IMPACT ASSESSMENT OF BPCE-SA LED FLOTATIONS - 2019-112 -

Results report
21 November 2019

From:
Didier CAYLOU - Banking Finance Insurance Director
Mariam GBANE - Project manager

www.audirep.fr
1. Context, objectives and methodology

2. Detailed results
   - Profile of businesses, companies, associations funded
   - Overall perception of the impact of loans financed on “LED” bond funds
   - Detailed perception of the impact of loans financed on “LED” bond funds
   - Review of changes

3. Conclusions

Impact of LED flotations
Context, objectives and methodology
Context and objectives

Heavily invested in regional development and mindful of contributing to the economic equilibrium among the French regions, the BPCE group distributes financing projects targeted by business locations to SMEs and micro businesses selected in line with different criteria.

This involves equipment loans, cash loans, operating loans financed by “LED” (Local Economic Development) bond funds, the end-purpose of which is to promote local economic developments.

The challenge for the study:

to analyse the impact of LED flotations on the activity of SMEs and micro businesses on their territories and, more generally, the regional economies

The objectives are as follows:

To obtain the overall opinion of beneficiary SMEs and micro businesses on the development of their situation during the period after funding

To assess the link with LED funding arrangements obtained

To identify the changes in the activity of SMEs and micro businesses targeted since the award of financing
## Methodology

### Universe

Company/association directors, finance directors having benefited from loans financed on LED (Local Economic Development) bond funds, Caisses d’Epargne and Banque Populaire clients

### Collation

Telephone interviews using CATI (Computed Assisted Telephone Interviewing) on the basis of files provided by BPCE (6,487 contacts)

### Questionnaire

Questionnaire with an average duration of 10 minutes

### Dates of survey

From 1 to 9 October 2019

400 interviews were carried out.
Structure of the directors surveyed

The analysis covers a representative sample* of 400 client businesses/companies/associations of Caisses d’Epargne and Banque Populaire.

*The representativeness of the sample has been ensured by an adjustment on the measurements provided in the file: the salaried workforce, the business sector, the region, the bank and the target.

<table>
<thead>
<tr>
<th>Gross Total</th>
<th>Adjusted Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salaried workforce</strong></td>
<td></td>
</tr>
<tr>
<td>No employees*</td>
<td>186</td>
</tr>
<tr>
<td>1 to 2 employees</td>
<td>97</td>
</tr>
<tr>
<td>3 to 5 employees</td>
<td>42</td>
</tr>
<tr>
<td>6 to 9 employees</td>
<td>25</td>
</tr>
<tr>
<td>10 employees and more</td>
<td>18</td>
</tr>
<tr>
<td>NR</td>
<td>32</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Total</th>
<th>Adjusted Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business sector</strong></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>12</td>
</tr>
<tr>
<td>Industry and building</td>
<td>100</td>
</tr>
<tr>
<td>++ Shops, cafés hotels restaurants</td>
<td>120</td>
</tr>
<tr>
<td>Services</td>
<td>168</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Total</th>
<th>Adjusted Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Region</strong></td>
<td></td>
</tr>
<tr>
<td>Paris region</td>
<td>15</td>
</tr>
<tr>
<td>North East</td>
<td>110</td>
</tr>
<tr>
<td>North West</td>
<td>145</td>
</tr>
<tr>
<td>South West</td>
<td>43</td>
</tr>
<tr>
<td>South East</td>
<td>87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Total</th>
<th>Adjusted Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Banking</strong></td>
<td></td>
</tr>
<tr>
<td>Banque Populaire</td>
<td>229</td>
</tr>
<tr>
<td>Caisse d'Epargne</td>
<td>171</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross Total</th>
<th>Adjusted Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target</strong></td>
<td></td>
</tr>
<tr>
<td>Professional(s)</td>
<td>364</td>
</tr>
<tr>
<td>Company(ies)</td>
<td>30</td>
</tr>
<tr>
<td>Association(s)</td>
<td>6</td>
</tr>
</tbody>
</table>
Significant disparities between sub-populations and the overall result are indicated as follows:

/ ++: higher significant discrepancy in comparison with overall
→ There is a 95% probability that the result on the sub population is significantly higher than that recorded for the whole population

/ --: lower significant discrepancy in comparison with overall
→ There is a 95% probability that the result on the sub population is significantly lower than that recorded for the whole population

Numbers are non-significant but reflect trends

- In the event of base lower than 30, results are not shown and are flagged by the reference “Low base”

- Note: due to rounding, the total can sometimes be different from 100% to +/-1 point.
Detailed results
1. Profile of businesses, companies, associations that are clients of Caisses d’Epargne having obtained a financed loan on “LED” bond funds
Profile of businesses, companies, associations that are clients of Caisses d’Epargne having obtained a financed loan on “LED” bond funds

S1 - In what year was your business / your company / your association created? / S4 - Today, how many employees are there in your business / your company / your association? / S9 - Where is the 2018 turnover for your business / your company / your association placed in the instalment amounts that I am about to give you (all establishments combined)?

