Issuer and its short-term debt has been rated F1+. The Programme has been rated Aa2 by Moody's and AA- by Fitch Ratings. As at the date of the Offering Circular, each of such credit rating agencies is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended (the "**CRA Regulation**") and is included in the list of credit rating agencies published by the European Securities and Market Authority (the "**ESMA**") on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation.

Fitch Ratings and Moody's are not established in the United Kingdom or registered under Regulation (EC) No 1060/2009 as it forms part of domestic law by virtue of the European Union (*Withdrawal*) Act 2018 (the "**UK CRA Regulation**"). The ratings of the Programme have been endorsed by Moody's Investors Service Ltd and Fitch Ratings Ltd, respectively, in accordance with the UK CRA Regulation and have not been withdrawn. As a consequence, the ratings of Fitch Ratings and Moody's can be used for regulatory purposes within the United Kingdom in accordance with the UK CRA Regulation.

When an issue of Notes is rated, such rating will not necessarily be the same as the rating assigned under the Programme. Notes issued under the Programme may be rated or unrated. The rating of Notes, if any, will be disclosed in the Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning credit rating agency.

This Offering Circular, the documents incorporated by reference as well as any Amendment to the Terms and Conditions will be published (a) on a dedicated section of the website of the Issuer (<https://www.iledefrance.fr/financement-region>) and (b) available for inspection and copy, without charges, during normal business days and hours, any business day of the week, at the registered office of the Issuer.

**Potential investors are invited to consider the risks described in the "Risk Factors" section before deciding to invest in the Notes issued under this Programme.**

<b>BNP PARIBAS</b>	<b>Arrangers</b>	<b>HSBC</b>
<b>BNP PARIBAS</b>	<b>Dealers</b>	<b>CRÉDIT AGRICOLE CIB</b>
<b>DEUTSCHE BANK</b>		<b>HSBC</b>
<b>NATIXIS</b>		<b>MORGAN STANLEY</b>
<b>SOCIÉTÉ GÉNÉRALE CORPORATE &amp; INVESTMENT BANKING</b>		<b>UBS INVESTMENT BANK</b>

Pursuant to Article 1.2 of the Prospectus Regulation (EU) 2017/1129 of the Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a Regulated Market, repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), the Issuer, in its capacity of a local authority of a Member State of the European Union, is not subject to the requirements of the Prospectus Regulation. Consequently, this Offering Circular and any Amendment (as defined below) related thereto and any Amendment to the Terms and Conditions (as defined below) shall not constitute a base prospectus within the meaning of Article 8 of the Regulation and therefore has not been approved by the *Autorité des marchés financiers*. This Offering Circular contains all information which is necessary to enable investors to make an informed assessment of the assets, the activity, the financial position, the profits and prospects of the Issuer, as well as of the rights attaching to the Notes. Each Tranche (as defined in chapter "*General Description of the Programme*") of Notes will be issued in accordance with the provisions set out in chapter "*Terms and Conditions of the Notes*" of this Offering Circular, as supplemented by the provisions of the relevant Pricing Supplement agreed between the Issuer and the relevant Dealers (as defined in chapter "*General Description of the Programme*") upon issue of such Tranche.

The Issuer endorses responsibility for the information contained or incorporated by reference in this Offering Circular. To the best knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Offering Circular are in accordance with the facts and that it makes no omission likely to affect its import. The Issuer confirms that there are no facts or questions relating to it or to the Notes which omission would make any information or statement in this Offering Circular misleading in any way.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Dealers and the Arrangers to inform themselves about and to observe any such restriction.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes may include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Materialised Notes in bearer form, delivered within the United States. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see "Subscription and Sale".

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers or the Arrangers to subscribe for, or purchase, any Notes.

The Arrangers and the Dealers have not separately verified the information contained or incorporated by reference in this Offering Circular. None of the Dealers or the Arrangers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated by reference in this Offering Circular. Neither this Offering Circular nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arrangers or the Dealers that any recipient of this Offering Circular or any other financial statements should purchase the Notes.

Each potential investor in Notes should determine for itself the relevance of the information contained in this Offering Circular, including those incorporated by reference, and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arrangers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial notes such as the Notes. Potential investors are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

## **MiFID II PRODUCT GOVERNANCE / TARGET MARKET**

The Pricing Supplement in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 19 of the Guidelines published by the European Securities and Markets Authority ("ESMA") on 3 August 2023 and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration such determination; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules. For the avoidance of doubt, the Issuer is not a MiFID II regulated entity and does not qualify as a distributor or a manufacturer under the MiFID Product Governance Rules. For the avoidance of doubt, the Issuer is not a MiFID II regulated entity and does not qualify as a distributor or a manufacturer under the MiFID II Product Governance Rules.

**UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET** – The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines on MiFID II product governance requirements published by ESMA (in accordance with the FCA's policy statement entitled "*Brexit our approach to EU non-legislative materials*"), and which channels for distribution of the Notes are appropriate. Any person which thereafter offers, sells or recommends the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor any Dealer nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules. For the avoidance of doubt, the Issuer is not a MiFID II regulated entity and does not qualify as a distributor or a manufacturer under the UK MiFIR Product Governance Rules.

The Pricing Supplement relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to issue "green", "social" or "sustainable" Notes and apply an amount equal to the net proceeds of the issue to finance and/or refinance the Issuer's global investment budget allocated to Eligible Projects (as defined in the "*Use of Proceeds*" section of this Offering Circular). None of the Dealers accepts any responsibility for any social, environmental and sustainability assessment of any Notes issued as "green", "social" or "sustainable" Notes or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels. None of the Dealers is responsible for the use of proceeds for any Notes issued as "green", "social" or "sustainable" Notes, nor the impact or monitoring of such use of proceeds. No representation or assurance is given by the Dealers as to the suitability or reliability of any opinion or certification of any third party made available in connection with an issue of Notes issued as "green", "social", "sustainable" Notes, nor is any such opinion or certification a recommendation by any Dealer to buy, sell or hold any such Notes. In the event that any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

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## GENERAL DESCRIPTION OF THE PROGRAMME

The following general description is qualified by the remainder of this Offering Circular. The Notes will be issued on such terms as shall be agreed between the Issuer and the relevant Dealer(s) and will be subject to the Terms and Conditions set out on pages 25 to 51 of this Offering Circular as supplemented by the provisions of the relevant Pricing Supplement agreed between the Issuer and the relevant Dealer(s) in accordance with the Prospectus Directive and Regulation.

Words and expressions defined in the Terms and Conditions below will have the same meaning in the General Description of the Programme hereafter.

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to a "**Member State**" is a reference to a Member States of the European Economic Area.

<b>Issuer:</b>	Région Île-de-France
<b>Description:</b>	<p>Euro Medium Term Note Programme for the continuous offer of Notes on a Regulated Market (the "<b>Programme</b>").</p> <p>The Notes will constitute <i>obligations</i> under French law.</p>
<b>Use of proceeds</b>	<p>The net proceeds of the issue of the Notes will be applied (as specified in the relevant Pricing Supplement) to finance and/or refinance the general investment budget of the Issuer allocated to environmental and/or social and/or sustainable projects (the "<b>Eligible Projects</b>"), as described in more detail in the green and responsible operations framework of the Region (the or "<b>Green, Social and Sustainable Bond Framework</b>").</p>
<b>Arrangers:</b>	BNP Paribas and HSBC Continental Europe (the " <b>Arrangers</b> ")
<b>Dealers:</b>	<p>BNP Paribas</p> <p>Crédit Agricole Corporate and Investment Bank</p> <p>Deutsche Bank Aktiengesellschaft</p> <p>HSBC Continental Europe</p> <p>Morgan Stanley Europe SE</p> <p>Natixis</p> <p>Société Générale</p> <p>UBS Europe SE</p> <p>The Issuer may from time to time terminate the appointment of any Dealer (as defined hereafter) under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "<b>Permanent Dealers</b>" are to the persons listed above as Dealers and to such additional persons that are appointed as Dealers in</p>

	<p>respect of the whole Programme (and whose appointment has not been terminated). References to "<b>Dealers</b>" are to all Permanent Dealers and all persons appointed as a Dealer in respect of one or more Tranches.</p>
<b>Programme Limit:</b>	<p>Up to Euro 9,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.</p>
<b>Calculation Agent:</b>	<p>BNP Paribas in respect of Dematerialised Notes.</p> <p>A specific calculation agent will be appointed in respect of any Series of Materialised Notes.</p>
<b>Consolidation Agent:</b>	<p>BNP Paribas in respect of Dematerialised Notes.</p> <p>A specific consolidation agent will be appointed in respect of any Series of Materialised Notes.</p>
<b>Fiscal Agent:</b>	<p>BNP Paribas in respect of Dematerialised Notes. A specific fiscal agent will be appointed in respect of any Series of Materialised Notes.</p>
<b>Principal Paying Agent:</b>	<p>BNP Paribas in respect of Dematerialised Notes (affiliated with Euroclear France under number 29106). A specific principal paying agent will be appointed in respect of any Series of Materialised Notes.</p>
<b>Paris Paying Agent:</b>	<p>BNP Paribas in respect of Dematerialised Notes.</p> <p>A specific Paris paying agent will be appointed in respect of any Series of Materialised Notes.</p>
<b>Redenomination Agent:</b>	<p>BNP Paribas in respect of Dematerialised Notes. A specific redenomination agent will be appointed in respect of any Series of Materialised Notes.</p>
<b>Method of Issue:</b>	<p>The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "<b>Series</b>") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable (<i>fongibles</i>) with all other Notes of that Series. Each Series may be issued in tranches (each a "<b>Tranche</b>") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, the issue price and the first payment of interest, will be identical (<i>assimilables</i>) to the terms of other Tranches of the same Series) will be set out in the Pricing Supplement to this Offering Circular (the "<b>Pricing Supplement</b>").</p>
<b>Maturities:</b>	<p>Subject to compliance with all relevant laws, regulations and directives, the Notes will have a maximum maturity of thirty (30) years from the date</p>

	of original issue as specified in the relevant Pricing Supplement.
<b>Currencies:</b>	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in euro, U.S. Dollars, Japanese yen, Swiss francs, Sterling and in any other currency agreed between the Issuer and the relevant Dealer(s).
<b>Denomination(s):</b>	Notes shall be issued in the Specified Denomination(s) set out in the relevant Pricing Supplement. Notes admitted to trading on a regulated market will have a face value equal or higher than EUR 100,000 (or the exchange value of this amount in any other currency) or any higher amount which should be authorised by any relevant competent authority and with all applicable legal and/or regulatory in respect of the specified currency.  Dematerialised Notes shall only be issued in one Specified Denomination.
<b>Issue Price:</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
<b>Status of the Notes:</b>	The Notes and, on maturity, the relevant Coupons (as defined in Condition 1(a)(ii) of the Terms and Conditions) will constitute direct, unconditional, unsubordinated and (subject to the provisions relating to negative pledge) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by French law) equally with all other present or future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.
<b>Negative Pledge:</b>	So long as any of the Notes or, if applicable, any Coupons relating to them, remains outstanding, the Issuer will not create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest ( <i>sûreté réelle</i> ) upon any of its assets or revenues, present or future, to secure any present or future indebtedness for borrowed money in the form of, or represented by, bonds (obligations), notes or other securities with a maturity greater than one year and which are for the time being, or are capable of being, admitted to trading on a Regulated Market, unless the Issuer's obligations under the Notes and, if applicable, Coupons are equally and rateably secured therewith.
<b>Events of Default:</b>	The Terms and Conditions will contain an event of default provision as further described in "Terms and Conditions of the Notes - Events of Default".
<b>Redemption Amount:</b>	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable.

**Optional Redemption and Early Redemption:**

The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and if so the terms applicable to such redemption. If an early Redemption at the option of the Issuer of Residual Outstanding Notes is mentioned in the Pricing Supplement, the Issuer will have the option to redeem all, but not some only, of the Notes of the relevant Series, at any moment, in accordance with the terms applicable to such redemption. Except as provided above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See "Terms and Conditions of the Notes – Redemption, Purchase and Options".

**Taxation:**

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

If French law should require that payments of principal or interest in respect of any Note or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Coupon holders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, subject to some exceptions.

**Fixed Rate Notes:**

Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Pricing Supplement.

**Floating Rate Notes:**

Floating Rate Notes will bear interest determined separately for each Series as follows and as indicated in the relevant Pricing Supplement:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency pursuant to the master agreement relating to transactions on forward financial instruments published by the *Fédération Bancaire Française* ("**FBF**") in its 2013 version (the "**FBF Master Agreement**") as specified in the Pricing Supplement and as supplemented by the Technical Schedules published by the *Association Française des Banques* or the FBF; or

(ii) by reference to LIBOR, , EURIBOR, CMS or any other euro zone benchmark commonly used

by the financial markets, in each case as adjusted for any applicable margin.

If the interest rate were at any time to be negative, the interest rate of Floating Rate Notes (including the margin, for the avoidance of doubt) will not be able, for its part, to fall below zero. To avoid any doubt, no sum will be due, in such a case, by the investors to the Issuer.

**Interest Periods and Interest Rates:**

Interest periods will be specified in the relevant Pricing Supplement.

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

**Redenomination:**

Notes issued in the currency of any Member State of the European Union will be redenominated into euro, all as more fully provided in the relevant Pricing Supplement, pursuant to the "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination".

**Consolidation:**

Notes of one Series may be consolidated with Notes of another Series as more fully provided in "Terms and Conditions of the Notes - Further Issues and Consolidation".

**Form of Notes:**

Notes may be issued in the form of either Dematerialised Notes or Materialised Notes.

Dematerialised Notes may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either *au nominatif pur* or *au nominatif administré* form. No physical documents of title will be issued in respect of Dematerialised Notes. See "Terms and Conditions of the Notes - Form, Denomination, Title and Redenomination".

Materialised Notes will be in bearer form only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Notes. Materialised Notes may only be issued outside France.

**Governing Law:**

French. The Issuer has submitted to the jurisdiction of the French courts. However, the assets and properties of the Issuer are not subject to legal process under private law or attachment in France.

<b>Clearing Systems:</b>	Euroclear France as central depository in relation to Dematerialised Notes and, in relation to Materialised Notes, Clearstream, and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer. Notes which are admitted to trading on Euronext Paris will be cleared through Euroclear France
<b>Initial Delivery of Dematerialised Notes:</b>	One Paris business day before the issue date of each Tranche of Dematerialised Notes, the <i>lettre comptable</i> , or as the case may be, the application form, relating to such Tranche shall be deposited with Euroclear France as central depository.
<b>Initial Delivery of Materialised Notes:</b>	On or before the issue date of each Tranche of Materialise Notes, the Temporary Global Certificate issued in respect of Such Tranche shall be deposited with a common depository for Euroclear and Clearstream, or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.
<b>Admission to trading:</b>	On Euronext Paris and/or any other Regulated Market or unregulated market in the EEA and/or any other unregulated market as specified in the relevant Pricing Supplement. The relevant Pricing Supplement may specify that a Series of Notes will not be admitted to trading.
<b>Rating:</b>	<p>Moody's has assigned a long-term credit rating of Aa2 with stable outlook to the Issuer and its short-term debt has been rated P-1. Fitch Ratings has assigned a long-term credit rating of AA- with stable outlook to the Issuer and its short-term debt has been rated F1+. The Programme has been rated AA- by Fitch Ratings and Aa2 by Moody's. Each of such credit rating agencies is established in the European Union and is registered in accordance with the CRA Regulation and is included in the list of credit rating agencies published by the European Securities and Market Authority on its website (<a href="https://www.esma.europa.eu/supervision/credit-rating-agencies/risk">https://www.esma.europa.eu/supervision/credit-rating-agencies/risk</a>) in accordance with the CRA Regulation.</p> <p>Fitch Ratings and Moody's are not established in the United Kingdom or registered under Regulation (EC) No 1060/2009 as it forms part of domestic law by virtue of the European Union (<i>Withdrawal</i>) Act 2018 (the "<b>UK CRA Regulation</b>"). The ratings of the Programme have been endorsed by Moody's Investors Service Ltd and Fitch Ratings Ltd, respectively, in accordance with the UK CRA Regulation and have not been withdrawn. As a consequence, the ratings of Fitch Ratings and Moody's can be used for regulatory purposes within</p>

the United Kingdom in accordance with the UK CRA Regulation.

Notes issued under the Programme may be rated or unrated. When an issue of Notes is rated, such rating will not necessarily be the same as the rating assigned under the Programme. The rating of Notes, if any, will be disclosed in the Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning credit rating agency.

**Selling Restrictions:**

There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. Please refer to the chapter "*Subscription and Sale*".

The Issuer is Category 1 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") unless (i) the relevant Pricing Supplement states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or (ii) such Materialised Notes are issued other than in compliance with the TEFRA D Rules or the TEFRA C Rules but in circumstances in which the Notes will not constitute "*registration required obligations*" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

The TEFRA rules do not apply to Dematerialised Notes.

## RISK FACTORS

*The Issuer believes that the following factors are important for any decision to invest in the Notes and/or may affect its ability to fulfil its obligations under the Notes. All of these contingencies may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Investors are informed that the value of their investment may be affected by certain factors or events (it being specified that the risk incurred by the investor is limited to the value of its investment).*

*The Issuer believes that the factors described below represent the principal risks inherent in Notes issued under the Programme, but the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks that an investor in the Notes faces. Additional risks and uncertainties not currently known to the Issuer or that it currently believes to be immaterial at the date of this Offering Circular could also have a material impact on the risks relating to an investment in the Notes. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision. In particular, potential investors should make their own assessment as to the risks associated with the Notes prior to investing in the Notes.*

*The Issuer believes that Notes should only be purchased by investors who are professional investors that are in a position to understand the special risks that an investment in the Notes involves.*

*The risk factors described below may be supplemented in the relevant Pricing Supplement of the Notes for a specific issuance of the Notes.*

*Any reference below to a Condition is a reference to the correspondingly numbered condition in the Terms and Conditions of the Notes.*

### **Risk Factors relating to the Issuer**

The risk factors are classified into categories based on their nature. Within each category, the risk factors are ranked by order of importance.

#### ***1. Risks relating to the evolution and performance of the regional revenues and expenditures***

##### ***The risk of a decline in the revenues of the region***

A decline in the revenues could have an impact on the region's level of indebtedness, which could increase the credit risk of the Notes and thus diminish their value.

In particular, any legislative change to the scope of the powers currently devolved to the regions could have an impact on the level of expenditure and revenues of the regions and eventually *in fine* increase the level of indebtedness of the local authority and, therefore, of the credit risk associated with the Notes.

However, the Issuer is protected by the constitutional principle of financial autonomy (*autonomie financière*), article 72-2 of the Constitution providing that "*tax revenues and other own resources of local authorities represent for each category of local authorities, a significant part of their resources*" and that "*Whenever powers are transferred between central government and the local authorities, revenue equivalent to that given over to the exercise of those powers shall also be transferred. Whenever the effect of newly created or extended powers is to increase the expenditure to be borne by territorial communities, revenue as determined by statute shall be allocated to said communities.*" From this article stems, the compensation between the burden transferred by the central government, on the one hand, and the funding of the powers created or extended, on the other hand.

However, the regional revenue and the financial condition of the Region could also be significantly affected by a radical change in the political, economic or sanitary environment, such as:

- an exceptional sanitary crisis (like the international Covid-19 pandemic), a major economic crisis, a natural catastrophe, geopolitical tensions (including protectionist policies, acts of terrorism, social unrest, cyber-attacks, armed conflicts, threat of conflict and connected risks)
- a change in the orientation of governmental policies or parliamentary decisions adversely impacting the revenues of the regions.

### ***The risk of an increase in the expenditure of the regions***

An increase in the expenditure could have an impact on the region's level of indebtedness, which could increase the credit risk of the Notes and thus diminish their value.

The risk of an increase in the expenditure is limited by the rule stated by article L. 1612-4 of the General Local Authorities Code ("**CGCT**") that the budget of a local authority must be effectively balanced. According to this rule, the operational section and the investment sections of the local budget must be approved as balanced, the operational section cannot, contrarily to the investment section, be balanced out via the proceeds of borrowing (for the risks linked to indebtedness, please refer to the section titled "*Risks relating to indebtedness and off-balance sheet operations of the Issuer*"). Furthermore, the principle of effective balancing, the golden rule of the local public finances, implies heavy constraints on the upward trend in the regional expenditures.

### ***Liquidity risk***

Liquidity risk captures the inability of the Issuer to meet its short-term financial commitments due to a cash shortfall.

As a local authority, the Issuer is required to deposit its funds with the Public Treasury (article 26 of the Organic Law n° 2001-692 dated 1 August 2001 relating to budgetary laws) and to always maintain a positive balance on the aforementioned account. No overdraft could be granted to them as per article 26-2° of the previously mentioned Organic Law n° 2011-692.

However, if the funds of the local authority should find themselves to be insufficient, the CGCT (namely chapter VII of title III of book III of the fourth part and, in particular, article L. 4331-2-1) allows the central government to transfer tax payments in advance to the local authority in increments of 1/12.

In addition to the control and daily monitoring of the treasury plan, liquidity risk is dealt with by maintaining a sufficient degree of diversification of funding sources (for more information, please refer to the chapter titled "*Description of the Île-de-France Region*" below).

The Region diversifies its funding sources particularly by accessing different debt markets, by proactively managing its funding needs and by ensuring access to diversified sources of long-term financing (euro 9 billion EMTN programme) and short-term financing (euro 1 billion NEU CP programme).

Additionally, the Region has a 1-year treasury of 100 million euros that allows it to make draw down and reimburse daily, and will expire on February 15, 2024. At maturity, the Region considering setting up a new liquidity line and also plans to negotiate new multiannual credit lines with the BEI, in addition to the possible loans entered into with the *Caisse des Dépôts et Consignations* and other credit institutions depending on the opportunities that arise.

This diversification of funding sources ensures a permanent access to liquidity, even in times of crisis on the capital and debt markets.

## **2. *Risks relating to indebtedness and off-balance sheet operations of the Issuer***

### ***Indebtdness risk***

In relation to financial risks (including excessive debt risk and non-payment risk), the status of legal person governed by public law and the legal framework governing borrowings by territorial units limit the risk of insolvency.

Following article 2 of the Law N° 82-213 of 2 March 1982, territorial units can freely borrow, and their relationships with lenders are based on private law and freedom of contract.

This freedom can be exercised in conformity with the following principles:

- borrowings may only finance investments (excluding debt repayment);
- reimbursement of the capital of borrowings must be covered by the territorial unit's own resources.

With the same concern of financial balance in mind, Law n°2018-32 of 22 January 2018 on Public Finance planning for 2018 to 2022 (article 29) establishes a national reference ceiling for the debt reduction of a local authority, defined as the ratio between the outstanding debt at the balance sheet date and the gross savings for the previous financial year, expressed in number of years. This reference ceiling is set at 9 years for regions (article 29 of the aforementioned Law).

Therefore, the golden rule of local finances, established by law, and the controls carried out by the State are a strong guarantee of solvability for the lenders making this risk quite hypothetical given that the Issuer is a French region.

#### ***Risks relating to the non-repayment of the debts by the Issuer***

Investors are exposed to the risk of a potential default by the Issuer (default or delay on the part of the Issuer in the payment of the principal and/or interest on its debt).

However, debt servicing represents compulsory expenditure for local authorities (article L.4321-1 of the CGCT), both with respect to principal repayment and financial expenses (interest payments primarily), which constitutes a highly protective guarantee for the Noteholders.

These expenses must, accordingly, be included in the authority's budget. If this obligation is not complied with, a procedure provided for by the legislator (article L.1612-15 of the CGCT) enables the *préfet*, representing the State, upon the advice of the *Chambre Régionale des Comptes* (the "CRC"), to automatically enter the expenditure in the budget of the local authority. In the absence of a mandatory order for the entering of the expenditure, another procedure, also provided for by the legislator (article L.1612-16 of the CGCT) allowing the *préfet* to proceed with it of his own motion (*d'office*).

The signing, in 2009, of a charter of good conduct between credit institutions and local authorities as well as the wide publication of the circular dated 25 June 2010 (cf. *infra* "Risks relating to derivative products") have put an end to the marketing of risky structured products. The establishment, within the framework of the charter of good conduct, of a classification of structured products (named classification "Gissler") and the renovation of the local authorities' budget appendices relating to debt have significantly improved the information provide to elected representatives and citizens on local public debt, particularly on the risks associated with structured loans.

In total, the compulsory nature of debt repayment (principal and interest), in accordance with the provisions of article L. 4321-1 of the CGCT, and the charter of good conduct on debt related products provide a strong protection for the debtholders and makes this risk very hypothetical concerning a public local authority.

#### ***Risks relating to off-balance sheet operations of the Issuer***

Regarding external financial risks, the Region can grant loan guarantees. The default of a partner benefiting from such a loan guarantee, could have an impact of the finances of the Region, as the Region would have to bear additional expenses (reimbursing the loan in substitution for the defaulting partner). This would lead to a reduction in the Region's own room for manoeuvre, including its self-financing capacity, which may lead it to take on more debt itself.

However, guarantees or sureties granted to public or private entities are subject to the provisions of articles L. 4253-1, L.4253-2 and D. 4253-1 of the CGCT. The Issuer has to comply with three prudential rules introduced by the Law n°88-13 of 5 January 1988 entitled "Loi Galland". These cumulative rules establish the principle of commitments capping, beneficiaries capping (or division of risk) as well as risk sharing. These rules only apply to guarantees granted to private law organisations. The "Galland ratio" related to commitment capping is published in the annexes of the Issuer's initial budget and administrative account.

In total, the strict legal framework for loan guarantees granted by local authorities and the Region's low level of commitment in this respect significantly limit this risk.

### ***Risk of an increase in the cost of the Issuer's indebtedness in respect of floating rate loans***

The Region can issue floating rate loans. Within the framework of floating rate loans, coupons are not known in advance and their determination will depend on changes in the interest rate environment. A rise in the rates could lead to an increase of the coupons and thus in the Region's financial burden.

To limit this risk of the deterioration of its financial burden, the Region has established, for several years now, a prudent debt management strategy by pursuing two goals:

- containing the interest rate risk on the Region's debt;
- seising market opportunities that reduces interest expenses.

This prudent policy has, in the past, resulted in the use of simple hedging products acting on the allocation of debt between long-term fixed rates and short-term floating rates, depending on market conditions and prospects, so as to best adjust the position of the Region's outstanding debt on the yield curve and therefore limit the interest expenses actually paid.

Since 2014, given the market's environment, the Region obtains the majority of its new borrowings at a fixed rate in order to benefit from the historically low interest rates.

### ***Risks relating to derivative products***

Recourse to borrowings and to financial instruments (derivative products such as swaps, caps, tunnels...) is restricted by the inter-ministerial circular, n° NOR IOCB1015077C of 25 June 2010 relating to financial products offered to territorial units and to their public entities. This circular specifies the risks inherent in the management of debt by local authorities and repeats the state of the law regarding the recourse to financial products and financial risk hedging instruments. It repeals the previous circular dated 15 September 1992. The text indicates that the use of financial instruments is authorised only for the purpose of hedging rate or currency risk. The Île-de-France Region's policy in relation to interest rate risk is prudent: it aims to protect regional debt against an increase in rates whilst at the same time reducing cost.

The Île-de-France Region takes no exchange-rate risk because whenever it issues securities in a foreign currency it enters into contracts for the exchange of the currency into euro at the outset.

Furthermore, Decree n° 2014-984 of 28 August 2014 adopted pursuant to aforementioned Law of 26 July 2013 sets out the conditions of the financial contracts concluded by the local authorities.

### **3. *Legal risks and other operational risks***

#### ***Legal risks relating to enforcement proceedings***

The Issuer, as a local authority (*collectivité territoriale*), is not exposed to legal risks related to enforcement proceedings. As a legal entity governed by public law, the Issuer is not subject to enforcement proceedings, and its assets cannot be seized (article L.2311-1 of the General Public Entities' Property Code) namely preventing any mechanism for offsetting the Issuer's claims under the rules of ordinary law, reducing the availability of remedies for the investors as part of repayment of the Notes comparing to a private issuer.

However, the recording and payment order of compulsory expenditures for the Issuer resulting from a final jurisdictional decision are governed by article 1 of Law n°80-539 of 16 July 1980 and articles L 911-1 and following of the Administrative Justice Code.

#### ***Risks relating to Issuer's activities, operations and assets***

The asset risks of the Île-de-France Region are related to any damage, accident, destruction, or physical loss that may be incurred in relation to any tangible or intangible asset. The operation and the organization of the Issuer are subject to risks, in particular risks associated with its vehicles fleet or related to the status of its agents or its elected officials.

The insurance policies of the Île-de-France Region cover any building owned or occupied irrespective of title whatsoever, for risks caused, in particular, by natural disaster, fire, terrorist attack or act of vandalism, as well as any of the Region's vehicles. In addition, the civil liability of the Region and its services, including

ancillary activities of any nature and those covered by ancillary budgets, is the subject of a specific insurance policy.

***Risks relating to potentially high impact exogenous events***

The Covid-19 related crisis is an illustration of risk exogenous to the Region that could have a material impact on its activity. That being said, these exogenous risks could be linked to other types of events including, among others, large scale social unrest movements, strikes and bad weather conditions.

At the time of drafting of this Offering Circular, three types of impacts may be identified for this type of risk:

- health risk for the Region's employees and their families in presence of a sanitary crisis. It must be noted that the Region promptly communicated and put in place barrier measures during the Covid-19 crisis;
- operational risk regarding the smooth functioning of services related to population containment. The Region adapted its organisation to ensure, among other objectives, in all situations and under the best conditions, the continuity of regional public services particularly regarding the financial management of the local authority. To that end, the Region established as early as 2018:
  - widespread remote working options for almost all staff working at the headquarters and for all employees of the Finances Branche (agreements, VPN access, furnishing adequate computer equipment).
  - dematerialisation of the budgetary and financial process as well as the accounting procedures relating to the financial implementation of expenditure in order to ensure, in all circumstances, the commitment of expenditure, the payment of invoices and subsidies, as well as the payroll service for the staff.
  - development of an integrated and secured IT and financial management system.
- financial risk with impacts on the revenue and expenditure of the Region (please refer to the section titled "*Risks relating to the evolution and performance of the regional revenue and expenditures*").

On numerous occasions the Region has, however, shown its resilience and responsiveness during crisis, namely the Covid-19 pandemic. The regional administration has demonstrated a perfect continuity of services and has even increased its ability to take actions in favor of the territory and the economic and social actors.

Regional action is supported by the cooperation between the central government and local authorities in the presence of exceptional crisis, particularly through measures taken by ordinances and amendments to budgetary laws.

**Risk Factors relating to the Notes**

Investors are informed that the value of their investment may be affected by certain factors or events (it being specified that the risk incurred by the investor is limited to the value of its investment).

***The trading market for debt securities may be volatile and may be adversely impacted by many events***

The market for debt securities issued by Issuers is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere (such as the war in Ukraine) will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

***An active trading market for the Notes may not develop***

There can be no assurance that an active trading market for the Notes will develop, or, if one does develop, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. The Issuer is entitled to

buy the Notes, as described in Condition 6(f) (*Repurchases*) and the Issuer may issue further consolidatable (*assimilables*) Notes, as described in Condition 14(a) (*Further Issues*). Such transactions may favourably or adversely affect the price development of the Notes. If additional and competing products are introduced in the markets, this may adversely affect the value of the Notes.

***The Notes may be redeemed before maturity***

If, on the occasion of a repayment of principal or a payment of interest the Issuer would be obliged to pay Additional Amounts, in accordance with Condition 8(b) (*Additional Amounts*) the Issuer may in compliance with the provisions of Condition 6(e) (*Redemption for taxation reasons*) redeem all outstanding Notes at the Early Redemption Amount together (as indicated in the Pricing Supplement), unless otherwise specified in the relevant Pricing Supplement, with interest accrued up to the date set for redemption.

***Any early redemption at the option of the Issuer, if provided for in any Pricing Supplement for a particular issue of Notes, could cause the yield received by Noteholders to be considerably less than anticipated***

The Pricing Supplement for a particular issue of Notes may provide that the Notes are redeemable at the option of the Issuer subject to certain conditions in accordance with Condition 6(b) (*Redemption at the Option of the Issuer*) and Condition 6(c) (*Redemption at the Option of the Issuer of Residual Outstanding Notes*).

The yield received upon redemption may be lower than expected, and the redeemed amount of the Notes may be lower than the purchase price for the Notes paid by the Noteholders. As a consequence, part of the capital invested by the Noteholders may be lost, so that the Noteholders in such case would not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Notes.

Furthermore, as part of the Redemption at the Option of the Issuer of Residual Outstanding Notes, the Issuer is not required to give notice to Noteholders of a given Series when the Notes representing a nominal amount equal to or exceeding a percentage, which will be determined in accordance with the Pricing Supplement, comprised between 75% and 85% of the nominal amount initially issued of the relevant Series, have been redeemed or purchased (and subsequently cancelled).

