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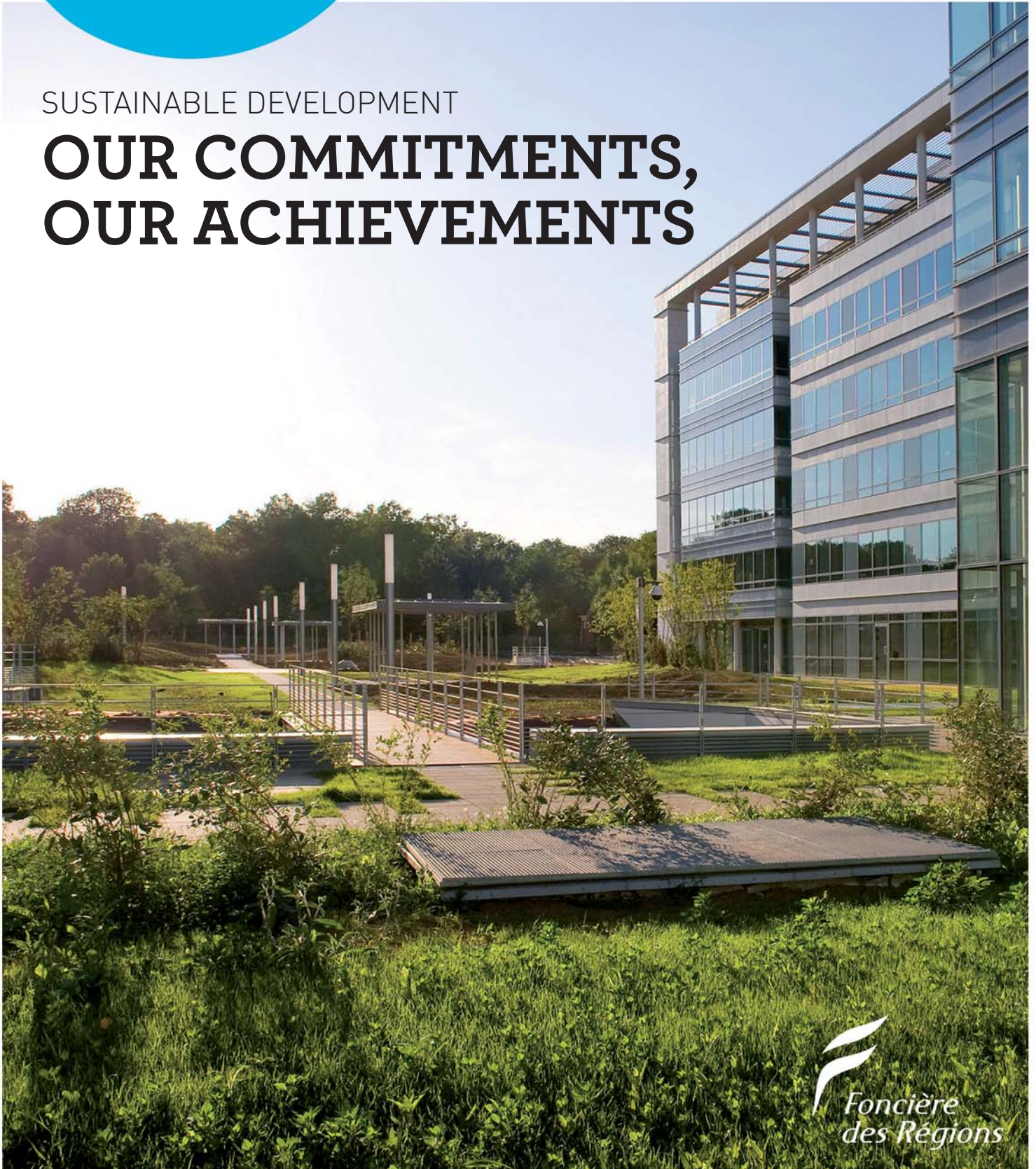
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SUSTAINABLE DEVELOPMENT

OUR COMMITMENTS, OUR ACHIEVEMENTS



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VISION & STRATEGY

Message from the CEO

In just a few years, sustainable development has become core to our strategy.

Protecting the environment and combating climate change are very important issues to the building and real estate sectors since in France our sector accounts for 43% of energy consumption and 25% of CO₂ emissions. Real estate is in fact one of the major concerns of the Grenelle and has inspired the "Building Plan".

Foncière des Régions has been actively participating in this plan and has in particular supported the creation of the "green annexe" that establishes a common landlord-tenant environmental strategy. This approach is aligned with the focus of the Partnership Committees already in place with our tenants. We signed our first green annexes in 2010, for office buildings and 71 for services sector in early 2011.

Since 2008, we have introduced in-depth monitoring of the performance of our operating portfolio with respect to energy and the environment. This work, carried out in collaboration with the CSTB, has enabled us to define a certain number of multi-year objectives.

FOR OUR OFFICE BUILDINGS IN FRANCE, OUR VISION IS TO HAVE 50% "GREEN" BUILDINGS AND TO REDUCE ENERGY CONSUMPTION BY 25% BY 2015.

We have identified various levers for making improvements: works policy, building renovations, construction of new, highly efficient structures, portfolio rotation, etc. This change will affect all our business lines and we are carrying it out in order to reinforce the value of our portfolio and business on an ongoing basis.

As far as new buildings are concerned, any new offices we build will be exemplary, HQE- and/or BREEAM-certified and BBC-labelled, in anticipation of the regulatory framework currently in preparation (2012 Thermal Regulations). We are also experimenting with new approaches, such as the Life Cycle Analysis carried out with the CSTB (Centre Scientifique et Technique du Bâtiment [French technical and scientific building centre]) as part of the Metz Amphitheatre programme, the first stone of which was laid on December 2010.

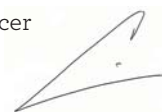
Our sustainable development strategy also covers the various aspects of corporate social responsibility (CSR). We introduced more initiatives in the social and corporate domains, with the signing in 2009 of agreements on employment and skills management, the employment of seniors and stress prevention and management and, more recently, in 2010, the Diversity Charter.

Lastly, a new system of governance was adopted by the shareholders on 31 January 2011, with a Board of Directors reduced in size, 40% of whose members are independent.

Our sustainable development strategy is designed to be mutually rewarding, broadly transcending the realms of real estate and finance, and instrumental in creating real "green added value". It constitutes added value for our real estate assets and, at the same time, increases the richness of our relationships with our colleagues, our clients and our suppliers.

This green added value represents not only one of our Group's greatest challenges, but also one of its finest achievements!

Christophe Kullmann
Chief Executive Officer



Foncière des Régions: a leading and committed property company

THE GROUP/

With 10 years of experience and expertise behind it, Foncière des Régions is today the leading office property company in Europe. A specialist in "key account" partnerships and long leases, it currently has assets of €8.6 billion leased to large companies, including France Télécom, Thalès, Accor, EDF, Dassault Systèmes, Suez Environnement, IBM, Telecom Italia and Tecnimont.

Its recognised expertise has enabled Foncière des Régions to develop long-term real estate and financial partnerships and grow as a key player in the real estate sector.

It has also successfully launched its business model in other sectors of activity such as services sector and logistics; it is also present in the residential sector as a shareholder in Foncière Développement Logements.

Its partnership culture and long-term vision made Foncière des Régions enthusiastic about committing to an ambitious approach to sustainable development, where the environmental aspect takes pride of place and supplements social and corporate actions.

Foncière des Régions has a consistent global strategy suited to the direct and indirect issues and impact associated with its real estate activity.

Figures as at 31 December 2010:



A comprehensive approach to sustainable development

SUITABLE RESOURCES/

The Group has a dedicated sustainable development organisation and team. Attached to the General Secretariat, the Sustainable Development Department assists the operating departments in defining strategy and action plans.

There are several levels to the system introduced to structure the Group's approach.

• Driving and managing the approach

The Sustainable Development Department drives this policy at Group level. It coordinates action arising from the sustainable development strategy, and refers them to the Sustainable Development Strategy Committee for approval.

• Strategic management

The Strategic Committee makes fundamental decisions on sustainable development. It adopts the strategic decisions and action plans determined for each business line.

The Strategic Committee is made up of Christophe Kullmann (Chief Executive Officer), Olivier Estève (Deputy Managing Director), Yves Marque (General Secretary and Chairman of the Property Division) and Jean-Eric Fournier (Director of Sustainable Development).

• Coordinating and relaying output

The SDES (Sustainable Development - Environmental Safety) Committee, headed up by the Director of Sustainable Development, aggregates the output of each activity; this SDES Committee helps to relay information on the different actions undertaken.

• Involvement of tenants

Besides regular meetings of the Partnership Committees that Foncière des Régions has established with its major tenants, meetings are arranged in order to improve the energy and environmental performance of their buildings. These meetings culminated in the creation of Sustainable Development Steering Committees as part of the introduction of the environmental appendices that Article 8 of the « Grenelle 2 » Law made mandatory on 1 January 2012 for leases relating to services sector over 2,000 sq.m.

Exchanging information and feedback makes it possible to identify the best mechanisms for reducing the consumption of fluids. These exchanges are rich and strengthen Foncière des Régions and its subsidiaries in their desire to extend the mechanism of the Sustainable Development Partnership Committee, thus anticipating the obligation to introduce "environmental appendices".

REVISING PROCEDURES TO SUPPORT CHANGE/

People, business lines and tools change under the impetus of new regulations, (for example, the Facilities Class for Environmental Protection (ICPE), or Energy Performance Diagnosis (DPE) and action taken. This in-depth transformation of the Company has caused changes to its internal processes.

Procedures were therefore revised to take into account the dimension of sustainable development when carrying out different activities.

Foncière des Régions and its subsidiaries are currently updating 15 of their 111 procedures in conjunction with the teams concerned and managed by the Sustainable Development Department, in liaison with the Audit Department responsible for procedures. The topics concerned relate mainly to the purchase of buildings, works, major projects etc.

This "greening of procedures" will be completed in mid-2011.



Atlantis, CISCO headquarters, Issy-les-Moulineaux

RAISING EMPLOYEE AWARENESS: INFORMING PEOPLE TO MOBILISE THEM/

As part of its global approach to sustainable development, Foncière des Régions is conducting several employee awareness programmes. These programmes, which affect all of the Company's business lines, are guided by the principles of responsibility and excellence. News on sustainable development therefore features regularly in Foncière des Régions' internal media. "Green Meetings", regular meetings focused on sharing information and experiences, give employees an opportunity to meet speakers with acknowledged know-how, including architects, certification organisations and experts sharing their experiences. In 2010, the Sustainable Development Department organised 11 Green Meetings attended by some 200 people. Topics ranged from the 2012 Thermal Regulations, BREEAM certification, biomass and the wood industry to life cycle analyses etc.

All employees likewise have quick and easy access via the Group's intranet to information on all regulatory and legislative updates. This is supported by a quarterly "green" meeting, which provides updates on new legislation relating to environmental matters.

Foncière des Régions also encourages eco-friendly gestures by its teams and within the buildings that they occupy. These include selective sorting, the individual collection of paper and cardboard in offices, the collection of batteries and computer consumables, the installation of energy-saving devices (energy-saving light bulbs, presence detection switches, etc.) and the application of a "transport policy" to optimise travel. Information campaigns are regularly mounted to support these actions.

FONCIÈRE DES RÉGIONS' SUSTAINABLE DEVELOPMENT STRATEGY/

Foncière des Régions' Sustainable Development Strategy falls within the framework defined by the European Sustainable Development Strategy and the National Sustainable Development Strategy that France has adopted for 2010-2013. It targets the long term and is focused on 44 lines of commitment from which action plans are developed; the table below indicates the main ones.

| THE FOUR FOCUS AREAS OF FONCIÈRE DES RÉGIONS' SUSTAINABLE DEVELOPMENT POLICY | OBJECTIVES AND ACHIEVEMENTS | SCOPE OF REFERENCE | MATURITY DATE | PROGRESS |
|--|--|---|---------------|----------|
| ENVIRONMENT AND SUSTAINABLE BUILDING | | | | |
| IMPROVE THE ENERGY PERFORMANCE OF THE PORTFOLIO HELD | OBTAINING CERTIFICATION OF THE BUILDING AND/OR DEVELOPMENT (HQE OR BREEAM OR LEED, ETC.) AND/OR AN ENERGY LABEL (BBC OR HPE, THPE, ETC.) OBJECTIVE: 50% GREEN ASSETS BY 2015 | OFFICES | 2015 | |
| STANDARDISE CERTIFICATION AND LABELS IN NEW OPERATIONS | OBTAIN HWE AND/OR BREEAM AND/OR LEED CERTIFICATION FOR ALL NEW PROJECTS DEVELOPED FROM 2010 | OFFICES, S. S*, LOGISTICS | ONGOING | |
| REDUCE ENERGY CONSUMPTION | ENERGY AND ENVIRONMENTAL STUDY (MAPPING OF THE PORTFOLIO) REDUCE ENERGY CONSUMPTION BY 25% | OFFICES, S. S*, LOGISTICS, RESIDENTIAL | 2009/2010 | |
| | | OFFICES | 2015 | |
| REDUCE GREENHOUSE GAS EMISSIONS | AVERAGE GREENHOUSE GAS EMISSIONS OF < 25 KG/CO ₂ /SQ.M OF NET FLOOR AREA/YEAR | OFFICES | 2015 | |
| | AVERAGE GREENHOUSE GAS EMISSIONS OF < 36 KG/CO ₂ /SQ.M OF NET FLOOR AREA/YEAR | RESIDENTIAL | 2015 | |
| | MEASURE CO ₂ EMISSIONS THROUGHOUT THE PORTFOLIO | LOGISTICS | 2012 | |
| MONITOR WATER CONSUMPTION | MONITORING ORGANISED BY THE SUSTAINABLE DEVELOPMENT PARTNERSHIP COMMITTEES | OFFICES, S. S* | 2012 | |
| MONITOR WASTE MANAGEMENT | MONITORING ORGANISED BY THE SUSTAINABLE DEVELOPMENT PARTNERSHIP COMMITTEES | OFFICES, S. S* | 2015 | |
| PROMOTE CLEAN TRANSPORT (ELECTRIC VEHICLES, RAIL, RIVERS) | 75% OF THE ILE DE FRANCE REGION IS LOCATED LESS THAN 25 KM FROM PARIS AND OFFERS A CLEAN TRANSPORT SOLUTION AND/OR MODAL SHIFT | LOGISTICS | ONGOING | |
| COMPLY WITH ENVIRONMENTAL AND HEALTH REGULATIONS | MANAGE THE RELEVANT HEALTH AND ENVIRONMENTAL RISKS BY BUSINESS ACTIVITY | OFFICES, LOGISTICS, RESIDENTIAL | ONGOING | |
| IMPROVE DISABLED ACCESS | INVENTORY OF FIXTURES FINALISED IN 2011 | OFFICES | 2011 | |
| IMPLEMENT THE SIGNING OF ENVIRONMENTAL APPENDICES FOR SERVICE SECTOR ASSETS | FIRST ENVIRONMENTAL APPENDICES FOR SERVICE SECTOR ASSETS SIGNED IN 2010 INTRODUCTION OF SUSTAINABLE DEVELOPMENT PARTNERSHIP COMMITTEES | OFFICES, S. S*, LOGISTICS | 2011/2012 | |
| DEFINE A SUSTAINABLE PURCHASES POLICY | IMPLEMENTATION SCHEDULED FOR 2011 | OFFICES, S. S*, LOGISTICS RESIDENTIAL | 2011 | |
| PARTICIPATE IN R&D STUDIES | MAIN TOPICS: GREEN VALUE, CALIBRATION-METERING, SUSTAINABLE DISTRICTS, ETC. | OFFICES, S. S*, LOGISTICS, RESIDENTIAL | ONGOING | |