Baseline n=400

### 2018 turnover

- **below €150,000**: 23%
- **150,000 to below €250,000**: 19%
- **250,000 to below €500,000**: 18%
- **500,000 to below €1mn**: 12%
- **1 to under €2mn**: 11%
- **2 to under €3mn**: 3%
- **€3mn and over**: 1%
- **DK, Decline**: 13%

### Year of creation

- **After 2016**: 24%
- **Between 2010 and 2016**: 30%
- **Between 2005 and 2009**: 14%
- **Between 1995 and 2004**: 12%
- **Before 1995**: 16%
- **You no longer know**: 4%

### The profile of salaried jobs

- **Men**: 48%
- **Women**: 52%

- **Full-time**: 80%
- **Part-time**: 20%

- **Open-ended contract**: 94%
- **Fixed term contract**: 6%

- **Managerial**: 23%
- **Non Managerial**: 77%

With regard to the salaried workforce, we see significant differences between file information and information stated by interviewees. That is why we are showing structural results here that are based on information stated in the survey so as to avoid any ambiguity.

A declared average workforce of 11 employees
Perception of changes in the economic and financial situation over the past 3 years (1/2)

S2 - Would you say that the economic and financial situation of your business / company / your association, over the past three years...? / S3 - And would you say that over the past three years the economic environment of your region...?

Half of all executives have the feeling that their economic and financial situation has improved over recent years.
An economic and financial situation that seems more favourable than the region’s economic environment.

Over the past 3 years...

The economic and financial situation...
- Has somewhat improved: 51%
  - ++ 1-2 employees: 61%
  - ++ creation before 1995: 43%
- Has remained fairly steady: 29%
- Has somewhat deteriorated: 8%
- Doesn’t know: 12%

The region’s economic environment...
- Has somewhat improved: 18%
  - ++ creation after 2016: 20%
- Has remained fairly steady: 40%
- Has somewhat deteriorated: 27%
  - ++ creation before 1995: 44%
- Doesn’t know: 15%

Impact of LED flotations
Perception of changes in the economic and financial situation over the past 3 years (2/2)

S2 - Would you say that the economic and financial situation of your business / company / your association, over the past three years...? / S3 - And would you say that over the past three years the economic environment of your region...?

Baseline n=400

At the end of the day, an economic and financial change for businesses, companies and associations...

More favourable than the regional environment 44%

- Such as improvement of the economic situation of the company: 34%
- Such as stability of the economic situation of the company: 10%

Less favourable than the regional environment 5%

- Such as stability of the economic situation of the company: 4%
- Such as worsening of the economic situation of the company: 1%

Equivalent to the regional environment 33%

- Such as improvement of the economic situation of the company: 13%
- Such as stability of the economic situation of the company: 14%
- Such as worsening of the economic situation of the company: 5%

Not stated: 18% (no answer to one or other of the two corresponding questions)

These analyses compare the perception of the business's/association’s situation with the regional context → Assessment of the business’s/association’s situation...

- More favourable than the regional environment: (improvement for the business and deterioration or stability for the region) or (stability for the business and deterioration for the region)
- Less favourable than the regional environment: (deterioration for the business and stability or improvement for the region) or (stability for the business and improvement for the region)
- Equivalent to the regional environment: improvement for both or stability for both or deterioration for both
- DK: DK to one or other of the two corresponding questions (no possibility of comparison)
The location of clients and suppliers

S7 - Where are your clients located? / S8 - Where are your suppliers located?

Baseline n=400

The majority of clients and suppliers are located close to the structures being financed.

**The location of clients**
- 77% Mostly in your region
- 12% As much in your region as elsewhere
- 7% Minimally in your region
- 5% Doesn’t know, declines

++ 3-5 employees: 18%

**The location of suppliers**
- 52% Mostly in your region
- 19% As much in your region as elsewhere
- 19% Minimally in your region
- 9% Doesn’t know, declines

++ Industry and building: 70%
++ Shops, cafés hotels restaurants: 30%

Impact of LED flotations
2. Overall perception of the impact of loans financed on “LED” bond funds
Nature of financing arrangements

A1 - In 2018, did you obtain, from the [BANK], one or more loan(s) for your [“business” if TARGET=1 / “company” if TARGET=2 / “association” if TARGET=3]? / A2 - Did this involve?