***Partial redemption of Notes at the option of the Issuer or at the option of the Noteholders may make the market illiquid***

Depending on the number of Notes of the same Series in respect of which a partial redemption of the Notes at the option of the Issuer or at the option of the Noteholders is made, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

***Investors will not be able to calculate in advance their rate of return on Floating Rate Notes***

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is that if interest rates decline, investors will only be able to reinvest the interest income paid to them at the lower interest rates then prevailing.

***Risks arising in relation with Fixed Rate Notes***

It cannot be set aside that the value of Fixed Rate Notes (as defined in the chapter intitled "*General description of the programme*", the "**Fixed Rate Notes**") be negatively affected by future variations on the interest rate markets. The price at which a Noteholder could wish to sell his Notes before the maturity date could be, substantially, lower than the issue price or the acquisition price paid by said Noteholder. Although variations relating to interest rates are hard to anticipate, they could have a material adverse impact on the value of the Notes and lead to a loss of a part of their investment for the Noteholders that wish to sell their Notes.

### ***Risks arising from Floating Rate Notes***

An investment in Notes with floating rate (as defined in the section "General Description of the Programme", the "**Floating Rate Notes**") consists of (i) the reference rate and (ii) of a margin to be added or to deducted, as the case may be, from this reference rate. Generally, the relevant margin will not evolve during the life of the Notes but there will be a periodic adjustment (as specified in the relevant Pricing Supplement) of the reference rate (for instance, every three (3) or six (6) months) which will evolve according to the general conditions of the market. Consequently, the market value of the Notes with floating rate can be volatile if changes, particularly short-term changes, on the market of the interest rates applicable to the relevant reference rate can be applied to the interest rate of these Notes only in the next periodic adjustment of the relevant reference rate.

If the reference rate is at any time negative, the interest rate of Floating Rate Notes (including the margin, for the avoidance of any doubt) will not be able, for its part, to fall below zero. To avoid any doubt, no sum will be due, in such a *case*, by the investors to the Issuer.

### ***Risk of permanent cessation of publication or reform of EURIBOR in the future***

The Euro Interbank Offered Rate ("**EURIBOR**") or, in French, the *taux interbancaire offert en euro* ("**TIBEUR**"), and other indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform at the national and international level. Some of these reforms are already effective while others are still to be implemented.

Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") was published in the Official Journal of the EU on 29 June 2016 and has been in force since 1 January 2018. The EU Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU.

In the United Kingdom, the EU Benchmarks Regulation as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") provides similar provisions.

The EU Benchmarks Regulation or the Benchmarks Regulation in the UK could have a material impact on any Notes linked to EURIBOR or referencing a rate or index deemed to be a "benchmark", in particular,

- the methodology or other terms of determination of the "benchmark" were changed in order to comply with the requirements of the EU Benchmarks Regulation or the Benchmarks Regulation in the United Kingdom. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "benchmark".

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be a part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("€STR") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark

The interruption or change in the method of determining EURIBOR or any reference index could trigger that the rate of interest on Notes which are linked to or which reference such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes (bearing in mind that if a Reference Rate Event occurs then a different clause would be applicable, please refer to the risk factor entitled "*The occurrence of a Reference Rate Event could have a material adverse impact on the value and the yield of Notes linked to or which reference such benchmark*" below). Any of the foregoing could have an adverse impact on the value or liquidity of, and return on, any Notes linked to or referencing a Benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by relating to the interruption or change in determining any investment decision with respect to the Notes linked to or referencing a "benchmark".

***The occurrence of a Reference Rate Event could have a material adverse impact on the value and the yield of Notes linked to or which reference such benchmark***

If the Reference Rate is no longer available or if a Reference Rate Event (as defined in Condition 5(c)(iii)(B)) occurs, an adjustment to the terms and conditions of outstanding Floating Rate Notes of any Series could be necessary and would require a Collective Decision of the Noteholders (as described in article 11 (*Representation of Noteholders*)) of such Series, or result in other consequences, in respect of any Notes linked to or referencing such benchmark. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

Investors should be aware that, if the Reference Rate were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference this Reference Rate will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the Reference Rate is to be determined under the Terms and Conditions of the Notes, this may in certain circumstances (i) be reliant upon the provision by reference banks of offered quotations for the Reference Rate which, depending on market circumstances, may not be available at the relevant time or (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when the Reference Rate was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference said Reference Rate.

Pursuant to the Terms and Conditions of any applicable Floating Rate Notes and other Notes whose return is determined by reference to any Reference Rate, the Issuer will appoint a Reference Rate Determination Agent if a Reference Rate Event has occurred (as defined in Condition 5(c)(iii)(B)), as described in more detail in Condition 5 (*Interest and other calculations*), who will determine a Replacement Reference Rate, as well as any necessary changes to the business day convention, the definition of business day, the interest determination date, the day count fraction, and any method for obtaining the Replacement Reference Rate, including any adjustment factor needed to make such Replacement Reference Rate comparable to the relevant Reference Rate. Such Replacement Reference Rate and any such other changes will (in the absence of manifest error) be final and binding on the Noteholders, the Issuer and the Calculation Agent and any other person, and will apply to the relevant Notes without any requirement that the Issuer obtain consent of any Noteholders.

The Replacement Reference Rate may have no or very limited trading history and accordingly its general evolution and/or interaction with other relevant market forces or elements may be difficult to determine or measure. In addition, the replacement rate may perform differently from the discontinued benchmark. There can be no assurance that any adjustment factor applied to any Series of Notes will adequately compensate for this impact. This could in turn impact the rate of interest on, and trading value of, the affected Notes. Moreover, any holders of such Notes that enter into hedging instruments based on the relevant Reference Rate may find their hedges to be ineffective, and they may incur costs replacing such hedges with instruments tied to the Reference Replacement Rate.

If the Reference Rate Determination Agent is unable to determine an appropriate Replacement Reference Rate for any discontinued Reference Rate, then the provisions for the determination of the rate of interest on the affected Notes will not be changed. In such cases, the Terms and Conditions of the Notes provide that, the relevant Interest Rate on such Notes will be the last Reference Rate available as determined by the Calculation Agent, effectively converting such Notes into Fixed Rate Notes.

Furthermore, in the event that no Replacement Reference Rate is determined and the affected Notes are effectively converted to Fixed Rate Notes as described above, investors holding such Notes might incur costs from unwinding hedges. Moreover, in a rising interest rate environment, holders of such Notes will not benefit from any increase in rates. The trading value of such Notes could therefore be adversely affected.

***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are principally in a currency or currency unit (the "**Investor's Currency**")

other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***Risks arising in relation with credit rating***

The Programme is currently rated Aa2 by Moody's and AA- by Fitch Ratings. Independent credit rating agencies may assign credit ratings to Notes issued under this Programme which may differ from that assigned to the Programme. The rating may not reflect the potential impact of the risk factors described in this section, and of all the other risk factors that may affect the value of the Notes issued under this Programme. A credit rating is not recommendation to buy, sell or hold securities and may be revised or withdrawn by the credit rating agency at any time.

#### ***Risks related to the amendments to the Terms and Conditions***

The Noteholders will, in respect of all Tranches in any Series where provided in the relevant Pricing Supplement, be grouped automatically for the defence of their common interests in a Masse, as defined in Condition 11 (*Representation of Noteholders*), and collective decisions of Noteholders could be adopted, either during a General Meeting, or via a Written Decision. The Terms and Conditions permit in certain cases defined majorities to bind all Noteholders including Noteholders who did not attend or were not represented and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority or those who did not approve the Written Decision. The General Meeting may deliberate on any proposal relating to the amendment to the Terms and Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subjects of judicial decisions, as more fully described in Condition 11 (*Representation of Noteholders*).

#### ***Risks relating to a change of law***

The Terms and Conditions of the Notes are based on French law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to French law or administrative practice after the date of this Offering Circular. The longer the maturity of the Notes invested in, the more the Noteholders are exposed to the risk of a change of law. The occurrence of such risk could have an adverse impact on the value of the Notes and potentially affect both the Noteholder's rights and their investment in the Notes, although it is difficult to assess the effects of such a legislative change.

#### ***The Notes may not be a suitable investment for all investors***

Each prospective investor in the Notes must determine based on its personal assessment and with the help of any adviser he may find to be useful depending on the circumstances, the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and the risks of investing in the relevant Notes and the information contained in this Offering Circular or any Amendment to this Offering Circular or any Amendment to the Terms and Conditions, as well as the relevant Pricing Supplement;
- (ii) have access to and knowledge of appropriate analytical tools to evaluate, in the context of its particular financial situation and sensitivity to the risk, an investment in the relevant Notes and the impact the relevant Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to face the applicable risks.

A potential investor should not invest in Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

### ***Control of legality***

The *Préfet* of the *Région Île-de-France* has a two (2) month period, from the transmission in the *préfecture* of a resolution (*délibération*) of the *Région Île-de-France* and certain decisions from the *Région Île-de-France* and the contracts the *Région* has entered into, to control the legality of those resolutions and/or the decision to sign such contracts and/or of such contracts to the extent that they were administrative contracts and, if they were considered illegal, defer them to the competent administrative jurisdiction and, if applicable, ask the court to order their suspension. The competent administrative judge may then, if he considers them illegal, suspend or revoke them, in whole or in part.

### ***Third party action***

A third party, having a cause for action may bring an annulment proceeding before the administrative courts against a resolution (*délibération*) or a decision of the *Région Île-de-France* (other than a resolution or a decision considered as "detachable" from administrative contracts in relation with the contracts signed after the 4 April 2014<sup>1</sup>), regulatory clauses in contracts entered into by the *Région Île-de-France*, or any "detachable" act from the contracts of private law entered into by it within two (2) months from the date of their publication and, where appropriate, request the court to order suspension of such resolution.

In certain circumstances, and in particular if the appeal against the misuse of authority is preceded by an administrative remedy procedure before the administration, the above mentioned period of two (2) months may be extended. Moreover, if the applicable resolution, decision or act "detachable" act is not published in an appropriate manner, such actions may be carried out without time limits by any third party having a cause for action.

In the event of an appeal against the misuse of authority in respect of a resolution or a decision other than a decision or a resolution considered as "detachable" from an administrative contract entered into after 4 April 2014 or against any "detachable" act from the contracts of private law entered into, the administrative judge may, if it considers the administrative act illegal, void it in whole or in part, which may lead to the voiding of the contracts based on such an act.

However, the voiding of a resolution or a decision that is considered as "detachable" from an administrative contract entered into before 4 April 2014, or of a contract of private law, doesn't necessarily imply that the contract need be considered as voided or terminated; in such a case, the enforcement judge (*juge de l'exécution*) will, after having taken into account the nature of illegality committed, decide either whether the pursuit of the performance of the contract is possible, subject, where appropriate, to regularisation measures taken by the public entity or agreed to by the parties, or, after checking that his decision will not unreasonably prejudice the general interest, (i) regarding an administrative contract entered into before 4 April 2014, order the public entity to terminate the contract, if appropriate with a deferred effect, or, regarding a particularly severe illegality, invite the parties to rescind their contractual relations or, in the absence of an agreement on said rescission, to seize the administration judge of the contractual claim so that he can settle the terms if he considers that a rescission is an appropriate solution or (ii) regarding a contract of private law, order the public entity to seize the judicial judge of the contractual claim.

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<sup>1</sup> 4 April 2014 is the date of the *Conseil d'Etat Tarn et Garonne's* decision (*CE, 4 April 2014, Département du Tarn et Garonne, req. n° 358994*) setting out the new procedures applicable to third-party appeals against administrative contracts. These procedures only apply from 4 April 2014.

In the event that an administrative contract would be concluded by the *Région Île-de-France*, a third party having a cause for action, may bring a "full remedy action" (*recours de pleine juridiction*) before the administrative courts against such a contract ( if this contract has been signed after 4 April 2014) or some of its clauses, if these clauses are of a non regulatory nature and as such severable from the contract, within a two (2) months period from the appropriate publication and, if applicable request the court to order suspension of such contract. In addition, if the administrative contract were not appropriately published, the actions could be brought by any third party having a cause for action without time limits.

If the competent judge were to consider that the defect in the contract would impair its validity, it may, after having assessed the significance and consequences of such defects and taking into account, in particular, the nature of these defects, decide to terminate or rescind the contract.

In the event that an administrative contract would be concluded by the *Région Île-de-France*, a third party having an interest in taking legal action could, if the *Région Île-de-France* were to refuse terminating the execution of such a contract, bring full remedy actions in front of an administrative court requiring the termination of such a contract. Considering the grounds raised, from the fact that the *Région Île-de-France* was under an obligation to terminate its performance as a result of legislative provisions applicable to ongoing contracts, because the contract is vitiated by irregularities which are of such nature as to hinder its continued performance or because the continued performance of the contract is obviously contrary to the public interest, the administrative judge could, after having verified that his decision would not excessively impinge upon public interest, decide to terminate the contract, with a differed effect as the case may be<sup>2</sup>.

### ***The Notes will comply with the Green, Social and Sustainable Bonds Framework of the Region***

This Offering Circular provides that the net proceeds of the issue of a specific Tranche of Notes will be applied by the Issuer to finance and/or refinance the general investment budget of the Issuer allocated to green and/or social and/or sustainable projects (the "**Eligible Projects**"), as described in more detail in the framework for the funded operations (the "**Green, Social and Sustainable Bond Framework of the Region**") published by Issuer on his website (<https://www.iledefrance.fr/sites/default/files/medias/2021/03/cadre-emissions-IDF-FR.pdf>).

The Region intends to implement best practices in terms of green, social and sustainable commitments, and to comply with the eligibility criteria defined in the Green, Social and Sustainable Bond Framework of the Region (as referred to in the "*Use of Proceeds*" section of this Offering Circular). Potential investors must take into account the information, contained in this Offering Circular and the Pricing Supplement pertaining to each relevant Tranche of Notes, regarding the expected use of proceeds of the issue, and must determine the relevance of this information for themselves, as well as that of any other element that the relevant investor deems necessary for the needs of any investment in the Notes. In particular, although the Issuer intends to use an amount equal to the net proceeds of the issue for Eligible Projects as set out in the applicable Pricing Supplements, no assurance is given by the Issuer or the Dealers on the fact that the use of such proceeds for any Eligible Project will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or their investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect green or social impact of any projects or uses, the subject of or related to, any green or social projects. Accordingly, no assurance can be given to potential investors that the use of proceeds specified in the applicable Pricing Supplements will be able to meet any or all investors expectations regarding such green and/or social performance objectives or even that the operation will continue to meet the eligibility criteria.

The definition (legal, regulatory or otherwise) of a specific project and the market consensus to define it as a "green", "social", "sustainable" or an equivalently-labelled project are still under developments. On 18 June 2020, Regulation (EU) No 2020/852 on the establishment of a framework to facilitate sustainable investment was adopted by the Council and the European Parliament (the "**Taxonomy Regulation**"). The Taxonomy Regulation establishes a single EU-wide classification system, or "taxonomy", which provides companies and investors with a common language for determining which economic activities can be

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<sup>2</sup> In accordance with a recent decision of the *Conseil d'Etat* (CE, Sect. 30 juin 2017, *Sociétés France-Manche et The Channel Tunnel Group*, req. n° 398445). This remedy is immediately applicable and is thus intended to apply to all administrative contracts regardless of the date at which they are entered into.

considered environmentally sustainable. A first delegated act establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other European environmental objectives was published on 21 April 2021 and formally adopted on June 4, 2021. This text was supplemented by delegated regulation (EU) no. 2022/1214 of 9 March 2022, including, under restricted conditions, specific activities linked to nuclear energy and gas in the list of economic activities covered by the "taxonomy". However, the Taxonomy Regulation remains subject to further development.

As a consequence, there is currently no clear definition (legal, regulatory or otherwise) of a "green", "social", "sustainable" or an equivalently-labelled project, nor market consensus related to this matter, and any project included in the Green, Social and Sustainable Bond Framework of the Region may not meet any or all investors' expectations regarding such "green", "social", "sustainable" or any equivalently-labelled performance objectives, or any negative impact on the environment and/or other may occur during the realization of any project included in the Green, Social and Sustainable Bond Framework of the Region.

In addition, no assurance or representation is given as to the suitability or reliability for any purpose whatsoever, of the Second Party Opinion (as referred to in the "Use of Proceeds" section of this Offering Circular) delivered by Vigeo Eiris or any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Eligible Project to fulfill any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in this Offering Circular and/or be an integral part of it. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as of the date that opinion was initially issued. Potential investors must determine for themselves the relevance of any such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

Furthermore, in the event that any such Notes are listed or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market (whether regulated or not), the criteria for listing or admission to trading of the Notes may vary from one stock exchange or securities market to another. Any listing or admission to trading may not be obtained in respect of the Notes or, if obtained, may not be maintained during the life of the Notes.

Moreover, (i) failure by the Issuer to apply the proceeds of an issue and/or to comply with his disclosure obligations, in the manner indicated in this Offering Circular and the relevant Pricing Supplement and/or (ii) for any opinion or certification described above to be withdrawn will not constitute an Event of Default (as described in Condition 9 (*Event of Default*)).

Any event or failure to apply the proceeds of any issue of Notes for any project(s) or use(s), including any Eligible Project, and/or the withdrawal of any opinion or certification as described above or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any failure to comply with investment requirements relating to green or social projects, resulting in a breach of the investment terms of the Notes, may have a material adverse effect on the value of such Notes and/or the market price of the Notes, and/or could have consequences for certain investors who are required, under their investment portfolio mandates, to invest in green, sustainable or social assets.

## AMENDMENTS TO THE OFFERING CIRCULAR

Any significant new factor, material mistake or inaccuracy relating to the information included in this Offering Circular which is capable of affecting the assessment of any Notes and arises or is noted between two Updates or between an Update and the closing of the offer period or the time when trading on a Regulated Market begins, whichever occurs later, shall be mentioned without undue delay, in a notice published in a dedicated section which is easily accessible of the website of the Issuer(<https://www.iledefrance.fr/financement-region>) and will constitute an amendment or an update (together or separately, an "**Amendment to the Offering Circular**") in accordance with the section "*Documents incorporated by reference*" of this Offering Circular. Any such amendment may also be annexed to the Pricing Supplement of a specific issuance of Notes.

The information mentioned in items (1) and (2) of paragraph II. of the section "*Documents incorporated by reference*" shall not constitute an Amendment to the Offering Circular and will not require the publication of a notice in accordance with the above described conditions.

## DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed together with the following documents:

### I. Documents incorporated by reference as of the date of this Offering Circular

The following documents which have already been published on the website of the Issuer (<https://www.iledefrance.fr/financement-region>) are incorporated into the present Offering Circular and are considered as forming an integral part of it:

1. The resolution (*délibération*) n° CR 2023-037 dated 20 September 2023 of the *Conseil Régional* of the Issuer relating to the first amending decision to the 2023 budget of the *Région Île-de-France*;
2. The resolution (*délibération*) n° CR 2023-018 dated 31 May 2023 of the *Conseil Régional* of the Issuer setting the additional budget of the *Région d'Île-de-France* for 2023;
3. The resolution (*délibération*) n° CR 2023-017 dated 31 May 2023 of the adoption of the 2022 administrative accounts by the *Région d'Île-de-France*;
4. The resolution (*délibération*) n° CR 2022-076 dated 13 December 2022 of the *Conseil Régional* of the Issuer setting the amount of revenues and granting authorisations for the programme, commitment appropriations and payment appropriations in the 2023 budget of the *Région d'Île-de-France*;
5. The resolution (*délibération*) n° CR 2022-022 dated 19 May 2022 concerning the adoption of the 2021 administrative accounts by the *Région d'Île-de-France*;
6. For the purpose of issuing Notes to be assimilated with Notes issued pursuant the Terms and Conditions indicated below:

the section "Terms and Conditions" of the base prospectus dated 16 November 2010 (approved by the AMF under number 10-0405 on 16 November 2010) ( the "**2010 Terms and Conditions**");

the section "Terms and Conditions" of the base prospectus dated 29 November 2011 (approved by the AMF under number 11-0556 on 29 November 2011) ( the "**2011 Terms and Conditions**");

the section "Terms and Conditions" of the base prospectus dated 4 December 2012 (approved by the AMF under number 12-0587 on 4 December 2012) ( the "**2012 Terms and Conditions**");

the section "Terms and Conditions" of the base prospectus dated 6 December 2013 (approved by the AMF under number 13-0652 on 6 December 2013) ( the "**2013 Terms and Conditions**");

the section "Terms and Conditions" of the base prospectus dated 24 March 2015 (approved by the AMF under number 15-0105 on 24 March 2015) ( the "**2015 Terms and Conditions**");

the section "Terms and Conditions" of the base prospectus dated 27 May 2016 (approved by the AMF under number 16-210 on 27 May 2016) (the "**2016 Terms and Conditions**");

the section "Terms and Conditions" of the base prospectus dated 20 July 2017 (approved by the AMF under number 17-375 on 20 July 2017) (the "**2017 Terms and Conditions**");

the section "Terms and Conditions" of the offering circular dated 12 June 2020 (the "**2020 Terms and Conditions**");

the section "Terms and Conditions" of the offering circular dated 27 July 2021 (the "**2021 Terms and Conditions**"); and

the section "Terms and Conditions" of the offering circular dated 5 August 2022 (the "**2022 Terms and Conditions**").

As long as the notes will be outstanding under the Programme , all the documents incorporated by reference in this Offering Circular (a) will be published in a dedicated section of the website of the Issuer which is easily accessible (<https://www.iledefrance.fr/financement-region>) and (b) are available for copy, without

charges, during the normal business day and hours, any business day of the week, at the registered office office of the Issuer and at the offices of the Paying Agent(s) as indicated at the end of this Offering Circular.

The information incorporated by reference should be read in connection with the cross reference table below. Any information which is not indicated in the table below, but forms part of the documents incorporated by reference is provided by way of information only.

<b>Modalités</b>	<b>Pages</b>
<b>2010 Terms and Conditions</b>	22 to 41 of the base prospectus dated 16 November 2010
<b>2011 Terms and Conditions</b>	24 to 43 of the base prospectus dated 29 November 2011
<b>2012 Terms and Conditions</b>	25 to 44 of the base prospectus dated 4 December 2012
<b>2013 Terms and Conditions</b>	25 to 43 of the base prospectus dated 6 December 2013
<b>2015 Terms and Conditions</b>	25 to 43 of the base prospectus dated 24 March 2015
<b>2016 Terms and Conditions</b>	30 to 48 of the base prospectus dated 27 May 2016
<b>2017 Terms and Conditions</b>	20 to 39 of the base prospectus dated 20 July 2017
<b>2020 Terms and Conditions</b>	24 to 49 of the offering circular dated 12 June 2020
<b>2021 Terms and Conditions</b>	26 to 52 of the offering circular dated 27 July 2021
<b>2022 Terms and Conditions</b>	25 to 51 of the offering circular dated 5 August 2022

## **II. Documents incorporated by reference after the date of this Offering Circular**

The following documents, which will be published in a dedicated section of the website of the Issuer which is easily accessible (<https://www.iledefrance.fr/financement-region>) after the date of this Offering Circular are deemed to be incorporated by reference and form part of this Offering Circular as of the date of their publication on the Issuer's website:

- the last updated version of the administrative accounts of the Issuer published within twelve (12) months following the publication of this Offering Circular;
- the last updated version of the budget (initial or additional and amending decisions if necessary) of the Issuer published within twelve (12) months following the publication of this Offering Circular; and
- the notices relating to the Amendments to the Offering Circular described in the "*Amendments to the Offering Circular*" section of this Offering Circular (together, the "**Future Documents**").

The investors are deemed to have become aware of all the information contained in the Future Documents, which are deemed to be incorporated by reference in this Offering Circular, as if these information were in this Offering Circular. The investors who have not become aware of all this information shall do it prior to investing in the Notes.

## TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions (the "**Terms and conditions**") that, as supplemented in accordance with the provisions of the relevant Pricing Supplement (as defined below).

The Pricing Supplement relating to a Tranche of Notes may provide other terms and conditions that will replace or amend one or more Conditions of the Terms and Conditions hereinafter.

In the case of Dematerialised Notes, the text of the Terms and Conditions will not be endorsed on Materialised Notes (physical documents of title) but will be constituted by the following text as supplemented by the relevant Pricing Supplement. In the case of Materialised Notes, either (i) the full text of these Terms and conditions together with the relevant provisions of the Pricing Supplement (and subject to simplification by the deletion of non-applicable provisions), or (ii) these Terms and conditions as so supplemented, shall be endorsed on Definitive Materialised Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme. The Notes will constitute obligations under French law.

The Notes are issued by the Region Île-de-France (the "**Issuer**" or "**Région Île-de-France**") in series (each a "**Series**") having one or more issue dates. Notes of the same Series are subject to identical terms (in all respects other than in respect of the issue date, issue price, first payment of interests and nominal amount of the Tranche (as defined below)), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") with the same or different issue dates. The specific terms of each Tranche (including, but not limited to, the total nominal amount, issue price, redemption price and interests, as the case may be, payable regarding such Notes) will be set out by the Issuer and will appear in the Pricing Supplement (the "**Pricing Supplement**").

The Notes are issued by the Issuer with the benefit of an amended and restated agency agreement in the French language and translated into English for information purposes only (*contrat de service financier modifié et consolidé*) dated 19 October 2023 (the "**Agency Agreement**") between the Issuer, BNP Paribas as, *inter alia*, fiscal agent in respect of Dematerialised Notes (as defined below) and the other agents named in it. The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below, respectively, as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Redenomination Agent**", the "**Consolidation Agent**" and the "**Calculation Agent(s)**". A Specific Fiscal Agent (acting also as Principal Paying Agent, Paris Paying Agent, Redenomination Agent and Consolidation Agent) will be, as the case may be, appointed by the Issuer in respect of any series of Materialised Notes (as defined below).

References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below.

Certain defined terms contained in the master agreement relating to transactions on forward financial instruments published by the *Association Française des Banques or the Fédération Bancaire Française* ("**FBF**") in its 2013 version (the "**FBF Master Agreement**"), as specified in the Pricing Supplement and as supplemented by the Technical Schedules published by the FBF, have either been used or reproduced in Condition 5 below.

Copies of the Agency Agreement and of the FBF Master Agreement are available for inspection at the specified offices of each of the Paying Agents.

In these Conditions, reference to "**day**" is to calendar days unless otherwise specified.

### 1. **FORM, DENOMINATION(S), TITLE AND REDENOMINATION**

#### (a) **Form**

Notes may be issued either in dematerialised form ("**Dematerialised Notes**") or in materialised form ("**Materialised Notes**").

- (i) Title to Dematerialised Notes will be evidenced in accordance with Articles L.211-3 *et seq.* and R.211-1 *et seq.* of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including

*certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes (within the meaning of Article L.211-3 of the French *Code monétaire et financier*) are issued, at the option of the Issuer, in either bearer form (*au porteur*), which will be inscribed in the books of Euroclear France ("**Euroclear France**") (acting as central depository) which shall credit the accounts of Account Holders, or in registered form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account maintained by the Issuer or a registration agent (designated in the relevant Pricing Supplement) acting on behalf of the Issuer (the "**Registration Agent**").

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, with Euroclear France, and includes Euroclear Bank S.A./N.V. ("**Euroclear**") and the depository bank for Clearstream Banking, SA "**Clearstream**").

- (ii) Materialised Notes are issued in bearer form only. Materialised Notes in definitive form (the "**Definitive Materialised Notes**") are serially numbered and are issued with interest coupons ("**Coupons**") (and, where appropriate, talons for further interest coupons ("**Talons**") attached.

*In accordance with Article L.211-3 of the French Code monétaire et financier, Materialised Notes (when they constitute titres financiers) must be issued outside the French territory.*

(b) **Denomination(s)**

Notes shall be issued in the specified denomination(s) as set out in the relevant Pricing Supplement (the "**Specified Denomination(s)**") on the understanding that the Notes will have a denomination equal or higher than EUR 100,000 (or the exchange value of this amount in any other currency) or any higher amount which should be authorised by any relevant competent authority and with all applicable legal and/or regulatory in respect of the specified currency.

Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title**

- (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be made through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be made through, registration of the transfer in the accounts of the Issuer or the Registration Agent.
- (ii) Title to Definitive Materialised Notes having, where appropriate, Coupons and/or a Talon attached thereto on issue, shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions, "**Noteholder**" or, as the case may be, "**holder of any Note**" means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of

Materialised Notes, the bearer of any Definitive Materialised Note and the Coupons or Talon relating to it.

Capitalised terms have the meanings given to them in the relevant Pricing Supplement.

(d) **Redenomination**

The Issuer may (if so specified in the relevant Pricing Supplement) without the consent of the holder of any Note, Coupon or Talon, by giving at least 30 days' notice in accordance with Condition 15, redenominated into euro all, but not some only, of the Notes of any Series on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the European Economic and Monetary Union (as provided in the Treaty establishing the European Community, as amended from time to time (the "**Treaty**")), all as more fully provided in the relevant Pricing Supplement.

2. **CONVERSION AND EXCHANGES OF NOTES**

(a) **Dematerialised Notes**

(i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).

(ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).

(iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered form (*au nominatif administré*), and vice versa. The exercise of any such option by such Noteholder shall be made in accordance with Article R.211-4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such Noteholder.

(b) **Materialised Notes**

Materialised Notes of one Specified Denomination may not be exchanged for Materialised Notes of another Specified Denomination.

3. **STATUS**

The Notes and Coupons relating to them constitute direct, unconditional, unsubordinated and (without prejudice to the provisions of Condition 4) unsecured obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

4. **NEGATIVE PLEDGE**

So long as any of the Notes or, if applicable, any Coupons relating to them, remains outstanding (as defined herein-after), the Issuer will not create or permit to subsist any mortgage, lien, charge, pledge or other form of security interest (*sûreté réelle*) upon any of its assets or revenues, present or future, to secure any present or future indebtedness for borrowed money in the form of, or represented by, bonds (*obligations*), notes or other securities with a maturity greater than one year and which are for the time being, or are capable of being, admitted to trading on a Regulated Market, unless the Issuer's obligations under the Notes and, if applicable, Coupons are equally and rateably secured therewith.

For the purposes of this Condition:

**"outstanding"** means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid (i) in the case of Dematerialised Notes in bearer form (*au porteur*) and in administered registered form (*au nominatif administré*), to the relevant Account Holders on behalf of the Noteholders as provided in Condition 7(a), (ii) in the case of Dematerialised Notes in fully registered form (*au nominatif pur*), to the account of the Noteholders as provided in Condition 7(a) and (iii) in the case of Materialised Notes, to the Fiscal Agent as provided in this Agreement and remain available for payment against presentation and surrender of Materialised Notes, and/or Coupons, as the case may be, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) in the case of Materialised Notes (i) those partially destroyed or defaced Materialised Notes that have been surrendered in exchange for replacement Materialised Notes, (ii) (for the purpose only of determining how many such Materialised Notes are outstanding and without prejudice to their status for any other purpose) those Materialised Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Materialised Notes have been issued and (iii) any Temporary Global Certificate to the extent that it shall have been exchanged for one or more Definitive Materialised Notes, pursuant to its provisions.

## 5. INTEREST AND OTHER CALCULATIONS

### (a) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**"Atypical Interest"** means the amount indicated in the relevant Pricing Supplement;

**"Benchmark"** means the reference rate as set out in the relevant Pricing Supplement;

**"Business Day"** means:

- (i) in the case of euro, a day on which the T2 (real-time gross settlement system operated by the Eurosystem (or any successor) ("**T2**")) is operating (a "**T2 Business Day**"); and/or
- (ii) in the case of a Specified Currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency; and/or
- (iii) in the case of a Specified Currency and/or one or more business centre(s) specified in the relevant Pricing Supplement (the "**Business Centre(s)**"), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres so specified;

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "**Calculation Period**"):

- (i) if "**Actual /365**", "**Actual /365-FBF**" or "**Actual /Actual-ISDA**" is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "**Actual /Actual-ICMA**" is specified in the relevant Pricing Supplement:
  - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the

product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year in each case where

**"Determination Period"** means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

**"Determination Date"** means the date specified in the relevant Pricing Supplement or, if none is so specified, the Interest Payment Date;

(iii) if **"Actual /Actual-FBF"** is specified in the relevant Pricing Supplement, the fraction whose numerator is the actual number of days elapsed during such period and whose denominator is 365 (or 366 if 29 February falls within the Calculation Period). If the Calculation Period is of a duration of more than one year, the basis shall be calculated as follows:

(x) the number of complete years shall be counted back from the last day of the Calculation Period;

(y) this number shall be increased by the fraction for the relevant period calculated as set out in the first paragraph of this definition.

