

# Social Funding Framework

10 APRIL  
2024





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# INTRODUCTION

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## 1.1 About Groupe BPCE

Groupe BPCE is the second-leading banking group in France<sup>(1)</sup> and finances over 22%<sup>(2)</sup> of the French economy. The group's net banking income totalled €22.2 billion in 2023.<sup>(3)</sup>



**>100,000**  
employees




**9.6 million**  
cooperative  
shareholders



**35 million**  
customers



PRESENT  
IN MORE  
THAN  
**50** countries



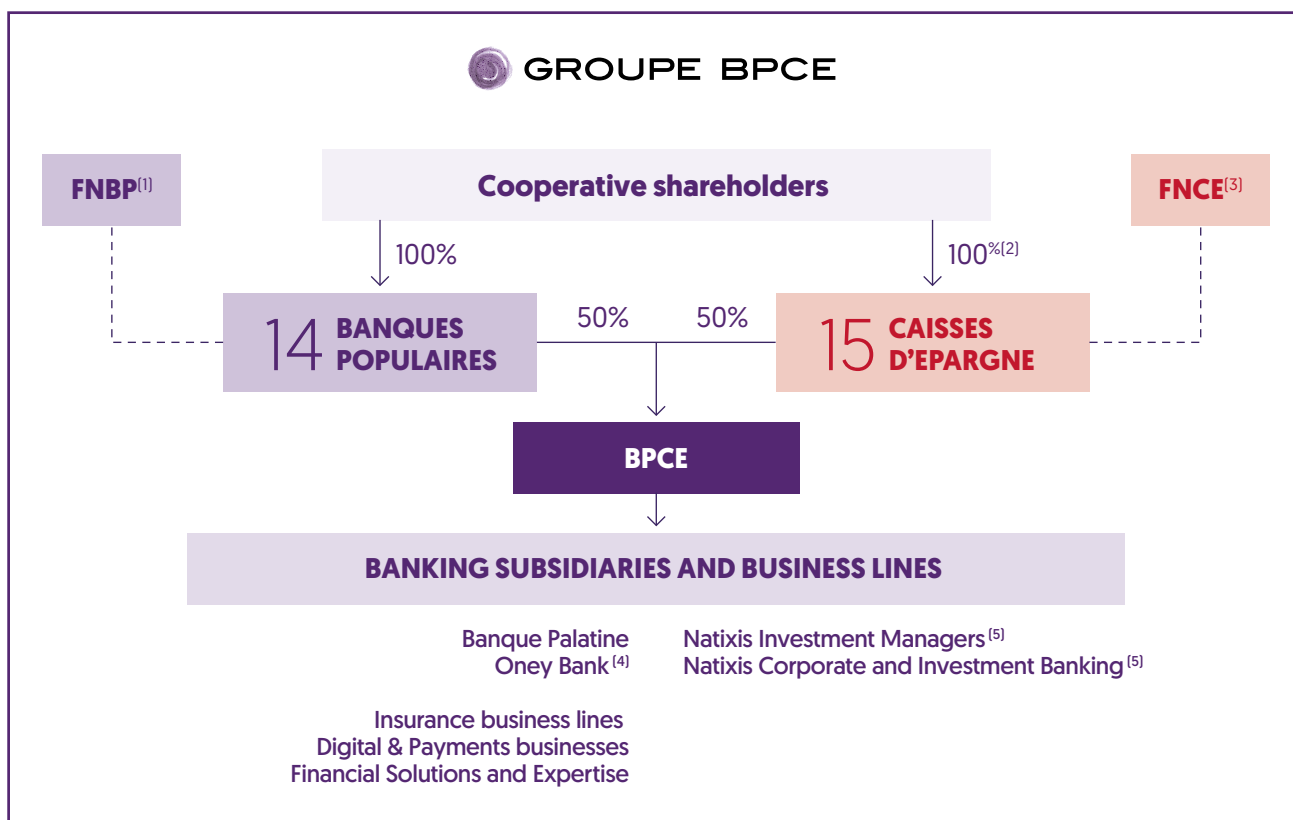
**22%**  
financing  
of the French economy<sup>(2)</sup>

Its business lines, in France and internationally (presence in more than 50 countries), offer solutions tailored to meet its customers' needs, in Retail Banking, Insurance, Financial Solutions & Expertise, Payments, Asset & Wealth Management, and Corporate & Investment Banking. In France and internationally, Groupe BPCE's brands support, with short decision-making circuits, 35 million customers in all their projects, through all distribution channels.

[1] Market shares: 21.8% in customer savings and 22.2% in customer loans (Banque de France Q3-2023 all non-financial customer categories).

[2] 22.2% market share in loan outstandings, all non-financial sector customer categories (Banque de France Q3-2023).

[3] Available at <https://groupebpce.com/en/investors/results-and-publications/performance-at-a-glance>



<sup>(1)</sup> Fédération nationale des Banques Populaires    <sup>(3)</sup> Fédération nationale des Caisses d'Epargne    <sup>(5)</sup> Indirectly through Natixis SA  
<sup>(2)</sup> Indirectly through local savings companies (LSCs)    <sup>(4)</sup> 50.1% owned

BPCE SA, the central institution of Groupe BPCE, is wholly owned by the 14 Banques Populaires and 15 Caisses d'Epargne. It defines the policies and strategic objectives of the group and coordinates the sales policies of each network. The Banques Populaires and Caisses d'Epargne are banks: they collect deposits and savings, distribute loans and define their priorities.

The "Fédération nationale des Banques Populaires (FNBP)" and "the Fédération nationale des Caisses d'Epargne (FNCE)", the bodies that provide deliberation, communication and representation for the two networks and their cooperative shareholders, play an essential role in defining, coordinating and promoting the banks' cooperative spirit and social responsibility

initiatives, in accordance with Groupe BPCE's commercial and financial objectives. Representatives of their regional economies sit on the Board of Directors of the Banques Populaires and on the Steering and Supervisory Board of the Caisses d'Epargne. Their resources are first and foremost allocated to meet the needs of local areas and regional customers.

The universal cooperative banking model of Groupe BPCE (9.6 million cooperative shareholders), successfully built around strong brands recognized and close to their customers, is a model of the future, deeply in line with the major transitions underway, whether environmental, technological or societal.

## Retail banking and related businesses



## Global Financial Services





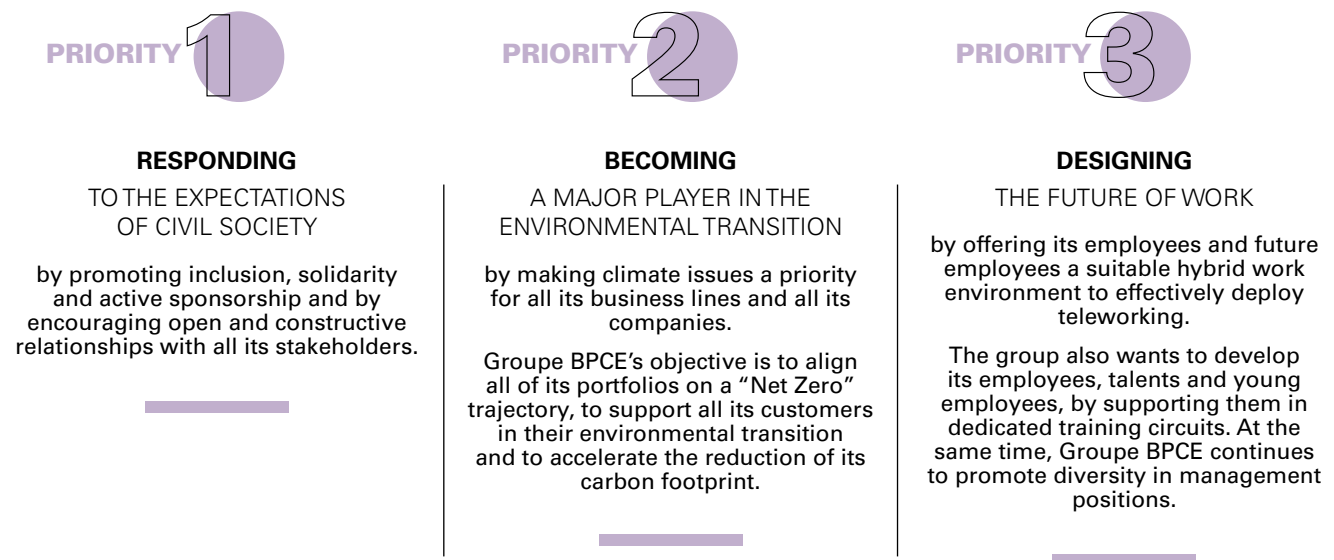
# 1.2 Groupe BPCE's Corporate Social Responsibility Strategy

Groupe BPCE's CSR strategy and goals are carried out in compliance with business ethics. The group is committed to managing legal, regulatory and ethical risks for the benefit of its customers, employees and partners. Groupe BPCE thus

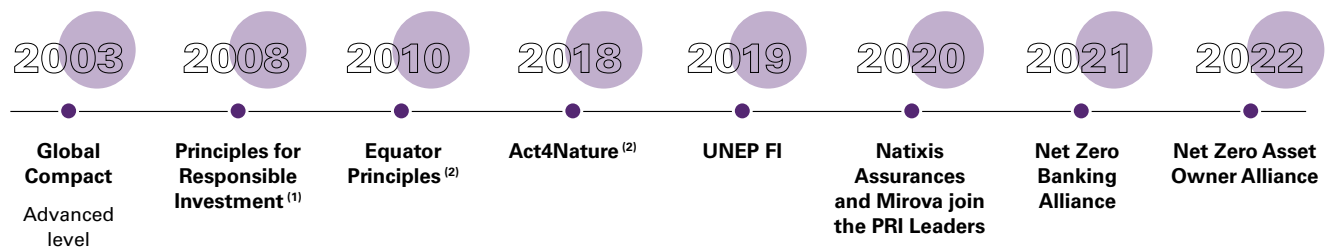
ensures strict compliance with laws, regulations and best professional practices in all its companies. This is reflected in a group Code of Conduct and Ethics approved by the Supervisory Board and a rigorous tax policy with a Tax Code of Conduct.

## 1.2.1 CSR strategy structured around 3 commitments

The CSR roadmap of Groupe BPCE is structured around three areas:







Groupe BPCE has made several long-standing voluntary commitments to scale up its actions and accelerate the positive transformations to which it is contributing.





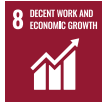







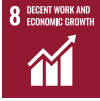





[1] Natixis Investment Managers [Natixis IM] scope, BPCE Assurances joining the PRI in 2016  
 [2] Commitment made by Natixis

The three areas of Groupe BPCE's CSR Strategy are broken down into 12 commitments<sup>(1)</sup> linked to the United Nation's sustainable development Goals (SDGs). The group provides its stakeholders with quantified and transparent information via a dashboard with performance monitoring indicators for each CSR commitment.

[1] Available at <https://groupebpce.com/en/the-group/publications>

| CSR priorities   | Contribution to the SDGs   | Performance monitoring indicators  | 2023   | 2022   | 2021                                       |  |  |
|--|--|--|--|--|--|--|--|
| <b>Meeting the expectations of civil society</b>         |  |  |  |  |  |  |  |
| Cultivating our cooperative values                       |    | Number of cooperative shareholders (in millions)   | BP : 5.2<br>CE : 4.4   | BP : 5.0<br>CE : 4.4   | BP : 4.9<br>CE : 4.4                       |  |  |
|  |  | Percentage of cooperative shareholders among customers   | BP : 36.8 % <sup>(1)</sup><br>CE : 27 %  | BP : 33.7 %<br>CE : 26 %   | BP : 33 %<br>CE : 25 %                     |  |  |
|  |  | Director attendance rate at Boards of Directors or Steering and Supervisory committee meetings                   | BP : 86 %<br>CE : 95 %   | BP : 86 %<br>CE : 96 %   | BP : 77 %<br>CE : 97 %                     |  |  |
|  |  | Average amount of shares held per shareholder  | BP: €2,512CE: €3,570   | BP: €3,818CE: €3,494   | BP: €4,273CE: €3,421                       |  |  |
| Contributing to the regions' economic development        |   <br>    | Groupe BPCE penetration rate among SMEs and SMIs <sup>(2)</sup><br>Total annual new social housing loans         | 53 %<br>€3bn   | 53 %<br>€3.8bn   | 53 %<br>€3.5bn                             |  |  |
|  |  | Groupe BPCE market share of the social economy <sup>(3)</sup>  | 35%  | 35%  | 34%  |  |  |
|  |  | Supporting our vulnerable customers  |   <br>  <br> | Production of micro-loans to individual customers<br>Production of microcredits and other solidarity loans to business creators <sup>(4)</sup> | €21.1m<br>€707.4m                          | €19.7m<br>€702.2m                          | €18.2m<br>€656.3m                          |
|  |  |  |  | Percentage of procurement projects including a CSR lever<br>Supplier payment terms<br>Share of the amount of purchases made from SMEs and ISEs | 54 %<br>28.1 days<br>37 %<br>38 %          | 37 %<br>28 days<br>34 %<br>38 %            | 54 %<br>28.9 days<br>31 %<br>31 %          |
| <b>Be a major player in the environmental transition</b> |  |  |  |  |  |  |  |
| Aligning portfolios with a Net Zero trajectory           |   |  |  | Alignment of Natixis CIB's financing portfolios on a "Net Zero" trajectory – Green Weighting factor color mix <sup>(5)</sup>                   | 33 % green,<br>35 % neutral,<br>32 % brown | 27 % green,<br>33 % neutral,<br>40 % brown | 24 % green,<br>33 % neutral,<br>43 % brown |
|  |  | Alignment with a "Net zero" trajectory for the BPCE Assurances general fund – Temperature induced by investments | 2-2.5 °C   | 2-2.5 °C   | 2.4 °C                                     |  |  |
|  |  | Percentage of portfolios assessed using the "Green Evaluation Methodology" <sup>(6)</sup>                        | -60 %  | -50 %  | -40 %                                      |  |  |
| Intensifying the Green refinancing strategy              |   <br>  <br>  <br>   | Number of bond issues  | 4  | 3  | 5  |  |  |

| CSR priorities   | Contribution to the SDGs  | Performance monitoring indicators  | 2023  | 2022  | 2021    |         |         |
|--|---|--|---|---|---------|---------|---------|
| Supporting our customers in their environmental transition |     | Average outstanding financing for transition projects within the scope of Retail Banking <sup>(1)</sup> (in billions of euros) | 5.7   | 4.8   |         |         |         |
|  |   | Average outstanding financing for real estate renewal within the scope of Retail Banking <sup>(8)</sup> (in billions of euros) | 61.3  | 55.6  |         |         |         |
| Developing a leading ESG offer                             |   <br>  <br> | Percentage of assets under Articles 8 and 9 management   | 40.5 %  | 36.7 %  | 33.3 %  |         |         |
|  |   | Reducing the group's environmental footprint   |  | Annual CO <sub>2</sub> emissions (in tCO <sub>2</sub> e) <sup>(9)</sup> | 529 001 | 540 502 | 549 030 |
|  |   | <b>Being a committed and socially responsible company</b>  |   |   |         |         |         |
| Enhancing employability                                    |   | Number of training hours per FTE   | 37  | 31  | 30      |         |         |
| Promoting gender equality                                  |      | Percentage of women among managers   | 46.4 %  | 45.7 %  | 45 %    |         |         |
|  |   | Percentage of women among senior executives  | 35 %  | 33 %  | 29,2 %  |         |         |
| Supporting youth employment                                |     | Apprenticeship conversion rate   | 11 %  | 13 %  | 17 %    |         |         |

(1) Scope: excluding Bred, Crédit Coop and Casden.  
(2) Kantar SME-SMI study in 2023, conducted every two years.  
(3) Banque de France/Groupe BPCE, SURFI statements – Total loans granted to resident NPISHs, outstandings – Data as of Q3.  
(4) Includes professional microcredits, complementary NACRE loans (market scheme managed by France Active) and complementary loans to honor loans (Initiative France).  
(5) Data from the Green Weighting Factor for Corporate & Investment Banking, base 100. At the end of 2023, the coverage rate of the GWF scope was 92%.  
(6) Calculation based on data as of Q3-23.  
(7) BP and CE combined – Financing of transition projects (energy renovation of housing, green mobility, support for the transition of the activities of our legal entity customers (including Sustainable agriculture, renewable energies)) – See Section 2.8 CSR reporting structure of Groupe BPCE's 2023 Annual report.  
(8) BP and CE combined – Financing of new real estate (acquisition of new real estate or construction) – See Section 2.8 CSR reporting structure of Groupe BPCE's 2023 Annual report.  
(9) Pro forma data for 2022 and 2021 – See Section 2.8 CSR reporting structure of Groupe BPCE's 2023 Annual report.