| THE FOUR FOCUS AREAS OF FONCIÈRE DES RÉGIONS' SUSTAINABLE DEVELOPMENT POLICY | OBJECTIVES AND ACHIEVEMENTS | SCOPE OF REFERENCE | MATURITY DATE | PROGRESS |
|--|---|--------------------|---------------|---|
| GOVERNANCE | | | | |
| BE TRANSPARENT AND IRREPROACHABLE ON THE OPERATION OF GOVERNANCE | BEST PRACTICE AND AFEP-MEDEF RECOMMENDATIONS | GROUP | | ONGOING |
| DESCRIBE THE ROLE OF ESG ISSUES WITHIN THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT | WITHIN THE MANAGEMENT COMMITTEE, ESG ISSUES (ENVIRONMENTAL, SOCIAL-CORPORATE AND GOVERNANCE) ARE THE REMIT OF OLIVIER ESTÈVE AND YVES MARQUE | GROUP | | ONGOING |
| COMBAT CORRUPTION | INTERNAL PROCEDURES DEALING WITH ALL BUSINESS LINE ACTIVITIES AND SUPPORT FUNCTIONS, RELATING IN PARTICULAR TO ANTI-FRAUD AND TENDERS AUDIT AND INTERNAL CONTROL SYSTEMS | GROUP | | ONGOING |
| FORMALISE AN ETHICAL FRAMEWORK | PREPARE AN INTERNAL CODE OF ETHICS AND DISTRIBUTE IT TO EACH EMPLOYEE COMBATING MONEY LAUNDERING IT CHARTER BEST PRACTICE GUIDE | GROUP | 2011 |  |
| CORPORATE | | | | |
| DEVELOP A DIVERSITY AND EQUALITY POLICY | SIGNING OF THE DIVERSITY CHARTER IN 2010 SENIORS AGREEMENT IN 2009 | ENTIRE STAFF | 2009 / 2010 |  |
| TRAINING AND RAISING AWARENESS OF ECO-BEHAVIOUR | INTERNAL COMMUNICATIONS – MONTHLY GREEN MEETING | ENTIRE STAFF | | ONGOING |
| | INTRODUCE INTERNAL WASTE SORTING PROGRAMMES | | 2009 / 2010 |  |
| MANAGE AND UPGRADE SKILLS | HR MANAGEMENT TOOLS: GPEC AGREEMENT, ANNUAL APPRAISAL AND DEVELOPMENT INTERVIEW, PEOPLE REVIEW, INTERNAL MOBILITY DYNAMIC TRAINING PLAN FdR DÉCOUVERTE AND FdR UNIVERSITÉ PROGRAMMES | ENTIRE STAFF | | ONGOING |
| SOCIAL | | | | |
| BE AT THE FOREFRONT OF ORGANISATIONS AND WORKING GROUPS INVOLVED IN SUSTAINABLE DEVELOPMENT | INVOLVEMENT IN: GRENELLE BUILDING PLAN; FSIF, AFILOG, FRANCE GBC, HQE ORGANISATION, SB ALLIANCE, RICS FRANCE WORKING GROUPS (BAIL VERT AND GREEN VALUE) | GROUP | | ONGOING |
| PURSUE A SPONSORSHIP POLICY FOCUSED ON ARCHITECTURE AND SKILL-SHARING | AJAP - (ALBUMS DES JEUNES ARCHITECTES ET DES PAYSAGISTES) PALLADIO FOUNDATION EXPERIMENTAL LYCÉE PROGRAMME | GROUP | | ONGOING |
| CONDUCT SURVEYS AMONG TENANTS AND/OR USERS TO ANTICIPATE THEIR REQUIREMENTS | CONDUCTING THE STUDY "LES FRANÇAIS ET LEURS BUREAUX" (THE FRENCH AND THEIR OFFICES) WITH AOS STUDLEY AND TNS SOFRES | GROUP | 2009/2010 |  |

OPENNESS, TRANSPARENCY AND EXEMPLARY GOVERNANCE

A new system of governance

The General Shareholders' Meeting held on 31 January 2011 approved a change in the Company's governance inspired by the principles of the AFEP-MEDEF code of good governance for listed, non-controlled companies, and adop-

ted a system of governance with a Board of Directors instead of a dual structure (Supervisory Board and Management Board). The Board of Directors, which met the same day, opted to separate the duties of Chairman of the Board of Directors from those of Chief Executive Officer.

COMPOSITION AND FUNCTIONING OF THE MANAGEMENT BODIES/

| ITEM | BOARD OF DIRECTORS | STRATEGY AND INVESTMENT COMMITTEE | AUDIT COMMITTEE | APPOINTMENTS AND COMPENSATION COMMITTEE |
|----------------------------|----------------------|-----------------------------------|----------------------|---|
| INDEPENDENT/TOTAL MEMBERS | 4/10 | 1/5 | 3/5 | 2/4 |
| CHAIRMAN | INDEPENDENT DIRECTOR | - | INDEPENDENT DIRECTOR | INDEPENDENT DIRECTOR |
| TERM OF OFFICE | 4 YEARS | 4 YEARS | 4 YEARS | 4 YEARS |
| PROPORTION OF WOMEN | 10% | 20% | - | - |
| PERFORMANCE REVIEW | ANNUALLY | ANNUALLY | ANNUALLY | ANNUALLY |
| NUMBER OF MEETINGS IN 2010 | 7 | 2 | 4 | 2 |
| ATTENDANCE RATES IN 2010 | 78.98% | 77.78% | 70.83% | 75.00% |

GENERAL SHAREHOLDERS' MEETING OF 28 MAY 2010

| | |
|--|---|
| NUMBER OF SHAREHOLDERS REPRESENTING NUMBER OF SHARES | 82 SHAREHOLDERS REPRESENTING 39,852,752 SHARES |
| ATTENDANCE RATE | 76.8% |
| RESOLUTION APPROVAL RATE | 95.6% |

ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING OF 31 JANUARY 2011

| | |
|--|--|
| NUMBER OF SHAREHOLDERS REPRESENTING NUMBER OF SHARES | AGM: 639 SHAREHOLDERS REPRESENTING 39,988,654 SHARES EGM: 641 SHAREHOLDERS REPRESENTING 39,977,824 SHARES |
| ATTENDANCE RATE | 72.8% |
| RESOLUTION APPROVAL RATE | 95.8% |

A tight-knit Board of Directors with 40% of independent members.

MANAGEMENT COMMITTEE/

As the Group's operational management body, the France Board of Directors directs all the Group's activities.

Together with CEO Christophe Kullmann, the following also attend on a weekly basis:

Marjolaine Alquier – Director, Audit and Internal Control

Thierry Beaudemoulin – Director, Residential Division

Virginie Coindreau – Director, Human Resources and General Administration

Pascal Crambes – Director, Sourcing and Development

Olivier Estève – Deputy Managing Director

Stéphanie La Sala – Director, Property and Network

Philippe Le Trung – Director, Communications and Capital Markets

Yves Marque – Company Secretary and Chairman of the Property Division

Aldo Mazzocco – Deputy Managing Director, Foncière des Régions, and Executive Director, Beni Stabili

Tugdual Millet – Director, Finance

Dominique Ozanne – CEO Services, Services Sector Division

François de la Rochefoucauld – Director, Logistics and Industrial Permisses Division

On this committee, sustainable development issues are the particular remit of Olivier Estève and Yves Marque.



Ordinary and
Extraordinary
General Shareholders'
Meeting of 31
January 2011

Responsible and mindful conduct within the company

Foncière des Régions and its subsidiaries pay no funds, nor provide any services to any political party, nor to any holder of public office or candidate for office. Nevertheless, the Company respects the commitments of those of its employees who, as citizens, participate or wish to participate in public life.

These principles of responsible conduct have given rise to various initiatives, some of which are listed below.

A CODE OF ETHICS EXPRESSING RESPONSIBILITY/


As a genuine reference document for matters of ethics, the Foncière des Régions Code of Ethics – produced in 2010 – relates to all employees of the Company and its subsidiaries.

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

The basic principles contained in this Code of Ethics are as follows:

- Respect for laws and regulations.
- Respect for individuals (health and safety at work, prevention of discrimination, respect for third parties).
- Respect for the environment.
- Respect for insider trading rules.
- Prevention of conflicts of interest (links to competitors, customers, suppliers, compliance with anti-corruption rules).
- Protection of Foncière des Régions' activities (protection of information, assets and resources).
- Transparency and integrity of information.
- Internal controls and audits.
- Appointment of a compliance officer, a point of reference to be consulted regarding ethics.



 Download the Foncière des Régions' Code of Ethics

FRAUD AND CORRUPTION/

In view of the findings of the risk mapping undertaken in December 2009, the Board of Directors deemed that the potential risk of corruption was being properly managed in terms of both opportunity and amount. Transactions deemed sensitive, such as sales of properties or companies, major construction or renovation works, as well as calls for tenders, are governed by appropriate procedures. Moreover, the separation between orders and payments reduces the risk of fraud.

Risk mapping is an effective lever that facilitates:

- A vision of the whole, with a hierarchy of principal risks, extending beyond traditional functional approaches.
- The implementation and monitoring of action plans aimed at minimising major risks, in proportion to the stakes involved.
- Improved efficiency in all activities.

At the same time, the Audit and Internal Control Department regularly carries out internal audits and checks the application of procedures. Foncière des Régions has five full-time Internal Auditors (three in France, one in Germany and one in Italy).

COMBATING MONEY LAUNDERING/

In 2010, Foncière des Régions and its subsidiaries introduced a system for combating money laundering and the financing of terrorism, in the form of a procedure that lists and describes actions to be taken by the employees concerned. The Director of Audits and Internal Control is appointed Director of "LAB/LFT" [measures to combat money laundering and the financing of terrorism]. 2 correspondents and Tracfin Reporters (the Group's Legal Director and the Legal Manager of Corporate Affairs) were appointed at the end of 2010.

This system is based on monitoring the third parties in a business relationship (buyers, sellers, tenants, as well as any providers or suppliers of capital and assets and services) from the outset of that relationship with respect to all activities envisioned or executed with these third parties. Each employee applies the relevant measures under the supervision of his/her line manager and requests the approval of new third parties in accordance with the procedure summarised below:

- Collection and verification of information to enable the identification of a third party and/or transaction with a view to completing the New Customer Approval Form ("KYC" or "Know Your Customer" phase).
- In the event of any problem relating to the information on the Approval Form, or any doubt regarding the information collected, an Internal Declaration of Doubt is drawn up and sent to the Tracfin Correspondents and Reporters.
- Examination of the Internal Declaration of Doubt by the Tracfin Correspondents and Reporters, who will rule as to whether or not the issue has been addressed.
- If the issue has not been addressed, the Tracfin Correspondents and Reporters send a Statement of Suspicion to Tracfin.
- Maintenance and filing of the dossiers (Approval Form, Internal Declaration of Doubt, Statement of Suspicion, etc.) throughout the business relationship and for five further years after termination of the relationship.

According to this procedure, the relationship must be suspended for any third party that refuses to provide the required documents and/or information as to allow sufficient knowledge regarding its identity, activity or objectives, or if the economic beneficiary does not appear to be acting on its own behalf.

Implementation of the LAB method is supported by a campaign to train employees using dedicated training measures prepared by the Legal Office, which ensure the ongoing development of the programme.

REDUCING ENVIRONMENTAL IMPACT AND ADDING VALUE TO THE PORTFOLIO

The building sector accounts for some 43% of energy consumption in France and 25% of CO₂ emissions. The Grenelle Environment Forum set the goal of reducing building energy consumption by 38% by 2020, a target formalised by the Grenelle I Act of 3 August 2009.

The Grenelle II Act of 12 July 2010 makes reference to the 2012 Thermal Regulation (RT 2012). The Decree of 26 October 2010 and the Order published the same day set a consumption ceiling of 50 kWhep/sq.m/year for new constructions. This consumption threshold is adjusted according to three coefficients (geographic region, altitude and type of occupancy).