For example, for a Calculation Period from 10.2.2013 to 30.6.2016 the following two periods shall be taken into consideration:

30.6.2013 to 30.6.2016 = 3 years

10.2.2013 to 30.6.2013 = 140/365

(iv) if **"Actual /365 (Fixed)"** is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(v) if **"Actual /360"** is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(vi) if **"30 /360"**, **"360 /360"** or **"Bond Basis"** is specified in the relevant Pricing Supplement the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

(vii) if **"30/360-FBF"** or **"Actual 30A/360 (American Bond Basis)"** is specified in the relevant Pricing Supplement, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days calculated as for 30E/360-FBF, subject to the following exception:

where the last day of the Calculation Period is the 31st and the first day is neither the 30<sup>th</sup> or the 31st, the last month of the Calculation Period shall be deemed to be a month of 31 days.

Where:

D1 (dd1, mm1, yy1) is the date of the beginning of the period

D2 (dd2, mm2, yy2) is the date of the end of the period

If  $dd^2 = 31$  et  $dd^1 \neq (30, 31)$

then:

$x [(yy^2 - yy^1) \times 360 + (mm^2 - mm^1) \times 30 + (dd^2 - dd^1)]$

or:

$x [yy^2 - yy^1) \times 360 + (mm^2 \pm mm^1) \times 30 + \text{Min}(dd^2, 30) - \text{Min}(dd^1, 30)]$ ;

(viii) if "**30E/360**" or "**Eurobond Basis**" is specified in the relevant Pricing Supplement, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and

(ix) if "**30E/360-FBF**" is specified in the relevant Pricing Supplement, in respect of each Calculation Period, the fraction whose denominator is 360 and whose numerator is the number of days elapsed during such period, calculated on the basis of a year comprising 12 months of 30 days, subject to the following the exception:

if the last day of the Calculation Period is the last day of the month of February, the number of days elapsed during such month shall be the actual number of days.

Using the same abbreviations as for 30/360-FBF the fraction is:

$//360 \times [(yy^2 - yy^1) \times 360 + (mm^2 - mm^1) \times 30 + \text{Min}(dd^2, 30) - \text{Min}(dd^1, 30)]$ ;

"**Effective Date**" means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Pricing Supplement or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates;

"**Euroclear France**" means the central depository of French securities located 66, rue de la Victoire, 75009 Paris, France;

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union;

"**FBF Definitions**" means the definitions set out in the FBF Master Agreement or the Technical Schedules, which are available on the internet website of the *Fédération Française Bancaire* ([www.fbf.fr](http://www.fbf.fr)), "Banking issues" chapter, "Legal framework" page, "agreements & conventions" section;

"**Fixed Coupon Amount**" means the amount indicated in the relevant Pricing Supplement;

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date ;

**"Interest Amount"** means the amount of interest payable for a given period of time, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount as specified in the relevant Pricing Supplement, as the case may be;

**"Interest Commencement Date"** means the Issue Date or such other date as may be specified in the relevant Pricing Supplement;

**"Interest Determination Date"** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Pricing Supplement or, if none is so specified, (i) the day falling two T2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Pricing Supplement for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro;

**"Interest Payment Date"** means the date(s) specified in the relevant Pricing Supplement;

**"Interest Period"** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

**"Interest Period Date"** means each Interest Payment Date or any other dates specified in the relevant Pricing Supplement;

**"Margin"** means for an Interest Accrual Period, the percentage or the number for the relevant Interest Accrual Period, as indicated in the Relevant Pricing Supplement, bearing in mind that said margin may have a positive or negative value;

**"Market Reference"** means the reference rate (EURIBOR, CMS or any other euro zone reference rate commonly used by the financial markets) as specified in the relevant Pricing Supplement;

**"Page"** means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organization providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate;

**"Rate of Interest"** means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Pricing Supplement;

**"Reference Banks"** means the institutions specified as such in the relevant Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone);

**"Relevant Financial Centre"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Pricing Supplement or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro- zone) or, if none is so connected, Paris;

**"Relevant Date"** means, in respect of any Note or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation ;

**"Reference Rate"** means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) (or any other successor or replacement rate determined according to the stipulations of Condition 5(c)(iii)(B)) equal to the Specified Duration commencing on the Effective Date ;

**"Relevant Time"** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Pricing Supplement or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose **"local time"** means, with respect to Europe and the Eurozone as a Relevant Financial Centre, 11.00 a.m. Brussels time;

**"Representative Amount"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Pricing Supplement or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

**"Specified Currency"** means the currency specified as such in the relevant Pricing Supplement.

**"Specified Duration"** means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Pricing Supplement or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to 5(c)(ii).

(b) **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Pricing Supplement.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Pricing Supplement, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Pricing Supplement.

(c) **Interest on Floating Rate Notes**

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Pricing Supplement) on each Interest Payment Date.

Such Interest Payment Date(s) is/are either shown in the relevant Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Pricing Supplement as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar

month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Pricing Supplement and the provisions below relating to either FBF Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Pricing Supplement.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Agent as a rate equal to the relevant FBF Rate plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (A), "**FBF Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- a) the Floating Rate is as specified in the relevant Pricing Supplement and
- b) the relevant Floating Rate Determination Date ("*Date de Détermination du Taux Variable*") is the first day of that Interest Accrual Period or any other date specified in the relevant Pricing Supplement

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Agent**", "**Floating Rate Determination Date**" (*Date de Détermination du Taux Variable*) and "**Transaction**" have the meanings given to those terms in the FBF Definitions, provided that "**Euribor**" means the rate calculated for deposits in euro which appears on EURIBOR01.

In the applicable Pricing Supplement, when the paragraph "Floating Rate Note Provisions" specifies that the rate will be determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by linear interpolation by reference to two (2) rates based on the relevant Floating Rate, one of which corresponding to a maturity next shorter than the length of the relevant Interest Period and the other of which corresponding to a maturity next longer than the length of the relevant Interest Period.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following (which Screen Rate shall be decreased or increased, if necessary (as indicated in the relevant Pricing Supplement), the Margin, with the aim of determining the applicable Interest Rate):

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
- (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
- (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page, in each case appearing on such Page at the Relevant Time on the Interest Determination Date, subject as otherwise specified in the relevant Pricing Supplement

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph 5(a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph 5(a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent and
- (c) if the Relevant Rate is an interbank offered rate and if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the euro-zone as selected by the Calculation Agent (the "**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period),

in the applicable Pricing Supplement, when the paragraph "Benchmark" specifies that the rate is determined by linear interpolation, in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by linear interpolation by reference to two (2) rates based on the relevant Floating Rate Benchmark, one of which corresponding to a maturity next shorter than the length of the relevant Interest Period and the other of which corresponding to a maturity next longer than the length of the relevant Interest Period ; and

- (d) if paragraph (b) above applies and, in the case of a Relevant Rate other than a inter-bank offered rate, for any reason, the Relevant Rate is no longer published or if fewer than three (3) quotations are provided to the Calculation Agent in accordance with paragraph (b) above, the Relevant Rate will be determined by the Calculation Agent in its sole discretion.

Unless a higher rate is stated in the relevant Pricing Supplement, the Minimum Interest Rate applicable to the Notes is deemed to be equal to zero;

- (e) Notwithstanding paragraph (b) above, (i) if the Issuer or the Calculation Agent determines at any time prior to, on or following any Interest Determination Date, that the Relevant Screen Page on which appears the Reference Rate has been discontinued or (ii) following the adoption of a decision to withdraw the authorisation or registration of ICE Benchmark Administration as set out in article 35 of the EU Benchmark Regulation or any other benchmark administrator previously authorised to publish any Replacement Reference Rate (as defined below) under any applicable laws or regulations or (iii) following a public statement by the regulatory supervisor of the administrator of the Reference Rate that the Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months, or (iv) it has or will prior to the next Interest Determination Date,

become unlawful for the Issuer, the party responsible for the determination of the Interest Rate (which is the Calculation Agent, or any other party mentioned in the relevant Pricing Supplement, as applicable), the Paying Agent to calculate any payments due to be made to any Noteholder using the Reference Rate, or (v) in the event of a public statement from the regulatory supervisor of the administrator of the applicable Reference Rate according to which, in the view of such supervisor, the Reference Rate applicable is no longer representative of an underlying market or the methodology to calculate such Reference Rate has materially changed (together, the "**Events on the Reference Rate**"), the Issuer will as soon as reasonably practicable (and in any event before the Business Day prior to next relevant Interest Determination Date at the latest) appoint an agent at his expense (the "**Reference Rate Determination Agent**"), which will determine in a commercially reasonable manner whether a substitute or successor rate which is substantially comparable to the Reference Rate is available for purposes of determining the new Reference Rate on each Interest Determination Date falling on such date or thereafter. If the Reference Rate Determination Agent determines that there is a new rate recommended by the central bank of the jurisdiction of the Specified Currency or any committee or working group thereof and which is an industry accepted successor rate, the Reference Rate Determination Agent will use this new rate to calculate the Reference Rate.

If the Reference Rate Determination Agent has determined a substitute or successor rate in accordance with the foregoing (such rate, the "**Replacement Reference Rate**"), for purposes of determining the Reference Rate on each Interest Determination Date falling on or after such determination, (i) the Reference Rate Determination Agent will also determine changes (if any) to the business day convention, the definition of business day, the interest determination date, the day count fraction, and any method for obtaining the Replacement Reference Rate, including any adjustment factor needed to make such Replacement Reference Rate comparable to the discontinued Reference Rate, in each case in a manner that is consistent with industry-accepted practices for such Replacement Reference Rate; (ii) references to the Reference Rate in the Conditions and the Pricing Supplement applicable to the relevant Notes will be deemed to be references to the Replacement Reference Rate, including any alternative method, any amendment and all concomitant adjustments for determining such rate as described in (i) above; (iii) the Reference Rate Determination Agent will notify the Issuer of the foregoing as soon as reasonably practicable; and (iv) the Issuer will give notice as soon as reasonably practicable to the Noteholders, the relevant Paying Agent and the Calculation Agent specifying the Replacement Reference Rate, as well as the details described in (i) above.

The determination of the Replacement Reference Rate and the other matters referred to above by the Reference Rate Determination Agent will (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Fiscal and Paying Agent, and the Noteholders, unless the Issuer and the Calculation Agent considers at a later date that the Replacement Reference Rate is no longer substantially comparable to the Reference Rate or does not constitute an industry accepted successor rate. In that case the Issuer shall re-appoint a Reference Rate Determination Agent (which may or may not be the same entity as the original Reference Rate Determination Agent) for the purpose of confirming the Replacement Reference Rate or determining a substitute Replacement Reference Rate in an identical manner as described in paragraph (e), which will then (in the absence of manifest error) be final and binding on the Issuer, the Calculation Agent, the Fiscal and Paying Agent, the Noteholders. If the Reference Rate Determination Agent is unable to or otherwise does not determine a substitute Replacement Reference Rate, then the last known Replacement Reference Rate will remain unchanged.

- (f) If the Reference Rate Determination Agent determines that an Event on the Reference Rate has occurred but for any reason a Replacement Reference Rate has

not been determined by the Reference Rate Determination Agent before the Interest Determination Date or if the Issuer has failed to appoint a Reference Rate Determination Agent according to the above paragraph (e), no Replacement Reference Rate will be adopted, and the Relevant Screen Page on which appears the Reference Rate for the relevant Interest Accrual Period will be equal to the last Reference Rate available on the Relevant Screen Page as determined by the Calculation Agent.

- (g) The Reference Rate Determination Agent may be (i) a leading bank or a broker-dealer in the principal financial centre of the Specified Currency as appointed by the Issuer, (ii) the Calculation Agent or (iii) any other independent entity of recognised quality which the Issuer considers has the necessary competences and expertise to carry out such role.

(d) **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date.

(e) **Margin, Maximum/Minimum Rates of Interest, and Redemption Amounts, Rate Multipliers and Rounding**

- (i) If any Margin or Rate Multiplier is specified in the relevant Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph;
- (ii) If any Maximum or Minimum Rate of Interest, or Redemption Amount is specified in the relevant Pricing Supplement, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be. The Rate of Interest cannot be lower than zero; and
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (w) if FBF Determination is specified in the relevant Pricing Supplement, all percentages resulting from such calculations shall be rounded, if necessary, to the nearest ten-thousandth of a percentage point (with halves being rounded up), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(f) **Calculations**

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

(g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts and Early Redemption Amounts**

As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are admitted to trading on a Regulated Market and the applicable rules of such market so require, it shall communicate such information also to such market as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such market of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) **Calculation Agent and Reference Banks**

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required by the Conditions) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Pricing Supplement and for so long as any Note is outstanding (as defined in Condition 4). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris or Luxembourg, as appropriate, office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. **REDEMPTION, PURCHASE AND OPTIONS**

(a) **Final Redemption**

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).

(b) **Redemption at the Option of the Issuer and Partial Redemption**

If a Call Option at the option of the Issuer is specified in the relevant Pricing Supplement, the Issuer may subject to compliance by the Issuer by of all the relevant laws, regulations and directives applicable to the Issuer and Notes and on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other

notice period as may be specified in the relevant Pricing Supplement) redeem all or, if so provided, some, of the Notes on any optional redemption date, as described in the Pricing Supplement (the "**Optional Redemption Date**"). Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption, if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Nominal Amount to be redeemed specified in the relevant Pricing Supplement and no greater than the Maximum Nominal Amount to be redeemed specified in the relevant Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition. In the case of a partial redemption by the Issuer in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Notes to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

In the case of a partial redemption in respect of Dematerialised Notes of any Series, the redemption may be effected by reducing the nominal amount of all such Dematerialised Notes in proportion to the aggregate nominal amount redeemed subject to compliance with any other applicable laws and stock exchange requirements.

(c) **Redemption at the Option of the Issuer of Residual Outstanding Notes**

If a Redemption at the Option of the Issuer of Residual Outstanding Notes is specified as being applicable in the relevant Pricing Supplement, the Issuer may, at any time, on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice to the Noteholders in accordance with Condition 15, redeem all but not some only of the Notes, if, immediately prior to the date that such notice is given, the Notes representing a nominal amount equal to or exceeding a percentage, as specified in the relevant Pricing Supplement (the "**Early Redemption Threshold**") comprised between 75% and 85% of the nominal amount of such Series (including, any Notes which have been consolidated and form with such Notes a single Series), shall have been redeemed or purchased (and subsequently cancelled) by the Issuer, other than by way of a Redemption at the Option of the Issuer in accordance with Condition 6(b) giving rise to an Optional Redemption Amount exceeding the Final Redemption Amount. Such redemption will be made at the Early Redemption Amount of the Notes, as calculated in accordance with Condition 6(d), together with interest accrued to the date fixed for redemption. All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

(d) **Early Redemption**

The Early Redemption Amount payable in respect of any Note, upon redemption of such Note pursuant to Conditions 6(c) and 6(e), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption unless otherwise specified in the relevant Pricing Supplement.

(e) **Redemption for Taxation Reasons**

(i) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8(b) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Pricing Supplement, at any time, subject to having given not more than forty-five (45) nor less than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with, unless otherwise specified in the relevant Pricing Supplement, any interest accrued to the date set for redemption provided that the due date for redemption of which notice hereunder may be

given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes.

- (ii) If the Issuer would, on the next payment of principal or interest in respect of the Notes, be prevented by French law from making payment to the Noteholders or, if applicable, holders of Coupons ("**Couponholders**") of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 8(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Early Redemption Amount together with, unless otherwise specified in the Pricing Supplement, any interest accrued to the date set for redemption on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) fourteen (14) calendar days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Pricing Supplement, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Coupons or, if that date is passed, as soon as practicable thereafter.

(f) **Repurchases**

The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or by tender offer or otherwise at any price in accordance with any applicable laws and stock exchanges' regulations. All Notes so purchased by the Issuer may be held and resold in accordance with applicable laws.

(g) **Cancellation**

All Notes redeemed or purchased for cancellation by or on behalf of the Issuer will be cancelled, in the case of Dematerialised Notes, as well as all rights relating to payment of interest and other amounts relating to such Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Notes, together with all unmatured Coupons and all unexchanged Talons attached to such Notes, by surrendering the Temporary Global Certificate to the Fiscal Agent and the Definitive Materialised Notes in question together with all unmatured Coupons and unexchanged Talons. Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Since the Notes are listed and admitted to trading on Euronext Paris, the Issuer will inform Euronext about such cancellation.

7. **PAYMENTS AND TALONS**

(a) **Dematerialised Notes**

Payments of principal and interest in respect of Dematerialised Notes shall be made (i) (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) by transfer to the account denominated in the relevant currency of the relevant Account Holder(s) for the benefit of the relevant Noteholder and (ii) (in the case of Dematerialised Notes in fully registered form) to an account denominated in the relevant currency with a Bank (as defined below) designated by the relevant Noteholder. All payments validly made to such Account Holders will constitute an effective discharge of the Issuer in respect of such payments.

(b) **Materialised Notes**

Payments of principal and interest in respect of Materialised Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Materialised Notes ( in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified

in Condition 7(f)(v)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a Bank.

"**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the T2 System.

(c) **Payments in the United States**

Notwithstanding the foregoing, if any Materialised Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) **Payments Subject to Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) **Appointment of Agents**

The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer in respect of Dematerialised Notes and their respective specified offices are listed at the end of this Offering Circular. A Specific Fiscal Agent (acting also as Paying Agent affiliated to Euroclear France, Redenomination Agent and Consolidation Agent) will be, as the case may be, appointed by the Issuer in respect of any Tranche of Materialised Notes. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) a Paying Agent affiliated to Euroclear France so long as the Notes are admitted to trading on Euronext Paris and, in either case, so long as the rules applicable to the relevant market so require, (v) in the case of Dematerialised Notes in fully registered form, a Registration Agent and (vi) such other agents as may be required by the rules of the Regulated Market on which the Notes may be admitted to trading.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15.

(f) **Unmatured Coupons and unexchanged Talons**

- (i) Unless Materialised Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon prior to 1 January of the fourth year following the date on which such amount fell due
- (ii) If Materialised Notes so provide, upon the due date for redemption of any such Materialised Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Materialised Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Materialised Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Materialised Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Materialised Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Note. Interest accrued on a Materialised Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Notes.

(g) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).

(h) **Non-Business Days**

If any date for payment in respect of any Note or Coupon is not a business day, the Noteholders shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, (B) on which banks and foreign exchange markets are open for business in such jurisdictions as shall be specified as "**Additional Financial Centres**" in the relevant Pricing Supplement and (C) (i) (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in euro) which is a T2 Business Day.

8. **TAXATION**

(a) **Tax withholding**

All payments of principal, interest and other revenue by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) **Additional Amounts**

If French law should require that payments of principal or interest in respect of any Note, or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, or Coupon, as the case may be:

- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder or Couponholder who is liable to such taxes or duties, whatsoever in respect of such Note or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, or Coupon or
- (ii) **Presentation more than 30 calendar days after the Relevant Date:** in the case of Materialised Notes, more than 30 calendar days after the Relevant Date except to the extent that the Noteholder or Couponholder would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or

References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.

9. **EVENTS OF DEFAULT**

The Representative (as defined in Condition 11) acting on behalf of the Masse may, upon written notice to the Fiscal Agent given on behalf of the Masse before all defaults have been cured, cause the Notes to become due and payable, whereupon the Notes shall become immediately due and payable at their Early Redemption Amount together with any accrued interest if any of the following events (each an "**Event of Default**") shall occur:

- (a) the Issuer is in default for more than thirty (30) calendar days for any payment of principal of, or interest on, or any other amount in respect of, any Note (including the payment of any additional amounts in accordance with Condition 8), when and as the same shall become due and payable;
- (b) the Issuer is in default in the due performance of any other provision of the Notes and such default shall not have been cured within sixty (60) calendar days after receipt by the Fiscal Agent of written notice of default given by the Representative;
- (c)
  - (i) any bank or bond indebtedness of the Issuer in excess individually or in aggregate of Euro 100 million (100,000,000) (or its equivalent in any other currency) in principal is (are) not paid by the Issuer at its (their) stated maturity or as a result of a default thereunder after the expiry of any applicable grace period or
  - (ii) any guarantee(s) given by the Issuer for bank or bond indebtedness of others in excess individually or in aggregate of Euro 100 million (100,000,000) (or its equivalent in any other currency) is (are) not honoured when due and called upon;

unless in any such event, the Issuer has disputed in good faith that such indebtedness is due and payable or that such guarantees are due and callable and such dispute has been submitted to a competent court, in which case default in payment shall not constitute an event of default hereunder so long as the dispute shall not have been finally adjudicated;

Provided that any event contemplated in (a), (b) or (c) above shall not constitute an Event of Default and the periods, if any, referred to above shall be suspended, in the event that the Issuer notifies the Fiscal Agent before the expiry of the relevant period, if any, of the need, in order to cure such defaults, to adopt a budgetary decision for the payment of unforeseen or additional budget expenses in relation to debt service, until (and including) the date on which such budgetary decision is effective. The Issuer shall notify the Fiscal Agent of the date on which such budgetary decision is effective. The Fiscal Agent shall notify the Noteholders of any notification received from the Issuer under this Condition in accordance with Condition 15.

10. **PRESCRIPTION**

All claims against the Issuer in respect of any amounts due under the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed from 1 January of the fourth (4) year following the date on which such amount fell due (in accordance with the law n°68-1250 dated 31 December 1968, as amended).

11. **REPRESENTATION OF NOTEHOLDERS**

Except as otherwise provided by the relevant Pricing Supplement, the Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a masse (in each case, the "**Masse**").

The Masse will be governed by the provisions of Article L. 228-46 and *seq.* of the French Code of commerce, as amended by this Condition 11.

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes, without prejudice to any right which could be exercised by Noteholders individually in accordance with and subject to the reservations included in the provisions of the Terms and Conditions.

(a) **Legal Personality**

The Masse will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through collective decisions of the Noteholders (the "**Collective Decision(s)**").

(b) **Representative**

The names and addresses of the initial Representative of the Masse and its alternate (if any) will be set out in the relevant Pricing Supplement. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all subsequent Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties, payable on such date(s), as set out in the relevant Pricing Supplement. No additional remuneration is payable in relation to any subsequent Tranche of any given Series.

In the event of death, liquidation, retirement, resignation or revocation of appointment of the Representative, such Representative will be replaced by the alternate Representative (if any) or another Representative will be appointed. Collective Decisions relating to the appointment or the replacement of the Representative will be published in accordance with the Condition 11(j).

All interested parties will at all times have the right to obtain the names and addresses of the Representative and the alternate Representative (if any) at the registered office of the Issuer.

(c) **Powers of the Representative**

The Representative shall (in the absence of any Collective Decision to the contrary) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders and the ability to delegate its powers.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

(d) **Collective Decisions**

Collective Decisions are adopted either (i) in a general meeting (the "**General Meeting**"), or (ii) by unanimous consent of the Noteholders following a written consultation (the "**Written Unanimous Resolutions**"), or (iii) by the consent of one or more Noteholders holding at least 80 per cent. of the principal amount of the outstanding Notes of the relevant Series, following a written consultation (the "**Written Majority Resolution**" and together with the Written Unanimous Resolutions, the "**Written Resolutions**").

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Noteholder to participate in Collective Decisions will be evidenced by the entries in the books of the relevant Account Holder or the Issuer or the Registration Agent of the name of such Noteholder as of 0:00 Paris time, on the second (2nd) Business Day preceding the date set for the Written Unanimous Resolution or the Written Majority Resolution.

Collective Decisions must be published in accordance with Condition 11(j).

The Issuer shall hold a register of the Collective Decisions and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series.

(e) **Powers of the General Meetings**

A General Meeting may be convened at any time, by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth (1/30<sup>th</sup>) of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 11(j), at least fifteen (15) days prior to the date of the General Meeting on first notice and at least five (5) days before the date of the General Meeting on second notice.

General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least a fifth (1/5<sup>th</sup>) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes held by the Noteholders attending such General Meetings or represented thereat.

Each Noteholder or Representative thereof will have the right to consult or make a copy of the text of the resolutions which will be proposed and of the reports, if any, which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents and at any other place specified in the notice of the General Meeting, during fifteen (15) days prior to the General Meeting on first notice and five (5) days before the General Meeting on second notice.

The General Meeting is chaired by the Representative. In the event of the absence of a Representative at the start of a General Meeting and if no Noteholder is present or represented at the General Meeting, the Issuer may, notwithstanding the provisions of Article L.228-64 of the French *Code de commerce*, designate a provisional chairman until a new Representative has been appointed.

Each Noteholder has the right to participate in a General Meeting in person, by proxy or by correspondence. Each Note holds one voting right or, in the case of Notes issued with more than one nominal value, one vote in respect of each multiple of the smallest nominal value comprised in the principal amount of the nominal value of such Note.

(f) **Written Resolutions and Electronic Consent**

The Issuer or the Representant shall be entitled in lieu of the holding of a General Meeting to seek approval of a resolution from the Noteholders by way of a Written Resolutions.

(i) **Written Unanimous Resolution**

Written Unanimous Resolutions shall be signed by or on behalf of all Noteholders and shall not have to comply with formalities and time limits referred to in Condition 11(j). Pursuant to Article L. 228-46-1 of the French *Code de commerce*, approval of a Written Unanimous Resolution may also be given by way of electronic communication allowing the identification of Noteholders ("**Electronic Consent**"). Any Written Unanimous Resolution shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders subject to the below provisions. Such Written Unanimous Resolution may be contained in one document, or in several documents in like form each signed by or on behalf of one or more of such Noteholders and shall be published in accordance with Condition 11(j).

(ii) **Written Majority Resolution**

Notices seeking the approval of a Written Majority Resolution, which shall include the text of the proposed resolutions together with any report thereon, will be published as provided under Condition 11(j)(i) no less than fifteen (15) calendar days prior to the date fixed for the passing of such Written Majority Resolution (the "**Written Majority Resolution Date**"). Notices seeking the approval of a Written Majority Resolution will contain the conditions of form and time limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Majority Resolution. Noteholders expressing their approval or rejection before the Written Majority Resolution Date will undertake not to dispose of their Notes until after the Written Majority Resolution Date.

Written Majority Resolutions shall be signed by one or more Noteholders holding together at least 80 per cent. of the principal amount of the outstanding Notes of the relevant Series. Approval of a Written Majority Resolution may also be given by Electronic Consent. Any Written Majority Resolution shall, for all purposes, have the same effect as a resolution passed at a General Meeting of such Noteholders. Subject to the below, such Written Majority Resolution may be contained in one document, or in several documents in like form each signed by or on behalf of one or more of such Noteholders and shall be published in accordance with Condition 11(j).

(g) **Expenses**

Unless the relevant Pricing Supplement provides otherwise, the Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of Collective Decisions and, more generally, all administrative expenses resolved upon by the Collective Decisions, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(h) **Single Masse**

The Noteholders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first-mentioned Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single Masse.

(i) **Sole Noteholder**

If and for so long as the Notes of any Series are held by a sole Noteholder and unless a Representative has been appointed in relation to such Series, such Noteholder shall exercise all powers, rights and obligations entrusted to the Masse by the provisions of the French Code de commerce, as supplemented by this Condition 11. The Issuer shall hold a register of the decisions taken by the sole Noteholder in this capacity and shall make it available, upon request, to any subsequent holder of any of the Notes of such Series. A representative will need to be appointed if the Notes of any Series are held by more than one Noteholder.

(j) **Notices**

Any notice to be given to Noteholders in accordance with this Condition 11 shall be published on the website of the Issuer (<https://www.iledefrance.fr/financement-region>) and,

- (i) in the case of the holders of Notes in registered form (*au nominatif*), mailed to them at their respective addresses, in which case they shall be deemed to have been given on the fourth (4th) weekday (being a day other than a Saturday or a Sunday) after the mailing; or
- (ii) in the case of the holders of Notes in bearer form (*au porteur*), given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream or any other clearing system through which the Notes are for the time being cleared.

Any decision to proceed with a transaction, notwithstanding the failure to obtain Noteholders' approval, as contemplated by Article L.228-72 of the French *Code de commerce* will be notified to Noteholders in accordance with this Condition 11(j). Any Noteholder will then have the right to request redemption of its Notes at par within thirty (30) days of the date of notification, in which case the Issuer shall redeem such Noteholder within thirty (30) days of the Noteholder's request for redemption.

In this Condition 11, the expression "outstanding" (as defined in Condition 4) does not include the Notes subscribed or purchased by the Issuer in accordance with any applicable laws and which are held by the Issuer and not cancelled.

12. **AMENDMENTS**

These Conditions may be amended or modified regarding upcoming issues of Notes but not regarding outstanding Notes, by a published notice in accordance with Condition 15(e) (each of these notices constituting an "**Amendment to the Terms and Conditions**") or, regarding a specific issue of Notes, by the relevant Pricing Supplement.

The Agency Agreement will be capable of amendment or waiver by the parties thereto, without the consent of Noteholders or Couponholders, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the parties to the Agency Agreement mutually deem necessary or desirable and which does not, in the reasonable opinion of such parties, adversely affect the interests of the Noteholders or Couponholders.

13. **REPLACEMENT OF DEFINITIVE MATERIALISED NOTES, COUPONS AND TALONS**

If, in the case of any Materialised Notes, a Definitive Materialised Note, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations

and stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Notes, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Notes, Coupons or Talons must be surrendered before replacements will be issued.

#### 14. FURTHER ISSUES AND CONSOLIDATION

(a) **Further Issues**

Unless otherwise specified in the relevant Pricing Supplement, the Issuer may from time to time without the consent of the Noteholders, or Couponholders create and issue further notes to be assimilated (*assimilées*) and form a single Series with the Notes provided such Notes and the further notes carry rights identical in all respects (or in all respects save for the issue date, the issue price and the first payment of interest specified in the relevant Pricing Supplement) and that the terms of such further notes provide for such assimilation and references in these Conditions to "Notes" shall be construed accordingly.

(b) **Consolidation**

The Issuer may, with the prior approval of the Redenomination and Consolidation Agent, from time to time on any Interest Payment Date occurring on or after the date specified for a redenomination of the Notes pursuant to Condition 1(d) on giving not less than 30 days' prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in euro, provided such other Notes have been redenominated in euro (if not originally denominated in euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

#### 15. NOTICES

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published in a leading economic and financial daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*). It is stated that notices shall be valid only if published in a leading economic and financial daily newspaper with general circulation in the city/ies where such Notes are admitted to trading which in the case of Euronext Paris is expected to be *Les Echos*, and in any other manner required, as the case may be, by the rules applicable to such market.
- (b) Notices to the holders of Materialised Notes and Dematerialised Notes in bearer form (*au porteur*) shall be valid if published in a leading economic and financial daily newspaper of general circulation in Europe (which is expected to be the *Financial Times*) and in a leading economic and financial daily newspaper with general circulation in the city/ies where Notes are admitted to trading which in the case of Euronext Paris, is expected to be *Les Echos*, and in any other manner required, as the case may be, by the rules applicable to such market
- (c) If any such publication is not practicable, notice shall be validly given if published in a leading economic and financial daily English language newspaper with general circulation in Europe, and for the avoidance of doubt notices should be published in any other manner as may be required by the rules applicable to such Regulated Market. Any such notice

shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Notes in accordance with this Condition.

- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) (*au porteur* or *au nominatif*) pursuant to these Conditions may be given by delivery of the relevant notice to the Euroclear France, Euroclear, Clearstream and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 15 (a), (b), (c) above; except that notices shall also be published in a leading economic and financial daily newspaper with general circulation in the city/ies where such Notes are admitted to trading which in the case of Euronext Paris is expected to be *Les Echos*, and in any other manner required, as the case may be, by the rules applicable to such market.
- (e) Notwithstanding Conditions 15(a), 15(b), 15(c) and 15(d), the notices relating to Amendments to the Terms and Conditions (as defined in Condition 12) will be considered as validly performed if they are published on a dedicated section of the website of the Issuer which is easily accessible (<https://www.iledefrance.fr/financement-region>). These notices will contain and must describe in reasonable detail the amendments made to the Conditions. The Noteholders will be deemed to be aware of the content of the Amendments to the Conditions once the corresponding notice has been published on the Issuer's website in accordance with this Condition 15(e).
- (f) The provision of this Condition 15 do not apply to notices given with the framework of Condition 11(j).

## 16. GOVERNING LAW, LANGUAGE AND JURISDICTION

### (a) Governing Law

The Notes (and, where applicable, the Coupons and the Talons) and the Agency Agreement are governed by, and shall be construed in accordance with, French law. However, no private law enforcement steps or seizure procedures may be carried out in relation with the assets and goods of the Issuer.

### (b) Language

This Offering Circular has been prepared in English and in French but only the French version shall be regarded as binding.