Groupe BPCE is also particularly active in sectoral working groups on sustainable finance issues, notably the fight against climate change and biodiversity. At the European level, Groupe BPCE is a member of various professional associations, and participates in specific working groups that European banking organizations have set up to help advance Sustainable Finance strategy (such as within the European Association of Cooperative Banks and as chair of the Sustainable Finance Committee within the European Savings and Retail Banks group).

Groupe BPCE's commitment is recognized by the non-financial rating agencies. The assessments of the main specialized rating agencies indicate the group's CSR performance in its reference sector. The most recent ESG ratings of the group are available on Groupe BPCE website<sup>(1)</sup>.

### 1.2.1.1 MEETING THE EXPECTATIONS OF CIVIL SOCIETY

It is the intention of Groupe BPCE to participate in the development of all regions and to meet the expectations of social society.

#### CULTIVATE ITS COOPERATIVE VALUES IN LINE WITH THE EVOLUTIONS OF SOCIETY

The cooperative nature of the group is one determining factor in how it conducts its business. The group wants to help build an environment in which its cooperative shareholders and customers can grow. Regional banks have strong community ties, so they are attentive to the needs of all customers. They work with local players, local authorities, associations, business networks, schools and universities to strengthen the local socioeconomic fabric. Each of the networks, Banque Populaire and Caisse d'Épargne, is backed by a federation. They support the network's CSR strategy, facilitate cooperative shareholder relations, provide training for directors and assist with governance. They also promote initiatives in local communities.

The Banques Populaires cooperative shareholders are the foundation of the cooperative structure and hold their share capital. They vote at General Meetings and directly elect the directors who represent them on the Boards of Directors. For the General Meetings, the banks have given their cooperative shareholders the option of attending either remotely or by viewing the recorded proceedings. More than 597,000 cooperative shareholders voted in 2023.

The Caisses d'Épargne cooperative shareholders, the vast majority of whom are private individuals, are spread across local savings companies (SLEs), which constitute an intermediate level to strengthen local roots, proximity and the expression of cooperative shareholders. As part of the cooperative governance of the Caisse d'Épargne network, the Fédération Nationale des Caisses d'Épargne, in conjunction with BPCE and the Caisses d'Épargne, supports and trains elected representatives in the performance of their mandate through a dedicated training system. Training programs are designed for directors of local savings companies, members of the Steering and Supervisory Boards (SSB), and members of specialized committees.

#### CONTRIBUTE TO THE REGION'S ECONOMIC DEVELOPMENT

The Banques Populaires support more than 200,000 Social & Solidarity Economy (SSE) players in the regions: associations, cooperatives, foundations and health insurances. The regional network of the Banques Populaires and the national presence of Crédit Coopératif provide SSE players with solutions that contribute to the development of projects with a direct impact in the regions.

The Caisse d'Épargne network is one of the leading financiers of the SSE sector as well as the French public sector and offers local authorities and public health institutions a comprehensive range of solutions. The Caisse d'Épargne network is also very involved in the mixed economy and social housing sectors.

The Banque Populaire and Caisse d'Épargne networks have a leading role in the financing of healthcare infrastructures and healthcare companies. Regarding infrastructure, five markets were prioritized: public hospitals, private hospitals, Ehpad, multi-professional healthcare centers and social housing. With regard to healthcare companies, three markets were prioritized: the pharmaceutical industry, healthcare innovation (biotech, medtech, and e-health) and support for the growth of professionals and SMEs.

As a central player in the financing of the economy, the Banques Populaires network remains the leading French bank for SMEs for the 14<sup>th</sup> consecutive year<sup>(2)</sup>. Positioned as the long-term banker for all companies, the Banques Populaires today support their customers around the major issues of ecological and societal transitions, the development of local activity and employment, and finally, advice in the management of their liabilities and financial assets.

Natixis CIB distinguishes itself through the development of innovative financial solutions that help its customers align their operations with the sustainable development Goals (SDGs). On this topic, Natixis CIB's for instance supported the IDFC (International Development Finance Club) and its members, which include local and regional development banks, in defining the concept of SDG alignment through a dedicated study<sup>(3)</sup> and customized advisory sessions. The study approaches SDG alignment from the perspective of public development banks, providing definitions, assessment methods, and appropriate tools for measuring and managing their contributions to the sustainable development Goals.

Natixis IM and its affiliates take into account the economic development of the regions and the interest of local communities in the integration of social aspects in their investment processes but also in their voting policies. For example, the Ostrum Climate And Social Impact Bond fund invests exclusively in international sustainable bonds, with the aim of integrating just transition into both the issuers and the instruments in which it is invested. Its three main focuses are: reducing the carbon footprint, promoting social impact and preserving ecosystems and local economies. The investment process is based on a proprietary methodology that evaluates securities and issuers, with a new indicator called the "Just Transition Indicator" focusing on good social practices and regional development. Moreover, Mirova's Insertion Emplois Dynamique fund is one of the first "90/10" solidarity funds dedicated to job creation in France. The solidarity allocation (10% of assets) finances structures with a positive social impact throughout France in conjunction with France Active, while the equity allocation (90% of assets) is investing in listed companies planning to create jobs in France over three years, based on an analysis carried out by Mirova.

[1] Available at <https://groupebpce.com/en/csr/international-ratings-standards>

[2] KANTAR 2023 Barometer

[3] Available at <https://gsh.cib.natixis.com/pdbs-catalytic-role-in-achieving-the-un-sdgs>

## SUPPORT VULNERABLE CUSTOMERS AND MICROCREDIT

To manage the risk of financial exclusion, Groupe BPCE has put in place systems that enable low-income customers to access financing and customers in vulnerable economic situations to manage their bank accounts with greater peace of mind. The Banque Populaire and Caisse d'Épargne networks continue to develop various inclusive finance mechanisms such as basic banking services (account entitlement), specific offer for financially vulnerable customers, customer interviews, following the detection of a situation of weakness or to prevent the risk of over-indebtedness, personal or professional micro-loans, banking services adapted to disabled or protected persons.

As part of their retail banking activity, the Banques Populaires and Caisses d'Épargne offer a range of protective measures for their customers and apply the right to an account which gives any eligible person without a deposit account, the right to open an account with free basic banking services (SBB).

In line with their entrepreneurial positioning, the Banque Populaire banks are focusing their actions on professional microcredit, in particular through their support for Association for the Right to Economic Initiative (ADIE). Microcredit covers specific categories of loans dedicated to groups in need of economic and social inclusion and who are excluded from traditional loans. It makes it possible to finance a project for access to employment or the creation of a company. The implementation of microcredit is backed by a public guarantee and support from a general interest organization. In 2023, the Caisse d'Épargne network maintains its positioning as the leading bank for personal microcredit via the Parcours Confiance associations and the Créa-Sol microfinance institute.

## PLACE CUSTOMER SATISFACTION AT THE HEART OF ITS PRIORITIES

Groupe BPCE defines customer satisfaction as the guiding thread of its commercial approach and has developed the "3D" relationship model, which guarantees the best customer experience in retail banking, which puts people at the heart of relationships.

This model has three pillars:

- "Trustworthy", the customer advisor is a linchpin of the long-term relationship of trust, supporting the customer at all times of life;
- "Digital inside", the bank is 100% accessible with the development of the mobile application that allows for all daily self-care operations. As a result, the customer advisor frees up more time in their daily work to develop the customer relationship;
- "Useful data", customization of solutions based on customer needs and management of consents so that customers always remain in control of their data.

In addition, Groupe BPCE collect customer feedback in real time within the complaints management process. The listening system deployed in all establishments is used both as a tool for managing complaints and for continuous improvement of the range of banking products and services offered by the group. All Groupe BPCE entities have a department that handles customer complaints.

## 1.2.1.2 BEING A MAJOR PLAYER IN THE ENVIRONMENTAL TRANSITION<sup>(1)</sup>

Groupe BPCE reckons climate adaptation and climate transition both as a major societal issue and a huge development opportunity for the group.

In order to limit the human and environmental impacts of its financing, investment and insurance activities, Groupe BPCE has withdrawn from activities with the highest emissions and has developed sectoral policies, including exclusion criteria, to regulate its activities in the most sensitive sectors: coal, oil and natural gas, the defense industry and the tobacco industry (for Natixis CIB)<sup>(2)</sup>. In the nuclear, mining and metals and palm oil sectors, Natixis CIB also applies specific non-public policies. Natixis Investment Managers' European companies also apply sector and/or exclusion policies. For BPCE Assurances activities, policies have also been defined in the coal, oil and gas, tobacco and controversial weapons sectors.

- Groupe BPCE is continuing to align its financing, proprietary investment, and insurance portfolios with a 'Net Zero' trajectory, thereby helping to achieve the goal of carbon neutrality by 2050. The group's contribution to meeting the Paris Climate Agreement presupposes the definition of methodologies, a set of metrics, and the adoption of intermediate targets. To give itself the means to achieve carbon neutrality by 2050, the group has joined international alliances such as: the Net Zero Banking Alliance for its banking activities in July 2021, and
- the Net Zero Asset Owner Alliance for its insurance activities in October 2022.

These 'Net Zero' initiatives enable Groupe BPCE to complement the framework for monitoring the climate alignment of its portfolios. Historically, this monitoring has been based on a methodology that uses a color rating system to assess the climate performance of counterparties. Groupe BPCE, which already enjoys pioneering status worldwide thanks to the development of the Green Weighting Factor used for the scope of activities of Natixis CIB, has constantly sought to refine the methods used to assess the climate performance of its portfolios with its Green Evaluation Methodology color-coded rating system. This approach is designed to improve the analysis of transition risks and support our customers in their transition, with priority given to the most emission-intensive sectors. Groupe BPCE has consequently undertaken to monitor and gradually adopt the latest developments related to data, scientific scenarios, standards or methodologies for carbon assessment and for aligning its activities with a trajectory towards carbon neutrality.

### THE GREEN WEIGHTING FACTOR (GWF)

Since 2018, Natixis CIB has chosen to make the management of its climate trajectory an operational issue. Natixis CIB was the world's first bank to actively measure and manage the climate impact of its balance sheet in the form of a color-coded metric. The GWF uses a seven-color rating scale ranging from 'dark brown' to 'dark green' to assess the climate impact of its transactions while simultaneously taking account of the risk of the most material non-climate-related environmental externalities (water, waste, biodiversity, pollution). The GWF covers all bank financing. This assessment is carried out on a granular basis for each of the financing exposures on the balance sheet and for all banking products (loans, guarantees, sureties, documentary credits) irrespective of their maturity, in all geographical regions and for all sectors of activity, with the exception of the financial and government sectors. The GWF methodology is also adapted for use with Corporate and dedicated financing operations.

(1) More information available in Groupe BPCE's TCFD reports available at: <https://groupebpce.com/en/the-group/publications>

(2) Available at <https://natixis.groupebpce.com/articles/sector-policies/>

The GWF methodology offers a vision of the challenges of transition. The GWF reflects:

- the challenges of induced decarbonization (CO<sub>2</sub> scope 1,2,3);
- the contribution made to the transition by certain customers or active projects, with the notion of avoided emissions;
- exposure to the most material non-climate-related environmental risks, and;
- a forward-looking view of our customers' performance, enabling us to assess their transition potential.

In 2023, the Corporate & Investment Banking business unit carried out an in-depth overhaul of the decision trees used for its dedicated financing operations. These revised decision trees will make it possible to:

- increase the coverage of the scope of financing analysed;
- improve the relevance of the assessments of each transaction (based on feedback received from users since 2020);
- extract a set of new metrics useful for guiding our decarbonization strategy and regulatory reporting processes, Take account of, and integrate, the needs of our investor clients in terms of non-financial reporting.

The choice to use a seven-color scale is due to Natixis CIB's desire to assess the granularity and progressive nature of transition dynamics for all players. The nuances and differentiation of treatment made possible by these seven levels help Natixis CIB in its main climate change vocation: to support its customers and the economies in which it operates in the various stages of their transition, taking into account the various starting points, pace and momentum.

The Green Weighting Factor feeds into the measurement of decarbonization targets and sectoral objectives defined by Groupe BPCE as part of the NZBA. The operational management framework for Natixis CIB's climate trajectory is based on two complementary and interdependent systems: the Green Weighting Factor and, externally, the monitoring of public sector decarbonization trajectories at Groupe BPCE level as part of the NZBA.

The NZBA commitment complements the Green Evaluation Methodology approach adopted by Groupe BPCE. In December 2022, Groupe BPCE published intermediate alignment targets for two of the most emission-intensive sectors: the Power Generation sector and the Oil & Gas sector. Driven by its ambition to speed up the energy transition, Groupe BPCE has decided to adopt more ambitious targets in its efforts to reduce carbon emissions in financing granted to the energy sector up until 2030:

- the target for (on-balance sheet) financed carbon emissions related to the end use of oil & gas extraction and production activities will be reduced by 70% between 2020 and 2030 (compared with an initial target of 30%);
- the financed carbon intensity of electricity producers will be targeted at less than 90g CO<sub>2</sub>eq/kW (compared with < 138g CO<sub>2</sub>eq/kW).

In 2023, Groupe BPCE published new reduction trajectories for financed carbon intensities for the automotive, and steel & cement industrial sectors. These new intermediate targets covering the scope of Natixis CIB activities are as follows:

- a target to reduce financed carbon intensity by 40% to be below the 100g CO<sub>2</sub>eq/km threshold by 2030 (recalculated 2021 IEA NZE 2050 scenario) for the automotive sector;
- to be below the threshold of 525kg CO<sub>2</sub>eq/t of cement by 2030 (recalculated 2021 IEA NZE 2050 scenario) in the cement industry;
- to be below the threshold of 1.4t CO<sub>2</sub>eq/t of steel by 2030 (recalculated 2021 IEA NZE 2050 scenario) in the steel industry

Groupe BPCE intends to support all its customers in their transformation with regard to environmental challenges and make the environmental transition one of its main growth drivers. As a result, Groupe BPCE is transforming its businesses: Retail Banking, Insurance, Asset Management and Corporate & Investment Banking.

## IN RETAIL BANKING

Supporting customers of the Banque Populaire and Caisse d'Épargne networks in their own environmental transition is one of Groupe BPCE's strategic pillars. To this end, specific offers have been created: financing, investment, technical partnerships. Groupe BPCE, drawing on its networks, has developed solutions and built an ecosystem of partners to support all of its customers in their transition projects.

Supporting the environmental transition in the Professional, Corporate and Local Authority markets is a fundamental pillar of Groupe BPCE's commercial strategy. Four types of credit solutions (energy renovation in commercial and residential buildings, renewable energy financing in local and regional France, supporting businesses in their transition, and low-carbon mobility) have been implemented, with the option of a guarantee by the Banque publique d'investissement (Public Investment Bank) (Bpifrance) and a subsidy from the European Investment Bank (EIB). Furthermore, Groupe BPCE has built a 'green' banking and financial savings offering enabling customers to direct their savings towards the financing of transition projects.

Groupe BPCE's Financial Solutions & Expertise business unit helps its customers to carry out projects contributing to the environmental transition. BPCE Financement offers the group's individual customers a Prêt Vert, a specific consumer loan to enable them to purchase an electric vehicle. Several solutions are available to help business customers reduce the environmental impact of their vehicle fleets by promoting green alternatives. These fleets can be financed through equipment leasing or long-term rental agreements (including car policy, advice, eco-driving services, connected fleet management, and car-sharing solutions). In the area of energy renovation, Renov Loans (BPCE Financement) are available for individual customers. Businesses are supported in their efforts to improve the energy performance of their buildings and professional equipment through a partnership with Altérea, an energy and building engineering specialist, and a comprehensive range of equipment and real-estate rental solutions (BPCE Lease). What is more, BPCE Solutions Immobilières offers a third-party appraisal service specifically designed for offices, based on its own ESG framework. BPCE Lease also provides financing for renewable energy projects (photovoltaic panels, wind turbines, hydrogen, dams and, more generally, electricity storage systems), notably through Energieco, its 100%-owned subsidiary.