The RT 2012 will be applicable to all construction permits lodged:

- As of 28 October 2011 for new buildings in the tertiary, public, and residential sectors built in the ANRU zone (National Agency of Urban Renewal).
- As of 1 January 2013 for all other types of new building, specifically individual and group residences.

The Foncière des Régions strategy in this respect consists of improving energy performance, reducing its carbon footprint and controlling the health and environmental risks of its portfolio.

(N.B.: figures marked with an asterisk have been refined since the 2010 Reference Document was published).

Determining the environmental performance of real estate holdings

A COMPLETE INVENTORY OF THE PORTFOLIO IN 2008/

To facilitate buying and selling within its works policy, Foncière des Régions mapped the energy and environmental performance of its assets with the assistance of CSTB (Centre Scientifique et Technique du Bâtiment [French technical and scientific building centre]) and Ernst & Young. This task, carried out in 2009 using 2006-2007-2008 data, allowed it to characterise its holdings and identify the most effective levers for improving performance.

This mapping, which focused on the offices, services sector, logistics and residential portfolios in France and Germany, covered approximately 85% of the portfolio's floor area and 86% of its value. Families of similar assets were identified, which enabled the examination of 11 asset portfolios (Accor, Courtepaille, Quick, EDF, France Télécom, other offices, logistics, shipping, activities, France residential and Germany residential) based on a sample of representative assets from each family.

| ACTIVITIES | SCOPE OF ASSETS MAPPED | OF WHICH PANEL REPRESENTING NUMBER OF SITES | SHARE OF PORTFOLIO MAPPED, OUT OF ENTIRE-PORTFOLIO FLOOR SPACE |
|-----------------|------------------------|---|--|
| OFFICES | 438 SITES | 45 SITES* | 75%* |
| SERVICES SECTOR | 376 SITES | 57 SITES | 71% |
| LOGISTICS | 40 SITES | 16 SITES | 73% |
| RESIDENTIAL | 7,925 ADDRESSES | 48 SITES | 100% |
| TOTAL | | | 85% |

For each family, some 20 indicators were surveyed, including intrinsic indicators characterising the buildings (construction date, exterior fabric, systems), indicators of energy consumption, CO₂ emissions, water consumption,

the management of health and environmental risks (asbestos, Flood Risk Prevention Plan - PPRI, ICPE, etc.), etc. This mapping was used as a basis for defining environmental objectives and establishing action plans for Foncière des Régions and its product companies.

AN EFFECTIVE OFFICE PORTFOLIO AND AMBITIOUS IMPROVEMENT OBJECTIVES /

FEATURES OF THE PORTFOLIO

The electricity share of the energy supply for the entire Office portfolio represents 84%, i.e. 6% above the tertiary average published by the IPD (Investment Property Data-bank).

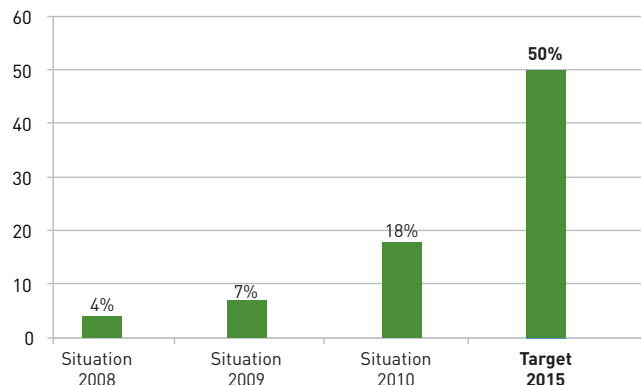
France Télécom buildings are characterised by a high share of electricity consumption, consistent with the specific processes of the occupants (telephone equipment in addition to traditional office equipment), representing an average of 49% of total energy consumption at these sites. This is excluded from the calculations so as not to distort the results, which still reflect the share of energy consumed by office automation processes, etc.

"GREEN" BUILDINGS

Foncière des Régions seeks to gradually increase the share of its assets consisting of "green" buildings; these are buildings with a new and/or renovated construction environmental certification (HQE, BREEAM, LEED) and/or an energy performance label (BBC, BBC, HPE 2005, THPE 2005) and/or environmental operating certification (HQE Operation, BREEAM "in use", LEED "O-M"). In 2010, the significant increase in the share of green buildings is a result of the delivery of the CB21 tower, which has been BREEAM certified.

50% of the French Office portfolio will be "green" by 2015.

SHARE OF GREEN BUILDINGS (IN VALUE):



ENERGY PERFORMANCE

The energy performance of the Office portfolio analysed by mapping consumption from 2008 to 2010 yields results that are slightly better than the national average.

It changed between 2008 and 2010 as follows:

| ENERGY EFFICIENCY AND CARBON INTENSITY: OFFICES (LIKE-FOR-LIKE BASIS) | IPD 2008 | 2008 | 2009 | 2010 | CHANGE 2008-2010 | 2015 GOAL |
|---|----------|------|------|------|------------------|-----------------------|
| FINAL ENERGY (KWHEF/SQ.M/NET FLOOR AREA/YEAR) | 234 | 189* | 185* | 208* | 10%* | NA |
| PRIMARY ENERGY (KWHEP/SQ.M/NET FLOOR AREA/YEAR) | NAV | 438* | 432* | 489* | 12% | -25% |
| CO ₂ EMISSIONS (KG/SQ.M/NET FLOOR AREA/YEAR) | NAV | 24* | 24* | 26* | 9% | <26 KGCO ₂ |

NAV : not available

NA: not applicable

The worsening trend between 2008 and 2010 is due in part to the winter of 2009/2010, which was harsh.

Foncière des Régions' goal is to reduce primary energy consumption per sq.m by 25% by 2015, specifically through the gradual delivery – from 2011 – of long-term buildings with good performance and by increasing the

awareness of tenants, by including environmental riders in their leases.

Given the substantial proportion of electricity in the mix of energy used, CO₂ emissions from offices are already at a relatively low level, even after taking into account emissions associated with processing.

WELL POSITIONED LOGISTICS SITES, EMITTING LOW LEVELS OF CO₂/

FEATURES OF THE PORTFOLIO

Consumption by logistics and shipping buildings is largely accounted for by lighting and heating of office areas. Storage areas are hardly heated (below 12°) or not at all. Electricity represents 77% of the energy supply in this portfolio.

The proportion used by processing is significant in services sector, with peaks and troughs that relate to tenants' activities; a tenant's departure or arrival may change a site's consumption significantly if its activity requires high-consumption equipment. Since results cannot be validly compared year on year, industrial premises are excluded from the scope of reporting.

In the fields of logistics and shipping, the primary impact consists of CO₂ emissions originating from both energy consumption on-site and more particularly transport to warehouses.

Foncière Europe Logistique therefore places high priority on the choice of facility and opportunities for modal shift and clean transport. For example, 75% of the Foncière Europe Logistique portfolio in the Ile de France region is less than 25km from Paris. This is an extraordinary advantage in reducing CO₂ emissions, and should help to increase the value of these assets.

ENERGY PERFORMANCE AND CARBON INTENSITY

It was decided initially to monitor the portfolio's performance by collecting energy performance assessments (DPE) on all assets by 2012, in a context in which the public authorities are due shortly to define a tertiary energy performance assessment.

Energy consumption and CO₂ emissions data based on the mapping (including processes) involving the Logistics properties covered by the survey result in an average of 93 Kwh/sq.m/year in energy consumption and 15 kg CO₂/sq.m/year for 2008. This performance is very high on the current energy performance assessments, largely due to the high proportion of electricity (77%).

This performance is also expected to improve with the decision to obtain certification (HQE, BREEAM or LEED) for all new construction projects from 2010.



Logistic platform, Bollène

SERVICES SECTOR MANAGED IN PARTNERSHIP WITH TENANTS/

FEATURES OF THE PORTFOLIO

The assets consist of hotels, restaurants, health facilities, garden centres, etc. Energy consumption varies considerably depending on the activity (heating, cooling, domestic hot water, ventilation, lighting, auxiliary systems).

The services sector portfolio leaves the owner little room for manoeuvre and for assigning responsibility, with rents known as "triple net," meaning that current maintenance, major repairs and taxes are the tenant's responsibility. Improvements are due largely to tenant initiative. Studies being undertaken on the portfolio by the lessor, and R&D activities in which it participates, will undoubtedly be of benefit.

ENVIRONMENTAL PERFORMANCE

The initial goal is to be able to measure and monitor energy and water consumption as well as CO₂ emissions. An environmental reporting protocol was drafted in 2010. It applies to the Accor, Quick, Courtepaille, Jardiland and Korian families and also covers over 90% of the portfolio value. This protocol will be rolled out as agreements are entered into with these leasing partners.

As an extension to the already-existing Partnership Committees, we are developing Sustainable Development Partnership Committees as part of the process of implementing green lease riders, specifically in order to organise the sharing of information and define action plans. These committees enabled the signing of 71 green environmental riders with Courtepaille in early 2011.

TWO RESIDENTIAL PORTFOLIOS: FRANCE AND GERMANY/

FEATURES OF THE PORTFOLIO

The residential portfolio consists of assets in France (3,645 units*), primarily in the Paris region, and a major portfolio in Germany (42,340 units**) in small properties around the Düsseldorf region, 7,340 addresses*.

They have been managed for many years by Immeo Wohnen, Foncière Développement Logements' German subsidiary, which has forged high-quality relationships with tenants and local municipalities.

The survey of these two portfolios' energy consumption is based on the energy-performance assessments carried out in France and the "energiehausweis" in Germany.

Environmental mapping carried out on the portfolio in 2009 showed a satisfactory energy performance of the portfolio; the panels surveyed showed the following consumption levels:

- In France, 265 Kwh/sq.m/year in final energy and 367Kwh/sq.m/year* in primary energy.
- In Germany, 212 Kwh/sq.m/year in final energy and 276 Kwh/sq.m/year in primary energy.

ENVIRONMENTAL PERFORMANCE

In France, an estimate of the Residential portfolio's median rating has been made based on the applicable DPE (Energy Performance Diagnosis). It corresponds to the energy and climate rating label of the Energy Performance Diagnosis for residential housing. The median rating of the residential portfolio as a number estimated in this way in 2010 was E for energy and E for greenhouse gas emissions (GES).

Foncière Développement Logements' goal is to reduce the proportion of assets rated F or G by 50% and for half the portfolio to have a D climate rating by 2015.

In Germany, no rating system is applied to performance levels. The German Energy Performance Diagnosis (DPE) are called "Energieausweis" and post average energy consumption in KWh/sq.m/year calculated on the basis of the average heating consumption (excluding lighting and domestic hot water) over the previous three years. The "Energieausweis" has been produced for 80% of the German residential portfolio. The average consumption of the Immeo portfolio is currently 144 kWh/sq.m* (excluding lighting and domestic hot water).



Residential building, Rue Galieni,
Boulogne-Billancourt

Improving energy performance and reducing the portfolio's carbon footprint

For Foncière des Régions, there are numerous ways to improve environmental performance including the following: via tenants (by signing green lease riders), asset purchases and sales (trading policy), various works and major refurbishment policies, operations and maintenance (supplier policy). These sources of improvement are described in the paragraphs below.

AN AMBITIOUS WORKS POLICY/

Foncière des Régions designs its building renovation and restoration programmes to incorporate sustainable development and energy efficiency criteria.

These operations are carried out when buildings are vacant or in partnership with tenants (new long-term leases in exchange for building renovations).

Foncière des Régions has a proactive "Works" policy, the objective being to improve the energy performance of its portfolio and reduce CO₂ emissions whilst improving tenant comfort and increasing the value of its assets.

This policy favours eco-responsible choices in terms of equipment and facilities for renovations and restorations:

- Condensation or low temperature boilers for heating.
- Installation of double-glazing frames with a thermal break connection to replace single-glazing windows.
- Increased inside or outside insulation.
- Carrying out waterproofing repairs or studies for installing planted rooftops.
- Systematically carrying out assessments of potential renewable energies.
- Installation of outside stores to reduce the need for cooling.
- Replacing obsolete equipment with efficient energy equipment that may also generate energy (e.g. lighting and lifts).
- Optimisation of technical building management (Building Management Service - BMS and Centralised Technical Management - CTM).
- Equipment to reduce water consumption.

A number of major rehabilitation and restoration works are under way or complete on existing assets.

The following examples illustrate this works policy.



CB21 Tower, the first BREEAM tower in France

The CB21 Tower in the La Défense district has been completely renovated by Foncière des Régions, which designed and developed the project.

This 180 metre-high tower and 68,000 sq.m surface area, which was built in 1974, has had major work performed, including new gas condensation boilers and cold water connections, latest-generation fan convactor units, new centralised technical management system, installation of low-luminance fluorescent-type lighting and changes to the façade with the installation of new, high-performance window panes (50% improvement in the thermal performance of the façade). Energy efficiency was also improved (ventilation in the conference rooms more suited to their actual use, energy recovery systems leading to significant savings).

The CB21 renovation yielded a reduction of at least 30% in energy consumption, to 130 kWh/sq.m/year according to conventional modelling.

The renovation work totalled €130 million. The new CB21 Tower was delivered in mid-2010 and is the first certified BREEAM tower in France.

WIN-WIN PARTNERSHIP WITH EDF IN CLERMONT-FERRAND

In collaboration with its tenant EDF, Foncière des Régions has instituted an eco-works programme at its Clermont Ferrand offices. This property, with a floor area of 6,000 sq.m, houses 300 to 400 EDF employees. The purpose of the renovation was to reduce energy consumption and CO₂ emissions by 60%.

Major work has been carried out, including the installation of argon-film glass, increased insulation and effective BMS. High priority was also given to the comfort of the workspaces (ventilation, lighting, air treatment etc.). A remote monitoring/control system was installed to allow for daily management of the building's consumption and emissions. The works budget totalled €2.6 million and the expected savings from lower energy costs etc. amount to some 40 to 45%. Delivery is scheduled for June 2011.