### (c) Jurisdiction

Any dispute relating to the Notes, Coupons or Talons will be submitted to the competent courts within the jurisdiction of the Court of Appeal of Paris (subject to the application of mandatory rules governing territorial competence of French courts). However, as a legal entity governed by public law, the Issuer is not subject to enforcement proceedings and its assets are exempted from seizure.

## **TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED NOTES**

### **Temporary Global Certificates**

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Notes. Upon the initial deposit of such Temporary Global Certificate with a common depository for Euroclear and Clearstream (the "**Common Depository**"), Euroclear or Clearstream, will credit the account of each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

### **Exchange**

Each Temporary Global Certificate issued in respect of Materialised Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below), in whole, but not in part, for the Definitive Materialised Notes, upon (unless the relevant Pricing Supplement indicates that such Temporary Global Certificate is issued in compliance with the TEFRA C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Summary of the Dealer Agreement - Selling Restrictions")) certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement.

### **Delivery of Definitive Materialised Notes**

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Notes. In this Offering Circular, Definitive Materialised Notes means, in relation to any Temporary Global Certificate, the Definitive Materialised Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement.

### **Exchange Date**

"**Exchange Date**" means, in relation to a Temporary Global Certificate, the day falling after the expiry of forty (40) calendar days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date shall be postponed to the day falling after the expiry of forty (40) calendar days after the issue of such further Materialised Notes.

## USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used (as specified in the applicable Pricing Supplement) to finance and/or refinance the Issuer's global investment budget for environmental and/or social and/or sustainable projects ("**Eligible Projects**"), as described in more details in the green, social and sustainable bonds framework of the Region ("**Green, Social, and Sustainable Bond Framework**") published by the Issuer on its website:

- in French: <https://www.iledefrance.fr/sites/default/files/medias/2021/03/cadre-emissions-IDF-FR.pdf>; and
- in English: <https://www.iledefrance.fr/sites/default/files/medias/2021/03/bond-framework-region-IDF-EN.pdf>.

The Green, Social and Sustainable Bond Framework of the Region and the Eligible Projects are in line with the Green Bond Principles (2018) and the Social Bond Principles (2020) available on the website of the International Capital Markets Association (ICMA): [www.icmagroup.org](http://www.icmagroup.org). The Green, Social and Sustainable Bond Framework of the Region may be updated or modified in order to take into account changes to the Green Bond Principles, the Social Bond Principles, the European regulation aimed to promote sustainable investments, changes to the market practice or the activity of the Issuer.

The Issuer mandated Vigeo Eiris to provide a second independent party opinion (the "**Second Party Opinion**") regarding the Green, Social and Sustainable Bond Framework of the Region, assessing the environmental, social and sustainable added-value of the Region and its alignment with the Green Bond Principles (2018) and the Social Bond Principles (2020) of the ICMA. Such Second Party Opinion is available on the Issuer's website (<https://www.iledefrance.fr/sites/default/files/medias/2021/03/VE-SPO-IDF-2021-03.pdf>). It may be updated or amended in order to take into account changes to the market practices, regulation and the Issuer's activities. Any amendment of the Second Party Opinion, or any new Second Party Opinion, to be provided following an amendment of the Green, Social and Sustainable Bond Framework of the Region, the publication of a new Green, Social and Sustainable Bond Framework of the Region or in accordance with any new legal or regulatory provision, will be made available on the Issuer's website.

The net proceeds of the issue will be described in the Pricing Supplement of the relevant Notes and in the reports published on the Region's website.

## DESCRIPTION OF THE ÎLE-DE-FRANCE REGION

### 1. PERSONS RESPONSIBLE

#### IDENTITY OF PERSONS RESPONSIBLE

Issuer: Région Île-de-France  
Address of the Issuer:  
2 rue Simone Veil 93400 Saint-Ouen-sur-Seine  
France

#### Person responsible

Mr Paul Bérard  
Deputy Managing Director, Finance Division

Telephone: +33 (0)1 53 85 53 85  
Email: [direction.finances@iledefrance.fr](mailto:direction.finances@iledefrance.fr)  
Finance Division  
Île-de-France Regional Council  
2 rue Simone Veil  
93400 Saint-Ouen-sur-Seine  
France

By a decision no. 2022-160 dated 31 May 2022, permanent delegation of authority was granted to Mr Paul Bérard to sign all documents, orders or decisions, contracts, procurement contracts or agreements and their amendments, as well as all documents required in connection with the performance of the above and falling within the scope of authority of the Finance Division, including those relating to borrowings, cash loans and advances taken out by the Île-de-France Region (hereinafter also referred to as the “**Region**”), and loan guarantees granted by it, with the exception of orders appointing permanent or non-permanent staff and assigning staff, reports and communications to the Regional Council and the standing committee.

### 2. INFORMATION RELATING TO THE ISSUER

#### 2.1 Legal name of the Issuer

The Issuer is the Région Île-de-France (the Île-de-France Region), a regional government.

#### 2.2 Head office, geographical location, legal form

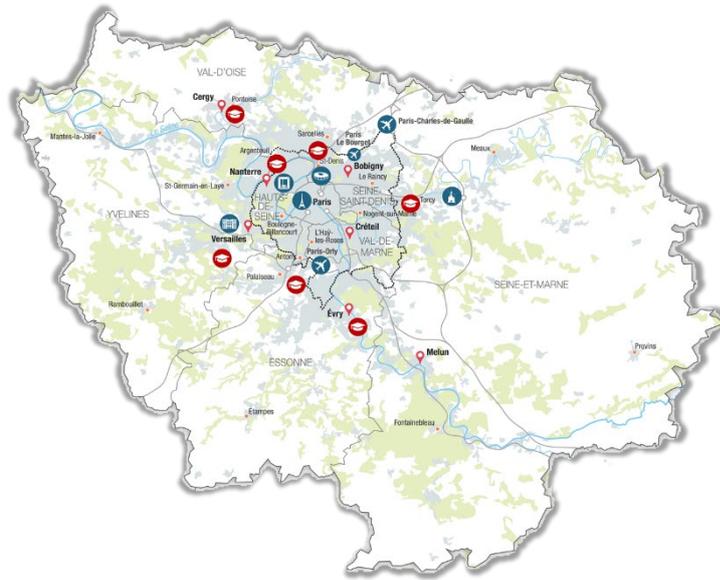
##### 2.2.1 *Head office*

The Île-de-France Region’s head office is 2 rue Simone Veil in Saint-Ouen-sur-Seine (93400).

The telephone number of the head office of the Île-de-France Region is 01 53 85 53 85.

The website for the Île-de-France Region is [www.iledefrance.fr](http://www.iledefrance.fr).

## 2.2.2 Geographical location



## 2.2.3 Legal form, structure and powers

### 1. Legal form

For administrative purposes, the French territory is divided into three types of local and regional governments, also known as “*regional authorities of the Republic*” since the decentralisation law of 2 March 1982. These regional authorities, in respect of which a principle of self-government has been established under Article 72 of the French Constitution (“*Under and in accordance with the provisions of the law, these local authorities shall govern themselves freely through elected councillors and shall have regulatory authority with respect to the exercise of their powers*”), are the region, the department and the municipality.

Each of these authorities, which covers a specific geographical area, is a separate legal entity with resources available for it to apply at its discretion.

The constitutional law no. 2003-276 dated 28 March 2003 relating to Government decentralisation, supplemented Article 72 of the Constitution promoting the idea of specialisation whilst respecting the independence of each individual regional authority. Regional authorities therefore shall “*take the decisions that, pursuant to their powers, are best implemented at their level*”. This concept derives from the principle of European Community law known as subsidiarity. The aim is to give local authorities the legal means to exercise the powers conferred upon them by law.

Regional authorities may implement projects in consultation with other local authorities, without one such authority having supervisory control over the other.

France is divided into 18 regions, of which five are overseas, and one is Corsica, with each region separated into several departments, each of which in turn is divided into several municipalities.

There are eight departments in the Île-de-France Region: Paris (which is both a municipality and a department), three departments forming the Paris inner circle (Hauts-de-Seine, Seine-Saint-Denis, Val-de-Marne) and four departments forming an outer circle around the city (Val-d’Oise, Essonne, Yvelines, Seine-et-Marne). Île-de-France contains 1,287 municipalities.

The law provides for the possibility of municipalities grouping together to develop joint projects within municipal, agglomeration, urban or metropolitan associations. Accordingly, at 1 January 2019, the Île-de-France Region comprises 31 *communautés de communes* (joint municipal district councils), 20 *communautés d’agglomérations* (joint conurbation district councils) and one

*communauté urbaine* (joint urban district councils), as well as the Metropolitan Area of Greater Paris, a special inter-municipal structure created on 1 January 2016 (by French law 2014- 58 of 27 January 2014 on the modernisation of regional public action and the creation of metropolitan areas), consisting of 11 *établissements publics territoriaux* (regional government agencies) and Paris authorities (source: *Institut d'Aménagement et d'Urbanisme – Île-de-France*).

The Île-de-France Region is managed by a Regional Council composed of 209 members elected by direct universal suffrage at the most recent elections of 20 and 27 June 2021 for a seven-year period. The Regional Council runs the Region's affairs through its deliberations. Executive power is conferred on the President of the Regional Council.

The *President of the Regional Council* who is elected by the councillors, prepares and executes the decisions of the regional assembly. He authorises expenditure, decides how regional income will be allocated, manages the Region's assets and heads up the services set up by the Region for the exercise of its powers. He may be assisted by vice-presidents with responsibility for a particular area of regional activity.

The Standing Committee, whose members are elected by regional councillors, emanates from the Regional Council. Some of its powers are delegated to it by the Regional Council, with the exception of those relating to voting on the budget and approving the authority's administrative accounts, in particular.

The *Conseil économique, social et environnemental régional* (the Regional Economic, Social and Environmental Council or CESER) is an advisory body to the Regional Council and its President. It "*assists, through its opinions, in the administration of the Region*".

It issues opinions addressed to the Regional Council in the following cases:

**(a) upon referral:**

- prior to their examination by the Regional Council, the CESER must be referred to in relation to:
  - o the State-Region Agreement and its annual implementation report, as well as all other planning documents and action blueprints that affect the Region;
  - o the Region's various budgetary documents;
  - o the general guidelines of the Region in all the areas of authority of the CESER and any other blueprint, programme or report on actions undertaken;
  - o regional actions with regard to the environment.
- the President of the Regional Council may refer any economic, environmental or cultural project to the CESER, although it is not mandatory to do so.

**(b) upon self-referral:**

- the CESER can issue an opinion on any question within the scope of the Region's powers and, for this purpose, it relies on various committees.

## **2. Structure and operation**

Succeeding the district of the Paris region, Île-de-France Region became a public authority by virtue of law no. 76-394 of 6 May 1976 and, since 16 March 1986, when the first election of regional councillors by universal suffrage was held, has been a fully autonomous regional authority in the same way as the departments and municipalities.

- The Regional Council

The Île-de-France Regional Council comprises 209 members, who were elected by direct universal suffrage at the most recent elections, held on 20 and 27 June 2021, for a period of seven years.

The 209 members of the Île-de-France Regional Council belong to the following political parties as of 05 September 2023:

- (a) *Île-de-France Rassemblée* Group: 100;
- (b) *Union des Démocrates et Indépendants* Group: 23;
- (c) *Pôle écologiste* Group: 18;
- (d) *Socialiste, écologiste et radical* Group: 19;
- (e) *Majorité présidentielle* Group: 15;
- (f) *Rassemblement national Île-de-France* Group: 15;
- (g) *La France Insoumise* Group and related parties: 7;
- (h) *Gauche communiste écologiste citoyenne*: 7;
- (i) Not registered: 5

– The President

The President of the Regional Council is Ms Valérie Pécresse.

**There are 15 vice presidents who have been delegated powers for specific aspects of regional policy.**

- 1 – Jean-Didier Berger, First Vice-President, in charge of Finance, Public Policy Assessment and European Funds
- 2 – Othman Nasrou, Vice-President, in charge of Youth, Republican Promise, Guidance and Professional Integration, Higher Education and Research
- 3 – Alexandra Dublanche, Vice-President in charge of Recovery, Attractiveness, Economic Development and Innovation
- 4 – Jean-Philippe Dugoin-Clément, Vice-President in charge of Housing, Sustainable Land Development and the SDRIFE
- 5 – Marie-Carole Ciuntu, Vice-President in charge of General Administration, Social Dialogue and Digital Transformation
- 6 – Patrick Karam, Vice-President in charge of Sports and the Olympic and Paralympic Games, Leisure, Citizenship and Urban Policy, and Community Life
- 7 – Farida Adlani, Vice-President in charge of Solidarity, Health and Family
- 8 – Yann Wherling, Vice-President in charge of the Ecological Transition, Climate and Biodiversity
- 9 – Florence Portelli, Vice-President in charge of Culture, Heritage and Creation
- 10 – Frédéric Péchenard, Vice-President in charge of Security and Victim Support
- 11 – Sylvie Mariaud, Vice-President in charge of Social and Solidarity Economy and Responsible Procurement
- 12 – Stéphane Beaudet, Vice-President in charge of Transport
- 13 – Valérie Lacroute, Vice-President in charge of Agriculture and Food
- 14 – James Chéron, Vice-President in charge of Secondary Schools

15 – Marie-Do Aeschlimann, Vice-President in charge of Employment and Vocational Training

The President of the Region is also assisted by twenty special delegates:

- Grégoire de Lasteyrie, Special Delegate for Sustainable Mobility
- Hamida Rezeg, Special Delegate for Tourism
- Pierre Deniziot, Special Delegate for the Republican Promise, Disability and Accessibility
- Jean-François Renard, Special Delegate for Rural Affairs
- Sophie Deschiens, Special Delegate for the Regional Circular Economy and Animal Welfare
- Laurent Jeanne, Special Delegate for Urban Renovation and Urban Policy
- Marianne Durantou, Special Delegate for Organic Products and Short Circuits
- Jérémy Redler, Special Delegate for Major International Events and Shows
- Nelly Garnier, Special Delegate for the Smart Region
- Anne-Louise Mesadieu, Special Delegate for Solidarity Development
- Olivier Blond, Special Delegate for Combating Air Pollution and for Environmental Health
- Yasmine Camara, Special Delegate for the Olympic and Paralympic Games
- Charlotte Baelde, Special Delegate for Gender Equality
- Ludovic Toro, Special Delegate for Combating Medical Desertification
- Faten Hidri, Special Delegate for Combating School Drop-out
- Daniel-Georges Courtois, Special Delegate for the Evaluation of Public Policy, Certification of Accounts and Management of European Funds
- Pascal Pelain, Special Delegate for Relations with the Greater Paris Metropolitan Area
- Murielle Bourreau, Special Delegate for Crafts and Gastronomy
- Benoît Jimenez, Special Delegate for Integration through Sport
- Sébastien Dromigny, Special Delegate for Products in Île-de-France

– *The Standing Committee*

The Standing Committee has 60 full members:

- President Valérie Pécresse;
- The 15 Vice-presidents;
- and 44 additional full members.

– *Thematic committees*

For the purposes of studying business brought before it, and of preparing the necessary decisions, the Regional Council has set up 19 committees, each specialising in a specific area (in addition to the payments and procurement committees (the *Commission du Règlement* and the *Commission d'appels d'offres*)). Each committee has between 15 and 18 standing members.

Furthermore, committees may be set up at the request of the elected representatives on specific subjects in accordance with the internal regulations of the assembly.

– *The regional Economic, Social and Environmental Council*

The Île-de-France Economic, Social and Environmental Council has 190 members, appointed for 6 years, including:

- (a) 61 representatives of businesses and independent non-salaried professions in the Region;
- (b) 61 representatives of salaried employee trade union organisations;
- (c) 61 representatives of bodies, associations and foundations which participate in community affairs of the region; and
- (d) 7 qualified persons appointed by order of the prefect (*Préfet*) of the Region, who by virtue of their capacity or activities contribute to the development of the Île-de-France Region.

The Council establishes reports and issues opinions on topics within the Region's areas of authority and, more broadly, on any matters relating to its development and the living conditions of its population. It is a consultative assembly and matters may be referred for its consideration by the president of the Regional Council, either on a mandatory or optional basis.

– *The regional administration*

As of 31 December 2022, there are 10,515 permanent civil servants (posts filled) of which 8,731 are teaching establishment technical staff.

The services of the Region are composed of the general directorate service and twelve divisions:

**(a) 8 operating divisions:**

- Secondary schools (*lycées*);
- Housing, planning and transport;
- Agriculture, rural affairs and ecological transition;
- Transfer, research, higher education, health and social care: aiming for success! ;
- Business and employment;
- Sports, health, solidarity and safety policies;
- Occupational training and apprenticeships;
- Information/communication and public relations.

**(b) 4 functional divisions:**

- Finance;
- Human resources;
- Digital transformation;
- Markets, procurement, legal, real estate;

The Île-de-France Region also has an inspectorate-general, which provides, in particular, advice and monitoring of the organisation and operation of regional services and assessment of regional policies.

Also, the external audit and management control department, within the Finance Division, monitors the use of regional funds for the implementation of regional policies, by the services of the Region or by external bodies and develops tools and recommendations enabling the working of the regional institution to be enhanced.

– *The Region's associated organisations*

The Regional Council relies for part of its activities on external affiliated organisations. Such organisations act within their areas of authority such as planning and development, the economy, employment, training, culture or health, within the framework of the policies laid down by the Regional Council.

The main associated organisations of the Region are:

- (a) the Institut Paris Région (formerly the I.A.U. Île-de-France). The purpose of this organisation is to assist regional managers in decision-making with respect to urban planning, housing, infrastructure, economic development, the environment, transport and health. It is the main regional environmental body, composed of multiple dedicated departments: The Regional

Biodiversity Agency (ARB), Regional Energy-Climate Agency (AREC), Regional Waste Observatory (ORDIF), Regional Sport Development Institute (IRDS), Regional Health Observatory (ORS);

- (b) Île-de-France Nature. This agency implements the Region's policies with respect to the green belt including parks, forests, public footpaths and hiking trails. It makes acquisitions and carries out planning and maintenance of the Region's parks and green belt on the Region's behalf. It coordinates State investment programmes and allocates financial aid for the acquisition and planning of parks and the green belt;
- (c) Paris Région Entreprises, the Île-de-France's economic development agency, responsible for attracting new international investors to Île-de-France and assisting the projects of companies which create long-term jobs;
- (d) The Regional Tourist Board of Paris Île-de-France (C.R.T.). It implements the Region's policies in relation to tourism and provides technical consultancy services to the Regional Council with respect to tourism infrastructure and investment. It coordinates the activities of organisations in the leisure sector and implements promotional activities relating to tourism in France and abroad;
- (e) The Île-de-France Europe Association (IdFE): The association acts as an interface between the Île-de-France and Europe. It represents the Region and six Île-de-France's departments at European institutions. The agency facilitates and strengthens the participation of local authorities in Ile-de-France and their stakeholders in the EU financing programs and instruments. It permits its members to develop strategies of influence on the European level to ensure that the future policies and programmes of the European Union meet the needs of the Île-de-France Region;
- (f) Île-de-France Prévention Santé Sida (formerly the CRIPS). This body works on improving the health of 12-25-year-olds in Île-de-France. The association promotes a holistic approach to health and the development of psychosocial skills, particularly in the areas of sexual health, drug use prevention (substance and non-substance addictions), healthy living (diet, physical activity, sleep), mental health promotion and the fight against discrimination.

### 3. Skills

Since the creation of the regional public institution in 1972, which became a full and complete regional authority with the decentralisation law of 2 March 1982, the regions have seen the scope of their jurisdiction expanded and diversified over time through the decentralisation process.

Article L.4221-1 of France's General Code for Regional and Local Authorities (CGCT) states that *"through its deliberations, the regional council resolves regional matters in the areas of jurisdiction attributed to it by law. It is empowered to promote economic, social, health, cultural and scientific development in the region, support for access to housing and housing improvements, support for urban affairs and urban redevelopment policy, and support for educational policies and the development and equality of its regions, as well as to ensure preservation of regional identity and promote regional languages, while respecting the integrity, autonomy and formal responsibilities of the departments and the municipalities."*

Accompanying these evolutions, the budgets of metropolitan regions not including Corsica have changed significantly. In 2022, they amounted to €33.6 billion (up 2.4% compared to 2021).

The Region's principal areas of jurisdiction are as follows:

– *Economic development*

Economic development is a major area of jurisdiction for the regions, which are responsible for defining general economic strategy. To do so, and in accordance with the NOTRe Act of 7 August 2015, which strengthened their role in this area, they prepare a regional plan for economic development, innovation and internationalisation (SRDEII in its French acronym), which specifies policies for five years with regard to business grants, support for internationalisation, aid

for property development, aid for innovation and policies on the region's attractiveness for investment. Any actions taken by the regional authorities and their cooperative organisations within the region must be compatible with the SRDEII. The Regional Council is solely competent to define aid mechanisms and decide on subsidies to be awarded to regional businesses. The regions also support and participate in the steering of the competitiveness offices, which bring together businesses, research laboratories and training institutions devoted to a given topic within the region.

– *Regional development*

With regard to regional development, the regions prepare a regional plan for development, sustainability and regional equality (SRADDET), which sets regional objectives on regional balance and equality, the construction of various infrastructures of regional interest, reducing rural isolation, housing, budget management for land and intermodal transport, and transport development.

The Île-de-France Region is not involved in the creation of an SRADDET, as it draws up its own planning document: the Regional Development Plan for Île-de-France (SDRIF), approved in 2013. It sets out the major strategic objectives for the development of Île-de-France Region up to 2030. In particular, it is used to manage urban and demographic growth and land use while ensuring the Region's continuing international influence. It specifies the resources to be mobilised in order to correct geographical, social and economic disparities within the region, coordinates transport options and preserves rural and natural areas so as to ensure regional sustainable development. The urban planning documents of regional authorities within the region must be compatible with the SDRIF.

– *Regional passenger transport*

The French law no. 2000-1208 of 13 December 2000 relating to urban regeneration and solidarity implemented as from 1 January 2002 the transfer of responsibility for financing and organising regional passenger rail services to the regions, with the exception of the Île-de-France Region and Corsica, which have a separate status. Each region became the authority for organising regional rail transport as of 1 January 2002.

The Île-de-France Region on the other hand has a specific status. The French law no. 76-394 of 6 May 1976 had already granted this region special power of authority in matters of road traffic and public transport. As a result of the Law of 13 December 2000, the Region Île-de-France joined the executive board of Île-de-France Mobilités (formerly S.T.I.F.) a State administrative entity, established in 1959, with responsibility for running public transport facilities within the region of the capital.

Law no. 2004-809 of 13 August 2004 on local freedoms and responsibilities strengthened the role of the Region in the field of transport. The Île-de-France Region now holds the majority of seats (51%) on Île-de-France Mobilités, which has been made a local authority with administrative powers.

– *Secondary schools and management of their technical personnel*

With regard to public education, the regions are responsible for the construction, renovation, equipment, maintenance and operation of general and agricultural secondary schools and institutes.

Since the adoption of law no. 2004-809 of 13 August 2004, they have been responsible for the recruitment and management of technical, operational and service staff working in secondary schools.

– *Employment, vocational training*

In 1983, the Regions were given responsibility for vocational training for young people and job applicants.

Their responsibility has increased since then and now they play a primary role in continuing vocational training. They contribute to the public employment service by helping to finance organisations devoted to vocational support and integration.

Law no. 2004- 809 of 13 August 2004 concerning local authorities' rights and duties gave regions the power to define and implement vocational training policy for young people and adults seeking employment or a career change, and to implement the regional development plan for vocational training with the aim of outlining a medium-term timetable for vocational training schemes. This law also gave the regions responsibility for approving and financing training establishments for paramedics and social workers as well as the aid provided to students in those professions.

The law of 5 March 2014 on vocational training, employment and social democracy completed the transfer of all training competence to Regions with the introduction of the Regional Public Guidance Service, the creation of a Regional Public Vocational Training Service, the possibility for the Regions to use authorisations and the transfer to the Regions of training for specific groups: prisoners, the disabled, illiterate people.

As with their responsibility for vocational training, the regions were given responsibility for apprenticeships in 1983, and their role in this area (financing apprentice training centres, granting bonuses to employers of apprentices, regional apprenticeship policy, investment, etc.) increased until 2018. The adoption of law no. 2018-771 of 5 September 2018 for the freedom to choose a professional future removed this responsibility from the regions.

– *Management of European Union funds*

Law no. 2014-58 of 27 January 2014 entrusted the management authority for part of European structural funds to the regions. Thus the Île-de-France Regional Council directly managed €540 million of funds over the period 2014-2020 in the framework of four major challenges set by Europe: economy and employment competitiveness, management of natural resources, ecological and energy transition, development of social and physical infrastructure, regional equality and equal opportunities. A new programme for 2021-2027 is being finalised.

The Île-de-France Region also takes proactive steps with regard to the environment, sustainable development, research, youth, sport and culture.

## **2.3 Solvency of the Issuer**

### ***2.3.1 The legal framework for regional authority borrowing reduces the risk of insolvency***

Article 2 of law no. 82-213 of 2 March 1982, setting out the rights of municipalities, departments and regions, abolished all State supervision of the actions of regional authorities. This change also gives the regional authorities full freedom to evaluate and determine their financing needs and to liberalise and normalise the terms applying to their borrowings. As a result, regional authorities can freely borrow, and their relationships with lenders are based on private law and the right to enter into contractual agreements.

This freedom can be exercised in accordance with the following principles:

- Borrowings may only finance investments;
- Reimbursement of the principal must be covered by the regional authority's own resources.

Budgetary and financial controls are carried out a posteriori by the prefect under the supervision of the *Chambre régionale des comptes* (CRC).. This is done in five cases: voting on the budget after the deadline; failure to list a compulsory item of expenditure (in accordance with Article L.1612-15 of the CGCT, it being specified that under Article L.4321-1 of the same code, "Interest on debt and principal debt repayment" constitute mandatory expenditure); failure to balance the budget; deficit in the administrative account; failure to forward the administrative account.

Moreover, Article L.1611-3-1 of the CGCT, created by law no. 2013-672 of 26 July 2013, subject the Region's borrowings with credit institutions to certain limits related to the currency, the interest rate and the relevant hedging instruments. However, this article is not intended to apply

to bonds as specified in the parliamentary proceedings (Report no. 1091 on behalf of the Finance Committee of the National Assembly, tabled on 29 May 2013, amendment no. 160 of 19 March 2013).

### **2.3.2 The Region's rating**

The Île-de-France Region has been attributed a credit rating since 1993 initially by one, and since 1998 by two, credit rating agencies. Currently, the two credit rating agencies in charge of rating the Region are Moody's and Fitch Ratings. The Region has, each year and without interruption, been ranked amongst the most financially sound entities.

Since 2017, the Île-de-France Region has been rated Aa2 by Moody's. On 9 May 2018, Moody's raised the Île-de-France Region's outlook from stable to positive. On 25 February 2020, following the change from positive to stable in the outlook associated with France's Aa2 sovereign bond rating on 21 February 2020, Moody's changed the Region's outlook from positive to stable.

Since December 2014, Fitch Ratings has assigned the Île-de-France Region a long-term issuer default rating of 'AA', a stable outlook.

Since May 2023, the Issuer has been rated 'AA-' with a stable outlook as a result of the downgrading of the French State's rating<sup>3</sup>. Since 26 May 2020, the Issuer has been rated 'AA' with a negative outlook for its long-term debt by the Fitch Ratings agency as a result of the downgrading of the French State's rating.

The standalone credit profile (SCP) evaluation was updated to 'aa+' on 24 April 2023<sup>1</sup>. This standalone credit profile of the Ile-de-France Region has been revised from 'aa' to 'aa+', following the improvement of the Region's debt sustainability ratios. However, the Region's Issuer Default Rating (IDR) remains unchanged as it is capped by that of the French State (AA/Negative). The negative outlook reflects that of the French State.

The Region's short-term debt ratings of F1+ (Fitch Ratings) and P-1 (Moody's) were also confirmed.

## **2.4 The demographic and economic environment of the Issuer**

### **2.4.1 The population of Île-de-France**

With an estimated population of 12,358,932 inhabitants as of 1 January 2023, the Île-de-France Region is the most densely populated French region, accounting for nearly 18.9 per cent of the French mainland population inhabiting only 2 per cent of the national land mass (12,012 km<sup>2</sup>). The demographic weight of the Île-de-France Region has been stable since the 1960s, at 18.8% of the French mainland population in 2023 (18.2% of the total French population).

### **2.4.2 The economy of the Issuer**

#### **1. Gross Domestic Product**

With a gross domestic product (GDP) of €734 billion in 2021, or around 5.4% of the GDP of the EU-27, the Île-de-France Region is one of Europe's major economic hubs and one of the largest in the world.

At the crossroads of European and global trade, the Île-de-France Region stands at the top of the economic leaderboard compared with other French regions due not only to the scale of its

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<sup>3 1</sup> On 9 April 2019, Fitch published a new rating methodology for international and regional authorities (Rating Criteria for International Local and Regional Governments). According to this methodology, the intrinsic credit profile of the Region ('aa+') was evaluated, on 19 April 2019, at a level higher than that of the State.

productive capacity but also to the presence of the main economic decision-making centres. The GDP of the Île-de-France Region represented 31% of the GDP of France in 2021.

### *Evolution of GDP in value from 2016 to 2021*

GROSS DOMESTIC PRODUCT	2016	2017	2018	2019	2020	2021
<b>GDP (in € billions)</b>						
Île-de-France	<b>685.9</b>	<b>705.3</b>	<b>729.5</b>	<b>759.5</b>	<b>700.8</b>	<b>764.8</b>
Total France	2,232.6	2,295.7	2,361.8	2,436.1	2,309.0	2,499.4
Île-de-France / Total France (%)	<b>30.7%</b>	<b>30.7%</b>	<b>30.9%</b>	<b>31.2%</b>	<b>30.3%</b>	<b>30.6%</b>
<b>GDP / Inhabitant (in € thousands)</b>						
Ile-de-France	<b>56.5</b>	<b>57.8</b>	<b>59.6</b>	<b>62.0</b>	<b>57.1</b>	<b>62.1</b>
Mainland France	33.5	34.3	35.2	36.2	34.2	36.9

Source: INSEE

Between 2016 and 2019, the GDP of the Île-de-France Region increased steadily and its share of national GDP remained stable. The impact of the Covid-19 crisis in 2020 did not reduce the Region's share of GDP in national GDP. By 2021, the Region's GDP had exceeded its 2019 level. These data, particularly on GDP per capita, which grew steadily between 2016 and 2019, highlight the crucial importance of the Paris region to the French economy and reflect the fact that economic growth in Île-de-France is stronger than at the national level.

## **2. Main sectors**

### *– A diverse and dynamic economic landscape*

The Île-de-France Region stands out from the world's other capital cities for the diversity of its economic landscape. Particularly innovative sectors (information and communications technologies, biotechnologies, nanotechnologies and 3D graphic animation) and creative sectors (luxury goods and fashion) coexist with more traditional sectors such as aeronautics and the automotive industry. It is a pivotal location for high-value-added services, as well as for principal decision-making centres, corporate headquarters and the main government and administrative offices.

The Île-de-France Region accounts for around one-fifth of the establishments (i.e. units producing goods or services) listed by INSEE in mainland France.

### *– Services: drivers of the Region's economic activity*

Services, along with research & development, finance and tourism, are the key sectors that drive and stimulate the Region and where innovation efforts are focused.

In 2020, INSEE estimated that there were 3.6 million salaried jobs in the commercial services sector (including transport, commerce, business services, household services and real estate and financial activities), representing 30% of all such jobs at the national level.

Almost 9 out of ten salaried jobs are in the services sector (commercial and non-commercial).

### *– A leading industrial region*

The industrial sector of the Île-de-France Region represented, in 2019, 13.8% of salaried jobs (i.e. 424,400 salaried jobs). This sector represents 7.2% of Île-de-France jobs.

According to the most recent INSEE data, more than 15% of industrial firms in France were located in Île-de-France in 2016 (i.e. 43,463 firms).

Today therefore the Île-de-France Region is one of the leading worldwide centres both for industry and the high-level services sector.

It also plays a major role as a hub for air traffic, business tourism, higher education, culture and research.

– *One of the world's most developed transport infrastructures*

The Region has one of the most extensive passenger transport networks in the world (with, in 2020, 220 kilometres of metro lines, over 126 kilometres of tramway, 1,503 kilometres of railway (RER and SNCF trains) and 1,511 bus lines).

This network will extend considerably with the Grand Paris Express project, the first stages of which, started in 2016, will result in 200 km of additional automatic metro lines by 2030 (or almost twice the current length), with four new lines, the extension of line 14 to the north and the south and 68 new stations. The Grand Paris Express will serve major centres of activity (airports, business centres, research and university centres) and metropolitan areas that are currently difficult to access.