## IN INSURANCE

Groupe BPCE's decision to make its insurance activities a member of the Net Zero Asset Owner Alliance (NZAOA) confirms its commitment to a low-carbon economy and its ambition to align the investment portfolio of its insurance activities with a 1.5°C trajectory by 2030:

- in the area of personal insurance, the group is committed to invest a significant share of euro funds in green assets that help finance the environmental transition, such as green bonds or assets eligible for the 'Greenfin' label. A large share of the life-insurance unit-linked policies made available to group customers boast ESG labels as well;
- the non-life insurance business is also contributing to the fight against climate change. It offers a premium reduction for customers who own an electric or hybrid vehicle emitting less than 50 grams of CO<sub>2</sub> per km;

- the home insurance offer gives eco-citizen customers the opportunity to insure their wind turbines, photovoltaic panels or wood-frame houses;
- to promote sustainability in claims management, a number of projects are currently underway with adjusters to encourage the repairing of goods or the use of reconditioned parts (for vehicles).

## IN CORPORATE & INVESTMENT BANKING

Natixis CIB has continued to contribute actively to Groupe BPCE's drive to achieve its 'Net Zero' commitment and its scope of activities is a core driver in the Groupe BPCE's NZBA targets. Natixis CIB's business strategy is focused on supporting its borrower, issuer, and investor clients through the various stages of their ecological and energy transition. It acts both as an advisor and as a preferred financial partner.

Natixis CIB's objective is twofold: on the one hand, to increase the financing of "green" assets and players (i.e., those with low greenhouse gas issuances or which contribute to the decarbonization of the economy) and, on the other, to support its clients' most voluntary transition paths, particularly in the most emissive sectors. Natixis CIB is committed to supporting all its clients in their transition, including those from emission-intensive sectors. To achieve this, the transition plans defined must demonstrate real commitment, a regular pace and strong ambition. To this end, Natixis CIB is developing tools to assess and manage its clients' transition plans. This effort involves all the different business lines of Natixis CIB in order to develop and promote decarbonized activities and technologies while simultaneously supporting its customers' transition plans. Natixis CIB strategy is therefore based on:

- the control of its direct emissions;
- the control of induced (financed) emissions;
- the ability to support technologies and players contributing to the transition to a low-carbon economy.

## COMMITMENT TO BIODIVERSITY

Groupe BPCE is aware of the major challenge presented by the deterioration of natural capital and, as a bank, asset manager and insurer, it is committed to taking concrete action to preserve it. Groupe BPCE took part with other banks in a pilot phase conducted by UNEP FI aimed at understanding the "Taskforce on Nature-related Financial Disclosure" (TNFD) framework. Groupe BPCE also participates in working groups dedicated to biodiversity organized by Institut de la Finance Durable (the French Sustainable Finance Institute), Observatoire de la Responsabilité Sociétale des Entreprises (ORSE, the French Observatory for Corporate social responsibility) and Entreprise pour l'Environnement (EpE, the French Think Tank for companies committed to the ecological transition).

Since 2018, Natixis has been a signatory to the Act4Nature commitments<sup>(1)</sup> comprising 10 shared commitments and SMART commitments linked to its activities in investment banking and asset management. Natixis CIB has also undertaken to exclude financing for projects that have a significant impact on an area classified as a UNESCO World Heritage Site, or registered under the Ramsar Convention, or

covered by categories I-IV of the International Union for Conservation of Nature (IUCN). Since 2021, Mirova has been an active member of the TNFD, the first version of which was published in September 2023. This international initiative aims to develop a framework for organizations to report on nature-related risks, with the stated aim of helping to redirect global financial flows towards positive-impact businesses. Other asset management companies are active in numerous collaborative initiatives and working groups (e.g., FAIRR, Finance for Biodiversity Pledge, Nature Action 100, Sustainable Blue Economy).

### 1.2.1.3 BEING A COMMITTED AND SOCIALLY RESPONSIBLE COMPANY

Since 2021, Groupe BPCE has implemented four strategic HR priorities "Shaping the future of work" that were defined in BPCE 2024 strategic plan:

- new challenges in terms of skills to be leading bankers and insurers in their region;
- an employee experience similar to that of our customers;
- an internal career path for each talent that wishes it;
- data and Artificial Intelligence for the efficiency of the HR function and employees.

In this context, the HR roadmap aims at:

- building, for each of the group's major business lines, dedicated programs and systems enabling employees to feel comfortable in their role from the moment they join the group and encouraged to develop and progress through the roll-out of two transformation programs: "Advancing in the network" and "Enhancing banking services", and the strengthen recruitment and onboarding programs to attract and welcome new employees, particularly young people and apprentices;
- offering an employee experience similar to that of our customers through the implementation of enhanced employee feedback systems, the development of new "hybrid" working methods and shared tools and social innovation actions to optimize work-life balance and well-being (e.g., caregiver employees, cancer work...);
- anticipating and prepare the group's intra- and inter-company functional and geographical mobility;
- improving reliability, proactivity and accessibility, in particular by strengthening the monitoring and daily decision support of HR teams and managers.

Groupe BPCE thus reinforces its role as a responsible employer by giving employees reasons to be proud of their company and, more broadly, the group. This ambition aims to meet the expectations of employees in terms of professional development and fulfilment by building on the "Paris 2024" partnership.

As a socially responsible employer, the group respects:

- a code of conduct and ethics<sup>(2)</sup>
- the commitments made under the Global Compact and the International Labour Organization.

[1] Available at [https://www.act4nature.com/wp-content/uploads/2020/06/NATIXIS\\_VA\\_2020.pdf](https://www.act4nature.com/wp-content/uploads/2020/06/NATIXIS_VA_2020.pdf)

[2] Available at <https://groupebpce.com/en/all-the-latest-news/news/2019/a-code-of-conduct-andethics-for-groupe-bpce-staff>

## 1.2.2 Dedicated CSR Governance taking ESG issues to the highest level

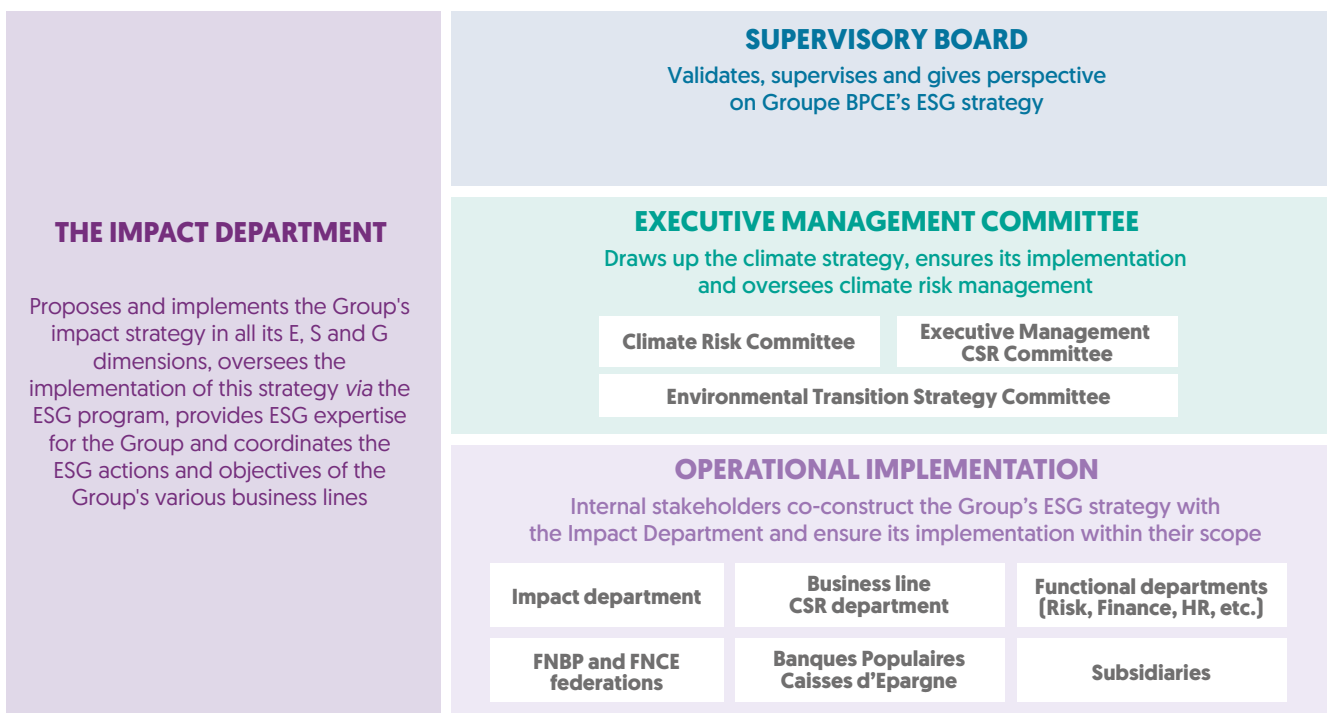
The Supervisory Board supervises and puts the group's ESG strategy into perspective. The Chairman of the Management Board and the Executive Management Committee validates the ESG strategy, ensure its implementation, monitor the progress of the various ESG projects and supervise the group's risk management.

The group Impact department is reporting directly to the Chairman of the Management Board and was strengthened with the creation of the Sustainable Finance Center composed of

experts in sustainable finance. It proposes and implements the group's CSR strategy in all its aspects, oversees the implementation of this strategy via the ESG Program, provides the group's ESG expertise, and coordinates the ESG actions and objectives of the group's different business lines.

The business line CSR departments of the group's entities, comprising more than 300 correspondents, ensure the operational deployment of the CSR strategy.

### ORGANIZATION OF CSR GOVERNANCE



The remuneration of Groupe BPCE executives indexed to CSR criteria. The remuneration of the Chairman of the Management Board and the members of the BPCE Management Board includes an annual variable portion indexed to qualitative criteria, of which 10% is based on the achievement of CSR criteria. The allocation of this variable portion depends on the implementation of the group's strategic ambitions on environmental issues (including climate issues) and the positioning of Groupe BPCE in the rankings of non-financial rating agencies.

In order to manage its climate-related commitments as closely as possible, the group has strengthened its governance bodies and the management of climate-related risks:

- the Climate Risk department reporting directly to Groupe BPCE's Deputy Chief Executive Officer, defines and implements Groupe BPCE's climate risk supervision system. The operational integration of this system in the institutions makes it possible to better integrate climate risks into the group's risk appetite;
- the Climate Risk Committee, created in 2020, is chaired by the Chairman of the Management Board. This decision-making and monitoring committee deals with climate issues from a cross-functional perspective for the group and its various business lines. It is in charge of examining the group's main existing or potentially emerging climate and environmental risk areas. It develops scenarios and validates the climate stress test transition matrices to assess the resilience and vulnerability of the group's business model.

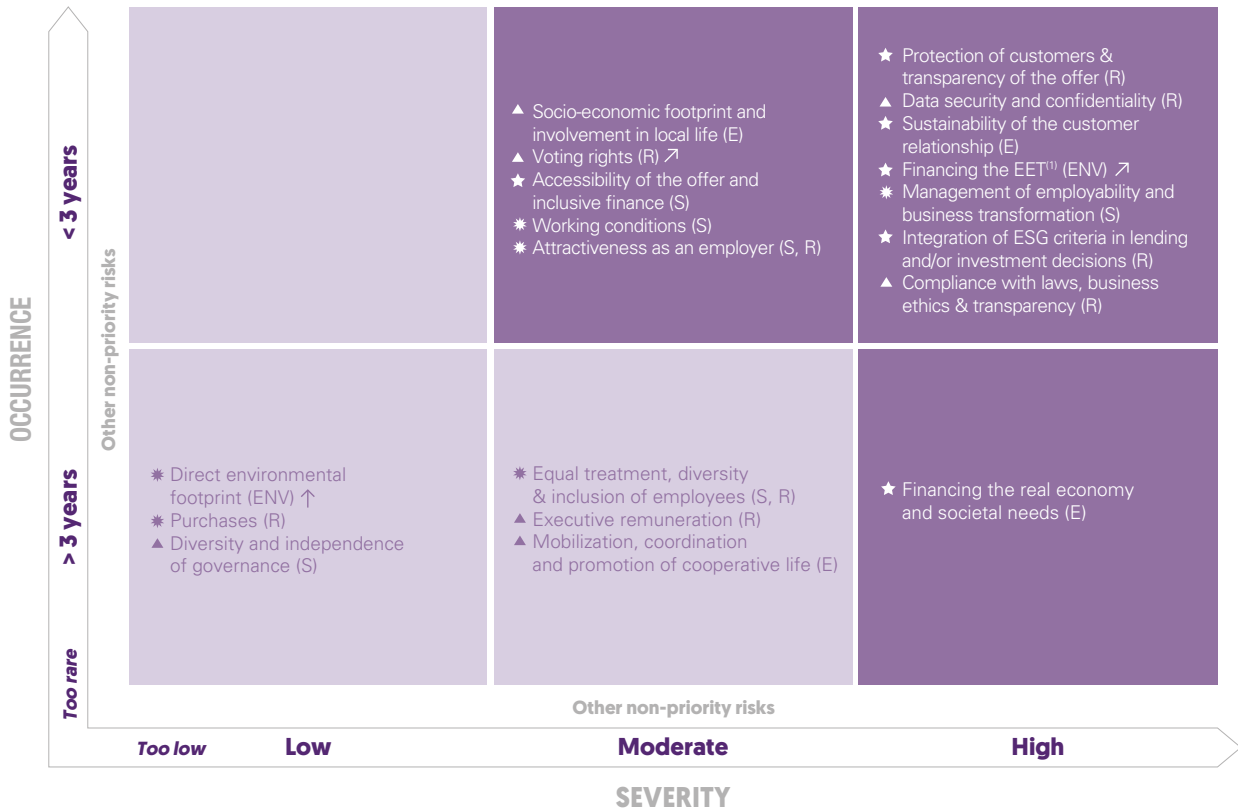


### 1.2.3 Methodology for managing non-financial risks

Groupe BPCE has developed a mapping of non-financial risks by applying a methodology developed with representatives of the business line CSR departments of various entities of the group. This methodology is based on the risk analysis methodology of the group's Risk division and updated yearly. Its application is consistent with Groupe BPCE's overall risk mapping process.

The mapping of non-financial risks presents:

- a universe of CSR risks divided into three types (governance, products and services, and internal operations). Each risk is precisely defined;
- a rating of these risks, according to their occurrence and severity. The rating is carried out before taking into account the risk management systems put in place to mitigate them.



**Risk category**

- ▲ Governance
- ★ Products & Services
- \* Internal operations

**Main impact**

- Social/Societal
- Economic
- Reputational
- ENVironmental

**Trend for the future**

- More severe
- ↑ More frequent
- ↗ A combination of the two

<sup>(1)</sup> Energy and Environmental Transition

The main impacts of these non-financial risks relate to environmental, social/societal, economic and reputational aspects.

## 1.3 Groupe BPCE's Sustainable Funding: Innovation and active presence in the green and social bond markets

Back in 2015, BPCE SA entered the sustainable bond market for the first time with an inaugural Renewable Energy Green Bond in the wake of the Paris Agreement. Since then, Groupe BPCE has become a regular issuer and continuously expanded the scope of sustainable bond issuance across Eligible Green<sup>(1)</sup> and Social<sup>(2)</sup> Project Categories, leading Groupe BPCE to be one of the largest issuers of green and social bonds amongst financial institutions globally.

As part of its BPCE 2024 strategic plan, the group is stepping up its issuance program by committing to at least three sustainable development public issues per year, to fully contribute to the development of a more sustainable finance.

### GROUPE BPCE'S SUSTAINABLE DEVELOPMENT REFINANCING STRATEGY IS BASED ON FOUR PILLARS

#### Extend the range of Instruments dedicated to sustainable funding

- Sustainable development funding instruments issued in both public bond format (Senior Unsecured Bonds, Housing Financing Bonds and securitization instruments) and private bond format (private placements) for institutional investors.
- Groupe BPCE also distributes sustainable development savings products to its retail and corporate customers.