Baseline n=400

More than 7 loans out of 10 concern equipment loans.

100%

confirm having obtained one or more loan(s)

71% one loan, 29% several loans

++ shops, cafés, hotels, restaurants: 79%

++ 10 employees and +: 58%

Equipment loans 73%

Operating, cash loans 25%

Other types of loan, specify 15%

Construction work, buy-back of loan, buy-back of business assets

++ shops, cafés, hotels, restaurants: 22%

++ 1-2 employees: 34%

++ creation after 2016: 33%
The impact of loans financed on “LED” bond funds on the business activity of their beneficiaries

A3 - Has/have this/these loan(s) enabled you to somewhat expand or somewhat maintain your business activity?

Baseline n=400

Impact of loans on the activity

The impact of loans on the activity est positive.

For half, the loans have made it possible to expand the activity, in particular for recent businesses.

For the other half, such loans have made it possible to maintain the activity, particularly for slightly older companies.

++ 1-2 employees: 60%
++ 10 employees and more: 65%
++ creation after 2016: 75%

++ 6-9 employees: 69%
++ creation between 1995 and 2004: 62%
++ creation before 1995: 64%
Nature of the impact of loans financed on LED bond funds (1/3)

A4 - More specifically, has/have this/these loan(s) enabled you to...

Baseline n=400

**Impact on investment**
- Such as investment in new utilities: 71%
- Such as expenditures on research and development: 9%

**Impact on profitability**
- Such as safeguarding the company’s sustainability: 54%
- Such as improvement of performance: 46%

**Impact on business development**
- Such as development of new activities: 18%
- Such as business development beyond the regional framework: 11%

**Impact on employment**
- Such as hiring new staff: 17%
- Such as expenditures on staff training, on developing their skills: 6%

To sum up, 91% have cited at least 1 impact:
- 1 single impact: 26%
- Several impacts: 65%

Impacts cited on average 2.3
Nature of the impact of loans financed on bond funds (LED) (2/3)

A4 - More specifically, has/have this/these loan(s) enabled you to...?

Baseline n=400

<table>
<thead>
<tr>
<th>General reminder</th>
<th>Investment in new utilities</th>
<th>Commitment of expenditures on research and development</th>
<th>Safeguarding your company’s sustainability</th>
<th>Improving your performance</th>
<th>Developing new activities</th>
<th>Expanding your activity beyond your regional framework</th>
<th>Recruitment of new staff</th>
<th>Expenditures on training staff, developing their skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in new utilities: machines, production equipment, vehicles</td>
<td>71%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment of expenditures on research and development</td>
<td>9%</td>
<td>8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protecting your company’s sustainability</td>
<td>54%</td>
<td>40%</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improving your performance</td>
<td>46%</td>
<td>34%</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>32%</td>
</tr>
<tr>
<td>Developing new activities</td>
<td>18%</td>
<td>14%</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11% 12%</td>
</tr>
<tr>
<td>Expanding your activity beyond your regional framework</td>
<td>11%</td>
<td>9%</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8% 8% 4%</td>
</tr>
<tr>
<td>Recruitment of new staff</td>
<td>17%</td>
<td>14%</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11% 12% 7% 3%</td>
</tr>
<tr>
<td>Commitment of expenditures on training staff, developing their skills</td>
<td>6%</td>
<td>6%</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4% 5% 2% 2% 4%</td>
</tr>
</tbody>
</table>

Information note: 32% have cited the improvement of performance and safeguarding of the company’s sustainability as impact.
An impact of loans felt strongly on investment and profitability.

First and foremost on the purchase of new utilities, then on the sustainability and improvement of the company’s results.

### ST Impact on Investment
1. Investing in new utilities (machines, production equipment, vehicles)
   - Baseline n=400
   - 72%
   - 71%
2. Committing to expenditures on research and development
   - 9%
3. Protecting your company’s sustainability
   - 69%
4. Improving your performance
   - 46%

### ST Impact on Profitability
1. Protecting your company’s sustainability
   - 54%
2. Improving your performance
   - 46%

### ST Impact on Business Development
1. Developing new activities
   - 25%
2. Expanding your activity beyond your regional framework
   - 18%
   - 11%

### ST Impact on Employment
1. Recruiting new staff
   - 19%
2. Committing to expenditures on training your staff, on developing their skills
   - 17%
   - 6%
3. Detailed perception of the impact of loans financed on “LED” bond funds
1. Impact on investment

1.1. The purchase of new utilities

1.2. Expenditures on research and development
Proportion of new utilities financed by loans

- **B5A** - This / these loan(s) has / have enabled you to invest in new utilities. What proportion of your investments have you financed with this / these loan(s)?