It is also a major continental European air traffic hub with two international airports, one of which, Charles-de-Gaulle, is the second largest in Europe for passenger transport, and the leading business travel airport in Europe - (source: Paris Région Entreprises (Economic Development Agency of the Île-de-France)). The Region is less than two hours' flight from most large European cities. It has been a pioneer of air and rail travel inter-modality, with both the high-speed train (TGV) and the regional express network (RER).

– *A welcoming region*

The Île-de-France Region is the leading tourist region in the world with more than 70.7 million hotel nights in 2019 (55% of which were overseas tourists) and has one of the largest hotel room capacities in the world (i.e. 2,478 hotels and 156,405 rooms – 2017 data).

Covering almost 700,000 m<sup>2</sup> of surface area, the Region provides the richest and the most diversified offer in Europe in terms of hospitality facilities dedicated to events.

For example, the Region welcomed several million business visitors to its trade fairs each year before the COVID-19 pandemic (9.4 million in 2018, including 0.8 million from abroad). 1,192 conferences took place in the region in 2018 (partly at 22 main exhibition venues), with 882,400 participants.

Île-de-France plays host to 25% of France's foreign investment projects and 24% of the jobs they generate. In 2021, the attractiveness of the Île-de-France Region increased by 20% compared to 2020, playing host to 404 international investments and creating 10,200 jobs (Choose Paris Region report). The main investors are from the United States (19% of direct international investments), the United Kingdom (11.5%) and Germany (11.4%), an unchanging top three for the past five years.

– *A highly qualified population and a major centre for research and development*

The Île-de-France Region accounts for more than one-quarter of higher education students in France (or 717,000 for the 2020 academic year, compared to a national student population of nearly 2.78 million, i.e. 26%). In total, the Île-de-France Region boasts 18 universities and 60 *écoles supérieures*, representing around one-quarter of higher education institutions in France. The region is therefore very attractive to young adults who are continuing their education or seeking employment.

The concentration of highly qualified workers in the scientific and technical fields in the Paris Region encourages businesses to locate their research and development facilities there.

In 2020, the Region was among global and European research leaders both in terms of employees, with 162,000 research jobs (public and private), i.e. 40% of the national workforce, and in terms

of expenditure, with 40% of national R&D spending. It ranks third in the world in terms of the number of innovation centres.

In 2020, 7,278 patent applications were filed in the Region, representing more than 61% of those filed in France (Institut national de la propriété industrielle - 2020 ranking).

### 3. Employment

In 2019, employment in the Île-de-France Region represented 2.9% of that in the 28 countries of the European Union and 22.8% of that in mainland France, i.e. over 6.5 million salaried and non-salaried jobs.

The predominance of the service sector in total employment is more significant in the Île-de-France Region than in mainland France as a whole, representing almost nine out of ten jobs.

#### *Breakdown of employment by business sector in 2019*

	2019	
	Île-de-France	Metropolitan France
Agriculture	0.1%	2.3%
Industry	6.9%	11.7%
Construction	5.1%	6.1%
Commercial services	63.2%	49.7%
Non-commercial services	24.7%	30.2%
TOTAL	100.0%	100.0%

Source: INSEE, employment estimates

Salaried employment in the Île-de-France Region is largely centred in Paris as well as in the Hauts-de-Seine department where, in particular in the La Défense district, the headquarters of the largest French businesses are located.

### 2.5 Description of the political system

Please refer to section 2.2.3 entitled “Legal form, organisation and powers” below.

## 3. *PUBLIC FINANCES AND EXTERNAL TRADE*

### 3.1 *Tax and budgetary system*

#### 3.1.1 The Region’s revenue

The Region’s investment and operating revenues come from three main sources: Tax revenue (direct, indirect, TICPE (domestic tax on consumption of energy products)), State grants and miscellaneous revenue.

#### A/ Direct and indirect tax revenue excluding TICPE

**Direct regional taxation** now consists solely of the flat-rate tax on network companies (IFER), composed as follows:

- IFER relating to rolling stock used on the national rail network for passenger transport operations (“rolling stock” IFER);
- IFER relating to the principal copper local loop telephone exchanges to fibre-optic electronic communication networks and connection units and fibre-optic electronic communication networks (“telecom” IFER).

Article 8 of Finance Act no. 2020-1721 of 29 December 2020 abolished the regional share of the business value-added levy (CVAE) and redefined the regions' financing scheme by replacing the regional CVAE with a national VAT share.

**Other tax receivables (excluding TICPE)** include:

- the new portion of national value-added tax (VAT) allocated to the regions since 2021 to compensate for the abolition of the regional share of the business value added levy (CVAE)  
For 2021, the portion of VAT that was paid to the regions corresponded to the amount of CVAE received in 2020, net of the levy for the regional resources equalisation fund.  
For 2022, the calculation used to determine the amount of VAT allocated to each region was directly impacted by the discussions between the Regions on the overhaul of the regional equalisation system. Article 196 of the 2022 Finance Act 2021-1900 of 30 December 2021 modifies the calculation of the portion of national VAT allocated to each region. Therefore, from 2022 onwards, the amount of VAT is increased or reduced by the amounts of the equalisation fund and the levy/repayment to the national individual resources guarantee fund (FNGIR), and the calculation is carried out as follows:  
$$\text{VAT allocated in N to the Region} = \frac{\text{national VAT 2022 N} * \text{CVAE 2020} - \text{equalisation} - \text{FNGIR}}{\text{final national VAT 2021}}$$
- Regional vehicle registration certificate tax, for which the Regional Council sets the rate based on horsepower;
- In accordance with Article 149 of the 2017 Finance Act, since 1 January 2018, the Regions have been allocated a portion of national VAT revenues instead of the general operating grant (DGF). This exchange was accompanied by a minimum guarantee in the event that the yield from this portion of VAT was insufficient in a given year to cover the final amount of the DGF in 2017;
- Revenue from direct tax management fees (FGFD): in accordance with Article 41 of the 2014 Finance Act, since 2014 the regions have had an additional tax resource: the management fees relating to direct local taxation. In the context of the gradual abolition of the residence tax (TH), the initial 2020 Finance Act (Article 16 paragraph V) provided for the disappearance of the share of residence tax in the FGFD revenue base. Since 2021, a new compensation allowance has been created for an amount equal to the appropriate revenue that will have been paid to the regions in 2020 in respect of this TH component; It should also be noted that with the abolition of the regional share of CVAE, from 2022 onwards, the compensation allowance for loss of management fees has been increased by the amount of the loss of management fees for the share of regional CVAE.  
For your information: this FGFD resource, as well as an additional portion of the domestic tax on consumption of energy products ("TICPE") replaced, as of 2014, the general decentralisation grant (DGD) related to vocational training (see below).

Revenue from certain taxes attributed by law to the Ile-de-France Region:

- \* Tax on offices
- \* Tax on the construction of offices, commercial premises and warehouses in Île-de-France
- \* Supplemental tax on stamp duty and land registry tax payable on transfers for consideration of business property, imposed as of 2016.

\* The regional share of the development tax, which since 2012 has replaced the tax in addition to the local infrastructure tax<sup>2</sup>, and on which the Region can decide to impose the tax and set the rate, up to a maximum limit of 1%,

- A portion of the annual tax on office space, commercial premises and storage premises; the Region receives each year 50% of the distribution proceeds within a cap set by law (Article L. 4414-7 of CGCT), attributed to the Île-de-France Region by the legislator as compensation for specific costs assumed by the Region, mainly in terms of transport and development of the capital region.

– The 2015 Finance Act also established as from 2015 two sources of tax revenue specific to the Île-de-France Region to be used to finance investment in public transport:

\* An “annual tax on parking areas”: this tax is based on premises or areas, whether covered or uncovered, used for parking vehicles and which are used for commercial purposes or are attached to office, commercial and storage premises subject to office tax (TSB). Like the TSB, the rates of this tax per m<sup>2</sup> are set by district; these rates were revised for 2019 pursuant to Articles 165 and 166 of the 2019 Finance Act, as was their discounting, which is now calculated on 1 January each year on the basis of the forecast consumer price index, excluding tobacco, used in the Finance Act for the year. The amount allocated to the Île-de-France Region is capped from 2019 at €66 million,

\* A “special annual additional tax”: this is a tax based on apportionment, like the special equipment taxes (TSE). The Region must adopt a tax levy for year N by resolution adopted before 31/12/N-1, within the limits of a cap of €80 million. It should be noted that as of 2021, this cap is distributed as follows: €77m in capital expenditure and €3.0m in operating expenses in respect of the grant paid by the State following the reduction in the proceeds from this tax as a result of the reduction in the rental value of industrial establishments - Article 29 of Finance Act no. 2020-1721 of 29 December 2020 for 2021). This operating share is therefore no longer included in Appendix IV-C9, Statement of Earmarked Revenue.

#### **B/ A portion of the domestic tax on the consumption of energy products (TICPE, formerly TIPP)**

To compensate for the transfers of power implemented by law no. 2004-809 of 13 August 2004, the State has allocated to the regions a portion of the TICPE. Since 2006, this portion has varied from region to region. The portion payable to the Île-de-France Region was set for 2022 at €18.06 per hectolitre for premium unleaded petrol and €12.76 per hectolitre for diesel<sup>3</sup>. If the proceeds of the domestic tax on consumption of energy products allocated for a given year to a region in application of the tax rate portions from which it benefits for that same year represent an amount lower than its right to compensation for the year in question, the difference is subject to a

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<sup>3</sup> Article 42 of the initial Finance Act for 2022 updates this part of the TICPE provided for in Article 78 of the initial Finance Act for 2019.

corresponding allocation of a share of the proceeds of the domestic tax on consumption of energy products accruing to the State.

Between 2007 and 2016, the regions could adjust this rate within certain limits (“2007 adjustment”). The Île-de-France Region decided to apply the maximum upward adjustment, i.e. an increase of €1.77/hl on premium petrol and €1.15/hl on diesel.

Article 89 of the Amending Finance Act for 2016 put an end to the system of adjustment by the regions, by setting the amount of the portions at the level of the cap.

The 2010 Finance Act (as amended by the Amending Finance Act for 2011) also introduced a new option to increase the regional rate of TICPE (+€0.73/hl on premium petrol and +€1.35/hl on diesel) provided that the proceeds of such increase are used to “finance sustainable rail or river transport infrastructure, as referred to in Articles 11 and 12 of Law 2009/967 of 3 August 2009 relating to the implementation of the “*Grenelle de l’environnement*” or improvement of the urban transport network in Île-de-France”. Île-de-France adopted this new so-called “Grenelle” part of the TICPE as of 2012 at the maximum rates.

In accordance with the provisions of Article 60-IX of the initial finance act for 2020, the revenues from the tax portions pertaining to TICPE, including both the elements from the previous adjustment mechanism and the Grenelle environmental adjustments, are based as of 2020 on national fuel consumption.

In addition, the Île-de-France Region, like the other regions, various TICPE portions received as offsetting payments:

- from 2014, a portion to compensate the regions for the cost of vocational training; the law provides for a portion of €0.79/hl for premium unleaded petrol and €0.56/hl for diesel based on total national consumption (Article 41 of the 2014 Finance Act). The breakdown between regions was calculated according to the 2013 distribution of the previous DGD vocational training grant (abolished in 2014).
- from 2016, a portion to compensate for the costs incurred by the regions in relation to the transfer of powers provided for in II of Article 91 of law no. 2014-58 of 27 January 2014 on the modernization of regional public action and affirmation of metropolitan areas as well as II of Article 133 of law no. 2015-991 of 7 August 2015 on a new regional organisation for France. The portions are set for 2020 at €0.159/hl for unleaded premium fuels and €0.119/hl based on total national consumption;
- from 2020 (paragraph VIII of Article 74 of the initial Finance Act for 2020), the right to compensation for the transfer of guidance to the regions provided for in Article 18 of law no. 2018-771 of 5 September 2018 for the freedom to choose a professional future is the subject of a permanent payment deducted from the State’s share of the proceeds of the domestic consumption tax on energy products. The amount of this right to compensation is provisional at this stage and may be updated;
- pursuant to Article 18 of the law of 5 September 2018 on the freedom to choose a professional future, the region receives a share of the TICPE as part of the transfer to the regions of duties carried out by the regional delegations of the National Information Office on Teaching and Professions (DRONISEP). This offsetting payment consists of a share of the State’s TICPE, and is fixed in value terms.

### **C/ State grants (for operating and capital expenditure)**

The Region receives:

- a DGD balance each year. This grant was significantly reduced following the implementation of Article 41 of the 2014 Finance Act has abolished the DGD component relating to vocational training and its replacement by new tax revenues derived from, on the one hand, management fees relating to direct taxation and, on the other hand, a new portion of the TICPE revenue (see above). The law guarantees the regions a minimum level of revenue. The total revenue received to offset the abolition of the DGD (management fees and TICPE) may not be less than the amount of the 2013 grant;

- the regional school equipment grant, the amount of which has been fixed since 2008 (Article 4332-3 of the CGTC). Article 33 of the 2017 Finance Act removed the grant for lack of offsetting payments from direct local taxation.
- the compensation allowance paid to the regions as a result of the removal of the residence tax component and the regional share of CVAE from the direct tax management fee revenue.

Also, the introduction of law no. 2018-771 of 5 September 2018 on the freedom to choose a professional future resulted in a new revenue basket in the form of grants or similar allocation mechanisms:

Following the abolition of the regions' responsibility for apprenticeships by law no. 2018-771 of 5 September 2018, a new revenue basket replaced, as of 2020, the one that was granted to regions until 2019 for the exercise of this responsibility.

As a reminder, until 2019 these revenues were made up of "regional resources for apprenticeships" consisting of a portion of the apprenticeship tax (repealed by Article 37-V of the aforementioned law) and a portion of the TICPE, as well as two parts of the TICPE, granted as compensation for the granting of bonuses and aid for the recruitment of apprentices (repealed by paragraphs V, VI and VII of Article 74 of the initial Finance Act for 2020).

To compensate for the change in competencies and missions relating to apprenticeships, several packages have been granted to regions as of 2020, with characteristics leading to their treatment mainly as grants for the time being:

- A compensation package has been set up for the benefit of regions whose eliminated compensatory resources exceeded the financing of their apprenticeship expenses. This package is composed of a fixed levy on State revenue and a fixed amount of the State's TICPE proceeds (1 and 2 of Article 76 of the initial Finance Act for 2020).
- An additional levy on State revenues is planned in order to help cover the costs of the apprenticeship policy as well as the remaining expenditure incurred by the regions from 1 January 2020 until 2021 in respect of the premium (3 of Article 76 of the initial Finance Act for 2020).
- Two new packages set out in Article 6211-3 of the French Labour Code to finance the operating costs of apprentice training centres and capital expenditure.

#### **D/ Miscellaneous revenue**

This last category of revenue is characterised by a wide variety of revenue, including European revenue and revenue directly linked to regional policy (notably the regional skills investment plan)

Miscellaneous revenue comprises the following items:

##### ***– Repayments from loans granted to certain companies or advances to local authorities***

These repayments are essentially on loans granted by the Region under its public transport policies to the Paris Metropolitan Transit System (RATP) and the French National Railway (SNCF Mobilité and SNCF Réseau).

##### ***– Other revenue, primarily consisting of:***

- the proceeds of fixed-rate police and parking fines and, since 2006 a portion of the fines collected through speed cameras. Since 2019, following the implementation of the decriminalisation of parking fines and their management placed at the municipal level, the Region has received a fixed amount each year corresponding to that recorded in 2018;
- the payments allocated by the State, to all local authorities, under the Value Added Tax Compensation Fund (FCTVA), intended to compensate for the VAT paid on capital expenditure and, since the initial Finance Act for 2016, on certain operating expenses;

- since 2015, payments from the European Structural Funds, the European Social Fund (ESF), the European Regional Development Fund (ERDF) and the European Agricultural Fund for Rural Development (EAFRD) as part of the transfer to regions of authority for management of EU funds under the new 2014- 2020 programme (law no. 2014-58 of 27 January 2014 on the modernisation of regional public action and affirmation of metropolises). Part of these funds will be paid out in the form of grants to third-party beneficiaries, while others will go directly to the Île-de-France Region, as part of European co-financing (up to 50%) of projects or initiatives that the Region itself supports and implements via public contracts;
- Miscellaneous revenue related to the implementation of agreements with the State on the skills investment plan (PRIC)
- Catering costs
- Financial income

### 3.1.2 The budgetary and accounting framework

The **initial budget** (IB) is the document that forecasts and authorises the revenue and expenditure of public authorities.

In the case of regional authorities, the budget must be adopted before 15 April of the financial year to which it applies, or before 30 April of the year in which the governing bodies are renewed.

If the budget is not adopted, the law (Article L.1612-2 of the CGCT) sets out a procedure which allows the regional Prefect, as the State's representative in the region, to fix the budget of the local authority after consultation with the CRC.

Adoption of the budget authorises the executive body of the local authority to collect revenue and incur expenditure.

Regional authority budgets must comply with the following five budgetary principles:

- **unity:** all revenue and expenditure must be contained in a single document;
- **annuality:** the authorisation given to the executive body of the local authority to collect revenue and incur expenditure is given for a single year, which runs from 1 January to 31 December;
- **universality:** the budget for the financial year includes all revenue and expenditure without offsetting;
- **equilibrium:** on the basis of a true and fair evaluation of revenue and expenditure, revenue must be equal to expenditure, both in operating (current operations) and capital expenditure. In addition, revenue excluding borrowings must be sufficient to cover the repayment of the principal debt;
- **specialism of expenditure:** expenditure is only authorised for a specific department or purpose. Accordingly, credits are allocated to a department, or to a group of departments, and are broken down into sections grouping expenditure according to its nature or purpose. However, this principle may be mitigated by the authorisation that may be given by the Assembly to the President of the Regional Council to transfer payment credits from one section to another within the limit of 7.5% of the actual expenditure of each of the sections.

**Amending or supplementary** budgets may adjust the revenue and expenditure approved in the IB.

The administrative account, reviewed before 30 June of the following financial year, sets out the expenditure and revenue transactions carried out during the year.<sup>4</sup>

This account, drawn up by the local authority (“authorising officer”), must be consistent with the management account drawn up by the public accountant who is responsible for the payment of expenses and collection of all revenue owed to the local authority.

This method of operation, common to all regional authorities and resulting from the principle of the separation of authorising officers and accounting officers set out in the general texts governing the rules of public accounting in France, has the effect of reserving the handling of public funds to the public accounting officer and of organising an external control of the validity of the payment orders issued each year by the local authority.

The role thus conferred on the public accountant serves as a guarantee for the financial integrity of the local authority.

Under the terms of law no. 82-213 of 2 March 1982, the following types of control exist: administrative or legal compliance control, budgetary and financial control and management control.

Administrative or legal compliance control of regional authorities’ acts is carried out by the Prefect retrospectively. The Prefect may refer these acts, which have become enforceable, to the Administrative Court within two months of the date on which they were received.

Budgetary and financial control is also exercised retrospectively by the Prefect under the supervision of the CRC. These controls are exercised in the following five situations: adoption of the budget after the deadline; failure to list a compulsory item of expenditure; failure to balance the budget; administrative accounts deficit; failure to provide the administrative account.

The order of 23 March 2022 and its implementing decree of 22 December 2022 abolished the historical system of personal and financial liability of public accountants and introduced a unified system, common to all players in the financial chain. The *Cour des comptes* [Court of Accounts] (7th chamber) is now the only financial court of first instance at the national level, and only intervenes for the most serious offences that are the greatest threat to public financial order.

The regional audit chambers no longer perform a retrospective financial control function, as they did previously, but now perform management control and public policy evaluation functions.

### *3.2 Gross public debt, historical summary of debt, maturity structure of debt outstanding showing residual maturities (including where less than one year) and debt repayments and debt outstanding in foreign currencies*

The policy pursued by the Île-de-France Region in this area is guided by a desire to control the amount of borrowing, limit the cost of new borrowings and reduce the cost of debt in order to give priority to devoting available resources to the tasks assigned to the Region.

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<sup>4</sup> Law no. 2021-191 of 22 February 2021, deferring, from March to June 2021, the general renewal of departmental councils, regional councils and assemblies of Corsica, Guyana and Martinique, exceptionally authorises the review and approval of the 2020 revenue by the decision-making body until 31 July 2021 (Article 15).

### 3.2.1 Current position and management of debt

#### (a) Financing instruments in place

– *A 1-year cash facility*

The Region has a new cash facility taken out on 15 February 2023 with Société Générale for a period of 1 year and for an amount of €100 million. At maturity, the Region will consider setting up a new cash facility.

– *The Euro Medium Term Notes (EMTN) programme*

In May 2001, the Region, which has regularly issued on the financial markets, established an EMTN programme in an amount of €1 billion, since increased to €9 billion, with authorisation to issue for maturities of up to 30 years. The Region was also the first French regional authority to make use of this type of instrument.

In July 2019, at its first green and responsible conference, the Île-de-France Region made a commitment to obtain all its future financing – regardless of its nature – in green, social and sustainable format. The EMTN programme has therefore been modified to reflect this new policy.

With these various instruments, the Region is able to choose between bank financing and securities financing for its medium and long-term financing.

– *A diversified borrowing strategy, now entirely green, social and sustainable* The Île-de-France Region has an active policy of issuing green, social and sustainable bonds. Since 2012 it has been heavily involved in this market, consistent with its financial strategy and commitment to sustainable development.

In 2012, the Île-de-France Region was the first local authority in Europe to launch a green and socially responsible bond issue. The Region has begun ex-ante targeted theme fund allocation and produced a report on its fund allocation the following year.

In the spring of 2014, the Region once again launched a green and socially responsible bond issue, in a green bond market that is now booming. The Region deepened its approach by developing a more detailed selection framework that was validated by an independent agency.

In 2015, the Region carried out a public issue and a top-up issue, as well as its first green and socially responsible private placement. The Region has undertaken to request an independent, outside verification of its reporting on these 2015 issues.

In 2016, 2017 and 2018 the Region once again issued green and sustainable bonds and in 2019 drew from its EIB line, also sustainable.

In 2020, the Region launched the largest green and socially responsible bond issue in its history in order to incorporate not only planned expenditure within its annual investment budget but also to finance the regional recovery plan implemented in the fight against COVID-19. In this context, the green and responsible issue framework was modified slightly to ensure the eligibility of the social expenditure incurred.

In 2021, with the gradual implementation of the European Taxonomy Regulation, the Region decided to update the framework for issuing its bonds, now renamed the “Framework for Green, Social and Sustainable Bond Issues” and issued a new sustainable bond under this new framework.

In 2022 and 2023, the Region issued a new sustainable bond under the aegis of this framework.

Île-de-France Region wishes to highlight the exemplary nature of its policies regarding balanced, sustainable development for its region.

The Region stands out:

- for financing projects with an environmental and social dimension; and
- for its commitments to investors, upstream of any transaction, based on best practices and standards.

The Region has subscribed to the Green Bond Principles (GBP) of the International Capital Market Association (ICMA) since July 2015 and is regularly given awards for its commitment and the innovative nature of its practices.

The Region’s objective of setting an example is supplemented by a transparent approach to regional action. It has been evaluated by an extra-financial rating agency, Vigeo-Eiris, on its performance in terms of environmental, social and governance criteria (Environmental, Social and Governance (ESG) criteria). Since 2012, this agency has rated the Region as one of the leading responsible operators amongst the major European local authorities analysed (29 in 2020), regularly ranking it among the top local authorities in its category. The agency rated the Region’s performance as “advanced” overall. In addition, during the review of its new Framework for Green, Social and Sustainable Bond Issues, Vigeo Eiris classified the Region as having “best practices” in three of the four pillars covered by its assessment.

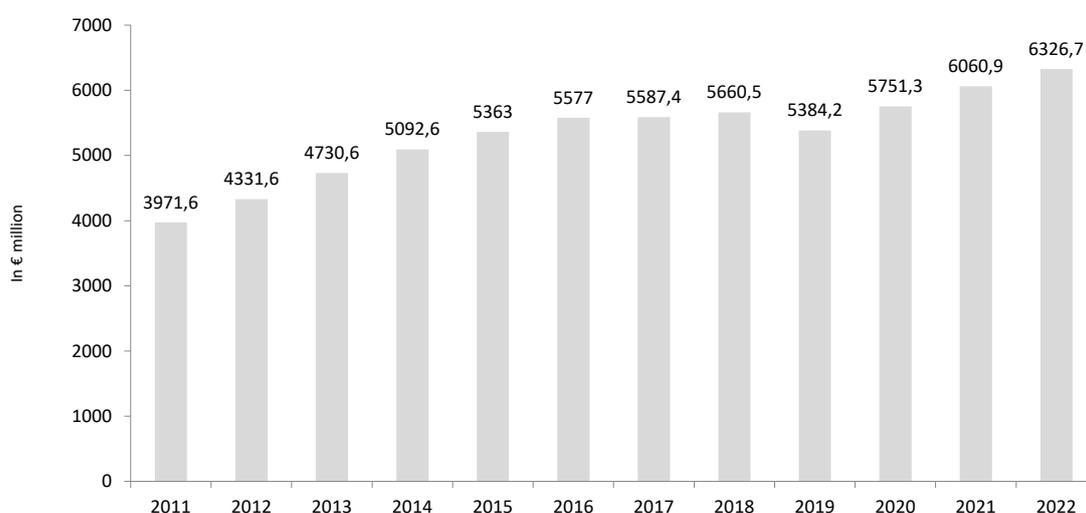
## (b) Debt characteristics

### (i) Outstanding debt

At 31 December 2022, the Region’s outstanding debt amounted to €6,326.7 million.

With outstanding debt of €5,425 million at 31 December 2022, bond issues accounted for 85.7% of total direct outstandings, 91.2% of which were public bond issues.

#### Change in outstanding debt in the Île-de-France Region (at 31/12 of year n)



Since 2004, the Region has increased its level of borrowing in a controlled manner as the investment programmes set out in the 2000-2006 and the 2007-2013 State-Region Agreements reached maturity. While choosing to maintain its capacity to invest, despite the slowdown in its revenue and the increase in its operating costs as a result of the transfer of responsibilities from the State, the Region has endeavoured to control the increase in its debt, which slowed down sharply between 2016 and 2020 and then increased slightly from 2021 onwards in line with the significant investment programme. This financial discipline enabled the Region to absorb the impact of the 2020 health crisis under the best conditions in terms of access to liquidity and financing costs. The substantial increase in the self-financing rate since 2016 also underlines this point. The Region finances an increasing proportion of its investments from its own resources. In 2022, the self-financing rate (share of the investments financed by its own resources) was 83%.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Self-financing rate (%)	57.2	60.7	58	55.6	57.8	67.8	70.9	81.2	103.9	84.9	97.5	83

The tables below show changes in the Île-de-France Region's debt ratios.

***Outstanding debt at 31 December compared with actual revenue excluding borrowings for the year***

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Outstanding debt / actual revenue excluding borrowing recorded in the Administrative Account (as a %)	103.6	109.3	116.3	127.1	127.4	132.3	129.5	129.6	111.1	121.3	125.1	129.0

***Outstanding debt at 31 December compared to gross savings for the year<sup>5</sup> or debt-reduction capacity***

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt reduction capacity (in years)	4.8	5.8	6.3	7.1	7.5	7.2	5.5	5.4	3.4	4	4.1	4.4

At 31 December 2022, total outstanding debt is equivalent to 129.0% of actual revenue excluding borrowings; the Region's debt reduction capacity is 4.4 years.

*(ii) Average debt rate and exposure to interest rate risk*

The Region has for several years been implementing a prudent debt management strategy with two principal objectives:

- limiting the interest rate risk on the Region's debt;
- seizing market opportunities to reduce interest costs.

In the past, this prudent policy has resulted in the use of simple hedging products to split the debt between long-term fixed rates and short-term variable rates, depending on market conditions and outlook, so as to best adjust the position of the outstanding regional debt on the interest rate curve and thus limit the interest expenses actually paid.

Since 2014, given the market environment, the Region has arranged the majority of its new borrowings at fixed rates in order to lock in historically low interest rates.

***Changes in average interest rates on the Region's debt***

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Average annual debt interest rate (incl. accrued interest not yet due)	2.75	2.71	2.46	2.08	1.91	1.73	1.78	1.81	2.16	1.73	1.50	1.45
Average annual level of the 3-month Euribor	1.39	0.57	0.22	0.21	-0.02	-0.26	-0.33	-0.32	-0.36	-0.39	-0.55	0.34

*Source: Finance Department – Region of Île-de-France; rates published on the website of Banque de France*

As regards the financial instruments used, the Region's active management operations are implemented with the greatest caution and only involve simple hedging instruments, the Region having always ruled out the use of complex structured products that are considered to be too risky.

As a result, the only active management product in the Region's outstanding debt at 31 December 2022 is a simple interest rate swap between fixed and variable rates in the eurozone. This product is categorised as A1 (1: eurozone indices, A: simple fixed rate, simple variable rate; exchange of fixed rate for variable rate or vice versa), the category presenting the least risk for regional authorities, according to the classification set out in Appendix 4 of the NOR IOCB1015077C circular dated 25 June 2010 on financial products offered to regional authorities and their public entities. At the government's request, banking institutions and local communities decided to describe the best practices that should be adopted in matters of loan management, in a charter of best practices called the "Gissler Charter" (from the name of its main author). The column of this classification represents the product's structure, from the simplest

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(c) to the riskiest (F). The row of the classification represents the indices on which the products are indexed, here again from the simplest (1) to the most structured (6).

In total, at 31 December 2022, 100% of the outstanding regional debt is indexed to simple fixed rates or simple variable rates in the eurozone and is therefore fully classified in category A1 of the Gissler classification.

**STATEMENT OF DEBT AT 31 DECEMBER 2022 AFTER ACTIVE MANAGEMENT TRANSACTIONS**

Category and year of borrowing	Arranger(s) for bond issues and private placements, or lender(s) for bank loans	Initial rate	Rates after active management transactions	Repayment	Outstanding capital (euros)	Type of product currently active on the facility (excluding currency swaps)	Start date	Product maturity date
<b>BONDS</b>								
<i>Public issues</i>								
2012	BNP and CACIB (€350.0m)	3.625%	-	2024	350,000,000.00	-	-	-
2013	BARCLAYS and NATIXIS (€300.0m)	2.250%	-	2023	300,000,000.00	-	-	-
2014	HSBC France, CACIB and NATIXIS (€600.0m)	2.375%	-	2026	600,000,000.00	-	-	-
2015	BNP, CACIB and NATIXIS (€500.0m)	0.625%	-	2027	500,000,000.00	-	-	-
2015	BNP (€25.0m)	3.625%	-	2024	25,000,000.00	-	-	-
2016	BNP, CACIB, NATIXIS, SG (€650.0m)	0.500%	-	2025	650,000,000.00	-	-	-
2017	BARCLAYS, CACIB, HSBC France, SG (€500m)	1.375%	-	2029	500,000,000.00	-	-	-
2018	CACIB, HSBC France, NATIXIS, SG (€500m)	1.375%	-	2033	500,000,000.00	-	-	-
2020	BNP, CACIB, Deutsche, HSBC, Unicredit (€250m)	0.610%	-	2040	250,000,000.00	-	-	-
2020	BNP, CACIB, Deutsche, HSBC, Unicredit (€550m)	0.100%	-	2030	550,000,000.00	-	-	-
2021	BARCLAYS, CACIB, DZ BANK, HSBC, ING (€500m)	0.000%	-	2028	500,000,000.00	-	-	-
2022	BNP PARIBAS, CACIB, HSBC, NATIXIS (€700m)	2.237%	-	2032	700,000,000.00	-	-	-
<i>Private placements</i>								
2011	CREDIT AGRICOLE CIB (€66.8m)	EUR3M	-	2021	-	-	-	-
2011	SOCIETE GENERALE (€60.0m)	4.035%	EUR3M	2026	60,000,000.00	vanilla swap	13/07/2011	13/07/2026
2013	NATIXIS (€40.0m)	2.594%	-	2025	40,000,000.00	-	-	-
2013	CREDIT AGRICOLE (€40.8m)	EUR3M	-	2028	40,816,326.53	-	-	-
2013	HSBC (€70m)	3.060%	-	2028	70,000,000.00	-	-	-
2013	COMMERZBANK (€50.0m)	2.675%	-	2024	50,000,000.00	-	-	-
2014	HSBC France (€35.0m)	1.640%	-	2025	35,000,000.00	-	-	-
2015	BRED (€100.0m)	EUR3M	-	2021	-	-	-	-
<b>TOTAL</b>					<b>5,720,816,326.53</b>			
<b>SCULDSCHEIN LOAN</b>								
2013	HELABA (€50.0m)	2.750%	-	2028	50,000,000.00	-	-	-
<b>TOTAL</b>					<b>50,000,000.00</b>			
<b>LOANS FROM CREDIT INSTITUTIONS</b>								
<i>Loans in euros</i>								
2011	CDC €252.0m	3.570%	-	2026	80,633,241.00	-	-	-
2012	EIB €200.0m	3.827%	-	2026	200,000,000.00	-	-	-
2018	CDC (€40m)	0.000%	-	2038	32,000,000.00	-	-	-
2018	CDC (€60m)	1.340%	-	2033	43,240,288.43	-	-	-
2019	BEI (€150m)	0.000%	-	2023	150,000,000.00	-	-	-
2019	EIB (€50m)	0.000%	-	2024	50,000,000.00	-	-	-

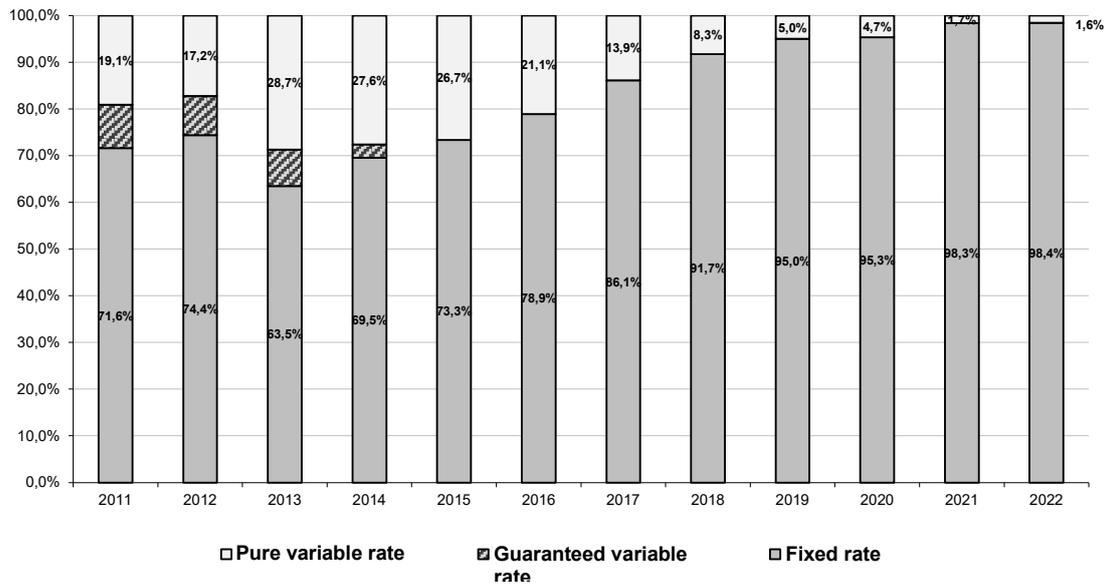
*(iii) Debt structure*

In total, taking into account these transactions, the breakdown of debt by type of interest rate at 31 December 2022 is as follows:

- 98.4% fixed rate borrowings, for a total outstanding amount of €6,225.9 million,
- 1.6% variable-rate debt, for a total outstanding amount of €100.8 million.