#### Continuous expansion of the scope of Eligible Project Categories

- The group is continuing to broaden the range of Eligible Green and Social Project Categories under its Sustainable Development Funding Programme, particularly in the social area, with new themes: sport economy, the challenges of aging and support to healthcare professionals.

#### Securing the management of issuances

- Since its launch in 2015, the Sustainable Development Funding Programme has been managed by Groupe BPCE's central body. The monitoring of eligible asset portfolios is centralized and carried out by the department "Groupe Funding and Financial Solutions" of Groupe BPCE via a single IT tool that is audited annually.
- This centralized management makes it possible to secure the audit processes and ensure the alignment of commercial development strategies and public issues.

#### Innovate in operations and Eligible Project Categories

- As the first European player to have carried out a "Green Building" securitization, the first European issuer of a "Sustainable Agriculture" green bond, the first European issuer of a "Local Economic Development" methodology for social bonds based on a dynamic geo-spatial criterion and the first European issuer of a social bond dedicated exclusively to sport economy and healthcare.
- For the commitment to apply the same Eligible Green or Social Project Categories regardless of the issuing entity within the group and the issuance format.
- As the first player to have carried out an impact measurement based on a survey led directly with its clients by an independent actor for its "Local Economic Development" social bond issuances and "Sustainable Agriculture" green bond issuance.

[1] Available at <https://groupebpce.com/en/investors/sustainable-bonds/green-bonds>

[2] Available at <https://groupebpce.com/en/investors/sustainable-bonds/social-bonds>



2

## **GROUPE BPCE'S SUSTAINABLE DEVELOPMENT FUNDING PROGRAMME**

Groupe BPCE's Sustainable Development Funding Programme (the "Programme") aims to detail the commitments taken by the group to align its funding activities with sustainable development imperatives. This Programme has been established to facilitate disclosure and integrity of Groupe BPCE's Sustainable Funding Instruments. It outlines the process by which Groupe BPCE will issue Green, Social or Sustainability Funding Instruments (together the "Sustainable Funding Instruments"), for which it intends to earmark the net proceeds, or an amount at least equal to the net proceeds of the instruments to finance and/or re-finance, in whole or in part, Eligible Green and/or Social Assets with environmental and/or social benefits (together "the Eligible Assets")<sup>(1)</sup>.

Groupe BPCE published its inaugural green bond in 2015, at the time focusing exclusively on renewable energy. The Programme was then first published by Groupe BPCE as early as 2018, subsequently updated in 2020 and then with the current version<sup>(2)</sup>. Groupe BPCE's regular updates of the Programme strive to uphold the alignment of the group's Sustainable Funding Instruments with best market practices overtime and the regulation applying to Sustainable Finance. It is a fundamental part of the group's sustainable finance strategy, playing a major role in Groupe BPCE's ability to provide its customers with sustainable solutions and its investors with transparency and sustainability-driven products.

Groupe BPCE's approach to Sustainable Funding Instruments is built-upon a high level of transparency:

- i. the Sustainable Development Funding Programme – **Green Funding Framework** is the document setting out the key features of Sustainable Funding Instruments applicable to all instruments and entities within its scope where the net proceeds, or an amount at least equal to the net proceeds of the instruments, are used to finance or refinance Eligible Green Assets as further defined in the Green Funding Framework<sup>(3)</sup>;
- ii. the Sustainable Development Funding Programme – **Social Funding Framework** is the document setting out the key features of Sustainable Funding Instruments applicable to all instruments and entities within its scope where the net proceeds, or an amount at least equal to the net proceeds of the instruments, are used to finance or refinance Eligible Social Assets as further defined in the Social Funding Framework.

In previous versions of the Programme, Groupe BPCE had published Sustainable Development Funding Programme – **Methodology Notes** (the "Methodology Notes")<sup>(3)</sup> for each Eligible Asset category outlined in the Use of Proceeds section

of the Programme to outline specific commitments applicable to the Eligible Asset category and governing all outstanding Sustainable Funding Instruments referring, in entirety or in part, to the relevant Methodology Note(s). In the current version of the Programme all previously published Methodology Notes have been consolidated into either the Green Funding Framework or the Social Funding Framework in order to simplify the Programme for all of Groupe BPCE stakeholders.

The Programme has been designed in accordance with the Green Bond Principles, 2021 version with June 2022 Appendix I (GBP)<sup>(4)</sup>, Social Bond Principles, 2023 version (SBP)<sup>(5)</sup>, and Sustainability Bond Guidelines, 2021 version (SBG)<sup>(6)</sup> (together "the Principles") as published by the International Capital Market Association (ICMA)<sup>(7)</sup>.

In accordance with the Principles, and for each Sustainable Funding Instrument, Groupe BPCE asserts that it will follow the 4 key pillars outlined in this document:

- Use of Proceeds;
- Project Evaluation and Selection;
- Management of Proceeds;
- Reporting.

Complementary resources may be mentioned in the Green Funding Framework or the Social Funding Framework where applicable.

Sustainable Funding Instruments may consist of debt securities including but not limited to the following list, in any currency and size, including public issuances or private placements, vanilla instruments, structured products and retail issuances<sup>(8)</sup> and may be issued in any geography:

- **Green, Social or Sustainability senior bonds** such as senior unsecured, senior preferred or senior non-preferred Bonds;
- **Green, Social or Sustainability covered bonds** where the net proceeds, or an amount at least equal to the net proceeds is earmarked to Eligible Assets that are eligible for inclusion in one of Groupe BPCE's entities cover pool;
- **Green, Social or Sustainability securitization instruments**<sup>(9)</sup> where the net proceeds, or an amount at least equal to the net proceeds is earmarked to:
  - i. Eligible Assets securing the specific green, social or sustainability securitization instrument only, or
  - ii. Eligible Assets of the issuer, originator or sponsor, where such Eligible Assets may or may not be securing the specific green, social or sustainability securitization instrument in whole or in part;

[1] Eligible Asset types are further described under Appendix 1 of this document.

[2] Of note, subsequent changes to the Programme will not apply to outstanding Sustainable Funding Instruments (grandfathering). As such, Eligible Green and/or Social Assets must meet the eligibility criteria applicable at the time of issuance of the Sustainable Funding Instruments, it being understood that if Groupe BPCE decides to change such eligibility criteria, then the updated eligibility criteria will not apply retroactively. For the avoidance of doubt, new Sustainable Funding Instruments shall be aligned with the most recent version of the Programme.

[3] As available at <https://groupebpce.com/en/investors/funding/sustainable-funding>

[4] Available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

[5] Available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/>

[6] Available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg/>

[7] Methodology Notes published prior to the current update of the Programme may have been designed in accordance with earlier versions of the Principles, the version of the Principles applicable to each Methodology Note is specified in the applicable Methodology Note.

[8] Specific information on sustainability-related objectives in respect of the Sustainable Funding Instruments, where the products are covered by the Markets in Financial Instruments directive II (MiFID II, Commission Delegated directive (EU) 2021/1269), will be specified in the relevant pre-contractual disclosure(s) and legal documentation of the relevant Sustainable Funding Instruments.

[9] For each Green, Social or Sustainability securitization instruments, the issuer, originator or sponsor will clearly specify in its marketing materials, offering documentation or by other means which method is being applied between point i. and ii.

- **Green, Social or Sustainability subordinated bonds** such as Tier 2 or additional tier 1 Instruments<sup>[1]</sup>;
- **Green, Social or Sustainability notes** such as structured notes;
- **Green, Social or Sustainability commercial paper or asset-backed commercial paper** <sup>[2]</sup> where such instruments will follow the same approach as Green, Social or Sustainability securitization instruments.

All authorized entities within Groupe BPCE may issue Sustainable Funding Instruments under the Sustainable Development Funding Programme. Eligible Assets earmarked to Sustainable Funding Instruments may have been originated or invested in by all Groupe BPCE entities and their respective subsidiaries.

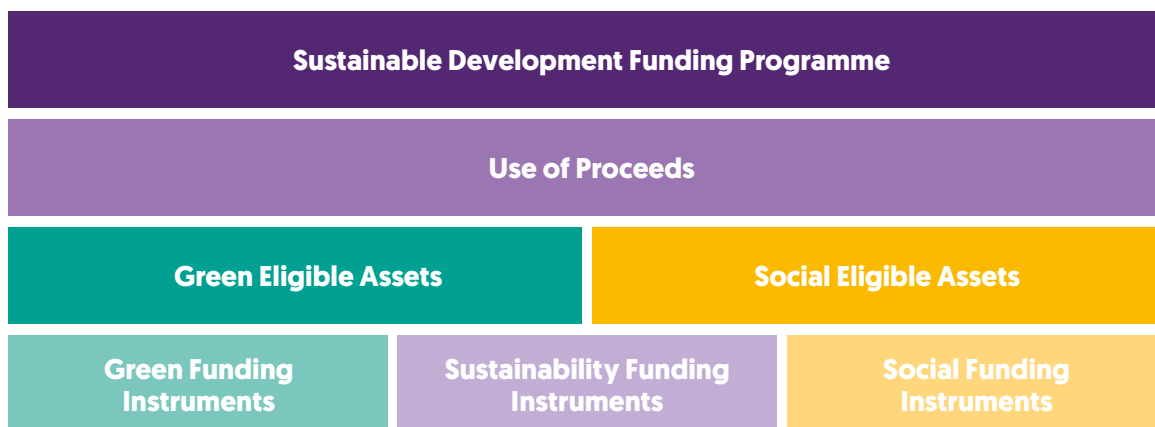
Potential revisions of any of the reference guidelines mentioned in the Programme as well as regulatory developments including the EU Taxonomy Regulation (Regulation (EU) 2020/852)<sup>[3]</sup>, the EU Taxonomy Climate Delegated Act<sup>[4]</sup>, the EU Taxonomy Environmental Delegated Act<sup>[5]</sup>, the EU Green Bond Standard (EU GBS)<sup>[6]</sup> and the contemplated EU Social Taxonomy will be reflected in future versions of the Programme (Green Funding Framework and/or Social Funding Framework) on a best effort basis (*obligation de moyen*), whereby Groupe BPCE will either maintain or improve the current level of transparency and stringency when selecting Eligible Green and/or Social Assets and will be subject to an update of the Second Party Opinion as necessary.<sup>[7]</sup>

It is the intention of Groupe BPCE to earmark the net proceeds, or an amount at least equal to the net proceeds, of the Sustainable Funding Instruments to finance and or re-finance, in whole or in part, Eligible Assets. The detailed definitions of Eligible Assets and their associated eligibility criteria,

environmental and/or social objective(s) and reporting indicators supporting their contribution to the relevant environmental and/or social objective(s) are specified in the **Green Funding Framework** and the **Social Funding Framework**<sup>[8]</sup>.

The Green Funding Framework and Social Funding Framework outlines the expected contribution of Eligible Assets to the sustainable development Goals (SDGs) published in 2015 by the United Nations (UN) as part of the 2030 Agenda for sustainable development in accordance with the “High-Level Mapping to the sustainable development Goals” published by the International Capital Market Association (ICMA)<sup>[9]</sup> and last updated in June 2023, as well as their expected contribution to the EU Taxonomy Regulation<sup>[10]</sup> objectives where relevant. For each Sustainable Funding Instrument, Groupe BPCE will identify whether the Green Funding Framework and/or the Social Funding Framework applies in the instrument’s applicable legal documentation. The Programme supports the issuance of three types of Sustainable Funding Instruments:

- **Green funding instruments** where the net proceeds, or an amount at least equal to the net proceeds of the instruments, are used to finance or refinance Eligible Green Assets as further defined in the Green Funding Framework;
- **Social funding instruments** where the net proceeds, or an amount at least equal to the net proceeds of the instruments, are used to finance or refinance Eligible Social Assets as further defined in the Social Funding Framework;
- **Sustainability funding instruments** where the net proceeds, or an amount at least equal to the net proceeds of the instruments, are used to finance or refinance a mix of Eligible Green Assets and Eligible Social Assets or Eligible Assets with both environmental and social benefits as further defined in the Green Funding Framework and Social Funding Framework.



[1] Of note, Green, Social or Sustainability subordinated bonds, like all other bonds issued by Groupe BPCE, must adhere to the eligibility criteria of the Capital Requirements Regulation and the requirements for own funds and eligible liabilities specified in the Bank Recovery and Resolution directive. As such, any net proceeds of any Green, Social or Sustainability Bond qualifying as own funds or eligible liabilities will be fully available to cover losses arising on the balance sheet of Groupe BPCE, regardless of their Green, Social or Sustainability Bond label.

[2] For each Green, Social or Sustainability Asset-Backed Commercial Paper, the issuer, originator or sponsor will clearly specify in its marketing materials, offering documentation or by other means which method defined in i. or ii. of the Green, Social or Sustainability Securitization instruments section is being applied.

[3] Available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32020R0852>

[4] Available at [https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/taxonomy-regulation\\_en](https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/taxonomy-regulation_en)

[5] Available at [https://finance.ec.europa.eu/publications/sustainable-finance-package-2023\\_en](https://finance.ec.europa.eu/publications/sustainable-finance-package-2023_en)

[6] Available at [https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/european-green-bond-standard\\_en](https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/european-green-bond-standard_en)

[7] Of note, subsequent changes to the Programme will not apply to outstanding Sustainable Funding Instruments [grandfathering]. As such, Eligible Green and/or Social Assets must meet the eligibility criteria applicable at the time of issuance of the Sustainable Funding Instruments, it being understood that if Groupe BPCE decides to change such eligibility criteria, then the updated eligibility criteria will not apply retroactively. For the avoidance of doubt, new Sustainable Funding Instruments shall be aligned with the most recent version of the Programme.

[8] Available on Groupe BPCE's institutional website <https://groupebpce.com/en/investors/funding/sustainable-funding>

[9] Available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/mapping-to-the-sustainable-development-goals/>

[10] Available at [https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities\\_en](https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en)





# SOCIAL FUNDING FRAMEWORK

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## 3.1 Use of Proceeds

It is the intention of Groupe BPCE to earmark the net proceeds, or an amount at least equal to the net proceeds of Sustainable Funding Instruments dedicated, in whole or in part, to this Social

Funding Framework, to finance and/or re-finance, in whole or in part, Eligible Social Assets meeting at least one of the applicable eligibility criteria outlined below.

### 3.1.1 Eligible Asset types

Eligible Asset types are further detailed in the Appendix 1 of this document and refer to lending instruments, debt investments, equity participations or fund investments in Eligible Social Assets. Net Proceeds of Sustainable Funding Instruments issued by banking entities of Groupe BPCE are likely to be earmarked to lending instruments (which may include loans,

guarantees, factoring and lease agreements granted to corporate, retail and public sector clients including project finance loans as well as general obligation loans), whereas net proceeds of Sustainable Funding Instruments issued by Insurance entity of Groupe BPCE are likely to be earmarked to debt investments, equity participations and fund investments.

### 3.1.2 Eligible Social Assets

Eligible Social Assets are detailed in the below table, as well as their expected contribution to the sustainable development Goals (SDGs) published in 2015 by the United Nations (UN) as part of the 2030 Agenda for sustainable development in accordance with the “High-Level Mapping to the sustainable development Goals” published by the International Capital Market Association (ICMA) in June 2023.

Eligibility criteria for selection of Eligible Social Assets for each of the Eligible Social Project Category and Target Population(s) identified below have been determined following different sources of information:

- Eligible Social Project Categories as set out in the Social Bond Principles, 2023 version (SBP)<sup>[1]</sup>, as published by the International Capital Market Association (ICMA);
- the final report of the EU’s Platform on Sustainable Finance for a Social Taxonomy<sup>[2]</sup> published in February 2022;

- other publicly available guidelines (such as Climate Bonds database inclusion methodology)<sup>[3]</sup> and marketplace reference documents and tools;
- internal expertise of all the parties involved in the preparation of the Sustainable Development Funding Programme;
- existing sustainable finance market practices.

For the avoidance of doubt, Eligible Social Assets must meet at least one Eligibility Criteria outlined for Eligible Social Project Categories in order to be earmarked against Sustainable Funding Instruments net proceeds.

For each Sustainable Funding Instrument issuance, Groupe BPCE will specify to which Eligible Social Project Category(ies) the net proceeds, or an amount equal to the net proceeds, of the Sustainable Funding Instrument will be earmarked in the applicable legal documentation and/or marketing materials, as relevant.