SETTING AN EXAMPLE WITH OUR OWN BUILDINGS

In 2010, Foncière des Régions carried out renovation work in its Paris premises, including a new boiler (more effective condensation boiler), renovation of the air conditioning system and installation of movement sensors for lighting in intermittently occupied areas (stairwells and restrooms). €450,000 was invested on these improvements. This effort will continue into 2011 with optimal use of high-quality blinds on façades exposed to the sun to reduce energy consumption related to air conditioning by some 14%.

CARBON OFFSETTING/

Given its activity, Foncière des Régions does not believe that carbon offsetting is relevant. The Group prefers to focus on energy-saving, environment-friendly buildings.

PROMOTING THE USE OF RENEWABLE ENERGIES/

Foncière des Régions prioritises the use of renewable energy and low-CO₂-emitting solutions in all its projects, such as at Cœur d'Orly. Thus, before any construction or renovation project, the Group evaluates its renewable energy potential.

ORLY

NEW BUILDINGS: GEOTHERMAL AND SOLAR ENERGY AT CŒUR D'ORLY

Cœur d'Orly is an ambitious urban project, the guiding principle of which is the quality of the city, which integrates office buildings, hotels, and a convention and exhibition centre. It is also a space for living, with shops, leisure facilities and services. The entire district was designed to address the requirements of the NF Bâtiments Tertiaires-Démarche HQE® and BBC-Effinergie® certifications. In partnership with Aéroports de Paris and Altarea Cogedim, Foncière des Régions has designed and developed the first tranche of Cœur d'Orly, which has a total floor area of 160,000 sq.m. The management of this district is guided by the use of techniques, materials and methods consistent with the concepts of eco-design and eco-construction.

The first tranche of Cœur d'Orly will benefit over time from renewable energy, such as geothermal and solar energy:

- 30% of the hot water for the restaurants will be provided by solar panels.
- The heating network at Cœur d'Orly will be powered by two 1,700-metre wells, which will extract hot water from the sub-soil. This water will then supply the airport site heating circuit.



Cœur d'Orly, Orly

METZ**METZ AMPHITHÉÂTRE, AN HQE AND BBC BUILDING WITH A LIFE CYCLE ANALYSIS**

Foncière des Régions is participating in the construction of the new UDZ Amphithéâtre quarter in Metz. The purpose of the UDZ project is to make this area a real city centre, combining shops, offices, residential facilities and services. Foncière des Régions is involved in one of the five buildings under construction, with a floor area of 5,700 sq.m. The building, consisting primarily of offices, will house Foncière des Régions' new headquarters in Metz.

To be delivered at the end of 2012, the building will be HQE-certified and have a BBC label. It will be air conditioned by chilled beam and connected to the municipal network for heat and cooling. It will have centralised technical management.

Foncière des Régions has used this project to enhance its expertise in measuring a building's carbon footprint over its entire lifetime, from the manufacture of the construction materials, through the construction and operating phases, right up to its demolition.



UDZ Amphithéâtre, Metz

DEVELOPING NEW, LONG-TERM BUILDINGS/

Foncière des Régions has set an ambitious goal for the long-term construction of its new buildings; every new office project developed by Foncière des Régions must obtain a minimum of HQE and/or BREEAM and/or LEED certification and/or the BBC label. The Group's goal is for 50% of its office portfolio to be certified "green" by 2015.

Thus, a number of new buildings with environmental certification are under construction, as in Vélizy and Metz.

VÉLIZY**EIFFAGE CONSTRUCTION HEADQUARTERS IN VÉLIZY, 23 KWHEP/SQ.M AND 2 KG CO₂/SQ.M**

Foncière des Régions has acquired the future headquarters of Eiffage Construction in Vélizy. This building, with a floor area of some 10,800 sq.m, will benefit from the use of insulating facade materials and low-emission glass. A wood heating system will provide 80% of its heating requirements, with the remainder being provided by the municipal heating network. Vacuum solar panels will produce 50% of the building's hot water needs. 950 sq.m of photovoltaic panels will be installed on the roofs of the technical facilities.

The premises will be heated and cooled by reversible radiant ceilings. The building will also have a dual-flow air system with rotating exchangers.

Rainwater will be managed and recovered for various purposes, using green roofing.

Management of the building will be entirely automated, including lighting, light intensity, positioning and angle of blinds and heating and cooling using a multi-function, remote-controlled receiver system.

The building will be certified NF Bâtiment Tertiaire Démarche HQE and BBC Effinergie. According to calculations from conventional models, projected primary energy consumption is 23 kWhep/sq.m/year and greenhouse gas emissions should not exceed 2 kg eq. CO₂/sq.m/year.



Eiffage Construction headquarters, Vélizy-Villacoublay

Actions involving stakeholders

INVOLVING TENANTS/

In addition to the design and certification of a building, occupant use and maintenance quality significantly impact its level of environmental performance. Foncière des Régions and its major tenants (France Télécom, EDF, Accor, Dassault Systèmes, Suez Environnement) have a common goal in this respect: to jointly succeed in optimising management of the properties in question and to boost their value. To achieve this, Foncière des Régions and its tertiary subsidiaries aim to introduce Partnership Committees, green leases and HQE Exploitation© certification in 2010-2011.

PARTNERSHIP COMMITTEE TO WORK WITH TENANTS ON REDUCING THE ENVIRONMENTAL FOOTPRINT

Along with the Group's major tenants (EDF, Courtepaille, Jardiland, Korian, Accor, Quick, etc.), Foncière des Régions, a leading player in outsourcing and long-term partnerships, has established Partnership Committees. Sustainable development is one of the recurring topics on the agenda for these Committees, which allow tenants to express their requirements, and Foncière des Régions to work with them in developing appropriate solutions (defining goals, implementing good behavioural practices). Over half of the major tenants are already benefiting from this approach.

BALANCED TENANT/LESSOR GREEN LEASES

Over time, the Partnership Committees will promote the implementation of green leases to define environmental objectives and ensure tenant commitment to the application of best practice by their employees. In 2010, Foncière des Régions signed a green lease with one of its major tenants, Eiffage. The environmental rider to this lease is characterised by a balance in the contractual obligations of both tenant and lessor and by the number of these commitments relating to issues of environmental reporting, economical energy operation and long-term monitoring of improvement in the energy performance of the building. Its environmental performance is supported by clauses addressing all the following aspects:

- Setting up an environmental steering and monitoring committee.
- Jointly preparing an Environmental Management Plan in order to meet annual improvement objectives.
- Mutual reporting of all fluid consumption.
- Joint development of a waste management programme and introduction of heavy waste treatment schemes.
- Procedures for treating waste water.
- Introduction of a leakage research programme for the building.
- Involvement of outside providers (installers, subcontractors) in defining and meeting the energy performance goals defined in the environmental rider.



Courtepaille restaurant, Rosny sous Bois



EDF Building, Talence

HQE EXPLOITATION BUILDINGS

Several office buildings will soon be certified HQE Exploitation©, including the CB21 Tower (68,000 sq.m), Carré Suffren (25,000 sq.m), and 32 Grenier in Boulogne Billancourt (7,500 sq.m).

INVOLVING SUPPLIERS/

The responsible purchasing policy will be approved and rolled out across the portfolio in 2011 with a view to reducing the environmental footprint of our sites. It will also help to formalise an ethical framework in relations with suppliers and encourage their social commitment.

Lastly, supplies used at the various facilities in France will be combined as of 2011 in order to reduce suppliers' travel and therefore the CO₂ emissions generated.

DEVELOPING A GREEN IT POLICY/

The Foncière des Régions Information Systems Division (DSI) has assigned top priority to green IT* through two major areas of focus: reducing consumption (during manufacture and operation) and recycling materials. To reduce the carbon footprint of its computer systems, Foncière des Régions has decided to implement virtualisation techniques for both servers and work stations. Server virtualisation yields a significant reduction in the number of systems installed and therefore a reduction in energy consumption. Currently, 20% of servers are virtualised, with the goal being to reduce the number of servers from 90 to about 10 by the end of 2011.

100% of Foncière des Régions’ work stations are also virtualised, significantly reducing the configurations.

As a result of an audit performed on its printers, the Company adopted a policy of using multi-function (copier-printer-scanner) departmental printers, which optimises electricity consumption and computer consumables. As part of its IT hardware recycling practices, the Company donates its obsolete hardware to Crysalis Informatique, a non-profit organisation that reconditions and resells computers at low cost. Their work is carried out by employees who are being assisted back into the workplace.

*IT: information technology

Controlling environmental and health risks

Foncière des Régions is pursuing a policy of preventing environmental risks within the framework of its real estate activities by ensuring the safety of individuals and assets, the long-term durability of its buildings, and ensuring that acquisitions and disposals are managed in accordance with the regulations.

The environmental mapping carried out with CSTB and Ernst & Young also affords it an accurate picture of the environmental and health risks of all its activities (offices, services sector, logistics and residential), allowing it to set improvement targets.

As in previous years, Foncière des Régions was not convicted of any failure to comply with environmental laws or regulations in 2010.

OFFICES

For offices, the goal is to control the environmental and health risks for 100% of assets. The list of risks to be monitored includes compliance with the ICPE (monitoring of maintenance agreements and periodic inspections), the presence of asbestos, polluted soils, Legionnaires’ disease and the existence of natural and technological risks. Compliance in terms of PCBs and lifts is mandatory and considered fulfilled. The following table shows the results for 2010:

| INDICATOR | NUMBER OF ASSETS SUBJECT TO RISK | % OF ASSETS WITH DOCUMENTATION |
|---|----------------------------------|--------------------------------|
| ICPE (PERMITS AND DECLARATIONS) (1 TAR *) | 1 | 100% |
| ASBESTOS TECHNICAL DOSSIER | 508 | 100% |
| SOIL DIAGNOSTIC FOR SENSITIVE SITES | 157 | 100% |
| LEGIONNAIRES’ DISEASE DIAGNOSTIC (TAR *) | 2 | 100% |
| ENERGY PERFORMANCE DIAGNOSTIC | 457 | 79% |
| STATUS OF NATURAL AND TECHNOLOGICAL RISKS | 523 | 100% |

* Air-cooling tower

SERVICES SECTOR

For services sector, monitoring these risks is the contractual responsibility of the tenant alone.

LOGISTICS

Regarding logistics, environmental risk is monitored through operating permits and declarations of classified facilities; the greatest risk is fire. The goal for Foncière Europe Logistique is to acquire operating permits and declarations for 100% of its sites in the scope of consolidation, while maintaining all of them during operator changes.

As of 31 December 2010, Foncière Europe Logistique held 76.47% of permit statements and declarations.

RESIDENTIAL

In the residential business, major health risks are associated with the presence of lead and asbestos. For Foncière Développement Logements, the goal is to perform asbestos and lead assessments on 100% of residential units by 2011, and to systematically seal all units subject to lead risk. For the residential portfolio, 100% of the 71 assets affected by relevant risks (Technical Asbestos Dossiers (DTA), DP (PD) and lead containment) have the required diagnosis.

Reducing environmental impact

BIODIVERSITY AND LANDSCAPE INTEGRATION/

The United Nations declared 2010 the International Year of Biodiversity, in order to raise public awareness of the decline of biodiversity around the world and the possible consequences for our planet. Although the majority of the buildings belonging to Foncière des Régions are situated in urban areas, the Group is particularly keen to ensure that buildings are integrated into the landscape and respect the principle of biodiversity.

GREEN ROOFING

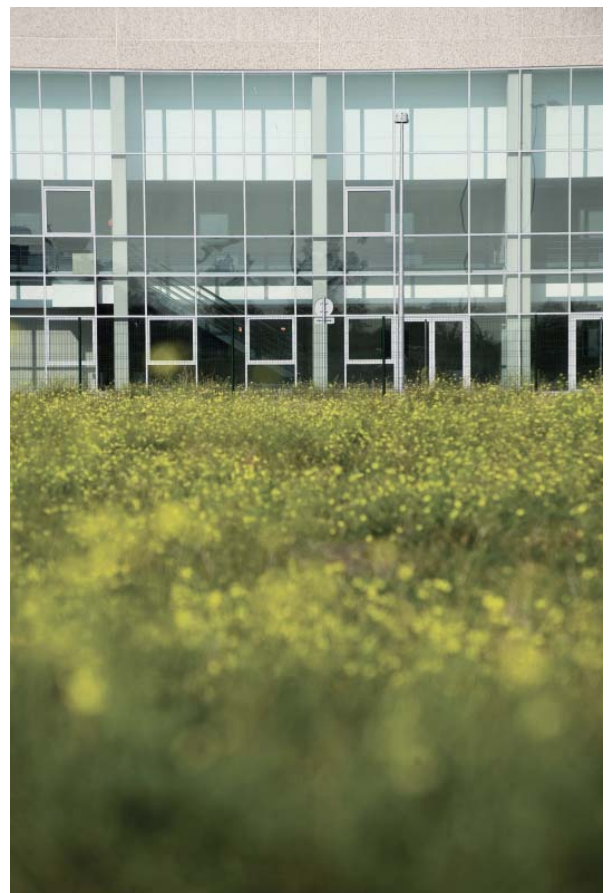
When carrying out any waterproofing repairs to the flat roofs of buildings in the offices portfolio, Foncière des Régions systematically examines the possibility of installing sown-surface solutions (feasibility/cost). When this solution is financially viable, it is adopted.

These innovative measures make it possible to accumulate know-how in this area; the expected savings relate to the summer season rather than winter (air cooling requirements).

**REINTRODUCTION OF LOCAL PLANT SPECIES:
DUNKERQUE**

France's third-largest port, Dunkerque has the benefit of excellent road and rail services for the development of logistics and distribution activities in and around the port. At Dunkerque's west Port, Foncière Europe Logistique has designed two multi-mode road/rail sites with a total surface area of 22,830 sq.m, which will make it possible to reduce pollution and road nuisance. One of the buildings, delivered in 2008, has 6,000 sq.m of green spaces and

60 trees, specifically integrating local species suited to the coastal climate, thus providing high quality external areas. In addition, covering the facades with gritted light beige concrete panels integrates the building into a maritime environment of sand, dunes and coastal flora close to the shore.