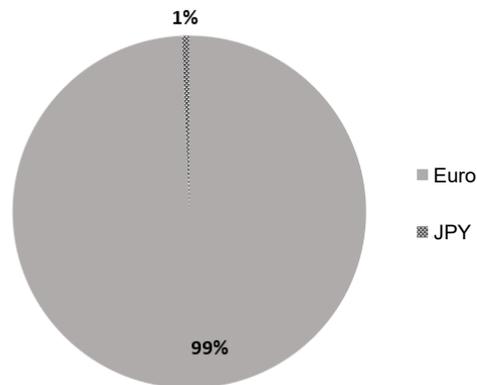
Change in breakdown of regional debt:

**Change in debt structure at 31 December of each year (excluding METP and amounts outstanding on the revolving credit facility)**



Structure of the Region's debt by currency type:

Debt structure by currency type at 31 December 2022



The Region does not incur any foreign exchange risk, as it takes out currency swap contracts with the euro from the outset when it issues securities in foreign currencies.

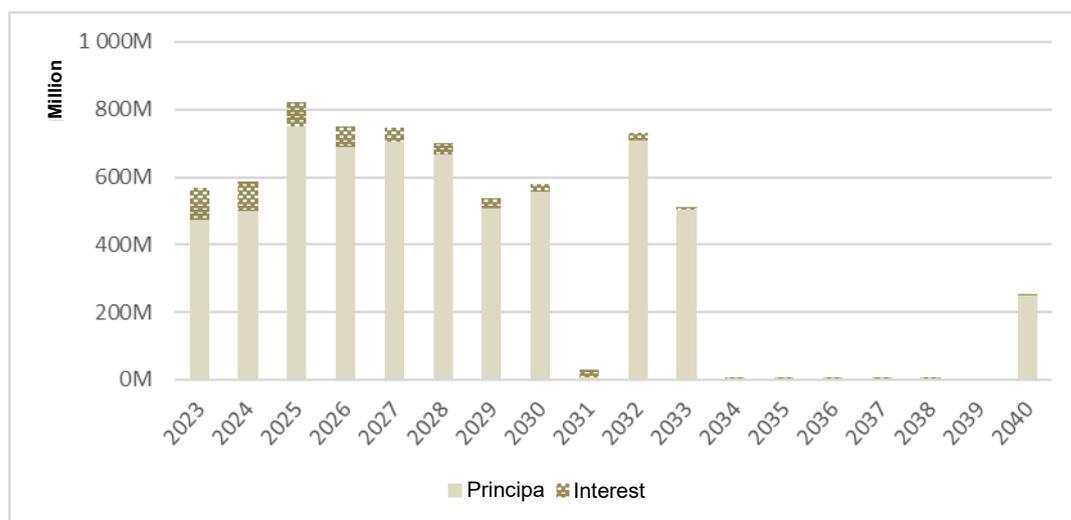
*(iv) Change in debt amortisation*

The average term of the Region's debt is 5.6 years at the end of 2022.

Borrowings with a residual maturity of less than one year account for 7.1% of the total. It includes a €300 million public bond issue (issued in 2013) redeemed in June 2023 and a €100 million loan from the EIB (taken out in 2019) redeemed in November.

The change in debt amortisation based on the amount outstanding at 31 December 2022 is as follows:

**Forecast change in amortisation of debt outstanding at  
31/12/2022**



(v) *Share of green and responsible borrowing*

At the end of 2022, the green and sustainable bond loans of the Region amounted to €5,400 million, i.e. 85% of outstanding debt. Green and responsible borrowing consists mainly of benchmark bonds subscribed by a diversified base of qualified European investors.

In 2022, the Region raised €700 million on a sustainable bond issue with a maturity of 10 years.

**(d) Cash and cash equivalents**

With regard to short-term debt, the Region has recourse to either bank lines or issues of short-term negotiable securities (TNCT, formerly Billets de Trésorerie) to meet its cash financing requirements, as part of its TNCT programme (formerly the Billets de Trésorerie programme) set up in 2002, which was increased to €1 billion in 2012. When it voted on the initial budget for 2021, the Regional Council approved the increase in this package to €1.5 billion in the 2021 update. Then, when it voted on the initial budget for 2023, the Regional Council approved a reduction in this package to €1 billion in the 2023 update.

The €587 million CLTR line expired at the end of December 2022. The Region has set up a new €100 million cash facility that can be used both to raise borrowings and as a cash management tool.

Due to its flexibility, this instrument makes it possible to make interest rate and market arbitrages at any time, with reduced lead times.

This facility also provides for the option of full or partial repayment of the debt taken out, depending on cash flow requirements (since any amount repaid may be re-borrowed under this facility). This facility therefore enables the Region to better manage its cash requirements to optimise the use of public funds.

**(e) Use of bank credit lines for cash management purposes**

Since 2004, the minimised average daily balance has made it possible to reduce the debt service cost. Since the end of 2015, the short-term interest rate environment has allowed the Region to benefit from negative rates on its commercial paper.

Since 2016, to meet its cash requirements, the Region has used TNCT instead of the CLTR line, due to the currently very attractive interest rates on these products (negative rates). This strategy resulted in a surplus in the Cash account, without any opportunity cost for the Region.

**Average daily cash balance since 2013, €m**

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1.1	2.8	18.9	912.5	1,186.20	1,126.40	1,088.30	1,627.70	1684.7	1550.3

**(f) The TNCT programme: a complementary cash management instrument**

Article 25 of law no. 2001-420 of 15 May 2001 on new economic regulations gave regional authorities the option of issuing commercial paper (now TNCT). In 2002, the Region set up a commercial paper programme (now the TNCT programme) for a total amount of €1 billion since 2012, which has been increased to €1.5 billion in 2021. The commercial paper programme serves a dual purpose:

- to provide a short-term choice between bank financing (credit line) and securities financing;
- to further reduce the cost of managing the Region's cash.

Accordingly, in order to cover its cash requirement, the Region can choose at any time, in the short term, as in the long term with the introduction of the EMTN programme, between drawing on its cash facility and issuing on the TNCT market.

The choice between the two instruments depends on the foreseeable duration of its financing requirements and the conditions offered by the markets. The two instruments are complementary, with TNCT issues being reserved for standard minimum maturities of around 20 days.

In 2022, to meet its cash flow requirements, the Region used TNCTs in the first half of the year, due to the very attractive interest rate conditions for these products (negative rates).

**List of issues on the TNCT market in 2022**

Payment date	Repayment date	Term in days	Amount issued (€)	Rate
14/02/2022	13/02/2023	364	300,000,000	-0.200%
14/03/2022	14/06/2022	92	500,000,000	-0.455%
14/03/2022	14/06/2022	92	100,000,000	-0.455%
14/03/2022	14/06/2022	92	150,000,000	-0.455%
14/03/2022	14/06/2022	92	150,000,000	-0.455%
14/06/2022	14/09/2022	92	500,000,000	-0.220%
14/06/2022	14/09/2022	92	400,000,000	-0.220%
14/06/2022	14/09/2022	92	100,000,000	-0.220%

As a result, outstanding commercial paper at 31 December 2022 amounted to €0.3 billion. These operations permitted the Region to take advantage of exceptional conditions to manage its cash position. This strategy resulted in a surplus cash flow, without any opportunity cost to the Region.

**(g) Receivables**

The Île-de-France Region is unusual in that it holds a significant amount of receivables in the form of loans and advances (€276 million at 31 December 2022), which must be taken into account when analysing the Region's outstanding commitments.

**Outstanding receivables at 31 December, €m**

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
585	549	509	468	425	384	355	345	303	276

As part of its policy to promote public transport, the Île-de-France Region has granted loans to certain public-sector establishments or companies (RATP, SNCF and Réseau Ferré de France (RFF)). Depending on the project, these subsidised 25-year loans represent 10-20% of the cost of the project.

With the 2007-2013 State-Region Agreement, this loan mechanism was discontinued, with the Region's contribution to the financing of transport infrastructure expenses being paid exclusively in the form of subsidies to the contracting party for each project.

As a result, the Region is no longer granting new loans to RATP, SNCF (formerly SNCF Mobilités) and SNCF Réseau under the 2007-2013 State-Region Agreement. On the other hand, as part of projects covered by previous planning agreements, the Region only granted loans to RATP in 2014 and 2015.

The Region also granted some claims on new towns in the Île-de-France Region, in the process of being wound down, as well as various advances.

**(h) Loan guarantees**

The total annual payments on loans guaranteed by the Region are very low. For 2021, it amounted to approximately €0.1 million for a total guaranteed outstanding amount of €2.681 million, broken down as follows at 31/12/2021:

**List of outstanding loan guarantees in 2021**

Beneficiaries	Outstanding principal (€m)	Portion guaranteed	Annuity 2021		
			Principal (€m)	Interest (€m)	Total (€m)
Public-private partnerships	0.1	30%	0.083	0.005	0.088
Public-private partnerships	0.3	12.50%	0.010	0.007	0.017
Public-private partnerships	0.1	12.50%	0.004	0.002	0.006
Public-private partnerships	0.1	12.50%	0.006	0.001	0.007
Public-private partnerships	2.1	35%	0.000	0.000	0.000
<b>TOTAL</b>	<b>2.7</b>		<b>0.102</b>	<b>0.019</b>	<b>0.122</b>

The Region's commitments therefore remain very limited.

**(i) Regional guarantee fund**

**Regional guarantee fund**

On 14 December 2000, the Regional Council decided to create a regional guarantee fund (Île-de-France Regional Guarantee Fund) to facilitate access to various types of funding for certain

categories of companies. This fund is managed by Bpifrance, a public institution whose mission is to finance and support businesses.

In 2013, the Île-de-France Region and Bpifrance Régions sought to modify the operating procedures for the Île-de-France Regional Guarantee Fund. This led to the closure of the first Île-de-France Regional Guarantee Fund (FRG 1) at the end of 2015 and the creation of an Île-de-France Regional Guarantee Fund 2 (FRG 2).

Successive amendments since 2000 have brought the Region's payments to FRG 1 to a total of €123.5 million, which has been placed under run-off management. The annual FRG 2 grant is to be resourced through the reallocation of funds that become available as the risks associated with FRG 1 cease to exist. FRG 2 received an allocation of €8 million from the Region in 2015, followed by an additional allocation of €5 million in 2017. At 31 December 2019, the fund had a balance of €106.4 million. Regional investment funds

The Region participates directly in the capital of several investment funds (Genopole 1<sup>er</sup> jour, Financites, Scientipole IDF Capital, Paris Region Venture Funds, Cap Décisif, Cap Décisif Management, Innovacom IDF, InvESS IDF, UI Gestion SA, Alter Equity). This financing tool enables the Region to help strengthen the equity capital of small and medium-sized enterprises (SMEs) and small and medium-sized industries (SMIs).

**(j) Details of holdings**

At 31/12/2021, the Region held equity stakes in several entities, the details of which are given in the table below and in the appendix of the budgets and administrative accounts:

Name of organisation	Legal form	Type of commitment	Amount
<i>Ownership of a share of capital</i>			
SOCIETE D'ETUDES, DE MAITRISE D'OUVRAGE ET D'AMENAGEMENT PARISIENNE	SA [PLC] with a board of directors	18/01/1990 – CR 02-90	38,112.25
SOCIETE D'AMENAGEMENT FONCIER ET D'ETABLISSEMENT RURAL D'ÎLE-DE-FRANCE	SA [PLC] with a board of directors	13/11/1990 – CR 46-90	51,405.80
SAEM CITALLIOS	Public-private partnership in the form of an SA [PLC] with a board of directors	09/07/1991 – CR 36-91	914,694.10
SEM GENOPOLE	Public-private partnership in the form of an SA [PLC] with a board of directors	13/12/2001 – CR 65-01	9,146,000.00
ÎLE-DE-FRANCE CONSTRUCTION DURABLE (FORMERLY SAERP)	Local public company	27/06/2002 – CR 10-02	3,400,000.00
GENOPOLE 1 <sup>ER</sup> JOUR	SA [PLC] with a management board	12/07/2007 – CP 07-640	1,036,612.20
FINANCITES	Société par actions simplifiée (simplified joint stock company)	22/01/2009 – CP 09-068	1,058 151.22
SCIENTIPOLE IDF CAPITAL	Société par actions simplifiée (simplified joint stock company)	17/03/2006 – CR 08-06	1,800,000.00
PARIS REGION VENTURE FUNDS (FORMERLY FONDS REGIONAL DE CO-INVESTISSEMENT)	Single-member SAS (simplified joint stock company)	13/03/2011 – CP 11-185	41,600,000.00
CAP DECISIF	Société par actions simplifiée (simplified joint stock company)	13/12/2000 – CR 64-00	2,077,120.84
CAP DECISIF MANAGEMENT	Société par actions simplifiée (simplified joint stock company)	29/11/2007 – CP 07-1105	14,986,586.99
SEM ENERGIE POSITIF	Public-private partnership in the form of an SA [PLC] with a board of directors	17/11/2011 – CR 115-11	6,020,000.00
SEML SIGIEF MOBILITES	Local public-private partnership	18/05/2017 – CR 2017-83	350,000.00
SOCIETE DE GESTION IMPACT PARTENAIRES	Société par actions simplifiée (simplified joint stock company)	13/12/2016 – CP 16-616	1,872,000.00
UI GESTION SA – CAP CER	SA [PLC] with a management board	11/07/2013 – CP 13-502	1,020,000.00

ALTER EQUITY	Société par actions simplifiée (simplified joint stock company)	11/07/2013 – CP 13-502	1,740,990.38
EXPO FRANCE 2025	Public interest grouping	20/09/2017 – CP 2017-356	400,000.00
FONDATION POUR LA MEMOIRE DE L'ESCLAVAGE, DES TRAITES ET DE LEURS ABOLITIONS	Foundation	28/05/2019 – CR 2019-028	10,000.00
SEM ÎLE-DE-FRANCE INVESTISSEMENT ET TERRITOIRES	Public-private partnership in the form of an SA [PLC] with a board of directors	05/03/2020 – CR 2020-007	3,600,000.00
AXELEO PROPTECH 1	Société par actions simplifiée (simplified joint stock company)	01/07/2020 – CP 2020-327	100,000.00
ASSOCIATION FRANCE ACTIVE	Association	05/11/1998 – CP 98-405	15.24
ILE-DE-FRANCE LOISIRS	Public-private partnership in the form of an SA [PLC] with a board of directors	24/09/2020 – CR 2020-041	1,100,000.00
<i>Others</i>			
INVEST IDF (FORMERLY EQUISOL)	Public housing cooperative in the form of an SA (PLC)	10/07/2008 – CP 08-761	3,250,000.00
COPROCOOP ILE-DE-FRANCE	Public housing cooperative in the form of an SA (PLC)	06/07/2007 – CP 06-533	599,985.00
CAISSE LOCALE DE CREDIT AGRICOLE MUTUEL	Caisse de crédit agricole mutuel	08/09/1971 – Received 087-947	426.86
BPIFRANCE FINANCEMENT	Société anonyme (Public limited company)	08/06/2020 – CRP2020-03	50,000,000.00

**(k) Balance of trade and balance of payments**

Not applicable.

**(l) Foreign exchange reserves**

Not applicable.

**(m) Financial position and resources**

This point is addressed, with respect to income, in 3.1.1 and with respect to debt and guaranteed regional debt, in 3.2.

However, the different ratios illustrating the financial position of the Region are discussed below.

**The main indicators for comparative analysis**

The ratios appearing below have been calculated based on the document “Les Finances des régions en 2021” [The Finances of the regions in 2021] (as published by the Local Authorities General Directorate “DGCL” in December 2022, the most recent “Administrative Account” data available) in relation to the 2021 administrative accounts.

These ratios reflect the particular situation of the Île-de-France Region.

In terms of operating expenditure, the cost per capita is lower in Île-de-France (€207 per inhabitant compared with an average of €321 per capita for the other regions of mainland France), with personnel costs in particular that are lower than those of other mainland regions (€36 per capita for the Île-de-France Region compared with an average of €54 for the other regions of mainland France).

Capital expenditure per capita (excluding debt repayment) is slightly lower than the average in other regions (€174 per capita for the Île-de-France Region, compared with an average of €183 per capita for other regions in mainland France).

Finally, the gross savings rate (i.e. the proportion of operating revenues allocated to cover capital expenditure), of the Île-de-France Region (28%, excluding the transfer of the previous year’s result) is higher than the savings rate of other regions in mainland France (20% on average).

## Main indicators

	ILE DE FRANCE 2021	MAINLAND FRANCE excluding IDF and CORSICA 2021	ALL MAINLAND FRANCE excluding CORSICA
<b>INCOME RATIOS</b>			
Actual operating revenue (euro per capita)	286	401	379
Total revenue (excl. borrowing) (euro per capita)	353	475	452
<b>EXPENSE RATIOS</b>			
Operating expenditure (euro per capita)	207	321	299
Capex (excluding debt repayments) (euro per capita)	174	183	181
Percentage of capital expenditure (excluding debt repayment) in total expenditure (%)	46%	36%	38%
Personnel costs (euro per capita)	36	54	51
Percentage of personnel costs in actual operating expenses (as a %)	18%	17%	17%
<b>DEBT AND SAVINGS RATIOS</b>			
Capital debt (euro per capita)	494	434	445
Debt annuity * (euro per capita)	23	31	29
Annuity* / operating income (%)	8%	8%	8%
Borrowing* / total revenue (%)	11%	12%	12%
Savings rate (%)	28%	20%	21%

Source: DGCL – “Les Finances des régions en 2021”

\* Excluding active debt management (refinancing) and the adjustment entry in relation to the CTRL facility, which is balanced in terms of expenditure and revenue.

### 3.6 Revenues and expenditure

#### 3.6.1 Review of the accounts

With the various transfers of responsibilities following the successive stages of decentralisation, the budget of the Île-de-France Region rose from approximately €415 million in 1982 to €4,896 million in expenditure in the 2021 administrative account.

#### (a) Changes in the structure of regional expenditure

Until 2005, the budget of the Île-de-France Region was mostly allocated to investment. Since 2006, with the new transfers of responsibilities, operating expenditure now accounts for a greater share of the budget than capital expenditure.

Between 1998 and 2005, capital expenditure excluding debt represented an average of 52.5% of total expenditure in the regional budget. Between 2006 and 2016, this share fell almost constantly to 33.4%. Between 2016 and 2018 it stabilised at this level (33.6% on average). In 2021, the share of investments (excluding debt) increased to 43%, a level not reached since 2006.

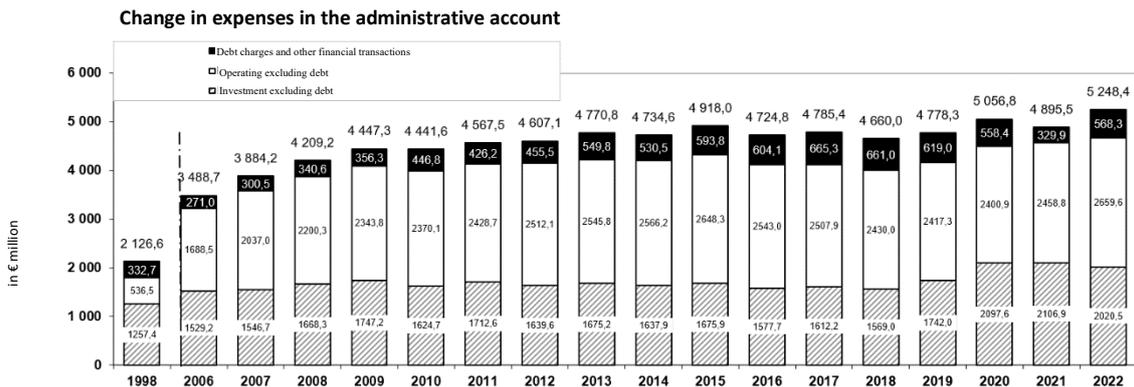
Capital expenditure in the Île-de-France Region, as for other regions, generally takes the form of capital grants to contracting parties (the State, other regional authorities or state-owned corporations) except with regard to construction and fitting-out of schools and universities, where the region undertakes the majority of the capital expenditure directly.

At the same time, the operating budget (excluding debt) budget, which is primarily devoted to intervention expenditure, and which represented an average of around 35% of total expenditure from 1998 to 2005, has averaged 52% of total expenditure since 2006. In 2021, this share amounted to 50.2%. This budget includes the Region's expenditure on the running of secondary schools, vocational training, economic initiatives, employment and transport.

In total, the weight of the Region's intervention expenditure, whether charged to the investment section or to the operating section of the budget (excluding expenditure by the regional institution) has increased, rising from 83.4 per cent of the regional budget on average over the period 1998-2005, to 89.5 per cent over the period 2006-2021.

Expenditure on the equipment and running of the regional institution (excluding staff at secondary schools) has accounted for an average of 4.1% of the total budget since 2006, including 2.6% for staff expenditure alone (staff expenditure excluding staff at secondary schools). In 2021, this expenditure reached 4.1% of the total budget.

Debt service (including the various financial transactions), which represented an average of around 12.4% of expenditure over the period 1998 to 2005, (including finance costs relating to the Public Works Contract procedure), has represented an average of around 10.5% of the Region's total expenditure since 2006.



**(b) Change in the structure of regional revenues**

The share of tax-based revenues (direct taxation and other tax revenues, including TICPE) within the regional revenue basket remains predominant: these revenues include, in particular, direct regional taxation (currently concentrated solely on the sum of the two IFRs), other tax revenues such as VAT (DGF portion and CVAE portion) or the tax on vehicle registration certificates (grey cards), and the TICPE portions. In 2022, revenue from taxation will account for 86% of actual revenue, excluding borrowing and the Region's surplus.

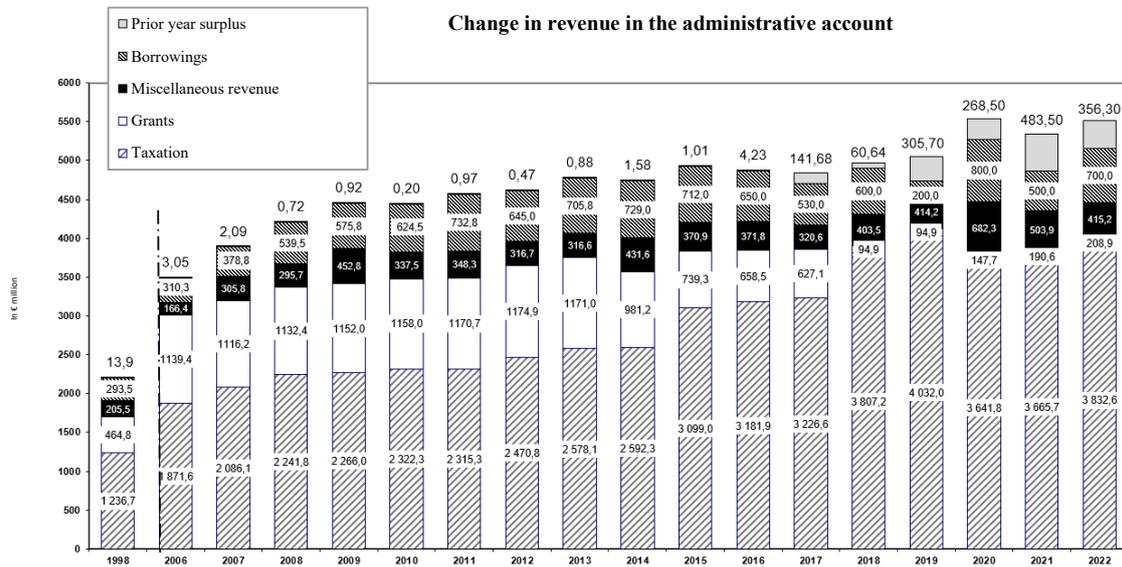
Grants will account for 4.7% of total revenue in 2022, excluding borrowing and surpluses.

In 2022, **miscellaneous revenue** accounted for 9.3% of total revenue excluding borrowings and surpluses.

The weight of tax revenue has increased significantly over the long term: this revenue represented 61% of the total in 2010, while grants represented 30%.

In fact, the share of grants in revenue excluding borrowing has decreased sharply as a result of two significant developments: on one hand, between 2014 and 2017, the contribution of the local authorities to restoring public accounts resulted in a significant reduction in grants paid. On the other hand, from 2018, a portion of value-added tax was assigned to the regions in lieu of the former lump-sum grant.

However, the weight of allocations increased slightly from 2020 (in 2019, allocations accounted for only 2% of total revenue excluding borrowing and surpluses compared with 3.3% in 2020, 4.4% in 2021 and 4.7% in 2022), in particular due to changes in the characteristics of revenue following the implementation of the apprenticeship reform, but also the creation of a new allocation to offset the disappearance of the portion of “TH and CVAE management fees” (see above).



(c) **2022 administrative account**

Actual expenditure for the 2022 financial year amounted to €5,248.5 million (excluding intra-annual movements on the long-term credit facility balanced by revenue of an equal amount) for a total budget funding amount (after the amending decision) of €5,578.8 million. Actual spending under the 2022 budget amounted to 98.95% of the initial budget (94.08% after the amending decision). Expenditure increased by 5.5% relative to 2021.

Real operating expenditure increased after five consecutive years of decline, in line with the executive’s commitments to tackle the unprecedented crisis. Sectors with strong growth include:

- International +53%,
- Urban renewal +19%.

The amount of revenue (excluding borrowings and excluding the surplus from the previous year) posted for the 2022 financial year was €4,456.6 million, compared with a forecast of €4,584.5 million in the initial budget, revised to €4,341.9 million after the supplementary budget and the amending decision. Permanent revenues were 97.2% higher than forecast in the 2022 initial budget.

With regard to borrowings, the amount called up in respect of 2022 was €700 million, i.e. 97% of the amount allocated in the initial budget (€719.4 million).

With total revenue of €5,604.8 million, taking into account the reversal of previous results (€448.2 million), and expenditure of €5,248.5 million, the 2022 financial year ended with a surplus of €356.3 million.

In total, gross savings (the difference between operating revenue and operating expenditure) for the year amounted to €1,425.6 million (a gross savings rate of 34%, including the n-1 surplus) and net savings (i.e. after amortisation of debt) totalled €991.3 million (a net savings rate of 23.7%, including the transfer of the previous year’s result).

The self-financing capacity generated over the financial year (net savings, plus actual investment income), i.e. €1,676.8 million, covered 83% of investment expenditure. At the end of 2022, the debt-to-equity ratio was 4.4 years, and outstanding debt (€6,326.7 million) represented more than one year's actual revenue (129%).

The tables below show actual revenue and expenditure for 2022, for both investment and operations.