### 3.1.3 Eligible Social Project Categories

#### SOCIAL HOUSING

The development of social housing is a major tool for the central and local authorities to allow citizens and family whose financial resources are limited to meet the demands of private housing providers and to buy a home, or who are living in areas where there is insufficient housing available to households.

In France, social housing landlords offer to households meeting resource requirements (fixed by decree<sup>[4]</sup>) rental housing whose rents are below levels defined by decree, on average 40% lower than market rents<sup>[5]</sup>. Since the law “ALUR” n°2014-366 of March 24<sup>th</sup>, 2014, applications for social housing must be integrated into the National Registration System (“NRS”)<sup>[6]</sup>.

[1] Available at <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/>

[2] Available at [https://finance.ec.europa.eu/system/files/2022-08/220228-sustainable-finance-platform-finance-report-social-taxonomy\\_en.pdf](https://finance.ec.europa.eu/system/files/2022-08/220228-sustainable-finance-platform-finance-report-social-taxonomy_en.pdf)

[3] Available at <https://www.climatebonds.net/market/social-sustainability-bond-database-methodology>

[4] Available at <https://www.service-public.fr/particuliers/vosdroits/F869>

[5] Le Grand Débat National: les HLM, une chance pour la France - [https://www.union-habitat.org/sites/default/files/articles/pdf/2019-02/le\\_grand\\_debat\\_national\\_-\\_les\\_hlm\\_une\\_chance\\_pour\\_la\\_france\\_0.pdf](https://www.union-habitat.org/sites/default/files/articles/pdf/2019-02/le_grand_debat_national_-_les_hlm_une_chance_pour_la_france_0.pdf)

[6] Available at <https://www.demande-logement-social.gouv.fr/statistiques/>



To meet the significant demand, the French model of social housing relies on an existing stock of nearly 5.4 million social housing units as of January 1<sup>st</sup>, 2022, spread over the entire metropolitan territory and overseas<sup>(1)</sup>. This social housing stock is managed by social housing organizations (“**OLS**”), divided into several families/structures, the two main ones being public housing offices (“**OPH**”) and social enterprises for housing (“**ESH**”). The other *HLM* (*Habitation à Loyer Modéré* or Social Housing) organizations are *HLM* cooperatives (“**Coop’HLM**”), mixed economy companies (“**SEM**”) and organizations accredited for the project management of integration (“**MOI**”). Social housing is granted to applicants at the rate of the releases of existing housing and the delivery of new or rehabilitated housing.

To support the production of a new offer and the rehabilitation, the French State delivers to the OLS financing approvals for each of their operations. These agreements are eligible for specific financing and various tax advantages reserved for the social housing sector:

- VAT at a reduced rate of 5.5% for the specific social housing production (social housing financed by a Rental Loan Assisted Integration (“**PLAI**”), social housing in acquisition-refurbishment financed by a Rental Loan for Social Use (“**PLUS**”), those located in neighbourhoods subject to an urban renewal agreement signed with ANRU) and for energy renovation works;

- 10% reduced VAT for other intermediate and social housing as well as for rehabilitation (instead of 20%);
- exemption from property tax on built properties (“TFPB”) for the new housing production and for some works such as adapting housing to aging and energy renovation;
- very low flat-rate transfer duties for disposals of assets between low-cost housing operators;
- possibility of exemption from registration fees for HLM sales to individuals;
- exemption from corporation tax for services of general economic interest (“SIEG”) HLM; and
- favourable taxation of capital gains on disposal.

The regulatory and fiscal framework provides OLS with a security and a dynamic that translates into large amounts of investments.

Groupe BPCE is one of the main leading players in social housing in France and identifies below the eligibility criteria for Eligible Social Assets to be earmarked against Sustainable Funding Instruments supporting social housing and social access to home ownership.



**UN sustainable development Goal(s)**



**1.4** By 2030 ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance.



**11.1** Ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.  
**11.3** By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.



**10.2** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

**Eligible Project Categories (SBP)**

**Affordable housing**

**Indicative Target Populations**

- **Social housing landlords**
- **Low-income population subject to conditions of resources defined by French law with a view to support increased access to adequate, safe and affordable housing and home ownership for vulnerable populations**

**Indicative Preliminary EU Social Objective(s)**

Adequate living standards and well-being for end-users  
Inclusive and sustainable communities and societies

[1] Ministry of Ecological Transition - The social rental stock on 1 January 2022 - <https://www.statistiques.developpement-durable.gouv.fr/au-1er-janvier-2022-159-des-residences-principales-sont-des-logements-locatifs-sociaux#:~:text=Ainsi%20le%20parc%20locatif%20social,rapport%20%C3%A0%20l%27ann%C3%A9e%20pr%C3%A9c%C3%A9dente.>

## Eligibility criteria

|   | Definition  | Social objective  |
|---|---|-------------------|
| Development and renovation of the French social housing stock | <p><b>HLM (<i>Habitations à Loyer Modéré</i>) offices, in particular to three types of French Social Housing Landlords supervised by ANCOLS (<i>Acteur unique de contrôle et d'évaluation des organismes d'Action Logement et du logement social</i>):</b></p> <ul style="list-style-type: none"> <li>• <b>OPH (<i>Offices Publics de l'Habitat</i>)</b> - Public entities which have been set up by, and are legally linked, to one or several local governments with a very limited and clearly defined remit for the operation, renovation, and construction of social housing;</li> <li>• <b>ESH (<i>Entreprises Sociales pour l'Habitat</i>)</b> - private entities with a similarly defined remit as OPH;</li> <li>• <b>SEM (<i>Société d'Economie Mixte</i>)</b> - Public Private Partnerships, but under the control of local authorities (public limited company whose capital is mainly held by one or more public entities i.e. the State, a local authority, or any other public institution).</li> </ul> <p><u>Target Population:</u><br/>According to French Law (Article L. 411-1 of the French Construction and Housing Code), low-income population for social housing is subject to conditions of resources<sup>[1]</sup> and defined for regular residence in France. Resources ceiling depends on the following criteria:</p> <ul style="list-style-type: none"> <li>• the type of accommodation, depending on financing (loans and subsidies) obtained by the social housing landlords during the construction or renovation of the housing concerned;</li> <li>• the applicant's family situation, relying on the reference tax revenues of each person living in the household, the amount of the housing allowance to which the household is entitled, and the potential costs incurred for the accommodation of the spouse in a residential facility for dependent elderly people;</li> <li>• the location of the desired accommodation, depending on geographic areas<sup>[2]</sup>.</li> </ul> | Access to housing |

[1] Conditions of resources: <http://www.financement-logement-social.logement.gouv.fr/logement-social-r245.html>

[2] Zones A, B and C defined according to the maximum income for entitlement to social housing, the maximum income to qualify for a zero rate loan or a social accession loan and for a landlord, the right to a tax reduction

Eligibility criteria

|                              | Definition   | Social objective                |
|------------------------------|--|---------------------------------|
| <b>Social Home Ownership</b> | <p><b>Promotion of social home ownership through the acquisition of new and existing housing, such as:</b></p> <ul style="list-style-type: none"> <li>● <b>P.A.S.</b> (<i>Prêt à l'Accession Sociale</i>) dedicated to acquisition of dwelling by households meeting maximum income requirements depending on the location of the dwelling. In addition, the contemplated property must be the main residence of the household at least during 6 years after the purchase: <ul style="list-style-type: none"> <li>● the loan can finance the purchase of any kind of dwelling (new, refurbished, existing dwelling),</li> <li>● the loan can last from 5 to 25 years. The loan can finance up to the totality of the purchase,</li> <li>● the interest rate of the PAS Loan is regulated by the French State administration and the Credit Institution should have entered into a specific convention with the French State Administration;</li> </ul> </li> <li>● <b>P.S.L.A.</b> (<i>Prêt Social Location Accession</i>) dedicated to acquisition of new housing after a rental period (call option), with legally defined social requirements for both the borrower (buyer) and the property operator (vendor): <p><i>Borrower:</i></p> <ul style="list-style-type: none"> <li>● the contemplated property must be its principal residence,</li> <li>● both a maximum (resources ceiling) and a minimum (amount of the operation divided by 10) of reference tax revenues of each person living in the household are legally defined and annually updated,</li> </ul> <p><i>Vendor:</i></p> <ul style="list-style-type: none"> <li>● a maximum sales price is legally defined and annually updated by geographic areas, and tax advantages for the buyer (reduced VAT, exemption of land tax for 15 years),</li> <li>● a buyback guarantee must be offered on a 15-years period from exercise of the call option,</li> <li>● in case of non-exercise of the call option or of redemption, households with revenues lower than income ceiling defined for PLUS (<i>prêt locatif à usage social</i>) can benefit from a re-housing guarantee,</li> <li>● during the rental period, a maximum of rental fee is defined (based on rent ceiling defined for PLS – <i>Prêt Locatif Social</i>);</li> </ul> </li> <li>● <b>OFS – B.R.S.</b> (<i>Organisme de Foncier Solidaire-Bail Réel Solidaire</i>) dedicated to the acquisition of dwellings by the occupying household by entering into a specific leasing agreement which allows the household to purchase the dwelling but not the underlying land in order to reduce significantly the purchase price: <ul style="list-style-type: none"> <li>● the buyer should respect the criteria of maximum income and uses the dwelling as its main residency,</li> <li>● the purchase price is aligned with the PSLA scale and reduced by the value of the land. The dwelling can be sold solely to a household that respects the PSLA income criteria and the purchase price should also be aligned with the PSLA scale,</li> <li>● the BRS can only be granted by an "Organisme de Foncier Solidaire" a specific juridical form delivered by the State administration and the OFS are supervised by the State Administration,</li> <li>● the household should during the BRS (from 18 to 99 years) repay the acquisition loan and an occupation fee to the BRS.</li> </ul> </li> </ul> <p><u>Target population:</u><br/>According to French Law, low-income population for PSLA &amp; OFS-BRS is subject to conditions of resources defined regarding the reference tax revenues of each person living in the household, depending on geographic areas<sup>[1]</sup>:</p> <ul style="list-style-type: none"> <li>● <b>Vente HLM</b> dedicated to acquisition of existing housing (built or acquired by an HLM office since more than 10 years), with legally defined quality and social requirements for both the borrower (buyer) and the property operator (vendor): <p><i>Borrower:</i></p> <ul style="list-style-type: none"> <li>● priority is given to social housing tenants,</li> <li>● both a maximum (resources ceiling) of reference tax revenues of each person living in the household are legally defined and annually updated – same framework than HLM social housing;</li> </ul> <p><i>Vendor:</i></p> <ul style="list-style-type: none"> <li>● preference sales price is proposed to the buyer,</li> <li>● a buyback guarantee must be offered on a 10-years period,</li> <li>● a re-housing guarantee offered during 5 years,</li> <li>● a redemption guarantee offered during 5 years.</li> </ul> </li> </ul> <p><u>Target population:</u><br/>According to French Law (Article L. 411-1 of the French Construction and Housing Code), low-income population for Vente HLM is subject to conditions of resources defined regarding the reference tax revenues of each person living in the household, depending on geographic areas<sup>[2]</sup>.</p> | <b>Access to home ownership</b> |


[1] Conditions of resources: <http://www.financement-logement-social.logement.gouv.fr/accesion-r246.html>

[2] Zones A, B and C defined according to the maximum income for entitlement to social housing, the maximum income to qualify for a zero rate loan or a social accession loan and for a landlord, the right to a tax reduction

**LOCAL ECONOMIC DEVELOPMENT**

The development and conservation of economic activity on all areas of the French territory represent a major tool to ensure equal opportunity and reducing economic inequalities among citizens. However, labour inequalities subsist with unemployment rate ranging between 5% and 12% across regions, reaching even 19.3% taking into account overseas areas (INSEE Q4 2022). Moreover, a critical spread remains considering median revenue per capita, with the median in the most favored department being almost twice as high as in the most underprivileged one.

As the leading bank for small businesses and the social economy in France, Groupe BPCE is committed to regional and community development fostering responsible growth. The access to credit is an important issue that could inhibit the constitution and development of business located in deprived areas and further penalize the economic development of the territory. Investing in the local economy and expanding access to banking and financial services across territories are thus key levers to guaranty an inclusive and sustainable development. Groupe BPCE identifies below the eligibility criteria for Eligible Social Assets to be earmarked against Sustainable Funding Instruments supporting local economic development in France territories.

|   |  |   |
|---|--|---|
| <p><b>UN sustainable development Goal(s)</b></p>            |   | <p><b>8.3</b> Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.</p> <p><b>8.5</b> By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p><b>8.10</b> Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.</p> |
| <p><b>Eligible Project Categories (SBP)</b></p>             | <p><b>Employment generation</b>, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance</p>   |   |
| <p><b>Indicative Target Populations</b></p>                 | <p><b>Workers, not for Profit Entities and small enterprises owners in socioeconomically disadvantaged areas in order to promote growth and employment creation of local businesses and entrepreneurship initiatives in most economically disadvantaged regions with a view to contribute to access to decent work and economic growth</b></p> |   |
| <p><b>Indicative Preliminary EU Social Objective(s)</b></p> | <p><b>Decent work</b></p>  |   |

## Eligibility criteria

| Definition   |   | Social objective                  |
|--|---|-----------------------------------|
| <b>Small businesses, SMEs<sup>(1)</sup>, local authorities and non-profit organizations that seek to benefit people who live and/or work in economically and/or socially disadvantaged areas or communities</b>  | <b>Loans granted to Small &amp; Medium Enterprises or Not for Profit Entities selected according to the following geographical criteria:</b>  | <b>Local economic development</b> |
|  | <ul style="list-style-type: none"> <li>• <b>Area (defined by zip code) with a Relative Poverty Rate in the top third of all areas in metropolitan France</b>, where the Relative Poverty Rate (60% poverty threshold) is defined as the ratio of the number of people (in a given age group) whose income falls below the 'poverty threshold', which is established at 60% of the median household income for the total population. Measure is relative rather than absolute and reflects economic disparity (poverty in Western economies dependent on social context).</li> </ul> |                                   |
|  | $\text{Relative Poverty Rate} = \frac{\text{Number of people (in a given group) whose income falls below the "poverty threshold"}}{\text{Total population}}$  |                                   |
|  | Relative Poverty Rate = Number of people (in a given group) whose income falls below the 'poverty threshold' / Total population   |                                   |
|  | <b>Or</b>   |                                   |
| <ul style="list-style-type: none"> <li>• <b>Unemployment Rate</b></li> </ul>   |   |                                   |
| $\text{Unemployment Rate} = \frac{\text{Number of persons aged between 14 and 70 having declared themselves "unemployed" (regardless of any registration with the employment center)}}{\text{Labor force which includes employed and unemployed workers}}$ |   |                                   |
| Unemployment Rate = Number of persons aged between 14 and 70 having declared themselves 'unemployed' (regardless of any registration with the employment center) / Labor force which includes employed and unemployed workers                              |   |                                   |
| <ul style="list-style-type: none"> <li>• <b>Area (defined by zip code) with an unemployment rate in the top third of all areas in metropolitan France</b></li> </ul>   |   |                                   |
| <b>And</b>   |   |                                   |
| <ul style="list-style-type: none"> <li>• <b>Business Creation Level</b></li> </ul>   |   |                                   |
| $\text{Business Creation Level} = \frac{\text{Number of companies created over the last year}}{\text{Number of companies at the beginning of the year}}$   |   |                                   |
| Business Creation Level = Number of companies created over the last year / Number of companies at the beginning of the year  |   |                                   |
| <ul style="list-style-type: none"> <li>• <b>Area (defined by zip code) with a business creation lower than the median of metropolitan France areas as a whole</b></li> </ul>   |   |                                   |
| <u>Target population:</u><br>Not for Profit Entities, individuals and SMEs in economically and/or socially disadvantaged areas of communities  |   |                                   |

(1) Small & Medium Enterprises are defined as corporations with an annual turn-over below €50m or balance sheet total below €43m and with less than 250 staff headcounts (FTE) (according to EU definition of SMEs, EU recommendation 2003/361).

## SPORT INFRASTRUCTURE & SPORT ECONOMY

Groupe BPCE is committed to the sport economy and premium partner of the Paris 2024 Olympics. The group concurs with the 2030 Agenda statement that “Sport is an important enabler of sustainable development through various channels. We recognize the growing contribution of sport to the realization of development and peace in its promotion of tolerance and respect and the contributions it makes to the empowerment of women, youth, and communities as well as to individuals through health and well-being, education and social inclusion & cohesion.”