Base investment in new utilities n = 282

With regard to investment in new utilities, almost 4 companies out of 10 have been able to finance them **fully** thanks to these loans.

**Proportion of investments financed**

- Less than 50%: 35%
- Between 50% and less than 100%: 23%
- 100%: 38%
- Doesn’t know, declines: 4%

++ creation after 2016: 33%
Intensity of the impact of loans in the financing of new utilities

Do you think you would have been able to invest in these new utilities if you hadn’t had this / these loan(s)?

For 6 companies out of 10, the investment in new utilities would not have been possible without these loans.

Intensity score = weighted average of replies using the following scale:
- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact.

NEW UTILITIES POSSIBLE WITHOUT LOANS

- Yes, definitely: 25%
- Yes, probably: 14%
- No, probably not: 18%
- No, definitely not: 43%
- DK: 1%

Intensity score out of 5: 3.4

Impact of LED flotations
1. Impact on investment

1.1. The purchase of new utilities

1.2. Expenditures on research and development
Among the companies that were able to invest in R&D, the full amount of expenditures was financed by loans in 40% of cases.
Intensity of the impact of loans in the financing of expenditure on research and development

B5B - Do you think you would have been able to commit to these expenditures on research and development if you hadn’t had this / these loan(s)?

Base investment in R&D n = 35

More than 4 companies out of 10 consider that investment in R&D would have been more difficult without the loans.

Expenditures on R&D possible without loans

Intensity score = weighted average of replies using the following scale
- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact

Intensity score out of 5: 3.0
2. Impact on profitability

2.1. Safeguarding the company’s sustainability
2.2. Improvement of results
The characterisation of safeguarding the company’s sustainability

**B8A** - This / these loan(s) has / have enabled you to safeguard the sustainability of your activity. Tell me briefly in what way they have contributed? - codified open question

**Base safeguarding the activity**

\[ n = 218 \]

The injection of loans has been beneficial to the sustainability of companies as much in terms of investment as in working capital.

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>To improve machinery, utilities, furniture, production tools / to change ageing or faulty machinery</td>
<td>20%</td>
</tr>
<tr>
<td>To provide cash / to not chase after financing arrangements, to cover the overdraft</td>
<td>18%</td>
</tr>
<tr>
<td>To acquire a vehicle for moving around, prospecting, going to see clients / need to have a vehicle in the context of my activity</td>
<td>14%</td>
</tr>
<tr>
<td>To continue working / to enable the continuity and preservation of the activity</td>
<td>11%</td>
</tr>
<tr>
<td>Purchase, rental of property / expansion, development of property</td>
<td>8%</td>
</tr>
<tr>
<td>To improve working conditions, working comfort</td>
<td>6%</td>
</tr>
<tr>
<td>To start up my company, my business / to buy a company</td>
<td>5%</td>
</tr>
<tr>
<td>Diversification of the activity</td>
<td>4%</td>
</tr>
<tr>
<td>To pick up a new client-base, to expand the client-base / to approach new clients</td>
<td>3%</td>
</tr>
<tr>
<td>To review the organisation / management of the activity (e.g. gains in time, in efficiency, in output)</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
<tr>
<td>NSP/RAS</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Impact of LED flotations**

- ++ shops, cafés, hotels, restaurants: 29%
- ++ creation after 2016: 12%

1 contribution: 81%
Several contributions: 8%
Average number of contributions cited: 1
The characterisation of safeguarding the company’s sustainability - some verbatim comments

BBA - This / these loan(s) has / have enabled you to safeguard the sustainability of your activity. Tell me briefly in what way they have contributed? - open question

Base safeguarding the activity  
\[ n = 218 \]

“I bought a car transporter business and needed cash while waiting for the business to get going.”

“Repairing the vehicle has made it possible to have two teams without using our cash.”

“After setting up, we needed cash to pay suppliers before the activity had really taken off.”

“I consider that this ensured the company’s continuity thanks to the replacement of machinery.”

“I no longer had the appropriate machine so this enabled us to provide a new service.”

“I was able to put utilities in place making it possible to rejuvenate my establishment.”

“I took high-tech storage units so as to provide a visual change for our customers.”

“Starting on healthy financial bases, which allows me to repay my loan without any difficulty.”

“It helped by improving the working conditions of staff and therefore the effectiveness of the company’s output.”

“I was forced to dismiss my only employee. The loan made it possible to pay the compensation and restart my business.”