TYPE OF REVENUE	2021 REVENUE €m	2022 1B €m	1B-SB 2022	2022 REVENUE €m	2022 REVENUE /2022 1B GAP	2022 REVENUE /2022 1B-SB GAP	ACTUAL 2022 REVENUE (% of 2022 1B)	2022 REVENUE /2021 REVENUE GAP
<b>OPERATING SECTION</b>	<b>3,585,905</b>	<b>3,589,340</b>	<b>3,626,241</b>	<b>3,740,444</b>	<b>+151.1</b>	<b>+162.2</b>	<b>104.2%</b>	<b>+216.2</b>
<b>A. TAX REVENUE</b>	<b>3,251,859</b>	<b>3,415,645</b>	<b>3,347,625</b>	<b>3,461,227</b>	<b>+45.6</b>	<b>+113.6</b>	<b>101.3%</b>	<b>+210.2</b>
<b>Direct taxation</b>	<b>125,202</b>	<b>127,519</b>	<b>127,839</b>	<b>127,030</b>	<b>-8.4</b>	<b>-6.6</b>	<b>94.2%</b>	<b>-1.1</b>
<i>Flat-rate taxes on network companies (CVAE)</i>	125,153	127,519	127,839	121,074	-6.4	-6.0	94.9%	-1.1
<i>Additional roles</i>	0.049							
<b>Other tax revenues (excluding TICPE)</b>	<b>4,359,021</b>	<b>4,356,028</b>	<b>3,566,028</b>	<b>3,600,457</b>	<b>+78.6</b>	<b>+115.4</b>	<b>84.2%</b>	<b>+66.8</b>
Regional tax on 'grey cards' (vehicle registration documents)	306,648	320,000	300,000	263,438	-36.6	-36.6	82.3%	-43.2
Repayment of the regional share of the office tax (TSB)	212,939	212,939	212,939	212,939	-0.0	-0.0	100.0%	0.0
Management fees for direct local taxation	53,502	55,502	40,472	40,472	-13.0	-13.0	75.0%	-13.0
Additional regional tax on commercial real estate transfer duties	55,229	65,000	65,000	53,777	-11.2	-11.2	82.7%	-11.2
VAT - portion from 2018 (formerly DGF (general operating grant))	543,327	538,000	570,492	579,213	+12.2	+8.7	107.7%	+35.9
VAT - portion from 2021 (formerly CVAE (general operating grant))	3,172,426	3,169,500	2,376,145	2,500,617	+124.5	+124.5	79.1%	+44.0
<b>Domestic tax on consumption of energy products (TICPE)</b>	<b>1,017,261</b>	<b>1,014,619</b>	<b>1,029,805</b>	<b>1,032,115</b>	<b>+12.5</b>	<b>+2.3</b>	<b>101.2%</b>	<b>+14.0</b>
TICPE - compensation under the 2004 LRL Act	888,948	892,482	892,482	892,482	-0.0	-0.0	99.9%	+3.3
TICPE - formerly 2007 adjustment	72,881	79,000	79,000	69,607	-9.4	-9.4	99.3%	-3.3
TICPE - compensation under the MAPTAM NOTRE laws	4,968	4,968	4,968	5,015	+4.0	+4.0	100.9%	+4.0
TICPE - Vocational Training	38,952	38,952	54,634	54,634	+15.7	0.0	140.3%	+15.7
TICPE - compensation for apprenticeship reform	0.000							
TICPE - compensation for Donating transfer	1,550	1,550	1,550	1,550	-0.0	+0.0	100.0%	0.0
TICPE - compensation for apprenticeship reform	6,202	6,202	6,202	6,202	-0.0	+0.0	100.0%	0.0
TICPE - compensation for scholarship students / inflation	3,360			2,656	-2.7	+2.7		-1.1
<b>Tax deductions</b>	<b>-2,235,676</b>	<b>-2,085,514</b>	<b>-1,374,258</b>	<b>-1,374,249</b>	<b>-71.1</b>	<b>+1.8</b>	<b>65.8%</b>	<b>-86.3</b>
National Individual Resources Guarantee Fund (FVGB) (expenditure)	-674,316	-711,256						
Equalization fund for regional resources (expenditure)	-1,088,442	-1,039	-1,039					
Compensation allowance for the transfer of the CVAE (expenditure)	-1,372,419	-1,372,419	-1,372,419	-1,372,419	-0.0	+0.0	100.0%	0.0
<b>B. GRANTS</b>	<b>79,856</b>	<b>70,146</b>	<b>93,407</b>	<b>93,407</b>	<b>+23.3</b>	<b>+0.0</b>	<b>133.2%</b>	<b>+13.9</b>
General decentralization grant (DGD)	8,820	8,820	8,820	8,820	-0.0	+0.0	100.0%	0.0
Provisional compensation for termination of premiums	6,369	6,369	6,369	6,369	-0.0	+0.0	100.0%	0.0
New revenue for operating support for apprenticeships	20,572	20,571	20,571	20,572	+0.0	+0.0	100.0%	+0.0
Compensation allowance - apprenticeship reform	2,869	2,869	2,869	2,869	-0.0	+0.0	100.0%	0.0
Compensation allowance - TH management fees	37,886	37,886	37,886	37,886	-0.0	+0.0	100.0%	0.0
Compensation allowance - tariff	3,040	3,040	3,040	3,040	-0.0	+0.0	100.0%	0.0
Compensation allowance - CVAE management fees	13,852	13,852	13,852	13,852	+15.9	0.0	115.9%	+15.9
<b>C. MISCELLANEOUS REVENUE</b>	<b>175,290</b>	<b>103,549</b>	<b>185,208</b>	<b>185,809</b>	<b>+82.3</b>	<b>+8.6</b>	<b>179.4%</b>	<b>+18.5</b>
<b>Financial income</b>	<b>11,792</b>	<b>2,421</b>	<b>2,421</b>	<b>2,421</b>	<b>+2.2</b>	<b>+2.2</b>	<b>192.8%</b>	<b>-7.1</b>
Accrued interest not yet due (ICME)	0.012			0.009				
<b>Miscellaneous</b>	<b>163,498</b>	<b>101,128</b>	<b>182,787</b>	<b>181,150</b>	<b>-28.0</b>	<b>-1.6</b>	<b>179.1%</b>	<b>+17.2</b>
European funds - 2014-2020 programme	35,150	31,744	51,744	18,912	-32.8	-32.8	36.3%	-16.2
European funds - 2021-2027 programme			8,700					
Regional Restoration Fund (RR)	6,239	5,000	5,000	7,103	+2.1	+2.1	142.1%	+6.9
State-Region agreements on vocational training	112,914	80,000	91,000	101,665	+21.1	+10.1	126.3%	+13.8
Extraordinary income on deposits	44,344	16,128	26,343	34,070	+37.9	+27.7	335.3%	+9.7
Miscellaneous (e.g. repayment of subsidy overpayments)								
<b>INVESTMENT SECTION</b>	<b>819,162</b>	<b>943,421</b>	<b>715,613</b>	<b>716,190</b>	<b>-227.2</b>	<b>-4.6</b>	<b>75.9%</b>	<b>-101.0</b>
<b>A. TAX REVENUE</b>	<b>414,654</b>	<b>361,000</b>	<b>347,959</b>	<b>371,250</b>	<b>+16.4</b>	<b>+23.4</b>	<b>102.9%</b>	<b>+31.3</b>
Tax on the creation of offices in Île-de-France (TCB-DF)	153,973	110,000	100,000	119,330	+9.4	+19.4	108.5%	34.6
Regional share of the development tax (TA) and residual planning taxes	54,054	45,000	45,000	49,904	+4.9	+4.9	110.9%	+4.1
Annual tax on parking areas (TAS)	66,485	66,000	66,000	66.0	-0.0	+0.0	100.0%	-0.5
Additional special annual tax (TASA)	76,960	80,000	76,959	77.0	-3.0	+0.0	96.2%	0.0
Grenelle TICPE	63,182	60,000	60,000	59,095	-9.9	-9.9	98.5%	-4.1
<b>B. GRANTS</b>	<b>114,082</b>	<b>142,070</b>	<b>119,118</b>	<b>115,445</b>	<b>-26.6</b>	<b>-5.7</b>	<b>81.2%</b>	<b>+4.4</b>
Regional School Equipment Grant (DRES)	86,089	86,089	86,089	86,089	-0.0	+0.0	100.0%	0.0
New revenue for investment learning support	23,030	23,029	23,029	23,030	+0.0	+0.0	100.0%	0.0
Regional grant for investment support	1,963	32,952	10,000	6,326	-26.6	-5.7	19.5%	+4.4
<b>C. MISCELLANEOUS REVENUE</b>	<b>293,427</b>	<b>440,351</b>	<b>248,536</b>	<b>229,395</b>	<b>-211.0</b>	<b>-19.1</b>	<b>52.1%</b>	<b>-64.0</b>
<b>Financial income</b>	<b>38,214</b>	<b>218,727</b>	<b>27,846</b>	<b>27,846</b>	<b>-19.9</b>	<b>-19.9</b>	<b>12.7%</b>	<b>-16.4</b>
Principal repayments of receivables								
<b>Miscellaneous</b>	<b>255,212</b>	<b>221,624</b>	<b>220,689</b>	<b>201,547</b>	<b>-20.1</b>	<b>-18.1</b>	<b>96.2%</b>	<b>-55.7</b>
Police fines	69,388	69,388	69,388	69,388	-0.0	+0.0	100.0%	0.0
FCTVA	77,582	90,000	88,007	68,186	-21.9	-20.3	75.7%	-8.9
European funds - 2014-2020 programme*	46,145	40,619	40,619	42,026	+1.4	+1.4	103.5%	+1.4
European funds - REACT-EU								
Budget estimate for extraordinary income on deposits	12,907							
Miscellaneous (e.g. contribution to works at mixed sites)	61,717	8,710	9,368	22,027	+13.3	+12.7	252.9%	39.7
<b>TOTAL REVENUE EXCLUDING BORROWINGS</b>	<b>4,325,067</b>	<b>4,532,761</b>	<b>4,341,854</b>	<b>4,456,634</b>	<b>-76.1</b>	<b>+11.8</b>	<b>98.3%</b>	<b>+131.6</b>
<b>BORROWINGS</b>	<b>500,000</b>	<b>719,419</b>	<b>788,797</b>	<b>700,000</b>	<b>-19.4</b>	<b>-8.8</b>	<b>97.3%</b>	<b>+200.0</b>
<b>WRITE-BACKS OF PREVIOUS RESULTS</b>	<b>483,460</b>	<b>483,460</b>	<b>448,162</b>	<b>448,162</b>	<b>-448,162</b>	<b>-448,162</b>	<b></b>	<b></b>
Operating surplus carried forward in N	483,460		448,162	448,162	-448,162	-448,162		
Capitalised operating surplus (account 1068 in revenues)	55,716		260,580	260,580	-260,580	-260,580		
Investment balance carried forward (line 001 in expenditure)	-55,716		-260,580	-260,580				
<b>GRAND TOTAL</b>	<b>5,308,527</b>	<b>5,252,180</b>	<b>5,578,812</b>	<b>5,604,796</b>	<b>+152.4</b>	<b>+26.0</b>	<b>106.7%</b>	<b>+296.1</b>

SUMMARY TABLE - ACTUAL INVESTMENT EXPENDITURE (PAYMENT APPROPRIATIONS - Execution 2022)

SECTORS	2021						2022						Change in revenue 2022 / 2021	
	IB	SB + AD + TRANSFERS OF APPROPRIATIONS	TOTAL BUDGET AVAILABLE	REALISED EXPENDITURE	GAP / IB	IB realisation rate	IB	SB + AD + TRANSFERS OF APPROPRIATIONS	TOTAL BUDGET AVAILABLE	REALISED EXPENDITURE	GAP / IB	IB realisation rate	in €m	in %
<b>EQUIPMENT FOR THE INSTITUTION</b>	18.14	-2.85	15.29	13.85	-4.28	76.49%	24.18	-4.40	19.78	16.62	-7.56	68.79%	2.77	20.0%
including: - Assets and general resources	8.75	-4.35	4.40	3.44	-5.30	39.49%	10.59	-5.12	5.48	4.43	-6.16	41.89%	0.99	28.8%
- Communication	0.26	0.30	0.56	0.18	-0.08	68.59%	0.26	0.12	0.38	0.37	0.11	143.19%	+0.19	109.1%
- Computer services	9.00	1.20	10.20	10.19	1.19	113.29%	13.20	0.60	13.80	11.74	+1.46	89.0%	+1.56	15.3%
- Human resources	0.13	0.13	0.04	-0.09	-0.69	34.29%	0.13	0.13	0.08	+0.05	57.99%	+0.03	69.5%	
<b>INTERNATIONAL AND EUROPEAN PROJECTS</b>	1.90	-0.80	1.10	0.93	-0.97	49.2%	1.90	-0.05	1.85	+0.32	83.0%	0.64	68.6%	
<b>CITIZENSHIP</b>	0.45		0.45	0.12	-0.33	27.6%	0.45		0.45	0.03	-0.42	6.7%	-0.09	-75.9%
<b>SECONDARY EDUCATION</b>	609.39	15.36	600.66	604.67	9.17	101.5%	606.91	-51.73	555.19	529.36	-77.55	87.2%	-85.10	-13.8%
<b>HIGHER EDUCATION</b>	76.70	-33.90	42.80	42.79	-33.91	55.8%	77.20	-13.08	64.13	63.46	-13.74	82.2%	20.67	48.3%
<b>TOURISM</b>	4.50	-1.96	2.54	2.46	-2.04	54.7%	5.00	-2.60	2.40	2.24	-2.76	44.8%	-0.22	-9.0%
<b>SPORT AND LEISURE</b>	44.95	2.65	47.60	47.21	2.27	105.0%	103.14	-30.00	73.14	71.45	-31.69	69.3%	24.24	51.3%
<b>SOCIAL AND HEALTH CARE DEVELOPMENT</b>	51.35	-25.13	26.22	25.29	-26.06	49.2%	56.18	-27.32	28.86	25.84	-30.33	46.0%	+0.55	2.2%
including: - Health care and social training	26.25	-24.14	2.11	1.79	-24.46	6.89%	34.90	-28.32	6.59	4.48	-30.42	12.89%	2.70	151.0%
<b>TRANSPORT AND MOBILITY</b>	648.82	240.55	889.37	882.98	234.16	136.1%	729.98	124.64	854.62	849.03	119.05	116.3%	-33.95	-3.8%
including: - Public passenger transport	517.50	278.84	796.34	795.22	277.72	153.79%	597.82	175.33	773.15	772.31	174.49	129.29%	-22.91	-2.9%
- Mobility	120.92	-34.90	86.02	81.59	-39.33	67.59%	122.30	-49.33	72.97	71.71	-50.59	58.6%	-9.88	-12.1%
- On-site goods transport	10.40	-3.39	7.01	6.17	-4.23	59.39%	9.86	-1.36	8.49	5.00	-4.85	50.8%	-1.16	-18.8%
<b>SECURITY</b>	32.10	-10.24	21.86	21.11	-10.99	65.8%	33.61	-9.34	24.28	19.06	-14.55	56.7%	-2.04	-9.7%
<b>CITY POLICY</b>	17.00	-10.50	6.50	6.33	-10.67	37.2%	7.10	6.43	7.10	6.43	-0.67	90.6%	0.10	1.6%
<b>HOUSING</b>	72.20	-14.70	57.50	57.50	-14.70	79.6%	62.35	-7.00	55.35	54.39	-7.97	87.2%	-3.11	-5.4%
<b>VOCATIONAL TRAINING, APPRENTICESHIPS, EMPLOYMENT</b>	18.04		18.04	18.03	0.00	100.0%	18.30	4.42	22.72	22.71	4.41	124.1%	4.68	25.9%
including: - Vocational training														
- Apprenticeships	18.04		18.04	18.03	0.00	100.0%	18.30	4.42	22.72	22.71	4.41	124.1%	4.68	25.9%
- Employment														
<b>CULTURE</b>	33.99	-2.70	31.29	31.06	-2.93	91.4%	41.39		41.39	38.44	-2.95	92.9%	7.38	23.8%
<b>DEVELOPMENT</b>	78.73	-20.40	58.33	59.22	-19.51	75.2%	66.43	-4.95	61.48	62.27	-4.16	93.7%	3.05	5.1%
<b>INTER-REGIONAL COOPERATION</b>														
<b>ENVIRONMENT</b>	87.79	-14.84	72.94	68.24	-19.55	77.7%	82.33	-6.91	75.42	72.53	-9.80	88.1%	+4.29	6.3%
<b>RURAL AFFAIRS</b>	16.73	-1.59	15.14	14.22	-2.51	85.0%	16.73	-2.34	14.39	-2.34	86.0%	0.18	1.2%	
<b>AGRICULTURE</b>	9.30	-2.16	7.14	8.31	-0.99	89.3%	10.00	3.05	13.05	13.37	3.37	133.7%	5.07	61.0%
<b>ECONOMIC DEVELOPMENT INNOVATION ICT</b>	123.82	27.99	151.81	145.01	21.19	117.1%	90.50	34.01	124.51	124.23	33.73	137.3%	-20.77	-14.3%
including: - Economic development	70.73	14.95	85.68	81.53	10.80	115.39%	45.10	20.78	65.88	65.65	20.55	145.69%	-15.67	-19.5%
- Innovation	41.80	12.34	54.14	52.12	10.32	124.79%	35.00	9.88	44.88	44.86	9.86	128.29%	-7.26	-13.9%
- Information and communication technologies	11.29	0.70	11.99	11.36	0.07	100.69%	10.40	3.35	13.75	13.72	3.32	131.99%	+2.36	20.7%
<b>RESEARCH</b>	31.10	-4.90	26.20	25.13	-5.97	80.8%	27.10	-3.15	23.95	23.83	-3.27	87.9%	-1.30	-5.2%
<b>EUROPEAN STRUCTURAL FUNDS</b>	20.11	20.14	40.25	22.59	2.48	112.4%	53.53		53.53	9.24	-44.29	17.3%	-13.36	-59.1%
<b>TOTAL ACTUAL EXPENDITURE (excluding financial sections) (1)</b>	1,993.00	160.02	2,153.02	2,106.85	113.85	105.7%	2,114.31	5.60	2,119.91	2,020.52	99.79	95.6%	-86.33	-4.1%
<b>DEBITS AND OTHER FINANCIAL TRANSACTIONS</b>	234.37		234.37	230.39	4.98	97.9%	456.26	35.00	481.26	464.95	8.68	101.9%	235.56	102.7%
<b>TOTAL ACTUAL INVESTMENT EXPENDITURE</b>	2,227.37	160.02	2,387.39	2,336.24	108.87	104.9%	2,570.58	30.60	2,601.18	2,485.47	-85.11	96.7%	149.22	6.4%
<b>TOTAL EXCLUDING EUROPEAN STRUCTURAL FUNDS</b>	2,207.26	139.88	2,347.14	2,313.65	106.39	104.8%	2,517.05	30.60	2,547.65	2,476.23	-80.82	98.4%	162.58	7.0%

Data or scope of the 2017 nomenclature.

(1) including emissions and write-offs.

SUMMARY TABLE - ACTUAL OPERATING EXPENDITURE (PAYMENT APPROPRIATIONS - Execution 2022)

SECTORS	2021						2022						Change in revenue 2022 / 2021	
	IB	SB + AD + TRANSFERS OF APPROPRIATIONS	OPEN BUDGET	REALISED EXPENDITURE	GAP / IB	IB realisation rate	IB	SB + AD + TRANSFERS OF APPROPRIATIONS	OPEN BUDGET	REALISED EXPENDITURE	GAP / IB	IB realisation rate	in €m	in %
<b>REGIONAL INSTITUTION OPERATION (excluding secondary school staff)</b>	195.12	5.82	200.95	184.58	10.54	94.6%	203.19	9.98	213.17	197.79	5.40	97.3%	13.21	7.2%
Assets, general resources and communication	51.86	4.95	56.81	45.88	5.98	88.5%	57.50	8.32	65.83	57.24	-0.27	99.5%	11.36	24.8%
- Assets	36.45	2.15	37.60	28.36	7.09	80.0%	37.72	7.15	44.87	38.07	0.35	100.9%	9.71	34.2%
- Communication	7.33	0.40	7.73	6.06	-8.27	82.7%	8.33	8.33	8.05	0.28	96.7%	1.99	32.9%	
- Computer services	9.06	2.40	11.48	11.46	2.38	126.3%	11.46	1.17	12.63	11.12	-0.34	97.0%	0.34	-3.0%
Head office staff and group of elected representatives	143.27	0.87	144.14	138.70	4.56	96.8%	145.69	1.66	147.35	140.55	-5.14	96.5%	1.85	1.3%
<b>PERSONNEL AND HUMAN RESOURCES</b>	481.49	431	485.30	473.49	-8.00	98.3%	490.69	12.30	502.99	489.59	-11.00	99.8%	16.11	3.4%
of which: - Head office staff and group of elected representatives	143.27	0.87	144.14	138.70	4.56	96.8%	145.69	1.66	147.35	140.55	-5.14	96.5%	1.85	1.3%
- Secondary school staff	338.22	3.43	341.66	334.78	3.44	99.0%	345.00	10.64	355.64	349.04	-4.04	101.2%	+14.26	4.3%
<b>INTERNATIONAL AND EUROPEAN PROJECTS</b>	1.61	0.06	1.67	1.08	0.53	66.8%	1.61	1.26	2.87	1.81	0.20	112.6%	0.74	68.5%
<b>CITIZENSHIP</b>	5.31		5.31	4.01	-1.30	75.5%	5.46		5.46	3.52	1.94	64.5%	-0.49	-12.1%
<b>SECONDARY EDUCATION</b>	621.63	18.84	640.47	618.16	3.47	99.4%	635.82	43.92	679.73	635.92	0.10	100.0%	17.76	2.9%
of which: - Secondary education excluding secondary school staff	283.40	13.41	296.81	283.38	0.02	100.0%	290.82	33.28	324.09	286.88	3.94	98.6%	+3.50	1.2%
- Secondary school staff	338.23	3.43	341.66	334.78	3.44	99.0%	345.00	10.64	355.64	349.04	-4.04	101.2%	+14.26	4.3%
<b>HIGHER EDUCATION</b>	12.50	1.72	14.31	7.44	5.15	59.1%	11.11	1.10	12.21	10.16	-0.95	91.4%	2.71	36.5%
<b>TOURISM</b>	15.38		15.38	13.04	-2.35	84.7%	15.38	-1.20	14.18	14.15	1.23	92.0%	+1.11	8.6%
<b>SPORT AND LEISURE</b>	13.24	5.00	18.24	11.26	-1.97	85.1%	16.74	5.70	22.44	19.16	2.43	114.5%	7.90	70.1%
<b>SOCIAL AND HEALTH CARE DEVELOPMENT</b>	225.39	8.62	234.02	227.56	2.16	101.0%	243.65	10.97	254.62	243.96	0.31	100.1%	+16.40	7.2%
of which: Health care and social training	213.84	3.62	217.46	212.96	-0.87	99.6%	231.80	10.80	242.60	234.42	2.62	101.1%	21.46	10.1%
<b>TRANSPORT AND MOBILITY</b>	783.66		783.66	777.19	6.47	99.2%	792.27		792.27	787.66	4.61	99.4%	10.47	1.3%
<b>SECURITY</b>	1.95	0.55	2.50	1.35	0.60	69.3%	2.85		2.85	1.90	0.96	66.2%	0.54	39.6%
<b>CITY POLICY</b>														
<b>HOUSING</b>	0.05		0.05	0.04	0.00	92.2%	0.13		0.13	0.09	0.04	68.3%	0.04	105.6%
<b>VOCATIONAL TRAINING, LEARNING AND EMPLOYMENT</b>	464.60	123.14	587.74	386.62	77.98	83.2%	480.56	153.83	634.39	575.11	94.56	119.7%	188.49	48.8%
of which: - Shared services	8.10		8.10	4.75	3.34	58.7%	6.51	1.60	8.11	7.67	1.16	117.9%	2.92	61.4%
- Vocational training	426.99	116.94	543.87	356.52	70.42	83.5%	445.88	150.23	596.11	537.77	91.89	120.6%	181.25	50.8%
- Apprenticeships	29.57	6.20	35.77	25.35	-4.22	85.7%	28.17	2.00	30.17	29.67	1.50	105.3%	4.32	17.0%
- Employment			0.00										+0.00	
<b>CULTURE</b>	52.50		52.50	44.66	7.84	85.1%	53.50	-1.50	52.00	42.06	11.44	78.6%	-2.61	-5.8%
<b>DEVELOPMENT</b>	19.35	0.03	19.37	16.47	-2.88	85.1%	18.52	3.45	22.07	21.98	3.45	118.6%	5.51	33.5%
<b>ENVIRONMENT</b>	24.03		24.03	18.30	-5.73	76.1%	23.71	1.21	24.92	20.30	-3.41	85.6%	2.01	11.0%
<b>RURAL AFFAIRS</b>	5.01		5.01	4.65	-0.35	92.9%	5.01	-0.76</						

**(e) The main provisions of the 2023 Initial Budget**

The amount of the 2023 IB amounted to €5,479.5 million, up (+3.3 per cent) on the 2022 IB (€5,303.9 million).

In terms of expenditure, this amount breaks down as follows:

- €2,641.0 million for the capital expenditure budget, including €2,125.0 million for capital expenditure excluding debt and miscellaneous financial movements;
- €2,838.6 million for the operating budget, including €2,700.0 million for operating expenditure excluding debt and miscellaneous financial movements.  
for operating expenditure excluding debt and miscellaneous financial movements.

Total credits earmarked for debt servicing and various financial transactions amount to € 654.5 million.

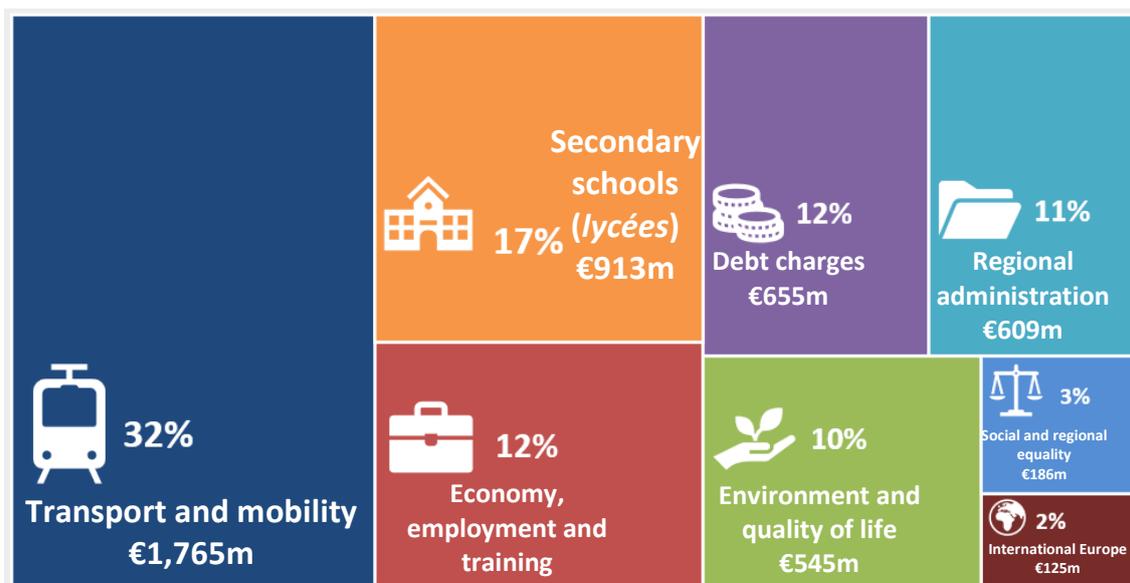
Programme authorisations and commitment authorisations<sup>6</sup> for 2023 have been set at €2,711.4 million for investment programme authorisations (including European funds and the skills investment plan) and €2,329.9 million for operating commitment authorisations (including European funds).

In terms of resources, real revenue excluding borrowing forecast for the 2023 IB amounts to €4,626.4 million, an increase of +0.9% compared to the 2022 IB. The borrowing authorisation was set at €853.2 million, an increase of 19% compared with the 2022 IB.

The gross savings rate<sup>7</sup> for the 2023 IB is therefore 26.8% (24.9% in the 2022 IB), with a net savings rate<sup>8</sup> of 14.5% (13.0% in the 2022 IB) and a self-financing rate of 59.9% (66.0% in the 2022 IB).

**(f) 2023 Initial Budget expenditure**

The breakdown of expenditure in payment appropriations by sector is as follows:



Expenditure on transport, secondary schools, the economy, employment and training accounted for 61% of the total expenditure planned for the 2022 IB.

**(g) Forecast revenue in the 2023 Initial Budget**

Revenue (excluding borrowings) in the 2023 initial budget total €4,626.38 million, up 0.9% on the 2022 initial budget (€4,584.51m). This total consists of €4,001.45 million in tax revenue, €218.16 million in State grants and €406.77 million in other revenue.

Revenue in the operating section (€3,877.38 million, up 6.5% relative to the 2022 initial budget) accounts for 83.8% of the Region's revenue excluding borrowing and the N-1 surplus:

- Direct regional taxation amounts to a net €127.03 million in the 2023 IB, stable compared with the 2022 IB.

Other tax revenue in the operating section is forecast at €3,506.46 million in the 2023 Budget, compared with €3,288.13 million in the 2022 IB, representing an increase of 6.6%.

State grants increased in 2023. In total, operating grants amount to €87.04 million in the 2023 IB, after €70.15 million in the 2022 IB (+24.1%).

- Miscellaneous revenue in the operating section forecast for 2023 amounts to €156.85 million, an increase of 1.0% compared with the 2022 IB due to the amounts attached to the skills investment plan and European revenue.

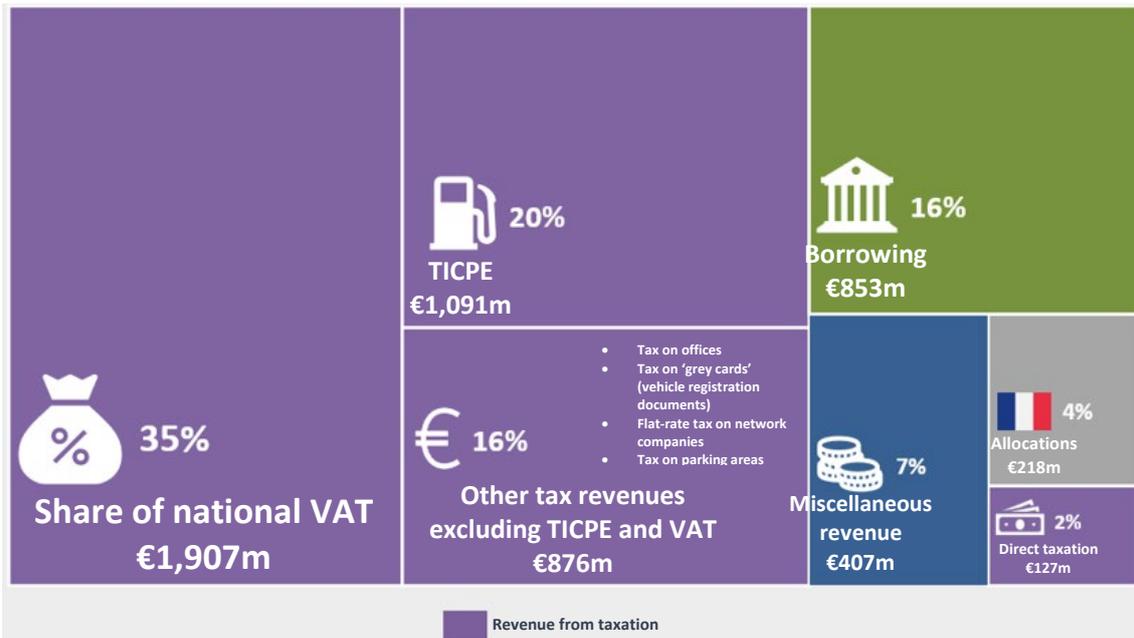
Revenue in the investment section accounts for 16.2% of regional revenue excluding borrowing (€749.0 million). This item will fall by 20.6% in the 2023 IB compared with the 2022 IB, as a result of the possibility of early repayment of receivables held with transport operators (SNCF, RATP) being foregone in view of the unfavourable market conditions. Once adjusted for this exceptional revenue recorded in the 2022 IB (€188.7million), investment revenue ultimately remains stable between 2022 and 2023.

- The amount of tax revenue included in the 2023 IB is €367.96 million, compared with €361.00 million in the 2022 IB, representing an increase of 1.93%;
- Investment allocations are 7.7% lower than in the 2022 IB, due to the structural decline in the regional investment allocation. The allocations break down as follows.  
The amount of the regional grant for school equipment (DRES) collected by the Region has been frozen since 2008. As in previous years, an amount of €86.1 million is included in the 2023 Budget. The amount of revenue for support for apprenticeship investment is €23.03 million. Finally, a provisional amount of €22.0 million has been included in the 2023 IB for the regional investment grant (compared with €32 m included in the 2022 IB).
- Miscellaneous revenue in the investment section forecast for 2023 amounts to €249.92 million.

In 2023, the Region intends to pursue the same rigorous and prudent financial policy that it has implemented over the last few years, with the aim of ensuring a sustainable financing structure for the local authority over the long term, in particular by controlling the increase in its outstanding debt.

The borrowing envelope allocated in the 2023 IB amounts to €853.16 million, compared with €719.42 million in the 2022 IB.