Groupe BPCE has published several studies on sport economy: The sports industry takes its bearings<sup>(1)</sup>, The sport economy faced with the health crisis<sup>(2)</sup>, The sport industry on tenterhooks<sup>(3)</sup>, The sports industry: the challenges of a champion<sup>(4)</sup> focusing on the economic impact of the sports industry on French GDP based on the various contributions of all the players actively involved in sport and the shape of the sports industry in France.

Groupe BPCE provides sport stakeholders (non-profits, businesses, local governments) with the financial services that underpin and enable sport activities: human capital, equipment, infrastructures. Sport activities have multifaced positive impacts, and the financing of the sports economy plays a crucial role in fostering both health and social cohesion.

In terms of health benefits, studies, such as the “Australian burden of disease study”<sup>(5)</sup>, highlight the significance of physical activity in reducing the risk of various health issues. Physical inactivity is identified as a leading risk factor, contributing to 6.7% of the total loss of disability-adjusted life years<sup>(6)</sup>. The mortality risks associated with physical inactivity can be reduced by up to 47%, depending on the level of energy expenditure. Engaging in regular physical activity, even as little as 15 minutes a day or 92 minutes a week, is associated with an increase in life expectancy by three years. Each additional quarter of an hour of daily exercise further reduces overall mortality by 4% and cancer mortality by 1%, regardless of age and gender<sup>(7)</sup>.

The impact of sport on mental health is less extensively documented but holds promise. Research suggests that sport and exercise have positive preventative and therapeutic effects on mental health and well-being<sup>(8)</sup>. Organized sports provide a social element, countering feelings of isolation often associated with poor mental health<sup>(9)</sup>.

Moving to social cohesion benefits, evidence supports the role of sport contribution to both bonding and bridging capital. This includes cultural integration, with sports fostering participation and volunteering<sup>(10)</sup>. Sports also contribute to increased integration into social settings, improving peers relations, happiness, and self-confidence, particularly for children with ADHD<sup>(11)</sup>. Additionally, sports participation is linked to lower anti-social behaviour, increased self-perceptions, scholastic and social competence, especially for at-risk youth<sup>(12)</sup>. Studies further demonstrate a reduction in crime rates and engagement in criminal behavior, such as drunk driving and illegal drug use, especially among younger populations<sup>(13)</sup>.

The financial dimension emphasizes the economic benefits of sports investment, reducing direct and indirect costs, and enhancing overall productivity. In France, where 43% of people declare practicing a physical activity, the total cost of inactivity is estimated at nearly €17 billion per year<sup>(14)</sup>. Various studies emphasize the economic benefits of investing in sports, with a significant return on investment in areas such as health, personal growth, community regeneration, community safety and environmental improvement<sup>(15)</sup>.

Understanding the effective needs to support sports practice involves recognizing the preferences and behaviors of participants. The French National Sports Practice Barometer<sup>(16)</sup> reveals that 66% of French people over the age of 15 practice sports, with running, walking, fitness and gymnastics being the most popular activities. Emerging sports disciplines, especially those allowing for autonomous practice, are appreciated by young active individuals. Evolving needs call for increased places for educators, better adjustment of sports equipment supply, and a balanced approach to funding sports facilities between public and private sectors.

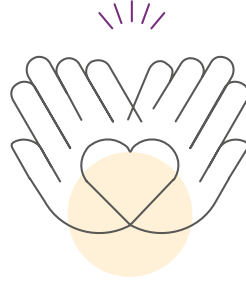
- [1] Available at [https://groupebpce.com/en/the-group-and-sport/a-player-in-the-sports-economy/our-research-on-the-sports-industry/bpce\\_observatoire\\_economiedusport\\_2023](https://groupebpce.com/en/the-group-and-sport/a-player-in-the-sports-economy/our-research-on-the-sports-industry/bpce_observatoire_economiedusport_2023)
- [2] Available at <https://groupebpce.com/en/the-group-and-sport/a-player-in-the-sports-economy/our-research-on-the-sports-industry/the-sports-economy-faced-with-the-health-crisis-bpce-l-observatoire-june-2020>
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- [14] Ministry of Sports, analysis paper “Physical and sport activity, health and public finance quality”, January 2018.
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- [16] Croutte P., Y., Müller J., 2018, Baromètre national des pratiques sportives 2018, Baromètre réalisé par le CREDOC sous la direction de Hoibian S. pour l'INJEP et le ministère des sports, INJEP Notes & rapports/Rapport d'étude.

## TABLE: EFFECTS AND BENEFITS ON HEALTH OF PHYSICAL ACTIVITY AND SPORT

Physiological transformations – clinical advantages











- Balance
- Capillary density
- Immune function
- Lean body mass
- Bone density
- Diameter of arteries
- Good cholesterol
- Insulin sensitivity
- Cognitive function
- Physical skills



- Blood clotting
- Blood pressure
- Type 2 diabetes
- Bone fracture
- Breast cancer
- Excessive weight gain
- Injuries after a fall
- Death risks
- Heart attack
- Depression



Groupe BPCE identifies below the eligibility criteria for Eligible Social Assets to be earmarked against Sustainable Funding Instruments supporting Sport infrastructures & sport economy across France.

| <p><b>UN Sustainable Development Goal(s)</b></p>   |   <p><b>10.2</b> By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p>  |            |                  |  |   |
|--|--|------------|------------------|--|---|
| <p><b>Eligible Project Categories (SBP)</b></p>  | <p><b>Access to essential services</b><br/>(e.g. health, education and vocational training, healthcare, financing and financial services)</p>  |            |                  |  |   |
| <p><b>Indicative Target Populations</b></p>  | <p><b>Support increased access to sport infrastructure, equipment, human capital for the general population and foster development of sport practice enablers such as trainers, clubs, associations, sport retailers &amp; facilities as well as para-public entities dedicated to sport activities</b></p>  |            |                  |  |   |
| <p><b>Indicative Preliminary EU Social Objective(s)</b></p>  | <p><b>Adequate living standards and well-being for end-users</b></p>   |            |                  |  |   |
| <div style="display: flex; flex-direction: column; align-items: center;"> <div style="border: 1px solid purple; border-radius: 15px; padding: 10px; width: 80%; text-align: center; margin-bottom: 10px;"> <p><b>Sport facilities &amp; infrastructures</b></p> </div> <div style="border: 1px solid purple; border-radius: 15px; padding: 10px; width: 80%; text-align: center; margin-bottom: 10px;"> <p><b>Non for Profit organizations involved in the promotion of sport activities</b></p> </div> <div style="border: 1px solid purple; border-radius: 15px; padding: 10px; width: 80%; text-align: center;"> <p><b>Individuals and Small &amp; Medium Enterprises dedicated to the sport economy</b></p> </div> </div>  | <p style="text-align: center;"><b>Eligibility criteria</b></p> <p>To meet needs related to various practices of sports, eligible activities targeting needs &amp; key enablers of sport participation through human capital &amp; guidance, equipment and infrastructure have been identified:</p> <div style="display: flex; justify-content: space-around; text-align: center;"> <div style="border: 1px solid purple; border-radius: 10px; padding: 5px;">Needs</div> <div style="border: 1px solid purple; border-radius: 10px; padding: 5px;">Key Enablers</div> </div> <div style="display: flex; justify-content: space-around; text-align: center; margin-top: 10px;"> <div style="text-align: center;"> <p>Infrastructures</p>  </div> <div style="text-align: center;"> <p>Equipment</p>  </div> <div style="text-align: center;"> <p>Human capital &amp; guidance</p>  </div> <div style="text-align: center;"> <p>Trainers, clubs &amp; associations</p>  </div> <div style="text-align: center;"> <p>Retailers &amp; sport facilities</p>  </div> <div style="text-align: center;"> <p>Para-public entities</p>  </div> </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 20px;"> <thead> <tr> <th style="width: 70%; text-align: center;">Definition</th> <th style="width: 30%; text-align: center;">Social objective</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <p><b>Sport facilities &amp; 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(1) See Appendix III of this document for NACE codes eligibility list [Statistical classification of economic activities in the European Community (NACE)].  
 (2) Small & Medium Enterprises are defined as corporations with an annual turn-over below €50m or balance sheet total below €43m and with less than 250 staff headcount [FTE] (according to EU definition of SMEs, EU recommendation 2003/361)  
 (3) See Appendix III of this document for NACE codes eligibility list [Statistical classification of economic activities in the European Community (NACE)].



## HEALTHCARE

### Rationale

Enabling access to healthcare and ensuring healthy lives and well-being is essential to sustainable development, especially in a context where the recent Covid-19 pandemic led to interruptions in essential health services worldwide. The pandemic revealed and intensified inequalities in resources and healthcare access that existed between and within European countries. Many vulnerable social groups still struggle to access adequate healthcare services while growing gaps in physical healthcare infrastructure and medical staff continue to threaten social cohesion.

In particular, the organization of the healthcare system and its financing allows French citizens to benefit from universal access to healthcare and among the lowest end cost for users among developed countries. Inequal access to healthcare nonetheless persists in France with 1.6 million persons waiving treatments and more than 20 million individuals living in a medical desert (French Medical Council) – meaning they cannot see a specialist more than twice a year because of the lack of access to medical services. The weight of premature mortality before 65 years old represents one in five deaths. At age 65, people can expect to live more than half of their remaining years of life with some chronic diseases and disabilities and the population over 85 years old is going to be multiplied by 2 by 2050. The need for additional financing related to the ageing of the population is estimated at €10 billion. 48% of expenditures related to dependency remain at the expense of individuals, which represents €21 billion.

France's new National Health Strategy 2023-33 takes account of the lessons learned from the health crisis and the impact on the population's state of health. These lessons include the need to give a particularly important place to public health and prevention in health policies. Three of its main priorities are:

- enable all citizens to live longer in good health, through prevention, health promotion and support at all stages of life;
- respond to the health needs of everyone, throughout the country with an appropriate healthcare offer;
- make the healthcare system more resilient and better prepared to face ecological challenges and crises.

Groupe BPCE identifies below the eligibility criteria for Eligible Social Assets to be earmarked against Sustainable Funding Instruments supporting healthcare investments across France and in other countries<sup>[1]</sup>.

### UN sustainable development Goal(s)



**3.8** Achieve universal health coverage, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

**3.b** Research and development of vaccines and medicines, provide access to affordable essential medicines and vaccines.

### Eligible Project Categories (SBP)

**Access to essential services** (e.g. health, education and vocational training, healthcare, financing and financial services)

### Indicative Target Populations

**General population in need of medical support, notably the most vulnerable populations with the objective to enhance access to quality, timely and accessible healthcare, healthcare coverage, and the provision of healthcare services**

### Indicative Preliminary EU Social Objective(s)

**Adequate living standards and well-being for end-users**

[1] In accordance with the principles presented under Appendix V of this document.

## Eligibility criteria

|  | Definition  | Social objective  |
|--|---|---|
| <b>Healthcare infrastructure</b>           | <p><b>Design, construction, extension, acquisition, retrofit and maintenance of Public, subsidized or private healthcare infrastructure and operation (investments, such as medical equipment) of such infrastructure including:</b></p> <ul style="list-style-type: none"> <li>outside of France: <ul style="list-style-type: none"> <li>public and subsidized hospitals and medical centers,</li> <li>public and subsidized elderly care facilities;</li> </ul> </li> <li>in France: <ul style="list-style-type: none"> <li>hospitals (including public, private not for profit hospitals and private clinics) falling under the definition of "Service Public Hospitalier" (SPH) considered a French public service performing a mission of general interest defined by law ("Code de la Santé Publique") as part of the French health policy<sup>(1)</sup>,</li> <li>public first aid facilities (e.g. fire departments, SAMU/SMUR),</li> <li>healthcare and childcare services facilities including social and medico-social establishments, blood transfusion establishments, facilities providing medical oxygen and Occupational Health and Prevention Services (SPST)<sup>(2)</sup> (e.g. facilities for children and adolescents with intellectual, motor or hearing impairments, facilities for adults with disabilities who have significant physical or mental dependence providing both permanent and temporary accommodation, along with medical care and social activities),</li> <li>public and private not for profit elderly care facilities (retirement homes, EHPADs providing room accommodations to support elderly individuals who are ill or dependent),</li> <li>addiction treatment facilities (multidisciplinary structures aiming to provide and care for individuals facing addiction (drug addiction, alcoholism, etc.) and offering temporary accommodation with medical and social care coordinated with hospitals).</li> </ul> </li> </ul> <p><u>Target Population:</u><br/>General population in need of medical care and notably disadvantaged populations; underserved populations with a lack of quality access to essential goods and services</p> | <b>Improved access to healthcare services</b>   |
| <b>Healthcare professionals</b>            | <p><b>Healthcare professionals and care provided outside hospitals or medical-social facilities in France in areas identified as medical deserts including<sup>(3)</sup>:</b></p> <ul style="list-style-type: none"> <li>ambulatory care healthcare professionals, whether working independently, as part of a group, or collaboratively in a local health center, either self-employed or on a salary, delivering primary care service to the community (General practitioner / specialist, pharmacist, medical auxiliary);</li> <li>medical biology laboratories helping to assess the state of health, diagnose pathologies and monitor patient treatment (such as microscopy, immunology, bacteriology, virology and hematology);</li> <li>home nursing services contributing to support the elderly and disabled at home by providing care;</li> <li>pharmacies contributing to patient prevention, screening, diagnosis, treatment and follow-up, providing services such as dispensing or administering medication.</li> </ul> <p><b>Healthcare professionals training in France including:</b></p> <ul style="list-style-type: none"> <li>training organizations dedicated to healthcare services supporting health and social care staff enabling individuals to acquire professional skills contributing to restoring people's health, developing, or regaining their independence while helping to maintain social links.</li> </ul> <p><u>Target Population:</u></p> <ul style="list-style-type: none"> <li>healthcare professionals located in medical deserts in France;</li> <li>general population in need of medical care and notably disadvantaged populations; underserved populations with a lack of quality access to essential goods and services.</li> </ul>   | <p><b>Improved availability of medical care</b></p> <p><b>Reduction of inequalities in access to healthcare services</b></p> <p><b>Access to medical training</b></p> <p><b>Access to medical equipment</b></p> |
| <b>Medical products &amp; equipment</b>    | <p><b>SMEs<sup>(4)</sup> dedicated to medical products &amp; equipment manufacturing<sup>(5)</sup> contributing to the preservation and development of healthcare manufacturing in France including:</b></p> <ul style="list-style-type: none"> <li>manufacture of medical-surgical and dental equipment, manufacture of pharmaceutical preparation and/or manufacture of medical irradiation equipment, electromedical and electrotherapeutic equipment;</li> <li>manufacture of medical equipment for hospitals, elderly care facilities and healthcare infrastructures.</li> </ul> <p><b>Purchase &amp; leasing of medical equipment by healthcare professionals in France:</b></p> <p><u>Target Population:</u></p> <ul style="list-style-type: none"> <li>healthcare professionals &amp; healthcare manufacturing companies in France;</li> <li>general population in need of medical care and notably disadvantaged populations; underserved populations with a lack of quality access to essential goods and services.</li> </ul>  |   |
| <b>Innovation in the healthcare sector</b> | <p><b>Innovative<sup>(6)</sup> SMEs<sup>(7)</sup> in the healthcare sector contributing to the preservation and development of healthcare provision in France that have either:</b></p> <ul style="list-style-type: none"> <li>significant expenditure on Research &amp; Development (R&amp;D) and Innovation;</li> <li>filed a patent or digital creation within the last 3 years;</li> <li>obtained Research Tax Credit (CIR) or other aid for R&amp;D and Innovation.</li> </ul> <p><b>SMEs<sup>(7)</sup> dedicated to e-medicine solutions contributing to access to healthcare services:</b></p> <p><u>Target Population:</u></p> <ul style="list-style-type: none"> <li>SMEs dedicated to healthcare;</li> <li>general population in need of medical care.</li> </ul>   |   |

(1) As further described under Appendix V of this document.

(2) Exhaustive list included in Appendix V of this document.

(3) As further described under Appendix VI Eligible Social Assets must be aligned with one of the healthcare professional's INSEE PCS or FINES identification criteria or NACE codes and be located in a municipality recognized by the health regional agencies ("Agences Regionales de Santé"; ARS) as being in areas with health offer shortages (known as "medical desert").