“I bought a second franchise contract for a second catchment area. This offset a drop in turnover compared with a difference in sourcing.”

“I was able to advance my cash while making good use of the machinery.”
Intensity of the impact of loans in safeguarding the sustainability of companies

More than 6 companies out of 10 consider that safeguarding their sustainability would not have been possible without the loans.

Integrity score = weighted average of replies using the following scale

- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact.

Intensity score out of 5: 3.5

Impact of LED flotations
2. Impact on profitability

2.1. Safeguarding the company’s sustainability
2.2. Improvement of results
Among the companies for which loans have made it possible to improve results, 7 out of 10 consider this improvement significant.

Among the companies for which loans have made it possible to improve results, 7 out of 10 consider this improvement significant.

Estimated extent of the improvement in results

- B5A - This / these loan(s) has / have enabled you to improve your performance since 2018. How do you assess this improvement?

Base improvement performance n = 186

46% have been able to safeguard their sustainability thanks to loans financed on LED bond funds.

**Intensity of the Improvement**

- **Very high**: 26%
- **Moderately high**: 46%
- **Low**: 22%
- **DK**: 7%

++ 1-2 employees: 36%
The characterisation of the improvement in results

- **B2B** - In a few words comment how is this improvement seen? - codified open question

**Base improvement performance n = 186**

This improvement is seen in the 1st place by a rise in all economic and financial indicators of the companies.

- Improvement of financial results *(turnover, better balance sheet, etc...)*
  - 29%
- Investment in new utilities *(machinery, furniture, etc...)*
  - 16%
- Increase / expansion of the client-base, the client portfolio
  - 13%
- Better cash fluidity, maintaining cash equilibrium
  - 12%
- Improvement in working conditions *(working comfort, decrease in fatigue, etc...)*
  - 10%
- Improvement in productivity *(e.g. introduction of new technologies, etc...)*
  - 9%
- Development of the activity beyond the initial framework
  - 9%
- Purchase, rental of property / expansion, development of property
  - 5%
- Start-up of activity *(creation of company)*
  - 5%
- Safeguarding the company’s sustainability / enabling continuation of the activity
  - 4%
- Recruitment of new staff
  - 3%
- Other
  - 4%
- NSP/RAS
  - 7%

++ Services: 38%
++ 1-2 employees: 43%
++ Industry and building: 26%
++ no employees: 11%
++ creation after 2016: 18%
The characterisation of the improvement in results - some verbatim comments

- B2B - In a few words comment how is this improvement seen? - open question

**Base improvement**

**performance n = 186**

- “Thanks to this loan I have been able to replenish and maintain my cash flow, which has allowed me to continue and expand my activity in particular through the renewal of stocks of settings in order to remain afloat in relation to the competition. I was also able to carry out a few small jobs to make my shop more attractive, certainly not essential but this package of factors allows me to continue comfortably today and maybe envisage some developments.”

- “The new trucks have been used to cover longer routes and therefore improve our performance.”

- “Very strong increase in terms of turnover, new staff, new office, and more new staff planned.”

- “Firstly, I was able to spread my earnings more evenly and develop turnover.”

- “I bought a vehicle with low monthly payments. So I gained the difference.”

- “This improvement led to better machinery and better productivity and improved turnover.”

- “This improvement has helped me to save time and introduce new technologies.”

- “This enabled us to have new utilities which helped us to sustain our growth.”

- “I have sensed an improvement in terms of customer growth.”

- “I have been able to improve the company’s functionality and the working conditions of employees.”

- “This improvement has helped me to save time and introduce new technologies.”

- “Through the creation of a new unit, leading to increased turnover.”

- “Modernisation of the work station and therefore of quality.”

- “I opened a new store and the layout enabled me to finalise the project in improved comfort.”

Impact of LED flotations
Intensive of the impact of loans in the improvement of results

B2C - Do you think you would have been able to improve your performance since 2018 without this / these loan(s)?

Among the companies where performance was improved thanks to loans, one in two believes this would probably not have been possible without them.

Among the companies where performance was improved thanks to loans, one in two believes this would probably not have been possible without them.

Base improvement performance n = 186

Intensive score = weighted average of replies using the following scale

- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact.