Logistic platform, Dunkerque

ENCOURAGING BIODIVERSITY

When renovating the CB21 Tower, a nesting box for peregrine falcons was installed, providing a shelter for these birds and thus encouraging biodiversity.

ENCOURAGING OUR TENANTS TO REDUCE WATER CONSUMPTION/

As a builder and owner, the Group strives to minimise water consumption by its tenants and to improve water treatment through green leases, sharing best practice and installing efficient systems (water treatment, rainwater recovery system, infiltration beds, dual-flush cisterns, etc.). Following the results of the environmental mapping process, the Group decided to set itself a target for the end of 2012 of measuring and monitoring the water consumption of hotel and catering activities (services sector), which are the highest users (approx. 3 million m³ in the scope of the measurement).

Foncière des Régions installed dual-flow mixer taps in its Paris buildings in 2010, reducing water consumption by 30%.

ENCOURAGING WASTE SORTING AND RECYCLING/

From the building design stage, Foncière des Régions works actively with its future tenants to plan for certain rooms and specific installations intended to facilitate waste sorting and recovery (dedicated fittings and rooms, etc.).

In addition, Foncière des Régions is particularly sensitive to the optimisation, sorting and treatment of waste on building sites, such as the site of the CB21 Tower (recovery of at least 30% of the mass of waste produced, monitoring of associated CO₂ emissions etc.).

At the Company's premises: collection and recycling have been underway at the Group's Paris offices since November 2009 and at its Metz offices since June 2010. This involved 30 tonnes of paper and cardboard being collected and recycled between November 2009 and the end of 2010. The introduction of sorting has saved about one-third of the budgeted cost for waste removal.



CB 21 Tower, Paris la Défense

DYNAMIC MANAGEMENT OF HUMAN RESOURCES

2010 was marked by an upturn in recruitment linked to the improvement in the economic climate and business. 2010 was the opportunity for implementing Company agreements signed in 2009 (i.e. on succession and skills management, the employment of senior citizens, and preventing and combating stress) and to continue the underpinning actions involving ongoing adaptation of the organisation and staff to operational challenges and the development of skills and management.

Portrait of the workforce

As at 31 December 2010, the total workforce (open-ended contracts) of Foncière des Régions amounted to 327 employees.

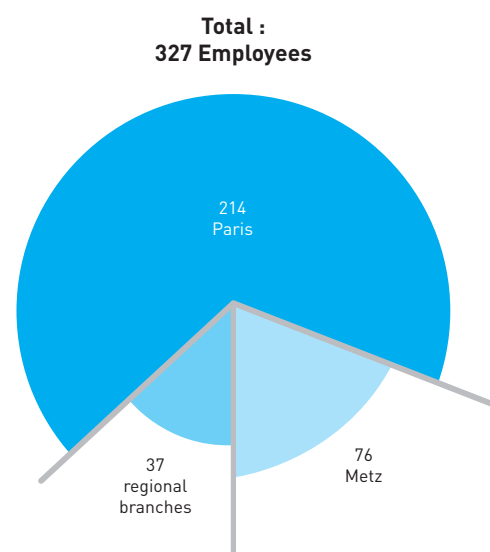
DISTRIBUTION OF EMPLOYEES BY AGE AND SEX/

The average age is 40, and the gender breakdown is **45% men and 55% women.**

In 2010, the Group numbered 22 women among its 77 managers, i.e. a 29% rise over 2009 (25% female managers). Among the 13 members of the Management Board, 3 are women, i.e. 23%.

Finally, in the last FdR Découverte initiative (programme presented below), 8 out of 13 participants were women, i.e. 61%.

BREAKDOWN BY GEOGRAPHIC AREA /



BREAKDOWN OF EMPLOYEES BY CATEGORY/

| | TOTAL | % |
|-----------------------------|------------|------------|
| MANAGERS | 212 | 65 |
| SUPERVISORS | 83 | 25 |
| OPEN-ENDED EMPLOYEES | 15 | 5 |
| ESTATE AGENTS | 17 | 5 |
| TOTAL | 327 | 100 |
| FIXED TERM TOTAL | 14 | 100 |

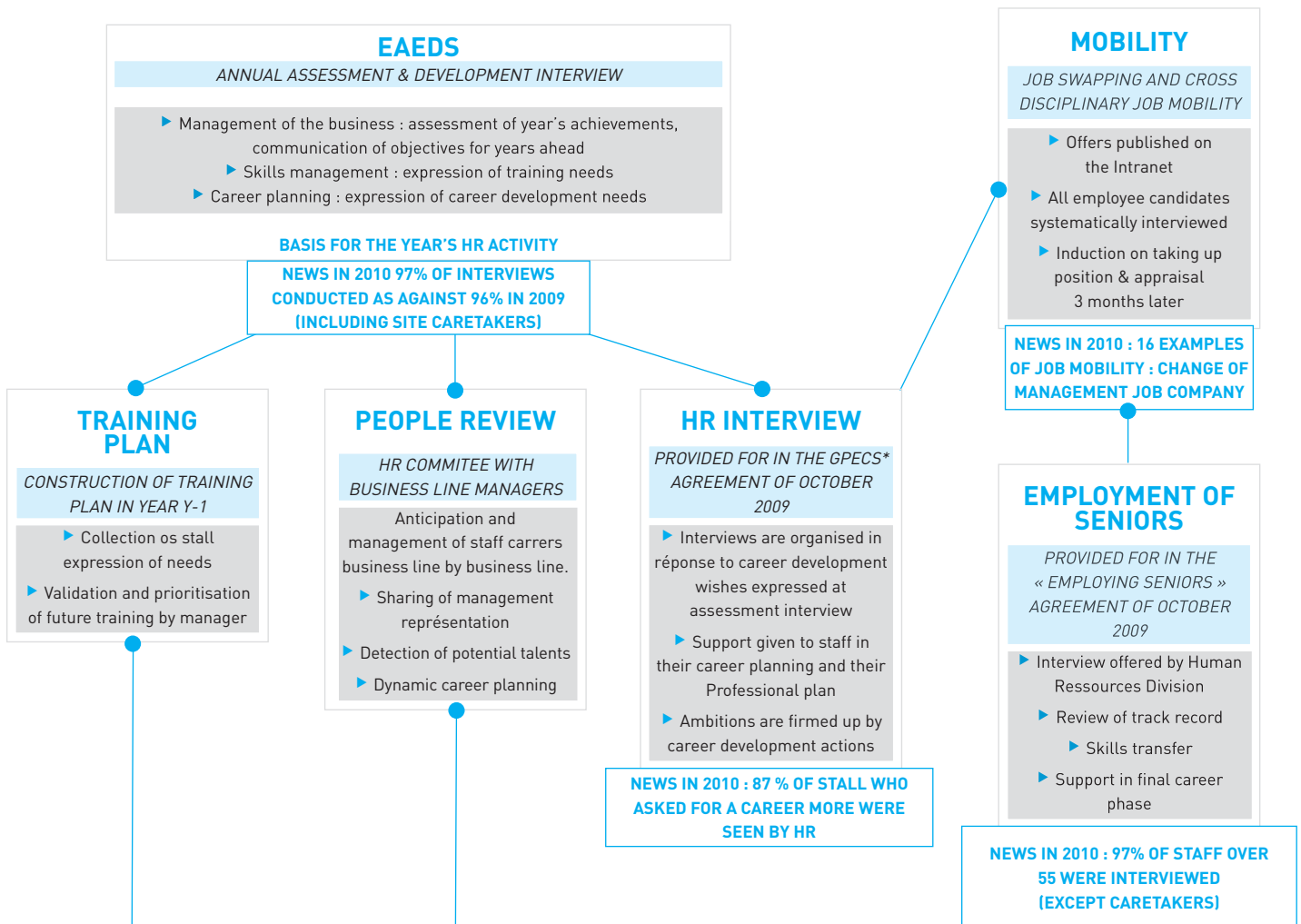
In 2010, 7 new part-time amendments were signed at the request of employees.

Career management and skills development

CLOSE CAREER-LONG SUPPORT/

The annual appraisal and development interviews (EAEDs) remain the starting point for career management and provide an opportunity to support all managers in developing their teams.

These various tools and exchanges with the Group's employees and managers provide the Human Resources Department with a global and up-to-date vision of skills and possible changes. It can also offer appropriate responses to the operational challenges facing the Group.

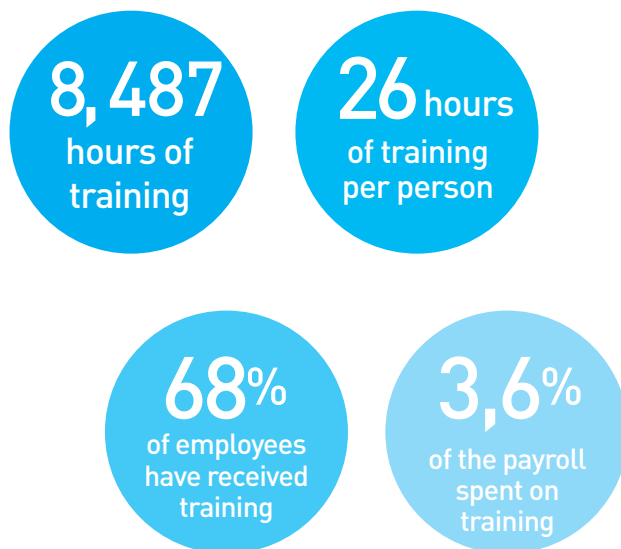


GPECS : Management of jobs and skills

MANAGEMENT DEVELOPMENT PROGRAMMES: FdR DÉCOUVERTE AND FdR UNIVERSITÉ PROGRAMMES

Foncière des Régions has made the development of its high-potential employees and future managers one of its priorities.

The Group has developed two innovative programmes, which address target groups, benefitting from personalised follow-up: the managers of the future on the one hand and the directors of the future on the other hand. These programmes include training, meetings, study trips and are rolled out over a period of 18 months to two years.



AN AMBITIOUS TRAINING POLICY/

2010 was marked by the introduction of two distinct training programmes: a “traditional” skills development plan, and a plan devoted to training in the new tools introduced by the Group in July 2010.

The primary goal of these 2 plans is to increase the professionalism of the Group’s employees.

A SPECIFIC TRAINING PLAN FOR THE FEDER PROJECT

A real company project, FeDeR involved replacing the accounting and leasing management tools, together with support for the changeover. Some 237 employees were therefore trained, receiving a total of 900 days of training, i.e. 6,300 training hours.

The training programmes associated with the FeDeR project will be continued in 2011.

A “traditional” training plan based on the development of job-specific skills

The 2010 training plan consisted of 6 focus areas and involved 155 people, for a total of 312 days of training and 2,184 training hours.



Employees meeting, Paris

Diversity and equal opportunities

ENCOURAGING THE HIRING OF PEOPLE WITH DISABILITIES/

Having been active for a number of years in initiatives to employ people with disabilities, Foncière des Régions increased its activities 2010. Through events such as the Week Promoting the Employment of People with Disabilities and by attending recruitment fairs, Foncière des Régions is getting involved and encouraging meetings and exchanges. In 2010, 1 employee on an open-ended contract and 2 fixed-term contract employees were recruited as well as 3 young "summer job" people and 1 school interns.

BANKING ON A WELCOMING AND OPEN ATTITUDE TOWARDS YOUNG PEOPLE/

The integration of young people is a priority for the Group. It allows us to give them experience in the fields of real estate and finance. It also helps to heighten the profile of Foncière des Régions among these future graduates prior to their entry into the work market. In 2010, the real estate and finance business areas in the broad sense, as well as the supporting functions, took on a total of seven school-age interns, 11 work/study contracts and 23 summer employees.

This new personalised information system will now be used every year.

Sharing in the company's performance

AN APPROPRIATE AND CONSISTENT PAY POLICY/

The Group applies a dynamic management approach to pay for its employees, based in particular on the following components: fixed pay, variable pay, incentives, profit-sharing/ and long-term incentives including share-based remuneration.

A communications policy focusing on remuneration was introduced in 2010. For the first time ever, all UES Foncière des Régions staff received an Individual Social Status report (Bilan Social Individuel or BSI) in 2010. This is a personalised document that sets out, in a simple and instructive manner, all remuneration elements and benefits received by each employee in 2009.

With regard to the pay policy for directors and Company officers, in 2010 the Remuneration Committee continued to implement its strategy. Regular benchmarking is performed to ensure that pay for such personnel is in line with the market, especially with regard to fixed pay. It should be noted that the awarding of bonuses is subject to and calculated on the basis of several criteria such as the achievement of Group targets, applicable to all Company officers and directors, and precise individual and operational targets.

PROFIT-SHARING PLAN

The distributable sum represented 1% of the pre-tax consolidated current cash flow of Foncière des Régions, limited collectively to 11.5% of the 2009 gross payroll and individually to €7,500.

In 2010, the average profit-sharing payment represented 9.96% of an average annual salary, remaining virtually constant with respect to the average 2008 profit-sharing payment made in June 2009. The average profit-sharing payment made in June 2010 for the 2009 tax year was €6,047 per person.

In 2010, a new profit-sharing plan was signed for a new three-year term for the tax years 2010, 2011 and 2012. The distributable sum and the collective and individual ceilings remain the same as those of the previous plan. In order to improve the profit-sharing bonus for employees receiving the lowest levels of pay, the distribution of the fixed element and the proportional element was rebalanced at 50%-50% (instead of 40% and 60% respectively under the previous plan).