(4) Small & Medium Enterprises are defined as corporations with an annual turn-over below €50m or balance sheet total below €43m and with less than 250 staff headcount (FTE) (according to EU definition of SMEs, EU recommendation 2003/361).

(5) List of eligible NACE codes included in Appendix V of this document.

(6) Innovation loan with European Investment Fund InvestEU "Innovation" guarantee (company's eligibility as an innovator verified at the time the loan is appraised).

(7) Small & Medium Enterprises are defined as corporations with an annual turn-over below €50m or balance sheet total below €43m and with less than 250 staff headcount (FTE) (according to EU definition of SMEs, EU recommendation 2003/361).

## EDUCATION, PROFESSIONAL TRAINING & ACCESS TO CULTURE

### Rationale

Over 600 million children and adolescents worldwide are unable to attain minimum proficiency levels in reading and mathematics, even though two thirds of them are in school (UNICEF). In 2020 about one quarter of primary school globally did not have access to basic services such as electricity, drinking water and basic sanitation facilities. Furthermore, the Covid-19 outbreak has caused a global education crisis and education systems worldwide have been severely affected by education disruptions. The UN estimates that 147 million children missed more than half of their in-class instruction over the past two years following pandemic.

Access to education is guaranteed by law to all French citizens in order to implement equal opportunity and reduce territorial and social inequalities. This right is granted to every citizen at all stage of life and should allow for the development of his personality, the increase in his knowledge, the employment integration and the exercise of citizenship. However, educational inequality remains a reality with 8% of the French population between 18 and 24 years old having at most a "Diplôme National du Brevet" and 43.5% of the 15-years-old students lacking digital literacy according to French ministry of Education.

To ensure an inclusive and sustainable development, universal access to education must be supported by developing educational infrastructure but also by improving access to culture for wider populations and improving professional training. Groupe BPCE identifies below the eligibility criteria for Eligible Social Assets to be earmarked against Sustainable Funding Instruments supporting access to education, training and culture.

### UN sustainable development Goal(s)



- 4.1** Ensure that all girls and boys complete free, equitable and quality primary and secondary education.
- 4.2** Ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.
- 4.3** Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.
- 4.4** Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

### Eligible Project Categories (SBP)

**Access to essential services** (e.g. health, education and vocational training, healthcare, financing and financial services)

### Indicative Target Populations

**General population and notably the most vulnerable students targeting to increase access to quality educational and culture infrastructure and primary, secondary, and adult lifelong inclusive and equitable education and learning opportunities for all**

### Indicative Preliminary EU Social Objective(s)

**Adequate living standards and well-being for end-users**

## Eligibility criteria

|   | Definition  | Social objective  |
|---|---|---|
| <b>Financial access to education</b>  | <p><b>Student loans granted by Banques Populaires<sup>(1)</sup> or Caisses d'Épargne networks to support access to education</b> (notably to finance tuition fees, students accommodations and basic expenses required for education) <b>under preferential terms such as possible deferred repayment until after studies and including the possibility to benefit from a guarantee provided by the French State (Prêt Étudiant Garanti par l'État - PEGE, Bpifrance<sup>(2)</sup>) when a borrower is not able to provide a guarantor able to repay the loan</b></p> <p><u>Target population:</u><br/>All students and pupils who are underserved and lack quality access to education, facing financial hurdle in accessing education</p>   | <p><b>Equitable access to education services for all</b></p> <p><b>Reduction of students financial insecurity</b></p> |
| <b>Education, training &amp; culture infrastructure</b>                             | <p><b>Design, construction, extension, acquisition, retrofit and maintenance of public or subsidized infrastructure dedicated to education and culture including:</b></p> <ul style="list-style-type: none"> <li>• nurseries, day-care, pre-school, primary and secondary schools, universities and higher education;</li> <li>• investments by French local public authorities for the provision of public school transportation (e.g. public school bus networks);</li> <li>• public student housing (supervised by Crous<sup>(3)</sup>);</li> <li>• professional training infrastructure (vocational training, apprenticeship, upskilling and reskilling, etc.);</li> <li>• cultural facilities (such as museums, libraries, culture centers).</li> </ul> <p><u>Target population:</u></p> <ul style="list-style-type: none"> <li>• public &amp; subsidized education and culture infrastructure operators and professional training organisations;</li> <li>• all students and pupils, including populations with socioprofessional difficulties or without professional experience of all ages;</li> <li>• general population in the catchment area of culture infrastructures.</li> </ul> | <p><b>Support improved access to education, training and culture</b></p>  |
| <b>Organisations involved in the promotion of education, training &amp; culture</b> | <p><b>Public organisations, individuals, Small &amp; Medium size enterprises<sup>(4)</sup>, and Not for Profit entities dedicated to promotion of free qualifying education, training &amp; culture including:</b></p> <ul style="list-style-type: none"> <li>• academic tutoring;</li> <li>• learning centres offering remedial and evening courses;</li> <li>• professional qualification certificates and diplomas;</li> <li>• languages and conversational skills;</li> <li>• business development, entrepreneurship, advisory;</li> <li>• IT training ;</li> <li>• CROUS (<i>Centre régional des œuvres universitaires et scolaires</i>).</li> </ul> <p><u>Target population:</u></p> <ul style="list-style-type: none"> <li>• all students and pupils, including populations with socioprofessional difficulties or without professional experience of all ages;</li> <li>• public facilities available to all populations;</li> <li>• professional training organisations.</li> </ul>  |   |

### 3.1.4 Exclusions

Assets in the following sectors may not be financed and/or re-financed by Groupe BPCE Sustainable Funding Instruments: Oil, Defense, Tobacco, Coal, Gambling. In addition, specific exclusion criteria have been established for several Eligible Social Project Categories including:

- loans granted to SMEs under the Local Economic Development Eligible Social Project Category whose activity belongs to excluded sectors according to the exclusion list provided under Appendix IV of this document;

- loans granted to individuals and SMEs whose activity(ies) are linked with nutrition-related activities, broadcasting, advertising and betting under the Sport Infrastructure & Sport Economy Eligible Social Project Category.

These exclusions may be amended over time to reflect the evolution of the sustainability goals of the group.

[1] <https://www.banquepopulaire.fr/emprunter/financer-etudes-pret-etudiant/>

[2] To enhance students' access to loans, a government-backed system of bank loans put in place by the Ministry of Higher Education, Research and Innovation and entrusted to Bpifrance was implemented for all higher education students who meet the following criteria: (i) under 28 years of age, (ii) of French nationality or holding the nationality of a member state of the European Economic Area and residing in France continuously for at least 5 years and (iii) regularly enrolled in an institution for the purpose of preparing for a competition or a diploma from the French higher education system. It requires no personal guarantee, no income requirements, no parental guarantee and no guarantee from a third party and can be used to finance all the student-related expenses (tuition fees, IT equipment, etc.) up to €20,000. The loan must be repaid with interest, but repayment can be deferred until the end of the studies. The program enables students whose parents are unable to serve as guarantors to qualify for bank loans. This student loan guarantee initiative amounts to nearly €650 million annually, with 80,000 student loans being guaranteed in 2021. More information on: <https://www.economie.gouv.fr/particuliers/pret-etudiant-garanti-etat/> / <https://www.bpifrance.fr/catalogue-offres/garantie-de-pret-etudiant-garanti-par-letat>

[3] Crous: public establishments created in 1955 and placed under the authority of the Ministry of Higher Education and Research in France. Network known as "Les Crous", which comprises 26 regional centers divided by education academy and a national center. Les Crous provide assistance and support to all students (French and international) on a daily basis and throughout their studies including dining facilities (restaurants, brasseries and cafeterias, Crous Truck, etc.), accommodation (in university residences), financial aid (scholarships based on social criteria, special grants, etc.), health and social support (psychologists, social workers, etc.), cultural, artistic and sporting activities to liven up campus life (student creative competitions). Les Crous missions are defined by Decree n°2016-1042 of 29th July 2016. <https://www.lescrous.fr/>

[4] Small & Medium Enterprises are defined as corporations with an annual turn-over below €50m or balance sheet total below €43m and with less than 250 staff headcount (FTE) [according to EU definition of SMEs, EU recommendation 2003/361].

## 3.2 Process for asset evaluation and selection

### 3.2.1 Evaluation of environmental & social risks

All potential Eligible Social Assets go through the standard credit process of the various entities of Groupe BPCE, which has been designed to ensure compliance with applicable national rules and regulations, credit risk analysis, Know Your Customer processes and prevention of money laundering, anti-bribery and prevention of corruption policy and sanctions policy. Only assets approved in the regular credit process can be eligible for Sustainable Funding instruments. The qualification for social eligibility criteria does not override credit risks.

Beyond compliance to national and banking regulations, Groupe BPCE is committed to promoting compliance with several principles and standards that form the foundation of its activities, such as the United Nations sustainable development Goals (SDGs), the ten principles of the United Nations Global Compact, and the standards defined by the International Labor Organization (ILO). In line with French law No. 2017-399 of March 27, 2017, on the duty of vigilance, and in compliance with the UN's Guiding Principles on Business and Human Rights, Groupe BPCE has established a Due Diligence Plan covering its financing activities and commits to identify, mitigate and, where possible, prevent potential violations of human rights connected with its activities. Groupe BPCE is also a signatory of the United Nations Principles for Responsible Banking (UN PRB).

The consideration of ESG risks is part of a global approach involving the business lines, Impact teams and Control functions. ESG criteria have been incorporated into the group's risk policies to take into account the impact of the activities it finances. Since 2018, the group's credit risk policy has included a section dedicated to climate risks and the strengthening of the incorporation of ESG criteria. This approach includes the development and implementation of sustainability policies in the most sensitive sectors, the definition of the excluded business sectors and the evaluation and monitoring of the ESG risks of transactions and counterparties via various tools and processes which have been developed for the incorporation of ESG criteria into financing activities. These tools are adapted to the challenges identified for the different types of customers carried by retail banking, Corporate & Investment Banking and Insurance:

- within the scope of retail banking, ESG criteria are systematically integrated into sectoral policies. At Groupe BPCE level, the Non-Financial Risk Committee (CoREFi), made up of the Climate Risk, Credit Analysis and Impact departments conducts reviews of all sectoral policies with a view to integrate these issues. As part of these reviews, each business is assessed on the basis of the six environmental challenges defined by the European Taxonomy (physical climate risks, transitional climate risks, biodiversity, water, pollution other than greenhouse gases and circular economy), as well as social and societal issues and sustainable governance consideration. An environmental classification follows from this assessment and identifies specific points of attention. These sectoral policies are intended to fuel exchanges, particularly when granting credit. In addition, internal tools are used to incorporate ESG criteria: in-house Clim'Ap tool to assess physical climate risks, ESG questionnaire sent to corporate customers and mapping of climate-related risks in order to understand their materiality by

reference to traditional risk classes and incorporation in BPCE's risk framework<sup>(1)</sup>;

- as a signatory of the Equator Principles Natixis CIB<sup>(2)</sup> applies a methodology recognized by member banks and institutions and aimed at assessing the environmental and social risks of the financed projects and their risk management by clients, regardless of their business sector. Since October 2020, Natixis CIB has been applying the amended version of the Principles (EP Amendment IV), which includes more exhaustive criteria for respecting human rights (including the rights of indigenous communities) and requires analysis of physical climate and transition risks. The environmental impact of its financings is also assessed and included in decision making processes thanks to the Green Weighting Factor tool, an in-house mechanism that links analytical capital allocation to the degree of sustainability of each financing – a unique business steering tool, fully embedded in the bank's credit as well as business monitoring processes as a mandatory and systematic step ahead of credit decisions aimed at aligning Natixis CIB's balance sheet with the Paris Agreement objectives. The Green Weighting Factor integrates also criteria linked to exposure to the risk of biodiversity loss and its pressure factors for financing clients in sectors where the impact on biodiversity is material. In addition, when a new customer enters into a relationship, a process for identifying environmental and societal risks is put in place as part of the Know Your Client (KYC) approach, which identifies and assesses environmental, social and governance (ESG) risks. Each client company evaluated is assigned a level of vigilance based on four themes (controversies to which the client may be exposed, sectors in which the client operates, maturity of the risk management system and type of business relationship with Natixis). Thus, the Sustainability team produces detailed analyses of Natixis CIB clients for whom ESG risk is considered a major concern. This approach is an integral part of Groupe BPCE's due diligence on its customers. All of these systems, including CSR policies in the most sensitive sectors, the application of the Equator Principles to project financing and the assessment of ESG risks for each, enable Natixis CIB to comply with the legislative obligations of the Due Diligence Act.
- regarding BPCE Assurances the investment strategy integrates ESG and/or climate analysis in order to promote social or environmental activities that contribute to the energy or ecological transition with the ambition to contribute to climate change mitigation and adaptation as defined by the EU Environmental Taxonomy. In addition, BPCE Assurances doesn't invest in companies or activities presenting a risk of negative impact with regards to their ESG characteristics (sector exclusions as mentioned above) and selects counterparties according to the best-in-class criterion, which excludes companies with a negative rating for sustainable development. Last, BPCE Assurances commitment to sustainable development involves a selective ESG integration policy that enables improvements, based on Mirova's ESG analysis (an affiliate of Natixis Investment Managers), to the ESG profile of investments under management mandates and in dedicated funds.

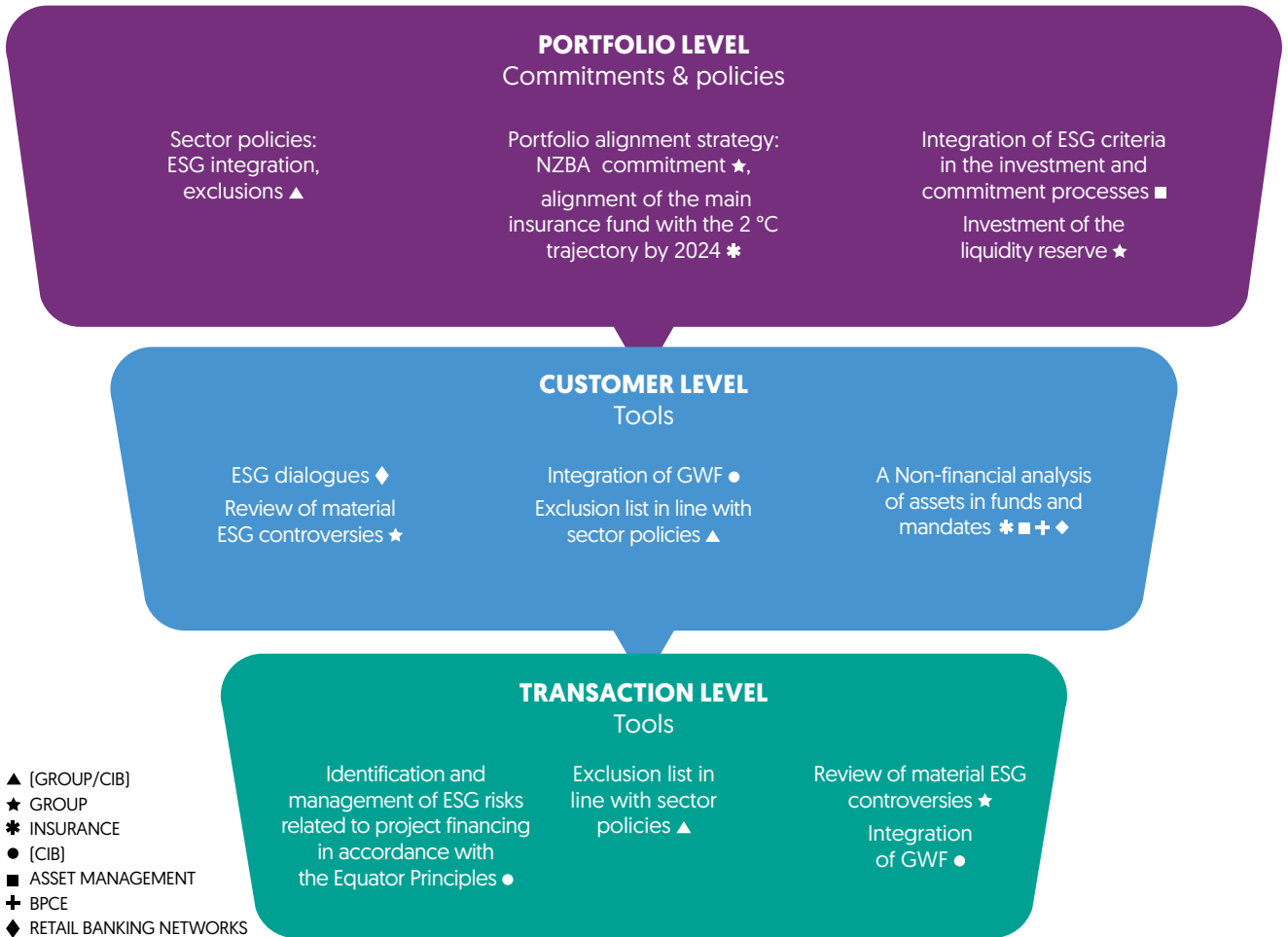
[1] Further information in Groupe BPCE's TCFD report (risk management section) <https://groupebpce.com/en/the-group/publications>

[2] Available at <https://equator-principles.com/>

Additional information regarding climate risks (including governance and structure, integration of climate and environmental risks, integration of ESG issues into risk monitoring and detailed quantitative disclosures) are also available as part of Groupe BPCE's Pillar III<sup>(1)</sup> Risk report and TCFD report<sup>(2)</sup>.