Impact of LED flotations 3.4
3. Impact on business development

3.1. Development of new activities
3.2. Development of the activity beyond the regional framework
**Development of new activities**

*B8A - This / these loan(s) has / have enabled you to develop new activities. What types are involved? - open question*

Base has developed new activities n = 78

- “I was able to develop an additional delivery activity thanks to the vehicles and thus meet the expectations of certain national clients established in the region for whom the size of the fleet of vehicles makes it possible to arrange service provider partnerships.”
- “I expanded the storage and handling activity.”
- “Creation of a website/Facebook page.”
- “Outside catering service.”
- “I was able to open my doctor’s office.”
- “I expanded encasing and disposal of asbestos.”
- “I carried out a bigger regional roll-out in new towns.”
- “Lifting platform for site crane.”
- “Cyber security and data hosting.”
- “I have put a new service in place linked to our new IT system for our customers.”
- “We have opened a medical, surgical and dental equipment laboratory.”
- “I was able to develop an additional delivery activity thanks to the vehicles and thus meet the expectations of certain national clients established in the region for whom the size of the fleet of vehicles makes it possible to arrange service provider partnerships.”
- “I was able to develop new sections.”
- “I was able to open my doctor’s office.”
- “I expanded encasing and disposal of asbestos.”
- “I carried out a bigger regional roll-out in new towns.”
- “Lifting platform for site crane.”
- “Cyber security and data hosting.”
- “I have put a new service in place linked to our new IT system for our customers.”
- “We have opened a medical, surgical and dental equipment laboratory.”
- “I was able to develop new sections.”
- “Training and reception for disabled people.”
- “I was able to develop a branch of my activity, in particular aerial installation with my customers.”
- “I was able to develop a branch of my activity, in particular aerial installation with my customers.”
- “I was able to develop an additional delivery activity thanks to the vehicles and thus meet the expectations of certain national clients established in the region for whom the size of the fleet of vehicles makes it possible to arrange service provider partnerships.”
- “I expanded the storage and handling activity.”
- “Creation of a website/Facebook page.”
- “Outside catering service.”
- “I was able to open my doctor’s office.”
- “I expanded encasing and disposal of asbestos.”
- “I carried out a bigger regional roll-out in new towns.”
- “Lifting platform for site crane.”
- “Cyber security and data hosting.”
- “I have put a new service in place linked to our new IT system for our customers.”
- “We have opened a medical, surgical and dental equipment laboratory.”
- “I was able to develop new sections.”
- “Training and reception for disabled people.”
- “I was able to develop a branch of my activity, in particular aerial installation with my customers.”
Intensity of the impact of loans in the development of new activities

B3B - Do you think you would have been able to develop these new activities if you hadn’t had this / these loan(s)?

Base has developed new activities n = 78

For the development of new activities, almost 8 companies out of 10 could not have managed without the loans.

Have been able develop new activities thanks to loans financed on LED bond funds

Intensity score = weighted average of replies using the following scale
- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact

Development of possible new activities without loans

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, definitely</td>
<td>10%</td>
</tr>
<tr>
<td>Yes, probably</td>
<td>10%</td>
</tr>
<tr>
<td>No, probably not</td>
<td>25%</td>
</tr>
<tr>
<td>No, definitely not</td>
<td>52%</td>
</tr>
<tr>
<td>DK</td>
<td>3%</td>
</tr>
</tbody>
</table>

Intensity score out of 5: 4.0

Impact of LED flotations 38
3. Impact on business development

3.1. The development of new activities
3.2. Development of the activity beyond the regional framework
Assessment of the intensity of the activity’s development beyond the regional framework

One company in ten has been able to develop its activity beyond the regional framework. For them, this was usually a fairly significant improvement.

11% have been able to develop their activity beyond the regional framework thanks to loans financed on LED bond funds.

**Intensity of the improvement**

- Very high: 23%
- Moderately high: 45%
- Low: 23%
- DK: 9%

Impact of LED flotations
Intensity of the impact of loans in developing the activity beyond the regional framework

**B4B - Would this growth in your activity beyond your regional framework have been possible if you had not had this / these loan(s)?**

Base development of the activity beyond the regional framework n = 44

Here again, the activity’s development beyond the regional framework would not have been possible without these loans for more than half of the companies.

Integrity score = weighted average of replies using the following scale:
- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact.

**Development of possible new activities without loans**

- Yes, definitely: 17% (39%)
- Yes, probably: 22% (56%)
- No, probably not: 20%
- No, definitely not: 36%
- DK: 5%

Intensity score out of 5: 3.4
4. Impact on employment

4.1. The recruitment of new staff
4.2. The training and development of staff
Impact in terms of recruitments of new staff

17% were able to hire new employees thanks to the LEDs

Open-ended contract
- 90%
- 2.6 recruitments on average

Full-time
- 88%
- 2.4 recruitments on average

Non managerial
- 82%
- 2.5 recruitments on average

Fixed term contract
- 23%
- 1.9 recruitments on average

Part-time
- 22%
- 2.0 recruitments on average

Managers
- 12%
- 1.9 recruitments on average

Base has hired n = 71
Impact in terms of recruitments of new staff

17% were able to hire new employees thanks to the LEDs

Among them,

64% have hired men

**MEN**

- 2.6 recruitments of men on average

49% have hired women

**WOMEN**

- 1.8 recruitments of women on average
Intensity of the impact of loans in the recruitment of new staff

B1C - Would you have taken on these new employees if you had not had this / these loan(s)?