BONUS SHARES

In France, 48,230 bonus shares were awarded for 2010, of which:

- Management Board members: 16,510 in March 2010 with regard to 2009.
- Other senior managers: 5,920 in March 2010 with regard to 2009.
- Other staff members: 25,800 in December 2010 with regard to 2010.

In addition, 9,600 bonus shares were allocated to Italian employees and 10,000 to German employees.

EMPLOYEE SAVINGS AND EMPLOYEE SHAREHOLDINGS

Employees have the option of paying all or part of their profit-sharing payments into the Group Savings Plan (Plan d'Épargne Groupe or PEG). All payments made to this Group savings plan also results in an employer contribution that matches the amount that the employee saves, up to €2,000. Some 83% of employees chose this option in 2010.

All employees may invest their profit-sharing bonuses as they choose, i.e. in collective investment funds managed by BNP Paribas and/or in Foncière des Régions shares acquired in the context of reserved capital increases, with a discount of 15% on the average of the last 20 market prices.

This year, the sums invested in Foncière des Régions shares represent 34% of total employee savings.

WELL-BEING AT WORK/

MONITORING AND IMPROVING SAFETY AND WORKING CONDITIONS

The rate of absenteeism for 2010 was 3.91% compared with 2.83% in 2009, mainly due to an increase in long-term absences for illnesses unrelated to work.

MONITORING THE PLAN FOR PREVENTING AND COMBATING STRESS AT WORK

The Committee for Preventing and Combating Stress worked in individual consultation with employees and in close collaboration with all Departments, in order to evaluate the problems identified and propose corrective solutions. The results for this first year are very encouraging.

FIRST AID AT WORK

Since 2009, 47 employees have taken initial training and received a refresher course.

MAKING A SIGNIFICANT CONTRIBUTION TO EMPLOYEE BENEFITS

Each year, the Group grants loans to employees to help them finance house or car purchases. In 2010, 12 loans were granted for a total amount of €126,900.

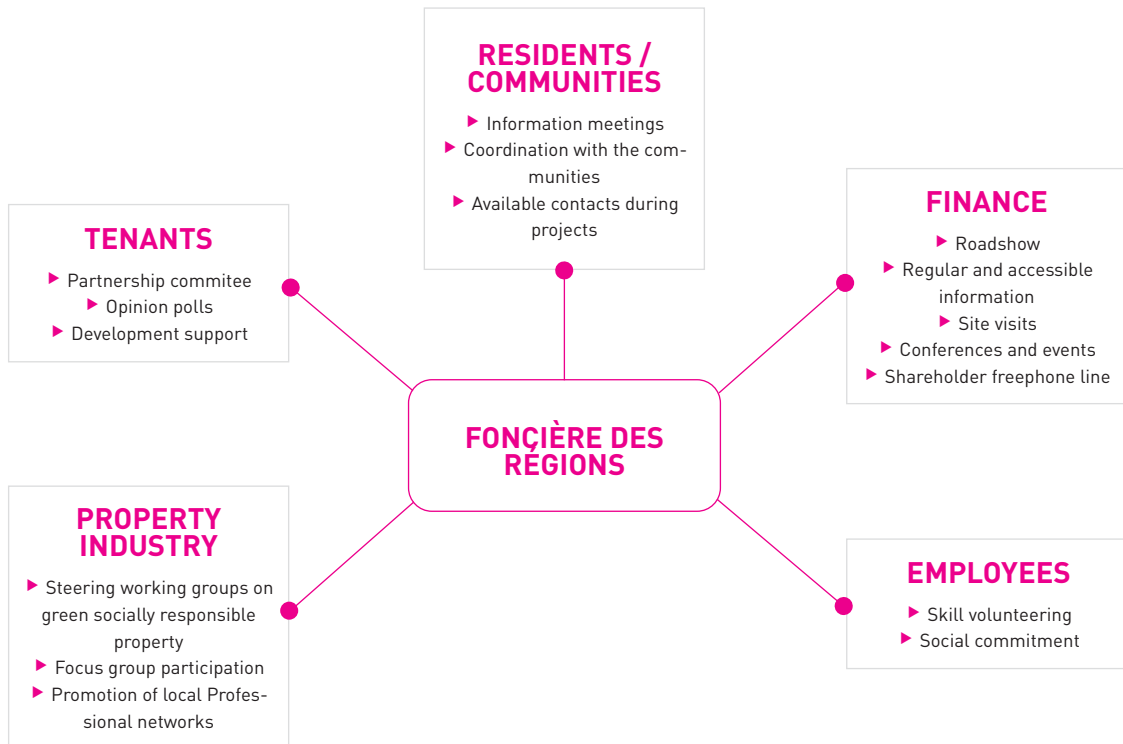
The Group also helps to finance the Works Council and its cultural and sporting activities by allocating a subsidy of 2% of the payroll (which is added to the Works Council's operating budget – allocated separately).

CONTRIBUTING TO A BETTER BALANCE BETWEEN WORKING LIFE AND PARENTHOOD

Foncière des Régions pays particular care to ensuring that there are measures in place that allow its employees to balance their working life with parenthood. In 2010, crèche places were set aside for the children of employees in Metz. Foncière des Régions also subscribed to the "flexi-crèche" system, in partnership with the People and Baby network, which provides a stopgap solution for the care of employees' children.



FONCIÈRE DES RÉGIONS AT THE HEART OF THE CITY



A portfolio reflecting the idea of a sustainable city

CHOICE OF LOCATION/

The locations chosen by Foncière des Régions for its operations take the issues of transport and accessibility into account.

Whether for offices, business or residential premises, this extremely sensitive aspect increases the desirability of the Group's properties.

In the case of Logistics, this aspect is all the more significant because 75% of the properties in the Paris region are less than 25 km from Paris itself, or even within its boundaries for services sector, thus giving tenants access to electric transport.

BUILDINGS ACCESSIBLE TO PEOPLE WITH IMPAIRED MOBILITY/

Foncière des Régions encourages the integration of people with impaired mobility through the provision of facilities in its buildings and through gestures of solidarity. Foncière des Régions is currently conducting a survey of its office buildings, in conjunction with their tenants, defining three categories of accessibility to people with impaired mobility:

- Non-accessibility: no one with impaired mobility can access the property.
- Partial accessibility: accessible to people with impaired mobility on at least one floor (presence of an access ramp or elevator, disabled toilet, lift, as applicable).
- Total accessibility: accessible to people with impaired mobility on all floors (entrance hall and car park access, lifts, disabled toilets and refuge landings).

This study will be completed by the end of 2011.



Participating in city life

INNOVATION, SHARING AND RESEARCH WITH THOSE IN THE REAL ESTATE SECTOR/

In the context of innovation and research, Foncière des Régions takes a positive interest in emerging issues relating to buildings, their relationship with the city and their value.

In 2010, as part of its partnership with the CSTB, Foncière des Régions conducted a LCA (Life Cycle Analysis (LCA) on the Metz Amphitheatre project. The LCA of a building makes it possible to calculate its carbon footprint, right from the manufacture of its materials and its construction and operation to its demolition.

Foncière des Régions collaborates closely with organisations focusing on sustainable building (SB Alliance, France GBC, Association HQE), with the sustainable development committees of bodies such as the FSIF (federation of real estate and land companies), with AFILOG (supply chain and logistics real estate association), and with AUDE (La Défense users' association).

Foncière des Régions is involved in several Grenelle working groups (tertiary buildings, RT 2012, etc.).

In parallel, Foncière des Régions is a member of the platform devoted to the "sustainable business quarter" launched by AFNOR (French Association for Standardisation) in 2010, which has a cross-sectoral, regional approach.

Lastly, Foncière des Régions is associated with the inter-

national SIRE (Sustainable Investment in Real Estate) programme, in partnership with Danube University Krems (Austria) and Kingston University (United Kingdom) and in cooperation with other European investors. This programme involves characterising the link that might exist between "the more or less green profile" of a building and its financial performance.

EXCHANGES AND DISCUSSIONS WITH LOCAL REAL ESTATE PLAYERS/

With a presence and strong involvement in regional real estate markets, Foncière des Régions launched an initiative to coordinate networks of local players in 2010, when it helped to launch "Regional ADI breakfasts" in partnership with Business Immo, a specialist real estate magazine, and ADI (the French association of real estate managers).

The purpose of this scheme is to bring local real estate players together for a day to exchange views on topical matters, share about the challenges facing the sector and discuss the prospects for the future.

The first breakfast was held in Lyon and was attended by 50 participants. These meetings will be continued in other regional cities in 2011.

PALLADIO FOUNDATION: TRAINING THE PROFESSIONALS OF THE FUTURE/

As a founder member of the Palladio Foundation, Foncière des Régions takes an active part in that organisation's work. Its aim is to promote the real estate industry by bringing its leading players together and taking action to train the talent of the future. The foundation is involved in four main areas, as follows: advanced training in real estate-related jobs, research, awarding grants and prizes, and the Palladio Foundation Institute, a platform for dialogue and reflection among the city's stakeholders.

The Palladio Foundation's year is marked by several key events, including the start of the Palladio University academic year, which involves over 250 real estate students, and the disbursement of scholarships to selected students amounting to €60,000 in total (which will be increased to €100,000 in 2011, among other things). In 2010, the foundation organised the first-ever Palladio conference (L'Industrie immobilière 2010/2030 – La Cité en perspective – "The real estate industry 2010/2030 – the city in perspective), which was attended by over 200 real-estate professionals. In addition to providing ongoing support to each of these actions, Foncière des Régions contributes its expertise in the sector and its vision of the challenges involved.

FORGING RESPONSIBLE, LASTING PARTNERSHIPS WITH TENANTS/

Attentive to the expectations and needs of its tenants and users, Foncière des Régions has succeeded in establishing a relationship of trust that enables it to forge lasting links.

In order to strengthen its involvement with its clients, Foncière des Régions has continued its work of research and illumination on a corporate issue that is one of the main drivers of the French economy: office real estate. On the occasion of the 2010 SIMI real estate trade show, Foncière des Régions, in partnership with AOS Studley, a consultancy company, carried out a major survey: "The French and their offices: the differing perspectives of employees and managers." This investigation, which bears witness to the Group's desire to offer its clients a high level of expertise, compares the perspectives of employees and managers in order to analyse their vision of the working environment and its evolution. Conducted by TNS Sofres among 600 employees and 150 real estate managers and human resources directors from companies with over 100 employees, the survey was widely circulated.

For more information: www.fdr-aos-simi2010.fr.

In addition to its involvement in this study, Foncière des Régions engages in regular follow-ups with its tenants through PCPartnership Committees. Regular meetings between the Asset departments and key account clients allow the Group to listen individually to any large tenant wishing to express its requirements with respect to various issues. This makes it possible to develop, with them, appropriate solutions to each of their problems.



 Download the survey on Internet

This year, there was an increase in the number of meetings with commercial tenants focusing on sustainable development. These were helpful for the energy and environment mapping study carried out on the Group's properties. The feedback of the results and analyses was also used to establish Sustainable Development Partnership Committees and green lease appendices.

KEEPING THE FINANCIAL COMMUNITY INFORMED/

Foncière des Régions strives to provide institutional investors and individual shareholders with quality information about its business and strategy. The Group works hard to consolidate a long-term relationship of trust with the financial community and develop its stock market visibility.

Through its involvement with various institutes and federations, Foncière des Régions helps to increase the professionalism of the sector and improve the dissemination of quality information. It is an active member of IEIF, FSIF, EPRA and IPD.

Foncière des Régions also adopts a proactive attitude towards institutional investors. Thus, management holds some 500 meetings every year with its principal representatives, particularly during road shows in the major European and American financial centres. In parallel, more than 10 site and building visits were organised for this target audience by Foncière des Régions. As a result of all these activities and the quality of the information disseminated, Foncière des Régions was ranked third in the Institutional Investor awards, which recognises the businesses with the best performance in terms of investor relations.

Lastly, Foncière des Régions publishes a shareholders' letter, which in 2010 was sent to some 17,000 individual Group shareholders, and provides a freephone shareholders' helpline (0 805 400 865).

Encouraging local economic development

Today, Foncière des Régions has a presence all over France through its portfolio and its teams established as near as possible to the properties. As well as the Group's two main offices (Paris and Metz), seven regional branches allow tailored monitoring of each asset and each client/tenant. Of the Group's 327 employees, 113 are located in the regions, representing 35% of the total workforce.

In addition, when properties in its portfolio require work to be carried out on them, Foncière des Régions is committed to using local firms and contractors in order to participate in the local economic dynamic.

PATRONAGE AND LOCAL DEVELOPMENT

Greater Lyon is now France's capital of murals. In 2010, as part of a project to preserve these works and maximise the city's asset heritage, the "Mur de l'Annonciade" (650 sq.m on the slopes of La Croix-Rousse) was chosen for the creation of an original and innovative mural artwork. The City of Lyon instigated an appeal that resulted in this work receiving support from private partners including Foncière des Régions.



The « Mur de l'Annonciade », Lyon

The Group took part in the creation of this monumental mural, a work that combines pictures, plant life and light. The partners commissioned local firms from the region for all three aspects of the fresco (painting, green wall and lighting).

Taking action for improved quality of life

As a real estate operator and an active player in the city, Foncière des Régions is involved in its construction and invigoration. In line with this positioning, the Group has developed a policy of patronage that focuses on two areas: architecture and the sponsoring of skills development.

SUPPORTING THE PRESERVATION OF HERITAGE AND YOUNG CREATORS/

In 2008, Foncière des Régions began supporting the Collège des Bernardins by sponsoring the restoration of this 13th-century building, one of the largest mediaeval structures in Paris. The aim of this restoration was to return the monument to its original aesthetic through the use of simple shapes and fine materials that would allow the original architecture to be revealed. The partnership continues today, making the Collège des Bernardins a place of culture and openness.