The amount of revenue entered in the 2023 IB, including borrowing, therefore totals €5,479.53 million, broken down as follows:



## BUDGET REVENUE FOR 2023

	IB 2022 (€m)	Draft Initial Budget 2023 (€m)	Change 2022 Initial Budget / 2021 Initial Budget (€m)	Change 2022 Initial Budget / 2021 Initial Budget (%)
<b>OPERATION</b>	<b>3,841.084</b>	<b>3,877.376</b>	<b>+238.291</b>	<b>+8.6%</b>
<b>A. TAX REVENUE</b>	<b>3,419.846</b>	<b>3,633.488</b>	<b>+217.843</b>	<b>+8.4%</b>
<b>Direct taxation</b>	<b>127.619</b>	<b>127.030</b>	<b>-0.489</b>	<b>-0.4%</b>
Flat-rate taxes on network companies (IFERs)	127.519	127.030	-0.489	-0.4%
<b>Other tax revenue</b>	<b>3,288.128</b>	<b>3,608.458</b>	<b>+218.332</b>	<b>+6.6%</b>
<i>Excluding TICPE</i>	<b>4,359.021</b>	<b>3,853.294</b>	<b>-505.727</b>	<b>11.6%</b>
Regional tax on 'grey cards' (vehicle registration documents)	320.00	250.000	-70.000	-21.9%
Repayment of the regional share of the office tax (TSB)	212.939	212.939	0.000	0.0%
Management fees for direct local taxation	53.502	40.472	-13.030	-24.4%
Additional regional tax on commercial real estate transfer duties	65.000	65.000	0.000	0.0%
VAT – portion from 2018 (formerly DGF (general operating grant))	538.000	627.260	+89.250	+15.5%
VAT – portion from 2021 (formerly CVAE)	* 3,169.580	2,657.623	-511.957	-16.2%
<b>TICPE</b>	<b>1,014.619</b>	<b>1,031.108</b>	<b>+16.489</b>	<b>+1.6%</b>
TICPE – compensation under the 2004 LRL Act	892.948	893.756	+0.808	+0.1%
TICPE – formerly 2007 adjustment	70.000	70.000	0.000	0.0%
TICPE – compensation under the MAPTAM NOTRE laws	4.968	4.968	0.000	0.0%
TICPE – Vocational Training	38.952	54.633	+15.681	+40.3%
TICPE – compensation for learning reform	6.202	6.202	0.000	0.0%
TICPE – compensation for Dronisep transfer	1.549	1.549	0.000	0.0%
<b>Revenue deductions</b>	<b>* -2,085.514</b>	<b>-1,377.944</b>	<b>+707.570</b>	<b>-33.9%</b>
National Individual Resources Guarantee Fund (FNGIR) (expenditure)	* -711.250	0.000	+711.256	-100.0%
Compensation allowance for the transfer of the CVAE (expenditure)	* -1,372.419	-1,372.419	0.000	0.0%
Equalisation fund for regional resources (expenditure)	* -1.839	-5.525	-3.686	+200.4%
<b>B. GRANTS</b>	<b>70.148</b>	<b>87.037</b>	<b>+18.891</b>	<b>+24.1%</b>
General Decentralisation Grant (DGD)	8.820	8.820	0.000	0.0%
New revenue for operational learning support	20.571	20.571	0.000	0.0%
Compensation allowance – learning reform	2.869	2.869	0.000	0.0%
Provisional compensation for termination of premiums	0.000	0.000	0.000	0.0%
Compensation allowance – TH management fees	37.886	37.885	-0.001	-0.0%
Compensation allowance – CVAE management fees	0.000	13.851	+13.851	
Compensation allowance – rate	0.000	3.041	+3.041	
<b>C. MISCELLANEOUS REVENUE</b>	<b>166.283</b>	<b>168.860</b>	<b>+1.667</b>	<b>+1.0%</b>
Regional Restoration Fund (FRR)	5.000	4.000	-1.000	-20.0%
Financial income	2.421	2.421	0.000	0.0%
European funds – 2014-2020 programme	51.744	33.633	-18.111	-36.0%
European funds – 2021-2027 programme	0.000	17.502	+17.502	
State-Region agreements on vocational training	80.000	90.000	+10.000	+12.6%
Miscellaneous (e.g. repayment of subsidy overpayments)	16.128	9.294	-6.834	-42.4%
Accrued interest not yet due	0.000	0.000	0.000	0.0%
<b>INVESTMENT</b>	<b>843.421</b>	<b>748.000</b>	<b>-184.421</b>	<b>-20.0%</b>
<b>A TAX REVENUE</b>	<b>381.00</b>	<b>387.859</b>	<b>+6.958</b>	<b>+1.9%</b>
Tax on the creation of offices in Ile-de-France (TCB-IDF)	110.000	120.000	+10.000	+9.1%
Regional share of the development tax (TA) and residual planning taxes	45.000	45.000	0.000	0.0%
Annual tax on parking areas (TASS)	66.000	66.000	0.000	0.0%
Special annual additional tax (TASA)	80.000	76.959	-3.041	-3.5%
Grenelle TICPE	60.000	60.000	0.000	0.0%
<b>B. GRANTS</b>	<b>142.070</b>	<b>131.118</b>	<b>-10.952</b>	<b>-7.7%</b>
Regional School Equipment Grant (DRES)	86.089	86.089	0.000	0.0%
New revenue for apprenticeship investment support	23.029	23.029	0.000	0.0%
Regional grant for investment support	32.952	22.000	-10.952	+33.2%
<b>C. MISCELLANEOUS REVENUE</b>	<b>440.361</b>	<b>24.823</b>	<b>-180.428</b>	<b>-43.2%</b>
Principal repayments of receivables	218.727	27.827	-190.900	-57.3%
Police fines	69.388	69.388	0.000	0.0%
FACTVA	90.000	70.000	-20.000	-22.2%
European funds – 2014-2020 programme*	40.619	58.984	+18.355	+45.2%
European funds – REACT-EU	12.907	0.000	-12.907	+100.0%
European funds – 2021-2027 programme	0.000	3.137	+3.137	
Miscellaneous (e.g. participation in works in mixed housing estates)	8.710	20.587	+11.877	+135.4%
<b>TOTAL REVENUE (EXCLUDING BORROWING)</b>	<b>4,684.606</b>	<b>4,828.376</b>	<b>+41.870</b>	<b>+0.0%</b>
<b>BORROWING</b>	<b>718.410</b>	<b>863.167</b>	<b>+133.738</b>	<b>+18.8%</b>
Profit carried forward N-1	0.000	0.000	0.000	
<b>REVENUE GRAND TOTAL incl. carry forward N-1</b>	<b>6,303.824</b>	<b>6,478.682</b>	<b>+176.608</b>	<b>+3.3%</b>

\* In view of the abolition of the regional portion of the CVAE from 2021, which significantly reduces direct local taxation, revenue deductions (PSR) are included with other tax revenues from 2021 onwards. From 2022, these PSRs are limited to the CVAE compensation allowance paid to the Ile-de-France departments and to the solidarity fund for overseas local authorities and Corsica (the FNGIR and equalisation fund for regional resources having been integrated with the VAT/CVAE portion).

#### **(d) Supplementary Budget and amending decision 2023**

Adopted in May 2023, the **2023 Supplementary Budget** makes it possible to incorporate several significant changes since the vote on the Initial Budget in December 2022.

A summary of these elements is presented below. The detailed elements are described in the explanatory memorandum to the 2023 Supplementary Budget. As a result, the changes in expenditure and revenue allocations provided for in the 2023 Supplementary Budget include:

- The reversal and allocation of the net profit recorded in 2022 (i.e. €356.3 million),
- An increase in regional revenue of +€98.7 million compared with the amount of €4,626.4 million entered in the Initial Budget (before write-back of the surplus and excluding borrowing), +€108.7 million in operating revenue and -€10 million in investment revenue, i.e. an increase of +2.1% compared with the 2023 Initial Budget, which reflects the following major changes:
  - adjustment of the levels of certain revenues for which definitive or provisional notifications have been received from the State;
  - adjustment of certain revenues in the light of available data relating to the first results for 2023 and the economic and social crisis;
  - modifying certain miscellaneous revenues linked to the implementation of regional actions.
- Upward expenditure adjustments (+€339.4 million in additional payment appropriations), enabling the immediate implementation of the project of the elected executive body:
  - Operating expenditure increased by €306.3 million to €3,006.3 million in the supplementary budget.
  - Capital expenditure increased by €36.1 million to €2,161.1 million in the supplementary budget.

With respect to previous adjustments of revenue and expenses, the borrowing required to balance the regional budget, after the supplementary budget, amounts to €729.2 million, compared with €853.2 million in the IB, i.e. a reduction of €123.9 million.

**An amending decision** was approved by the Île-de-France Regional Council on 20 September 2023. All of the proposed new expenditure is strictly covered by an increase in local authority revenue. This amending decision therefore does not affect the balance of the Ile-de-France Region's budget or increase its financing requirements.

The revenue adjustments take account of the latest available data, which is now certain for the Region for the current financial year: + €34 million (of which +€26 million in investment revenue and +€8 million in operating revenue).

With regard to expenditure, the amending decision confirms the Region's ambition to invest in projects that will benefit the people of Ile-de-France. In this respect, it is proposed firstly to further accelerate investment in secondary schools, in particular to make them safer, secondly to increase the resources available for local authority projects, whether urban or rural, and thirdly to increase support for major sports projects. In addition to these new investments, this budget aims to implement the Government's decisions to increase salaries, particularly at the lower end of the wage scale.

In total, this amending decision proposes to increase programme authorisations by €34.794 million. Investment payment appropriations are proposed to increase by €26.089 million and operating payment appropriations by €8 million.

## SUBSCRIPTION AND SALE

*All the words beginning by a capital letter and which are not defined in this section will have the meaning given to them in the "Terms and Conditions" section.*

### Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement in the French language ("contrat de placement") dated 19 October 2023 as amended or supplemented as at the relevant Issue Date (the "**Dealer Agreement**") between the Issuer, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arrangers for expenses incurred in connection with any Update of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Pricing Supplement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealers have agreed to indemnify the Issuer against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### Selling Restrictions

#### France

Each of the Dealers and the Issuer undertake to offer, or sold or distribute and will not cause to be distribute, this Offering Circular, the relevant Pricing Supplement or any other offering material relating to the Notes only to qualified investors (*investisseurs qualifiés*) as mentioned in, Article L.411-2 1° of the French *Code monétaire et financier*.

#### United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the "**Securities Act**"). Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. Each of the Dealers has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer, sell or, in the case of Materialised Notes in bearer form, deliver any Notes within the United States except as permitted by the Dealer Agreement.

Materialised Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

In addition, until 40 calendar days after the commencement of the offering of any identifiable Tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

#### United Kingdom

Each of the Dealers has represented, warranted and agreed that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered

or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer; and

- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## **Japan**

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Securities and Exchange Law**"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Securities and Exchange Law and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

## **General**

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material or any Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefore.

## FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement which will be prepared in relation with each Tranche is set out below:

Pricing Supplement

[Logo, if document is printed]

### REGION ILE DE FRANCE

Euro 9,000,000,000

Euro Medium Term Note Programme

for the issue of Notes

**SERIES NO: [•]**

**TRANCHE NO: [•]**

[Brief description and amount of Notes]

Issue Price [•] per cent.

[Name(s) of Dealer(s)]

DATED [•]

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 19 of the Guidelines published by the European Securities and Markets Authority ("**ESMA**") on 3 August 2023, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU as amended ("**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Take into account any negative target market]*. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET : PROFESSIONAL INVESTORS AND ECPs ONLY]**– Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority ("**ESMA**") on 5 February 2018 (in accordance with the FCA's policy statement entitled "*Brexit our approach to EU non-legislative materials*"), has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer [s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer [s/s'] target market assessment) and determining appropriate distribution channels.]

## PART A – CONTRACTUAL TERMS

This document constitutes the Pricing Supplement relating to the issue of the Notes described herein (Euro Medium Term Notes) (the "Notes") and contains the Pricing Supplement of the Notes. These Pricing Supplement supplement the Offering Circular dated 19 October 2023 [and the [Amendment to the Offering Circular/Amendment to the Terms and Conditions] dated [•]] being the subject of a notice published by the Issuer on [•] relating to the programme of issue of Euros 9,000,000,000 Notes by the Issuer and must be read in conjunction with it. Terms used herein shall have the meaning ascribed to them in the Offering Circular. The Notes will be issued pursuant to the terms of these Pricing Supplement combined with the Offering Circular. The Issuer accepts responsibility for the information contained in these Pricing Supplement which, together with the Offering Circular, contain all important information relating to the issue of the Notes. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Pricing Supplement and Offering Circular. These Pricing Supplement, this Offering Circular [and the [Amendment to the Offering Circular/ Amendment to the Terms and Conditions] dated [•]] being the subject of a notice published by the Issuer on [•]] and all the information incorporated by reference will be available (a) on the website of the Issuer (<https://www.iledefrance.fr/financement-region>) and (b) for inspection and copy, without charges, during the normal business day and hours, any business day of the week, at the registered office office of the Issuer.

*[The following language applies if the first tranche of an issue which is being increased was issued under a Offering Circular or [an offering circular] of an earlier date.]*

Terms used herein shall have the meaning ascribed to them in the Offering Circular dated [original date]. This document constitutes the Pricing Supplement of the Notes described herein and supplements the Offering Circular dated 19 October 2023 [and the [Amendment to the Offering Circular/ Amendment to the Terms and Conditions] dated [•]] being the subject of a notice published by the Issuer on [•]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Pricing Supplement and the Offering Circular. These Pricing Supplement, the Offering Circular [and the [Amendment to the Offering Circular/Amendment to the Terms and Conditions] dated [•]] being the subject of a notice published by the Issuer on [•]] and all the information incorporated by reference will be available (a) on the website of the Issuer (<https://www.iledefrance.fr/financement-region>) and (b) for inspection and copy, without charges, during the normal business day and hours, any business day of the week, at the registered office of the Issuer.

These Pricing Supplement are not subject to the dispositions of the Prospectus Regulation as defined in the Offering Circular.

These Pricing Supplement do not constitute an offer or a solicitation (and should not be used for these purposes) to subscribe or purchase, directly or indirectly, the Notes.

1	Issuer:	Région Île-de-France
2	(i) Series Number:	[•]
	(ii) [Tranche Number:	[•]
(If consolidated with an existing Series, details of that Series, including the date on which the Notes are consolidated.)]		
3	Specified Currency:	[•]
4	Aggregate Nominal Amount:	
	[(i) Series:	[•]
	[(ii) Tranche:	[•]
5	Issue Price:	[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of consolidated issues only, if applicable)]

6	Specified Denominations:	[•] (one denomination only for Dematerialised Notes)
7	[(i)] Issue Date:	[•]
	[(ii)] Interest Commencement Date:	[•]
8	Maturity Date:	[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
9	Interest Basis:	[•] per cent. Fixed Rate] [[specify reference rate] +/- [•] per cent. Floating Rate]
10	Redemption/Payment Basis:	[Redemption at par]
11	Options:	[Issuer Call]  [Redemption at the Option of the Issuer of Residual Outstanding Notes]  [(further particulars specified below)]
12	[(i)] Status:	Senior[1]
	[(ii)] Date of authorisation of issue	[•]
13	Method of distribution:	[Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST PAYABLE**

14	Fixed Rate Note Provisions	[Applicable/Not Applicable]  (If not applicable, delete the remaining sub- paragraphs of this paragraph)
	(i) Rate [(s)] of Interest:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/ monthly] in arrear]
	(ii) Interest Payment Date(s):	[•] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted]
	(iii) Fixed Coupon Amount [(s)]:	[•] per [•] in nominal amount
	(iv) Broken Amounts:	[Not Applicable / Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount [(s)] and the Interest Payment Date(s) to which they relate]
	(v) Day Count Fraction (Condition 5(a)):	[Actual/365 / Actual /365-FBF / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/Actual-FBF / Actual/365 / Actual/360 / 30/360 / 360/360(Bond Basis) / 30/360-FBF / Actual 30A/360(American Bond Basis) / 30E/360(Eurobond Basis) / 30E/360- FBF]
	(vi) Determination Date(s) (Condition 5(a)):	[•] in each year (insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
15	Floating Rate Note Provisions	[Applicable/Not Applicable] ( <i>If not applicable, delete the remaining sub-paragraphs of this paragraph.</i> )
	(i) Interest Period(s):	[•]
	(ii) Interest Payment Dates:	[•][unadjusted]/[adjusted in accordance with the Business Day Convention and with any applicable Financial Center for the definition of "Business Day"]
	(iii) Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]

(iv)	Business Centre(s) (Condition 5(a)):	[•]
(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/FBF Determination]
(vi)	Interest Period Date(s):	[Not Applicable/ <i>specify dates</i> ]
(vii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[•]
(viii)	Screen Rate Determination (Condition 5(c)(iii)(B)):	[Applicable/Not Applicable]
	– Relevant Time:	[•]
	– Interest Determination Date:	[[•] [T2] Business Days in [ <i>specify city</i> ] for [ <i>specify currency</i> ] prior to [ <i>the first day in each Interest Accrual Period/each Interest Payment Date</i> ]]
	– Primary Source for Floating Rate:	[ <i>Specify relevant screen page or "Reference Banks"</i> ]
	– Reference Banks (if Primary Source is "Reference Banks"):	[ <i>Specify four</i> ]
	– Relevant Financial Centre:	[ <i>The financial centre most closely connected to the Benchmark – specify if not Paris</i> ]
	– Benchmark:	[ <i>LIBOR, CMS, EURIBOR</i> ] [ <i>for any other euro zone benchmark commonly used by the financial markets</i> ]  [ <i>If the Rate of Interest is determined by linear interpolation in respect of the [first/last] Interest Period [short/long], insert the relevant interest period(s) and the relevant two rates used for such determination</i> ]
	– Representative Amount:	[ <i>Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount</i> ]
	– Effective Date:	[ <i>Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period</i> ]
	– Specified Duration:	[ <i>Specify period for quotation if not duration of Interest Accrual Period</i> ]
(ix)	FBF Determination (Condition 5(c)(iii)(A)):	[Applicable/Not Applicable]
	– Floating Rate ( <i>Taux variable</i> ):	[•]
	– Floating Rate Determination Date ( <i>Date de Détermination du Taux Variable</i> ):	[•]
	– FBF definitions: (if different from those set out in the Conditions):	[•]
	– FBF Master Agreement	[2013] FBF Master Agreement
(x)	Margin(s):	[+/-] [•] per cent. per annum
(xi)	Minimum Rate of Interest:	[Zero/ [•] per cent. per annum] <sup>6</sup>
(xii)	Maximum Rate of Interest:	[Not Applicable/ [•] per cent. per annum]

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<sup>6</sup> The minimum interest rate cannot be less than zero.

- (xiii) Day Count Fraction (Condition 5(a)): [•]
- (xiv) Rate Multiplier: [Not Applicable/ [•]]

#### PROVISIONS RELATING TO REDEMPTION

- 16 Call Option: [Applicable/Not Applicable/ *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*]
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Note [of [•] Specified Denomination]*(remove square bracketed phrase for Dematerialised Notes)*
- (iii) If redeemable in part: [•]
- (a) Minimum Redemption Amount: [•]
- (b) Maximum Redemption Amount: [•]
- (iv) Option Exercise Date(s): [•]
- 17 Redemption at the Option of the Issuer of Residual Outstanding Notes: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Threshold: [•]% of the nominal amount
- (ii) Early Redemption Amount(s) of each Note payable on redemption: [•] per Note [of [•] Specified Denomination]*(remove square bracketed phrase for Dematerialised Notes)*
- 18 Final Redemption Amount of each Note: [•] per Note [of [•] Specified Denomination]*(remove square bracketed phrase for Dematerialised Notes)*
- 19 Early Redemption Amount:
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(e), or an Event of Default (Condition 9): [•] per note [of Specified Denomination]*(remove square bracketed phrase for Dematerialised Notes)*
- (ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 6(e)): [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Materialised Notes only) (Condition 7(f)): [Yes/No/Not applicable]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 20 Form of Notes: [Dematerialised Notes/Materialised Notes] (Materialised Notes are only in bearer form) *[Delete as appropriate]*
- (i) Form of Dematerialised Notes: [Not Applicable / Bearer form (*au porteur*) / Registered form (*au nominatif administré*) / Fully registered form (*au nominatif pur*)]
- (ii) Registration Agent: [Not Applicable/name and details] (Note that a Registration Agent may be appointed in relation to Dematerialised Notes in fully registered form (*au nominatif pur*) only)
- (iii) Temporary Global Certificate: Temporary Global Certificate exchangeable for Definitive Materialised Notes on [•] (the "Exchange Date"), being forty (40) calendar days after the Issue Date subject to postponement as provided in the Temporary Global Certificate

- (iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] (Only applicable to Materialised Notes)
- 21 Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates: [Not Applicable/Give details]. (Note that this item relates to the date and place of payment, and not Interest Payments Dates, to which items 15(ii) and 16(ii) relate)
- 22 Talons for future Coupons to be attached to Definitive Materialised Notes (and dates on which such Talons mature): [Yes/No/Not Applicable]. (If yes, give details) (Only applicable to Materialised Notes)
- 23 Redenomination, renominatisation and reconventioning provisions: [Applicable/Not Applicable]
- 24 Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)]]
- 25 Masse (Condition 11): [Applicable/Not Applicable] (insert details of Representative and Alternative Representative and remuneration, if any).

#### DISTRIBUTION

- 26 (i) If syndicated, names of Managers: [Not Applicable/give names]
- (ii) Stabilising Manager (if any): [Not Applicable/give name]
- 27 If non-syndicated, name of Dealer: [Not Applicable/give name]
- 28 U.S selling restrictions: Reg. S Compliance Category 1; [TEFRA C/ TEFRA D/ TEFRA not Applicable]
- (TEFRA are not applicable to Dematerialised Notes)

#### GENERAL

- 29 The aggregate principal amount of Notes issued has been translated into euro at the rate of [•], producing a sum of: [Not Applicable/Euro[•]] (Only applicable for Notes not denominated in euro)

#### ADMISSION TO TRADING

These Pricing Supplement comprise the Pricing Supplement required to list and have admitted to trading the issue of Notes described herein on [Euronext Paris/[•]] (*specify the relevant Regulated Market*) pursuant to the Euro [9,000,000] programme of issue of notes (*Euro Medium Term Notes*) by the Région Île-de-France.

#### RESPONSIBILITY

The Issuer accepts to be responsible for the information contained in these Pricing Supplement.

[(*Information from third parties*) has been extracted from (*specify the source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced information inaccurate or misleading.]<sup>7</sup>

**Signed on behalf of the Issuer:**

**Duly represented by:**.....

<sup>7</sup> To be included if information comes from third parties.

## PART B – OTHER INFORMATION

### 1. ADMISSION TO TRADING

(i) Admission to trading: [Application has been made for the Notes to be admitted to trading on Euronext Paris/ [•] (*specify relevant regulated or unregulated market*) with effect from [•].]/[Not Applicable.]

(ii) Estimate of total expenses related to admission to trading: [[•] Not Applicable]

### 2. RATINGS

Ratings: [The Notes have not been rated/] The Notes to be issued have been rated:

[[Fitch Ratings]: [•]]

[[Moody's]: [•]]

[[Other]: [•]]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

*[include below as appropriate]*

[[Insert the full legal name of credit rating agency] / [Each of the credit rating agencies above] is a credit rating agency established in the European Union and registered under the CRA Regulation and appears on the list of registered credit rating agencies on the ESMA website ([www.esma.europa.eu](http://www.esma.europa.eu)) in accordance with the CRA Regulation.]

[[•] is established in the European Union and has applied for registration in accordance with Regulation (EC) No 1060/2009, as amended, although the answer to such application is not yet known].

[[•] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") but is endorsed by [insert the credit rating agency] which is established in the European Union, registered under the CRA Regulation and is included in the list of credit rating agencies published by the European Securities and Market Authority ESMA on its website ([www.esma.europa.eu/supervision/credit-rating-agencies/risk](http://www.esma.europa.eu/supervision/credit-rating-agencies/risk)) in accordance with the CRA Regulation.]

[[•] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 as amended.]

[[•] is not established in the United Kingdom and is not registered under Regulation (EC) No 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). Ratings assigned to the Notes by [•] have been endorsed by [•] in accordance with the UK CRA Regulation and have not been withdrawn. As a consequence, ratings assigned by [•] can be used for regulatory purposes within the United Kingdom in accordance with the UK CRA Regulation.]

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*

"[So far as the Issuer is aware, and except for information provided in the "General Information" Chapter of the Offering Circular, no person involved in the offer of the Notes has an interest material to the offer.]"

### 4. REASONS FOR THE OFFER AND USE OF PROCEEDS

*[Reasons for the offer if different from making profit and/or hedging certain risks. Where applicable, disclosure of the estimated total expenses of the issue/offer and the estimated net amount of the proceeds. These expenses and proceeds shall be broken into each principal intended use and presented by order of priority of such uses. If the issuer is aware that the anticipated proceeds will not be sufficient to fund all the proposed uses, state the amount and sources of other funds needed.]*

## 5. **[FIXED RATE NOTES ONLY – YIELD]**

Indication of yield: [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

## 6. **[FLOATING RATE NOTES ONLY – INTEREST RATE BACKGROUND]**

*Detail of the background of the interest rate EURIBOR, CMS which can be obtained by [•]*

[Benchmarks: The amounts owed in relation to the Notes will be calculated with reference to [•] provided by [•]. On [•], [•] [appears/does not appear] on the register of administrators and benchmarks established and maintained by ESMA in accordance with Article 36 of the Regulation (EU) 2016/1011) as modified (the "EU Benchmark Regulation"). [As far as the Issuer is aware, the transitional arrangements set out in Article 51 of the EU Benchmark Regulation apply, so that [•] is not currently required to obtain a license or a registration (or, if located outside of the European Union, recognition, endorsement or equivalence)]/[On [•], [•] appears in the register of administrators and benchmarks established and maintained by the Financial Conduct Authority in the United Kingdom.]/[Not applicable]

## 7. **OTHER MARKETS**

All the regulated markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of securities to be offered or admitted to trading are already admitted to trading: [[•]/None]

## 8. **OPERATIONAL INFORMATION**

- (i) ISIN Code: [•]
- (ii) Common Code: [•]
- (iii) Depositories: [[•]/Not Applicable]

Euroclear France to act as Central Depository  
[Yes/No] [Address]

Common Depository for Euroclear and Clearstream  
[Yes/No] [Address]

- (iv) Any clearing system(s) other than Euroclear and Clearstream and the relevant identification number(s): [Not Applicable/give *name(s) and number(s)*]  
[Address]
- (v) Delivery: Delivery [against/free of] payment
- (vi) Name and address of the Specific Fiscal Agent (if any):<sup>8</sup> [./]/Not Applicable]
- (vii) Names and addresses of additional Paying Agent(s) (if any):<sup>9</sup> [./]/Not Applicable]

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<sup>8</sup> A specific Fiscal Agent will be appointed in respect of any series of Materialised Notes.

<sup>9</sup> Mention any additional Agents appointed in respect of any Series of Notes (including any additional Agents appointed in respect of any series of Materialised Notes).

## GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in the Republic of France in connection with the establishment and the update of the Programme. The establishment of the Programme was authorised by the *Délibération* n° CR-12.00 of the *Conseil Régional* of the Issuer dated 4 May 2000.

Any issuances of Notes under the Programme must be authorised by a resolution ("*délibération*") of the *Conseil Régional* of the Issuer.

The Issuer's budget for 2023, increased by an additional budget, was adopted in accordance with article L.4311-1 of the CGCT and authorised borrowings, notably by the issuance of Notes under the Programme, for the year 2023, up to a maximum aggregate amount of Euro 729,226,634.55.

The issuance of Notes in 2023 was authorised by the *Délibération* n° CR 2022-076 of the *Conseil Régional* of the Issuer made on 13 December 2022.

2. The Issuer's Legal Entity Identifier Code (LEI) is 969500X7E3U7ZNH95E23.
3. Except as disclosed in this Offering Circular, in the chapters "*Risk Factors*" and "*Description of the Issuer*", there has been no significant change (a) in the tax and budgetary systems, (b) in the gross public debt, (c) in the balance of trade and the balance of payments, (d) in the foreign reserve assets, (e) in the situation and the financial resources, or (f) in the revenues and expenses of the Issuer since 31 December 2022.
4. Except as disclosed in this in this Offering Circular, the Issuer has not been involved in any administrative, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Offering Circular which may have or have had in the recent past, significant effects on the financial position of the Issuer.
5. Each Definitive Materialised Note, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
6. Notes may be accepted for clearance through the Euroclear and Clearstream systems. The Common Code, the International Securities Identification Number (ISIN) or the identification number for any other relevant clearing system (where applicable) for each Series of Notes will be set out in the relevant Pricing Supplement.
7. For so long as Notes issued under the Offering Circular are outstanding, the following documents will be (a) published on a dedicated section of the website of the Issuer which is easily accessible (<https://www.iledefrance.fr/financement-region>) and (b) available for inspection and copy, without charges, during normal business days and hours, any business day of the week, at the registered office of the Issuer:
  - (i) this Offering Circular and all related notices (including any notices relating to an Amendment to the Terms and Conditions);
  - (ii) the information incorporated by reference to this Offering Circular mentioned in the section "Documents Incorporated by Reference" (including the Future Documents mentioned in paragraph II. of the section "Documents Incorporated by Reference");
  - (iii) The Amendments to the Terms and Conditions; and
  - (iv) the Pricing Supplement of the Notes admitted to trading on a Regulated Market of the EEA;
8. For so long as Notes issued under the this Offering Circular are outstanding, the following documents will be available, as soon as published, free of charge, during usual business hours on

any weekday (Saturdays, Sundays and public holidays excepted), for inspection and copy free of charge at the office of the Issuer and of the Fiscal Agent or each of the Paying Agents:

- (i) the Agency Agreement (which includes the form of the *lettre comptable*, the Temporary Global Certificates, the Definitive Materialised Notes, the Coupons, and the Talons); and
  - (ii) all reports, letters and other documents, valuations and statements, made by any expert at the Issuer's request, any part of which is extracted or referred to in this Offering Circular in respect of each issue of Notes.
9. In connection with the issue of any Tranche (as defined in "General Description of the Programme"), one of the Dealer, if any, named as stabilising manager (or any person acting on its behalf) in the relevant Pricing Supplement (the "**Stabilising Manager**") may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, these transactions may not occur. These stabilising transactions will can start only after the publication of the Pricing Supplement or on this date and will terminate at any time no later than one of the two following date: (i) thirty (30) calendar days after the issuance date and (ii) sixty calendar days following the allocation of the Notes. Any stabilising transaction will be effected in compliance with the applicable laws and regulations.
10. Potential conflicts of interests may exist between the Calculation Agent and the Noteholders (including the case where a Dealer acts as Calculation Agent) in particular within the framework of the determinations, the calculations and the judgments which such Calculation Agent could be brought to realise in accordance with the Terms and Conditions, these being able to have an influence on amounts to be perceived by the Noteholders during the detention of the Notes and it is true until their repayment.

The Issuer may appoint a Placement Agent as calculation agent for the issuance of Notes under issuance programme. In this case, the Calculation Agent may potentially be member of an international financial group involved in the Issuer's ordinary activity in a wide range of banking activities and conflict of interest may arise. Despite the implementation of barrier to accessing information and process to handle conflicts of interest the Calculation Agent may as part of its other banking activities be involved in operation including index or derivatives products which may have effects on the holders receivables during the holding period and on maturity of the Notes or on the market price, the liquidity or the value of the Notes which may adversely affect the holders interests.

11. Amounts payable under the Floating Rate Notes may be calculated by reference to one or several benchmarks pursuant to Regulation (UE) 2016/11 as amended (the "**EU Benchmarks Regulation**") or the Benchmarks Regulation as it forms part of domestic law in the United Kingdom in accordance with the EUWA. The relevant Pricing Supplement in respect of an issue of Floating Rate Notes will, where applicable specify the relevant benchmark, the relevant administrator and whether such administrator appears on the register established and maintained by European Securities and Markets Authority pursuant to article 36 of the EU Benchmark Regulation or in the register of administrators and benchmarks established and maintained by the FCA, as appropriate.
12. In this Offering Circular, unless otherwise specified or the context otherwise requires, references to "€", "Euro", "EUR" or "euro" are to the lawful currency of the member states of the European Union that adopt the single currency introduced in accordance with the Treaty establishing the European Community as amended, references to "£", "pounds sterling", "GBP" and "Sterling" are to the lawful currency of the United Kingdom, references to "\$", "USD" and "U.S. Dollars" are to the lawful currency of the United States of America, references to "¥", "JPY", "Japanese yen" and "Yen" are to the lawful currency of Japan and references to "Swiss francs" or "CHF" are to the lawful currency of the Helvetic Confederation.

## **RESPONSIBILITY FOR OFFERING CIRCULAR**

### **In the name of the Issuer**

I declare, after taking all reasonable measures for this purpose and to the best of my knowledge, that the information contained or incorporated by reference into this Offering Circular is in accordance with the facts and that it makes no omission likely to affect its import.

**Région Île-de-France**  
2, rue Simone Veil  
93400 Saint-Ouen-sur-Seine

Paris, 19 October 2023

Represented by Mr. Paul Berard,  
Deputy Chief Executive  
in charge of the Finance Division

**Issuer**

**Région Île-de-France**  
2, rue Simone Veil  
93400 Saint-Ouen-sur Seine  
France

**Arrangers**

**BNP Paribas**  
16, boulevard des Italiens  
75009 Paris  
France

**HSBC Continental Europe**  
38, avenue Kléber  
75116 Paris  
France

Dealer

**BNP Paribas**  
16, boulevard des Italiens  
75009 Paris  
France

**Crédit Agricole Corporate and Investment  
Bank**  
12, place des États-Unis  
CS 70052  
92547 Montrouge Cedex  
France

**Deutsche Bank Aktiengesellschaft**  
Mainzer Landstrasse 11-17  
60329 Frankfurt/Main  
Germany

**HSBC Continental Europe**  
38, avenue Kléber  
75116 Paris  
France

**Morgan Stanley Europe SE**  
Grosse Gallusstrasse 18  
60312 Frankfurt-am-Main  
Germany

**Natixis**  
7 promenade Germaine Sablon  
75013 Paris  
France

**UBS Europe SE**  
Bockenheimer Landstraße 2-4,  
60306 Frankfurt am Main  
Germany

**Société Générale**  
29, boulevard Haussmann  
75009 Paris  
France

**Fiscal Agent, Principal Paying Agent, Redenomination Agent,  
Consolidation Agent and Calculation Agent in respect of Dematerialised Notes**

BNP Paribas  
(Numéro affilié Euroclear France 29106)  
Les Grands Moulins de Pantin  
9 rue du Débarcadère  
93500 Pantin  
France  
Attention : Corporate Trust Services

**Operational notification:**

**BNP Paribas, Luxembourg Branch  
Corporate Trust Services**  
33 rue de Gasperich, Howald - Hesperange  
L – 2085 Luxembourg  
Téléphone : +352 26 96 20 00  
Télécopie : +352 26 96 97 57  
Attention: Lux Émetteurs / Lux GCT

Legal Advisers

To the Issuer  
**BENTAM Société d'Avocats**  
12, rue La Boétie  
75008 Paris  
France

To the Dealers  
**Clifford Chance Europe LLP**  
1, rue d'Astorg,  
CS 60058,  
75377 Paris Cedex  
France