Base has hired n = 71

Among the executives who were able to take advantage of loans for taking on new staff, for more than half of them, this would not have been possible without the loans.

Intensity score = weighted average of replies using the following scale
- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact.

Intensity score out of 5: 3.2

NEW RECRUITMENTS POSSIBLE WITHOUT LOANS

- Yes, definitely: 29%
- Yes, probably: 13%
- No, probably not: 18%
- No, definitely not: 35%
- DK: 5%

Intensive of LED flotations
4. Impact on employment

4.1. The recruitment of new staff

4.2. The training and development of staff
The allocation of loans that have financed the training of staff and development of their skills

B7B - What types of training, development of skills does this involve? - open question

Base training and development of skills \( n = 27^* \)

*NB, low base
Results to be interpreted with caution.

- “Specialisation in relation to services to individuals.”
- “Commercial training courses.”
- “This is training for handling data and incorporating old data into this new software, adapting to new operating options.”
- “Therapeutic education of the patient.”
- “Video editing software.”
- “Training on the new software.”
- “I’ve allowed the following training courses to be put in place: Electrical accreditation, B96 (licence up to 4.5 tonnes), CACES accreditation (cradle).”
- “Dental assistant training.”
- “Compulsory training for drinking establishments.”
- “Training on slaughtering, where it is the main activity.”
- “Work safety and first aid.”
- “Training on products and use of machinery.”
Among the companies that have been able to invest in the training and development of skills for their staff, only part of the expenditures was able to be financed by loans for half of them.
Intensity of the impact of loans in the financing of training and development of skills for staff

**B7C - Do you think you would have been able to commit to these expenditures on training, development of skills if you hadn’t had this / these loan(s)?**

Base training and development of skills *n = 27*

Almost 4 companies out of 10 consider that investment in staff training would not have been possible without the loans obtained.

6%

have been able invest in training and development of skills for their staff thanks to loans financed on LED bond funds

Intensity score = weighted average of replies using the following scale

- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact

**Intenstiy score out of 5:**

2.8

*NB, low base Results to be interpreted with caution.*
4. Review of changes
Overview of the intensity of the impact attributed to loans financed on “LED” bond funds depending on type

Do you think you would have been able to do that if you hadn’t had this / these loan(s)?

<table>
<thead>
<tr>
<th>base</th>
<th>Types of impact</th>
<th>ST NON</th>
<th>Of which definitely not</th>
</tr>
</thead>
<tbody>
<tr>
<td>70</td>
<td>Development of new activities</td>
<td>77%</td>
<td>52%</td>
</tr>
<tr>
<td>186</td>
<td>Safeguarding sustainability</td>
<td>64%</td>
<td>42%</td>
</tr>
<tr>
<td>78</td>
<td>Investment in new utilities</td>
<td>60%</td>
<td>43%</td>
</tr>
<tr>
<td>44</td>
<td>Improvement of results</td>
<td>58%</td>
<td>35%</td>
</tr>
<tr>
<td>282</td>
<td>Development of the activity beyond the regional framework</td>
<td>56%</td>
<td>36%</td>
</tr>
<tr>
<td>35</td>
<td>Recruiting new staff</td>
<td>53%</td>
<td>35%</td>
</tr>
<tr>
<td>27</td>
<td>Research and development</td>
<td>45%</td>
<td>27%</td>
</tr>
<tr>
<td>218</td>
<td>The training of staff and development of their skills</td>
<td>39%</td>
<td>34%</td>
</tr>
</tbody>
</table>
Overall perception of the usefulness of loans financed on “LED” bond funds

C1 - On a scale of 0 to 10, at what level do you estimate the final usefulness of these loans for the activity and the economic health of your business / company / association?

Baseline n=400

A usefulness of loans emphasised by companies, particularly for recent companies.