Following the start made in 2008, Foncière des Régions continued and intensified its support for the Cité de l'architecture and heritage scheme, notably through the AJAP project (albums of young architects and landscape designers). The purpose of this partnership is to spotlight 15 or so young architects and landscape designers recognised for the quality and originality of their creations. The main aims of this patronage are to promote the know-how of the new generation, while reinforcing the interaction between these young creators and the region's professional town planners. There are two notable figures: 40% of the 15 teams are based in the provinces, and 25% of those receiving awards from the project are women. The exhibition, for which Foncière des Régions was the exclusive sponsor, attracted a total of 12,000 visitors.

SKILLS SPONSORSHIP: SHARING AND AIDING IN GROWTH/

In 2010, for the 3rd year running, the teams of Foncière des Régions became involved in the "experimental lycée" programme developed by Sciences Po in 2005. The aim is to establish close and made-to-measure partnerships to strengthen the interaction between the business and its environment, particularly the world of education. For three years, the business has supported two high schools in this programme: the Lycée Louise Michel in Bobigny (93) and the Lycée Blaise Pascal in Forbach (57). In concrete terms, the teams of Foncière des Régions organise and take part in several initiatives, as follows:

- Some 20 job-specific presentations by employees.
- 2 site visits (CB21 Tower and Garonor logistics site).
- 2 practical workshops (Human Resources, with simulated job interviews, and Press Review).
- Personalised mentoring for 8 students, carried out by 4 employees.

In parallel, several of these students joined Foncière des Régions for internships and summer jobs. One of these collaborations resulted in hiring.

In total, some 300 high school students took part in the experience and benefited from advice from 50 Foncière des Régions employees.



AJAP exhibition, Cité de l'architecture, Paris

MONITORING AND MEASURING PERFORMANCE

Managing sustainable development performance involves the formalisation of a reporting process. The protocol drafted for environmental issues in 2010 will be completed in 2011 with the corporate dimension.

A clear and transparent reporting methodology

The tables presented in the following pages provide a summary of the indicators used by Foncière des Régions and its companies to measure environmental and corporate performance, particularly with respect to the targets that have been set. These indicators have been chosen on the basis of existing international standards (GRI and its sector-specific supplements, the NRE, draft Article 225 of the Act of 12 July 2010 known as "Grenelle 2", and rating agency expectations) in order to reflect non-financial performance in as relevant a manner as possible.

The frames of reference for environmental and corporate reporting were further refined in 2010, by distinguishing between one frame of reference for environmental issues relating to tertiary domains (offices, logistics, services sector) and a second for residential premises. These frames of reference meant that the report's reliability was able to be verified by an external third party in Spring 2011.

FONCIÈRE DES RÉGIONS IS INCLUDED IN THE FTSE4 GOOD INDEX

Since March 2011, Foncière des Régions has been one of the companies included in the FTSE4 Good ethical index. As such, Foncière des Régions becomes one of the leading corporate social responsibility (CSR) companies. Investors use the FTSE4 Good ethical index as a means of identifying CSR performance and assisting them in their choice of investment. The inclusion of Foncière des Régions in the FTSE4 Good index underscores the consistency and effectiveness of the Group's sustainable development policy.

FURTHER INFORMATION ON THE REPORTING SCOPE

The reporting scope is intended to be as comprehensive as possible: the rule is to take account of all office assets in France that are subject to real estate appraisals on the consolidated portion as of 31 December 2010. Similarly, all real estate development operations on new and renovated properties (works covered by the Decree of 13 June 2008) delivered during the course of the current year (N) are included.

With regard to the energy consumption and CO₂ emissions of offices, it is sometimes difficult to gather data from the bill payers (tenants, external property or facility managers) within the prescribed timescale (before 31 January).

For this reason, it was initially decided to use the assets held by FdR as of 31 December 2010 that are subject to real estate appraisals and were covered by the CSTB energy mapping in 2008. This scope is called the "2008 reference scope"; it changes with asset disposals that are offset in terms of surface area by equivalent acquisitions, if possible with energy performance close to the average for all acquisitions. This new annual scope is called the "N reference scope", and is seen to represent 90% of the total surface area of the Group's assets (cf. page 12 on the portfolio site inventory). In due course, once the gathering of energy consumption data is automated, the scope will have to cover all assets subject to real estate appraisals. The consumption by processes (office equipment) that is the responsibility of the tenants is taken into account at this stage because it cannot be measured separately. Only the consumption by France Télécom equipment (estimated at 49% of the total consumption of these assets) is restated.

For services sector, the scope covers the assets held by Foncière des Murs as of 31 December 2010 within the Accor, Quick, Courtepaille, Jardiland and Korian families, and reporting is implemented according to the respective agreements with the tenant partners. For offices and industrial premises, the surface areas used for the energy efficiency ratios are the net floor areas.

For logistics, energy consumption and CO₂ emissions are monitored by means of energy performance assessments for all assets held by Foncière Europe Logistique in France that are subject to real estate appraisals, excluding industrial premises, which skew the analysis due to the very substantial proportion attributable to processes. Consumption by processes is taken into account in the scope considered.

For Residential, the scope covers all assets situated in France and subject to real estate appraisal for the consolidated portion as of 31 December 2010. Consumption is monitored by means of energy performance assessments. With regard to health and environmental risks, the scope covers the entire portfolio.

ORGANISATION OF REPORTING

The information required to calculate the indicators is collected from the various activities concerned (Portfolio, Environment Service, Technical Directors, etc.). It is collated and organised by a person responsible for its collection, an operations manager in charge of the domain concerned, and approved by a person responsible for its validation (manager supervising the business area in question) before being communicated to the Sustainable Development Department for consolidation.

Measuring performance with relevant indicators

PERFORMANCE ON CORPORATE AFFAIRS/

The figures and statistics for this area are summarised below:

| | | | 2008 | 2009 | 2010 |
|------------------|--|---------------|-------|-------|-------|
| WORKFORCE | NUMBER OF EMPLOYEES | | 362 | 337 | 327 |
| | BREAKDOWN OF WORKFORCE BY CONTRACT TYPE | OPEN-ENDED | 98.1% | 96.1% | 95.6% |
| | | FIXED-TERM | 1.9% | 3.9% | 4.3% |
| | BREAKDOWN OF FULL-TIME/PART-TIME EMPLOYEES | FULL-TIME | 95.8% | 95.2% | 91.2% |
| | | PART-TIME | 4.2% | 4.8% | 8.8% |
| | BREAKDOWN OF WORKFORCE BY STATUS | MANAGERS | 64.4% | 64.4% | 64.8% |
| | | SUPERVISORS | 21% | 24.3% | 25.4% |
| | | EMPLOYEES | 8.3% | 6.8% | 4.6% |
| | | ESTATE AGENTS | 6.3% | 4.5% | 5.2% |
| | BREAKDOWN OF WORKFORCE BY GENDER | MEN | 48% | 47% | 45% |
| | | WOMEN | 52% | 53% | 55% |
| | % OF FEMALE MANAGERS | | 25% | 25% | 29% |
| | BREAKDOWN OF EMPLOYEES BY AGE | ← 20 YEARS | 0% | 0% | 0% |
| | | 20-30 YEARS | 17.4% | 15.8% | 14.7% |
| | | 30-40 YEARS | 32.9% | 32.6% | 33% |
| | | 40-50 YEARS | 27.6% | 29.7% | 29.4% |
| | | 50-60 YEARS | 18.2% | 18.9% | 20.5% |
| | 60-70 YEARS | 3.9% | 3% | 2.4% | |
| | HIRINGS | 45 | 15 | 50 | |
| | DEPARTURES | 40 | 23 | 35 | |
| | TURNOVER | 12.1% | 5.4% | 12.4% | |
| TRAINING | AVERAGE NUMBER OF HOURS OF TRAINING PER EMPLOYEE | | 18 | 17 | 26 |
| | % OF EMPLOYEES WHO HAVE RECEIVED TRAINING | | 53.3% | 51% | 68% |
| | % OF PAYROLL SPENT ON TRAINING | | 3.8% | 3.1% | 3.6% |
| OTHER | INTERNAL MOBILITY | | 23 | 21 | 16 |
| | ABSENTEEISM RATE | | 4.1% | 2.8% | 3.9% |
| | ACCIDENT RATE | | 0.08% | 0.05% | 0.03% |
| | % OF EMPLOYEES WHO HAVE RECEIVED EAEDS | | 91% | 94% | 97% |
| | LOANS TO PERSONNEL | | 4 | 9 | 12 |
| | SUBSIDIES TO THE WORKS COUNCIL (% OF PAYROLL) | | 2% | 2% | 2% |

ENVIRONMENTAL PERFORMANCE/

The reporting arising specifically from the protocol detailed in the previous section is set out in the table below:

(N.B.: figures marked with an asterisk have been refined since the 2010 Reference Document was published).

| INDICATORS | | UNIT | ACTIVITY | 2008 | 2009 | 2010 |
|--------------------------------|---|---|-----------------------------------|--------|--------|---------|
| GREEN BUILDINGS | NEW CERTIFIED ASSETS (HQE/ BREEAM/LEED) | % NEW PROPERTIES | OFFICES | NA | NA | 100% |
| | PERCENTAGE OF ASSETS CERTIFIED (HQE/BREEAM/LEED) OR LABELLED (BBC, HPE, THPE, ETC.), BY VALUE | % (VALUES) | OFFICES | 4% | 7% | 18% |
| ENERGY | CONSUMPTION OF PRIMARY ENERGY OF PORTFOLIO (CSTB EXTRAPOLATION METHOD) | KWHEP/SQ.M/YEAR | OFFICES | 438 | 432 | 489* |
| | FRENCH PROPERTIES WITH AN ENERGY PERFORMANCE ASSESSMENT (DPE) | % PROPERTIES | LOGISTICS FRANCE | 38% | 66% | 66% |
| | CONSUMPTION OF PRIMARY ENERGY OF PORTFOLIO | MEDIAN LABELLING | LOGISTICS FRANCE | D | NAV | D |
| | RESIDENTIAL PROPERTIES WITH AN "ENERGIEAUSWEIS" (GERMAN ENERGY ASSESSMENT) | NUMBER OF PROPERTIES | RESIDENTIAL GERMANY | 33,890 | NAV | 34,309* |
| | ENERGY CONSUMPTION | KWHEP/SQ.M/YEAR (EXCL. LIGHTING AND DOMESTIC HOT WATER) | RESIDENTIAL GERMANY | NAV | NAV | 144* |
| | RESIDENTIAL PROPERTIES CONSUMING OVER 330 KWHEP/SQ.M/YEAR | % RESIDENTIAL PROPERTIES | RESIDENTIAL GERMANY | 0.20% | NAV | 0.20% |
| | RESIDENTIAL PROPERTIES WITH A DPE (EPD) | NUMBER OF RESIDENTIAL PROPERTIES | RESIDENTIAL FRANCE | 1,807 | NAV | 2,574 |
| | ENERGY CONSUMPTION | MEDIAN LABELLING | RESIDENTIAL FRANCE | E | E | E |
| | RESIDENTIAL PROPERTIES CONSUMING OVER 330 KWHEP/SQ.M/YEAR (F OR G LABEL) | % RESIDENTIAL PROPERTIES | RESIDENTIAL FRANCE | 23% | NAV | 16% |
| CARBON FOOTPRINT | CO ₂ EMISSIONS OF PORTFOLIO | KGCO ₂ / SQ.M/YEAR | OFFICES | 24* | 24* | 26* |
| | CO ₂ EMISSIONS OF FRENCH PORTFOLIO | MEDIAN LABELLING | LOGISTICS FRANCE (EXCL. BUSINESS) | D | D | D |
| | CO ₂ EMISSIONS OF FRENCH PORTFOLIO | MEDIAN LABELLING | RESIDENTIAL | C | NAV | E |
| HEALTH AND ENVIRONMENTAL RISKS | PROPERTIES IN WHICH THE ASBESTOS RISK IS BEING SUCCESSFULLY MANAGED | NUMBER OF PROPERTIES | OFFICES | NAV | NAV | 100% |
| | ASSETS THAT HAVE FORMED THE SUBJECT OF A SOIL POLLUTION STUDY | NUMBER OF PROPERTIES | OFFICES | NAV | NAV | 100% |
| | PROPERTIES THAT HAVE BEEN CHECKED FOR LEGIONNAIRES' DISEASE | NUMBER OF PROPERTIES | OFFICES | NAV | NAV | 100% |
| | ICPES WITH PERMITS, FOR THE PROPERTIES CONCERNED | NUMBER OF PROPERTIES | OFFICES | NAV | NAV | 100% |
| | OPERATING PERMITS HELD | NUMBER OF PERMITS | LOGISTICS | 64.70% | 67.70% | 76.50% |
| | PROPERTIES ASSESSED FOR ASBESTOS AND LEAD RISKS | NUMBER OF PROPERTIES | RESIDENTIAL FRANCE | 44 | NAV | 54 |
| | PROPERTIES IN WHICH THE ASBESTOS RISK IS BEING SUCCESSFULLY MANAGED | % PROPERTIES | RESIDENTIAL FRANCE | 100% | 100% | 100% |
| | TECHNICAL ASBESTOS ASSESSMENT (DTA) | NUMBER OF PROPERTIES | RESIDENTIAL FRANCE | NAV | NAV | 54 |
| | LEAD CONTAINMENT: SCOPE CONCERNED | NUMBER OF PROPERTIES | RESIDENTIAL FRANCE | NAV | NAV | 7 |
| | LEAD ASSESSMENT: COMPLETED | % RESIDENTIAL PROPERTIES | RESIDENTIAL FRANCE | NAV | NAV | 100% |
| | RESIDENTIAL PROPERTIES ASSESSED FOR LEAD CONTAINMENT | NUMBER OF RESIDENTIAL PROPERTIES | RESIDENTIAL FRANCE | 70 | NAV | 80 |
| LEAD CONTAINMENT: COMPLETED | NUMBER OF RESIDENTIAL PROPERTIES | RESIDENTIAL FRANCE | NAV | NAV | 13 | |

Foncière des Régions

Assurance report on a selection of environmental indicators

Further to your request we have performed a review allowing us to express limited assurance covering five indicators ("the Indicators") listed on pages 13, 15 and 32 of the 2010 Sustainable Development Report. It is your company's responsibility to establish the indicators in accordance with the internal reporting standard applicable in 2010 (the "Guidelines"), a summary of which appears on page 33 of the Group's Sustainable Development Report. It is also your company's responsibility to update the Guidelines and to make it available to anyone for consultation.

It is our responsibility to provide a conclusion on indicators based on our controls. Our controls were performed in accordance with the ISAE 3000 standards (International Standard on Assurance Engagement, December 2003). Our independence is defined by legal and regulatory texts as well as by our professional code of ethics.

The conclusion presented hereafter concerns only the elements stated above and no other information or sustainable indicators of the 2009 Sustainable Development Report. A higher level of assurance would have required more extensive controls.

NATURE AND SCOPE OF THE WORK

To provide our conclusion, we conducted the following review:

- We assessed the Guidelines with regards to their precision, understandability, neutrality, completeness and relevance in relation to the Group activities.
- Within Foncière des Régions and Foncière Europe Logistique, we met with the persons in charge of consolidating the Indicators. At these levels:
 - We performed an analysis of the risk of discrepancies, carried out analytical procedures and verified, on a sample basis, the consolidation of the Indicators;
 - We performed in-depth tests for 20% of the assets in value or surface area terms for each of the Indicators of Foncière des Régions and Foncière Europe Logistique.
 - Regarding the energy efficiency and carbon intensity indicators per square meter of the office holdings, the energy consumption in 2010 was audited against declarations from the tenants but could not be reconciled with the suppliers energy bills. Consistency checks against the 2008 data were made for the group of assets (the "Panel") used to calculate the indicator.
 - Regarding the median energy label and medial carbon label indicators of FEL the surface areas could not be checked against building surveyors reports. They were checked against financial expert reports and Energy Performance Certificates.
 - We reviewed the presentation of the indicators in the sustainable development report.

Energy efficiency per square meter of the office holdings (FdR), Carbon intensity per square meter of the office holdings (FdR), Share of the office assets certified new (HQE/BREEAM/LEED) and/or in operation (HQE Exploitation) and/or awarded an energy label (FdR), Energy efficiency per square meter of the light industrial holdings (not including activities) of Foncière Europe Logistique (FEL), Carbon intensity per square meter of the light industrial holdings (not including activities) of Foncière Europe Logistique (FEL).

COMMENTS ON THE PROCEDURES

We wish to make the following comments on the Criteria:

RELEVANCE:

- The Indicators, which deal with the energy efficiency and climate change issues, take into account the Group's main impacts and actions and are consistent with the issues of the real estate sector as well as the French and European objectives on these topics.

COMPLETENESS:

- The Energy efficiency per square meter and Carbon intensity per square meter Indicators for the (FdR) office holdings are calculated from a set of 45 assets selected in the EDF, France Télécom and Other Offices families. This set accounts for 17.3% of the net surface area (SHON) of the Foncière des Régions office holdings and 23.7% of the total market value of the consolidated office holdings as of 31 December 2010. The average ratios for this set are then extrapolated based on the surface areas per family, after deduction of non-standard assets, which account for 25% of the office holdings.

ACCURACY:

The Guidelines for calculating the Energy Efficiency and Carbon Intensity indicators for the office holdings use a certain number of assumptions which allow the Group to determine a "best estimate" for these indicators:

- In particular, the weighting applied to the average consumption ratios calculated for the initial set by the surface areas of each family of which the office holdings are composed is subject to a certain level of approximation.
- The reliability of the energy consumption data provided by the tenants is dependent on the quality of the internal or external audits conducted by the tenants.
- The energy used for the activities within the building is taken into account for the EDF and Other Office families, but includes a standard correction factor for all assets in the France Télécom family. Similarly, a theoretical average factor was applied to the assets of the EDF family, to adjust for unheated surface areas in the calculation of the average energy consumption ratio per sq. m.
- The internal audit rules, methods, roles and responsibilities must be set out in the Guidelines. Particular attention should be paid to the traceability of deferred data and the reliability of data provided by tenants.
- The surface area data used for calculating the indicators is not always consistent with the survey measurements and the internal asset management system. Work needs to be conducted on listing and explaining any differences.

CONCLUSION

Based on our controls, nothing came to our attention that causes us to believe that the Indicators were not established, for the fiscal year 2010, in accordance with the Guidelines, in all material aspects.

Paris-La Défense, 11 May 2011

ERNST & YOUNG et Associés
Environment and Sustainable Development



Eric Duvaud

Methodology used for analysing the DPEs – Foncière Europe Logistique

STUDIED SCOPE/

Assets France, logistic email only. The calculation scope equals the sum of the areas of lots having a label (energy and CO₂) and therefore a complete DPE (diagnostic de performance énergétique or Energy Performance Assessment). Areas of lots with incomplete DPE (without energy and CO₂ labels) or without DPE are therefore outside the scope.

- 2008 scope: Logistic asset lots that have had a complete DPE as at 31/12/2008 (36% of the total assets, corresponding to the assets having at least one assessed lot)
- 2010 scope: Logistic asset lots that have had a complete DPE as at 31/12/2010 (66% of the total assets, corresponding to the assets having at least one assessed lot)

METHOD OF CALCULATION/

- Calculations are performed on the basis of the GES energy and emission label conclusions for the DPEs available at the reporting dates.
- The total energy consumption and CO₂ emissions of lots having a DPE with energy and climate label were calculated by extrapolating the average DPE over the area of the lot.
- After this, the sum of the consumptions of lots having a complete DPE were converted as a ratio over the sum of the areas of these lots, as at 31/12/2008, 31/12/2009 and 31/12/2010.

| SITE | AREA | ENERGY LABEL CONCLUSIONS IN KWHEP/M ² .YEAR | GES LABEL CONCLUSIONS IN KG CO ₂ /M ² .YEAR |
|-------|--------|---|---|
| 1 | 5,000 | Y | Y' |
| 2 | 10,000 | Z | Z' |
| 3 | 20,000 | VOID DPE | VOID DPE |
| TOTAL | | $((Y \times 5\,000) + (Z \times 10\,000)) / (10\,000 + 5\,000)$ | $((Y' \times 5\,000) + (Z' \times 10\,000)) / (10\,000 + 5\,000)$ |

INDICATOR MONITORING

The averages for energy consumption and CO₂ emission thus estimated over the total area of the lots for sites with complete DPE were brought down to the scale of the DPE energy and climate labels and registered on the corresponding labels.

The median label therefore corresponds to the DPE scale label on which is "housed" the average energy consumption as estimated by the calculation set out above.

Environmental mapping by Foncière des Régions with the CSTB

SCOPE OF THE STUDY/

The environmental mapping of Foncière des Régions was carried out for the first time in 2009, based on a methodology developed with the CSTB (Scientific and Technical Center of the Building). This mapping was carried out to acquire an awareness of the energy performance of the Group's property portfolio and to identify potential improvement levers through renovation.

For Foncière des Régions, a like-for-like basis was defined, based on a reference set representative of the holdings, depending on geographic situation, surface area and building age criteria.

In the final calculations of the GES consumption and emission ratios for the Office holdings, the benchmark set was extrapolated over the 3 mapped families which constitute more than 74% of the Office holdings in area terms in 2010.

The methodology which follows, resulting from this environmental mapping with the CSTB for 2008, was taken to calculate the average consumption and average CO₂ emission ratios in 2009 and 2010 for the Office holdings.

METHOD OF CALCULATION USED TO CALCULATE THE AVERAGE ENERGY CONSUMPTION AND CO₂ EMISSIONS FOR THE HOLDINGS

For each of the families, the 2008 actual or estimated consumptions of primary energy and CO₂ emissions over the set were converted into ratios per sq.m of net floor area. These set ratios were then weighted by the total size in area of the mapped families.

DATA USED/

SOURCE DATA:

On the Offices and services sector holdings, the fluid consumption data for the buildings studied was collected from the tenants on invoices and management leaflets. It should be noted that, as data was missing for 2009, the electricity consumption for 16 buildings in the set and the gas consumption for 3 buildings was aligned with the 2008 consumption figures for these same buildings.

N.B. - for FdR: As a rule, consumption figures include consumption related to processes, except for the France T élécom family, for which consumption figures related to telephony switching centres (transmission, switching, etc.) were withdrawn. A process factor per building was calculated, based on the weight and consumption of the centres over the total energy consumption of the buildings in question. If this weight was perceptible only with difficulty, the previously estimated average process factors were used as the reference for the buildings involved.

On the Residential and Logistics holdings, the actual consumption was estimated on the basis of available Energy Performance Assessments.

SURFACE AREAS:

The areas included in the mapping correspond to the net floor areas taken from expert report tables or surveyors' measurements or, failing this, available gross usable areas on the same bases, on which the net floor areas were estimated by conversion factors matched to the context of each type of asset.

N.B. FdR: for sites with EDF that were part of the set, because these have a large number of outbuildings, it was decided to take only the heated areas as a reference for calculations. The heated parts were identified from the plans and area reports available on each building. If the information available was somewhat sparse on certain buildings, the average weight of the heated area over the gross usable area was used as a benchmark for the buildings in question.

CONVERSION FACTORS:

The primary energy and CO₂ emission conversion factors that were used are those recommended by the decree of 15 September 2006, "relating to the energy performance assessment for existing buildings offered for sale in metropolitan France".

Correspondence table

NRE and GRI

To facilitate the reading of this document, the table below makes the link between the elements required by the NRE Law and the recommendations of the GRI protocol 2, along with the actions taken by Foncière des Régions.

| ART. NO. CORPORATE/SOCIAL | ELEMENTS REQUIRED BY THE NRE ¹ | GRI CORRESPONDENCE | PAGE OF THIS DOCUMENT |
|------------------------------|--|-----------------------|--------------------------|
| ART. 148-2.-1° A) | Total staff, recruitment differentiated between fixed-term contracts and open-ended contracts and analysing any recruiting difficulties, redundancies and the reasons for them, overtime hours, labour external to the Company | LA1, LA2, LA13 | 23, 34 |
| ART. 148-2.-1° B) | Any information relating to plans for reducing staff and protecting jobs, reclassification efforts, rehires and outplacement support and counselling | | 23 |
| ART. 148-2.-2° | The organisation of working hours, their duration for full-time and part-time employees, absenteeism and the reasons for it | LA7 | 23, 27 |
| ART. 148-2.-3° | Compensation and changes in it, social security contributions, the application of the provisions of Title IV of Book IV of the French Labour Code (Code de Travail), professional equality between men and women | | 26, 27 |
| ART. 148-2.-4° | Work relations and the status of collective agreements | | 26, 27 |
| ART. 148-2.-5° | Health and safety conditions | LA9 | 25 |
| ART. 148-2.-6° | Training | LA10, LA11, LA12 | 11, 24 |
| ART. 148-2.-7° | The employment and involvement of disabled workers | | 26 |
| ART. 148-2.-8° | Community | | 25 |
| ART. 148-2.-9° | The report must set forth the manner in which the Company takes into account the local impact of its activities in terms of employment and regional development | | 23, 28, 31 |
| | It must describe any relations maintained by the Company with vocational training associations, educational institutions, environmental protection associations, consumer associations and neighbouring populations | | 30, 31, 32 |
| | It must indicate the extent of any subcontracting and the manner in which the Company furthers observance among subcontractors and ensures observance by its subsidiaries of the provisions of the fundamental agreements of the International Labour Organisation | | 19 |
| | It must also indicate the manner in which the Company's foreign subsidiaries take into account the impact of their activities on regional development and local populations | | 15 |

| ART. NO. ENVIRONNEMENT | ELEMENTS REQUIRED BY THE NRE ¹ | GRI CORRESPONDENCE | PAGE OF THIS DOCUMENT |
|---------------------------|--|---|--------------------------|
| ART. 148-3.-1° | The consumption of water resources, raw materials and energy along with any measures taken to improve energy efficiency and use renewable energy, soil utilisation conditions, discharges into the atmosphere, water and ground seriously affecting the environment and the list of which shall be determined by decree by the ministries responsible for the environment and industry, noise or olfactory pollution and waste | EN1, EN2, EN3, EN4, EN5, EN6, EN7, EN8, EN9, EN10, EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, EN24 | 12, 13, 14, 15, 20, 21 |
| ART. 148-3.-2° | The measures taken to limit damage to the biological equilibrium, natural environments, and protected animal and plant species | EN11, EN12, EN13, EN15, EN25 | 21, 22 |
| ART. 148-3.-3° | The environmental assessment or certification procedures undertaken | EN26, EN27 | 16, 17, 18 |
| ART. 148-3.-4° | Any measures taken to ensure that the Company's activity is in compliance with the legal and regulatory provisions relating to this matter | | 20, 21 |
| ART. 148-3.-5° | Amount spent to prevent the consequences of the Company's activity on the environment | EN14, EN30 | 16, |
| ART. 148-3.-6° | The existence within the Company of internal departments for managing the environment and training/informing employees about the environment, the resources devoted to reducing risks to the environment, as well as the organisation in place to deal with pollution accidents with consequences extending beyond the Company's facilities | | 4, 5 |
| ART. 148-3.-7° | Total provisions for and insurance against environmental risks, except if the nature of this information could cause serious harm to the Company in ongoing litigation | | |
| ART. 148-3.-8° | Total indemnities paid during the year in executing a court decision on an environmental matter and the actions carried out to repair the damage caused to the environment | EN28 | 20 |
| ART. 148-3.-9° | All the elements relating to the objectives that the Company sets for its foreign subsidiaries on items 1 to 6 above." | | |

¹: Decree no. 2002-221 of 20 February 2002 adopted for the application of Article L. 225-102-1 of the French Commercial Code (Code de commerce) and amending Decree no. 67-236 of 23 March 1967 on commercial companies



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