An average score for usefulness amounting to: **7.6/10**

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 6</td>
<td>23%</td>
</tr>
<tr>
<td>7 to 8</td>
<td>38%</td>
</tr>
<tr>
<td>9 to 10</td>
<td>36%</td>
</tr>
</tbody>
</table>

File information

<table>
<thead>
<tr>
<th>Category</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>No employees</td>
<td>7.8</td>
</tr>
<tr>
<td>1 to 2 employees</td>
<td>7.7</td>
</tr>
<tr>
<td>3 to 5 employees</td>
<td>7.9</td>
</tr>
<tr>
<td>6 to 9 employees</td>
<td>7.0</td>
</tr>
<tr>
<td>10 employees and more</td>
<td>7.2</td>
</tr>
<tr>
<td>Agriculture</td>
<td>7.1</td>
</tr>
<tr>
<td>Industry and building</td>
<td>7.6</td>
</tr>
<tr>
<td>++ Trade, cafés hotels</td>
<td>7.6</td>
</tr>
<tr>
<td>Banque Populaire</td>
<td>7.6</td>
</tr>
<tr>
<td>Caisse d’Epargne</td>
<td>7.8</td>
</tr>
<tr>
<td>Professional(s)</td>
<td>7.7</td>
</tr>
<tr>
<td>Company(ies)</td>
<td>7.3</td>
</tr>
<tr>
<td>Association(s)</td>
<td>7.5</td>
</tr>
<tr>
<td>After 2016</td>
<td>8.4</td>
</tr>
<tr>
<td>Between 2010 and 2016</td>
<td>7.5</td>
</tr>
<tr>
<td>Between 2005 and 2009</td>
<td>7.2</td>
</tr>
<tr>
<td>Between 1995 and 2004</td>
<td>7.6</td>
</tr>
<tr>
<td>Before 1995</td>
<td>7.5</td>
</tr>
</tbody>
</table>
Intensity of the overall impact of loans financed on “LED” bond funds

C2 - Do you think you could have managed without this / these loan(s) in your company / in your association?

Baseline n=400

56% of businesses/companies/associations think that they could not have managed without these loans

Overall intensity score out of 5:

3.4

Intensity score = weighted average of replies using the following scale

- Yes, definitely = 1
- Yes, probably = 2
- DK = 3
- No, probably not = 4
- No, definitely not = 5

The higher the score, the more the loans are considered to be essential therefore the higher the intensity of their impact.
The overall final appraisal of the loans financed on “LED” bond funds

C3 - Lastly, if you take into account the use of the funds as well as the expense of reimbursement incurred by the loan(s), would you say that the overall impact of the loan(s) has been...

Baseline n=400

76% of companies consider that the impact of these loans was positive

A positive impact from loans acknowledged by their beneficiaries, particularly recent businesses and the industry/building sector.

Impact of LED flotations

++ creation after 2016: 68%
++ industry / building: 65%
Conclusions
Overview of the impact of loans financed on “LED” bond funds

<table>
<thead>
<tr>
<th>Types of impact</th>
<th>% of companies concerned</th>
<th>Intensity score / 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of new activities</td>
<td>18%</td>
<td>4.0</td>
</tr>
<tr>
<td>Safeguarding sustainability</td>
<td>54%</td>
<td>3.4</td>
</tr>
<tr>
<td>Investment in new utilities</td>
<td>71%</td>
<td>3.4</td>
</tr>
<tr>
<td>Improvement of results</td>
<td>46%</td>
<td>3.4</td>
</tr>
<tr>
<td>Development of the activity beyond the regional framework</td>
<td>11%</td>
<td>3.4</td>
</tr>
<tr>
<td>Recruiting new staff</td>
<td>17%</td>
<td>3.2</td>
</tr>
<tr>
<td>Research and development</td>
<td>9%</td>
<td>3.0</td>
</tr>
<tr>
<td>The training of staff and development of their skills</td>
<td>6%</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Overall: 91% 3.4
In conclusion, the impact of loans financed on “LED” bond funds has been visibly beneficial for companies that were able to benefit from them.

- 76% of companies consider that the impact of these loans was positive.

- For the majority of companies that have benefited from such loans, this involved an equipment loan (72%) and, to a lesser extent, operating loan, cash loan (25%).

- Therefore, investment in new utilities is the primary factor of benefit provided by the loans (71%), followed by support for profitability firstly with the safeguarding of sustainability (54%) and secondly the improvement of performance (46%).
Conclusions 2/2

Their assessment is emphasised with an overall usefulness score standing at 7.6/10

✓ The impact on employment concerns only 17% of beneficiary companies but these have mainly created long-term (open-ended contract) and full-time jobs (respectively 90% and 88% of cases).

✓ 56% of companies state that they would not have been able to manage without these loans, this being even more the case for those where a loan financed on LED bond funds has facilitated the development of new activities, the safeguarding of sustainability or the investment in new utilities; to a lesser extent, the training of staff and development of their skills.