# RISK MANAGEMENT

From sectoral perspective to transaction



[1] Available at <https://groupebpce.com/en/investors/results-and-publications/pillar-iii>  
[2] Available at <https://groupebpce.com/en/the-group/publications>

### 3.2.2 Identification & Selection of Eligible Assets

On top of the standard credit allocation process, outlined above, which applies to all lending activities, and in order to ensure the alignment of the Eligible Social Assets to the selection criteria set out in the Social Funding Framework, Groupe BPCE has established a dedicated governance and procedure based on internal expertise assessing whether Eligible Social Assets:

- are originated exclusively by entities of Groupe BPCE which ensures that the assets follow the standard credit allocation process described above and are aligned with Groupe BPCE credit policy and sustainability guidelines including:
  - verification of compliance with environmental regulations such as applicable construction or renovation standards in accordance with applicable laws, including notably mitigation of the environmental impact of the project in terms of biodiversity, local disturbance linked to the construction and operation of the project and land-use planning,
  - assessment of the borrower according to KYC (Know Your Customer) and AML/CTF (Anti-Money Laundering and Counter Terrorism Financing) processes, involving a review of the borrower's practices in terms of money laundering, corruption, conflicts of interest and over-indebtedness,

– verification of ESG controversies (sectoral, related to the borrower or the project financed) at the time of project authorization (permit), including respect of human rights and labour rights, as well as mitigation of the project's impact on local stakeholders (engagement and consultation);

- contributes to at least one of the social objective(s) outlined in the Social Funding Framework;
- meets the relevant eligibility criteria in the Use of Proceeds section of the Social Funding Framework.

The operational teams of Groupe BPCE identify and pre-select Eligible Social Assets on the group's balance sheet in co-operation with the business units of the group, ensure the provided information is sufficient for classification as Eligible Social Asset and verify with the relevant internal teams the existence of material ESG controversies on Eligible Social Assets. The operational teams submit the pre-selected portfolio of Eligible Social Assets to the Sustainable Development Funding Committee.

3

### 3.2.3 Review of the portfolio of Eligible Assets by the Sustainable Development Funding Committee

Group BPCE has established a Sustainable Development Funding Committee ("the Committee") with responsibility for governing the Sustainable Development Funding Programme (including the Social Funding Framework). As part of its responsibilities, the Committee is in charge of reviewing the pre-selected portfolio of Eligible Social Assets submitted by the operational teams.

The portfolio of Eligible Social Assets reviewed by the Committee will be monitored during the term of the Sustainable Funding Instruments. Potential ESG controversies are monitored by relevant internal teams, reported to operational teams, if any, and evaluated by the Committee if necessary. Eligible Social Assets bearing material and severe ESG controversies based on reliable sources will not be financed and/or re-financed by Groupe BPCE Sustainable Funding Instruments. Similarly, if any such controversy arises on a given Eligible Social Asset already earmarked to a Sustainable Funding Instrument, the Eligible Social Asset will be replaced by other Eligible Social Asset(s) as soon as practically feasible, on a best effort basis (*obligation de moyen*) and will remain ineligible for as long as the identified controversy remains unresolved.

The Committee is chaired by Groupe BPCE's Head of Financial Management and Treasury. Permanent members of the Committee include senior representatives of Groupe BPCE

Group Funding and Financial Solutions department, Impact department, and Asset/Liability Management (ALM) department, as well as Caisses d'Epargne and Banques Populaires senior representatives, and Natixis CIB's Green & Sustainable Hub and Global Markets. Additional members may be invited from various entities of the group.

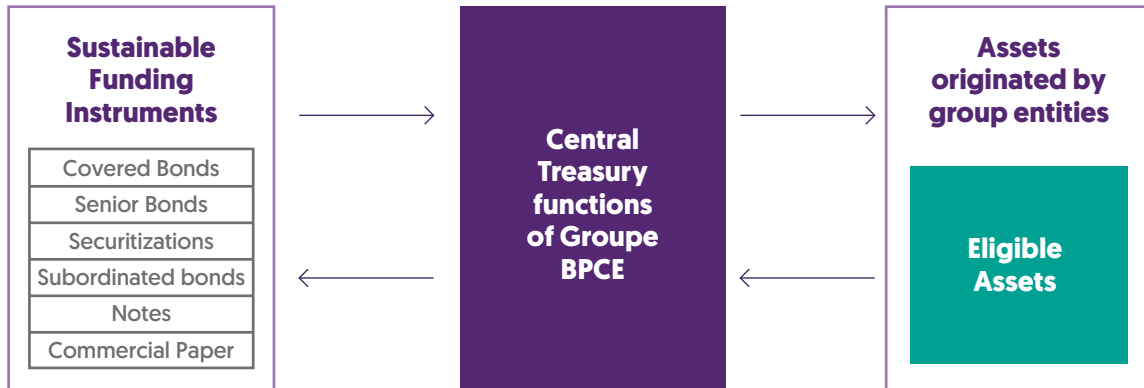
The Committee is expected to meet quarterly and minutes of each meeting are recorded. The responsibilities of the Committee are the following:

- definition of the strategy and policy of the Sustainable Development Funding Programme;
- monitoring potential updates of the Social Funding Framework in line with evolutions of market practice and regulatory developments;
- supervision of the governance and process for Eligible Social Asset selection;
- monitoring of the portfolio of Eligible Social Assets and of the relevant allocation and impact reports;
- monitoring of external reviews (Second Party Opinion and Verification);
- identification of Eligible Social Project Category(ies) applicable to future Sustainable Funding Instruments issuances.

### 3.3 Management of Proceeds

Sustainable Funding Instruments net proceeds are managed within the Central Treasury function of Groupe BPCE and specific arrangements are set in case the issuer consists in a Special Purpose Vehicle or for covered bond issuances. An amount equal to the net proceeds of the Sustainable Funding Instrument issued is earmarked to a portfolio of Eligible Social

Assets identified in one or several entities of Groupe BPCE. Internal processes are implemented to track Eligible Social Assets in the group’s entities and to ensure that Sustainable Funding Instruments net proceeds are used to fund Eligible Social Assets.



The portfolio of Eligible Social Assets is updated at least annually to include any new Eligible Social Asset, and to remove any Eligible Social Asset that has been repaid or that has ceased to be eligible. Eligible Social Assets in the portfolio are accounted for their outstanding capital and in case of partial or complete redemption of an Eligible Social Asset, the eligible value in the portfolio will decline similarly. The portfolio of Eligible Social Assets is screened for normal and early repayments and will be replenished with additional Eligible Social Assets if necessary and until the maturity of the Sustainable Funding Instruments. In case of divestment of any Eligible Social Asset, or if any Eligible Social Asset fails to ensure continued alignment with the applicable eligibility criteria of the Social Funding Framework, it will be replaced with new Eligible Social Asset(s) as soon as reasonably practicable.

Groupe BPCE commits to maintain an aggregate amount of Eligible Social Assets at least equal to the aggregate net proceeds of all outstanding Sustainable Funding Instruments. In practice, it means that Groupe BPCE will, on a best effort basis (*obligation de moyen*), aim to allocate as early as possible the net proceeds of any Sustainable Funding Instrument to Eligible Social Assets. Unallocated amount (if any), at the time of issuance or during the lifetime of Sustainable Funding Instruments will be invested in cash and short-term liquid

investments in accordance with Groupe BPCE liquidity policy, until additional Eligible Social Assets are available.

Unless otherwise specified in Sustainable Funding Instruments documentation, Eligible Social Assets will remain eligible for earmarking to Sustainable Funding Instruments for their useful lifetime. Groupe BPCE may disclose specific commitments, if any, with regards allocation periods (“look-back” period in case of earmarking of net proceeds to existing Eligible Assets at the time of issuance and “look-forward” period in case of earmarking of net proceeds to future Eligible Assets) in the Sustainable Funding Instrument documentation on a case by case basis. In some cases, proceeds of Sustainable Funding Instruments will be earmarked to Eligible Social Assets with longer lifetime than the Sustainable Funding Instrument’s tenor. In such case, the same Eligible Social Asset may be earmarked to several successive Sustainable Funding Instruments, this is particularly relevant in the context of Sustainable Funding Instruments with particularly short tenors (such as commercial papers).

Eligible Social Assets may be pledged as collateral against another funding instrument, in such cases the Eligible Social Assets might be earmarked to Sustainable Funding Instruments if the funding instrument they are pledged as collateral to is not already a Sustainable Funding Instrument.



## 3.4 Reporting

Groupe BPCE commits to publish reports on the allocation of proceeds as well as the positive social impacts generated by the Eligible Social Assets earmarked to Sustainable Funding Instruments on an annual basis and until maturity of outstanding Sustainable Funding Instruments.

The detailed contents of the allocation and impact reports will be established at the level of each Eligible Social Project Category included in the Social Funding Framework except for Sustainable Funding Instruments earmarked to several Eligible Social Project Categories for which dedicated allocation and impact reports will be published.

All reports will be made publicly available on Groupe BPCE website<sup>(1)</sup> and will notably include:

- outstanding amount of Sustainable Funding Instruments issued and breakdown of allocation by Eligible Social Project Categories;
- outstanding amount of earmarked Eligible Social Assets by eligibility criteria for each Eligible Social Project Category and number of loans and/or investments;
- information on geographical area of earmarked Eligible Social Assets and/or split of earmarked Eligible Social Assets by entities of Groupe BPCE;
- outstanding amount of earmarked existing Eligible Social Assets (refinancing) and new earmarked Eligible Social Assets<sup>(2)</sup> (financing);

- yet to be earmarked amount of Sustainable Funding Instruments proceeds invested in cash or cash equivalents, if any;
- relevant environmental and/or social key impact indicators as further detailed under Appendix II of this document.

Reports will include information on methodology supporting calculation of quantitative impact indicators.

In case Groupe BPCE has only provided partial financing/investment to an Eligible Social Asset, the information on positive social and/or environmental impacts will be pro-rated to the share of the total asset cost financed/invested in by Groupe BPCE and allocated to the Sustainable Funding Instrument(s).

Information with respect to borrowers and Eligible Social Assets will be subject to permitted disclosure in accordance with relevant confidentiality agreements. Annual reports may include information sourced by survey method.

Groupe BPCE intends to further improve the quality of its reporting overtime. It is expected that more detailed information concerning the Eligible Social Assets earmarked to Sustainable Funding Instruments will be available over time as the ability of the group to capture key data points improves. Additionally, on a best effort basis (*obligation de moyen*), Groupe BCPE intends to meet the recommendations of ICMA's Harmonised Framework for Impact Reporting<sup>(3)</sup> for Eligible Social Project Categories.

[1] Available at <https://groupebpce.com/en/investors/funding/sustainable-funding>

[2] New Eligible Assets refers to Eligible Assets that have been included in the portfolio in the year of the reporting

[3] Available at [https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Harmonised-Framework-for-Impact-Reporting-Social-Bonds\\_June-2022-280622.pdf](https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Harmonised-Framework-for-Impact-Reporting-Social-Bonds_June-2022-280622.pdf)

## 3.5 External Review

### 3.5.1 Second Party Opinion

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ISS Corporate Solutions (ICS) has been engaged to provide a Second Party Opinion on the Social Funding Framework and its alignment with the Social Bond Principles, 2023 version, as published by the International Capital Market Association (ICMA)

as well as against the Second Party Opinion provider own internal criteria and professional guidelines. The results of the Second Party Opinion will be published on Groupe BPCE's website<sup>(1)</sup>.

### 3.5.2 Verification

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Groupe BPCE will request an external auditor or any other independent qualified provider to produce, on an annual basis until full allocation of the net proceeds of Sustainable Funding Instruments, a limited assurance report on the allocation of the net proceeds, or an amount at least equal to the net proceeds, of the Sustainable Funding Instruments.

The limited assurance reports will be available on BPCE's website<sup>(1)</sup>.

[1] Available at <https://groupebpce.com/en/investors/funding/sustainable-funding>



4

## APPENDIX

|  |           |  |           |
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## Appendix I – List of Eligible Asset types

**Lending instruments** dedicated to Social Asset(s) in line with the eligibility criteria outlined in the Social Funding Framework, or granted to pure-play companies, where pure-play companies are defined as companies deriving over 90% of their revenue from at least one of the eligibility criteria outlined in the Social Funding Framework. Lending instruments may include, but not are not limited to, loans, guarantees, factoring and lease agreements in any format and currency and granted to corporate, retail and institutions including public sector clients including project finance loans as well as general obligation loans. In any case only the drawn amount of a given lending instrument will be considered as eligible.

**Debt investments** in Social Asset(s) in line with the eligibility criteria outlined in the Social Funding Framework, or in pure-play companies, where pure-play companies are defined as companies deriving over 90% of their revenue from at least one of the eligibility criteria outlined in the Social Funding Framework, and strictly excluding investments in labelled green,

social and sustainability financing instruments issued by other issuers.

**Equity participations** in Pure-Play companies, where pure-play companies are defined as companies deriving over 90% of their revenue from at least one of the eligibility criteria outlined in the Social Funding Framework.

**Funds' investments** including investments in sustainable funds investing at least 90% of their assets into activities aligned with at least one of the eligibility criteria outlined in the Social Funding Framework and investments via funds in Social Asset(s) in line with the eligibility criteria outlined in the Social Funding Framework. In order to avoid double-counting, only an equivalent amount of the total value of the Eligible Social Asset(s) not already earmarked via another co-investor through a labelled green, social or sustainability financing instrument, up to the maximum amount of the investment in the fund will count as eligible.

# Appendix II – Indicative list of social output and impact indicators

| Eligible Social Project Category                | Indicative environmental impact indicators  |
|---|---|
| <b>Social Housing</b>                           | <p>Relevant social impact indicators including qualitative and, where feasible, quantitative information on the social outcomes of the Eligible Social Assets such as the following indicative list:</p> <ul style="list-style-type: none"> <li>● <b>development and renovation of the French social housing stock:</b> <ul style="list-style-type: none"> <li>● # of dwellings (equivalent to # of households),</li> <li>● % of new dwellings built over the year,</li> <li>● % of dwellings subject to subsidized housing conditions,</li> <li>● % of dwellings rented to households subject to housing aids,</li> <li>● % of dwellings located within “priority area” (<i>i.e. quartiers prioritaires</i>),</li> <li>● average age of housing stock;</li> </ul> </li> <li>● <b>social Home Ownership:</b> <ul style="list-style-type: none"> <li>● # of beneficiaries (equivalent to # of households),</li> <li>● amount of loans granted by social-professional categories,</li> <li>● amount of loans granted by housing area (A, B and C) or by level of ownership area<sup>[1]</sup>.</li> </ul> </li> </ul> <p>Reporting will be based on direct data collection (no calculation methodologies) for quantitative determination, obtained from Écolocale database (internal Groupe BPCE system).</p>   |
| <b>Local Economic Development</b>               | <p>Relevant social impact indicators including qualitative and, where feasible, quantitative information on the social outcomes of the Eligible Social Assets such as the following indicative list:</p> <ul style="list-style-type: none"> <li>● number of loans granted to SMEs and Not for Profit;</li> <li>● split by type of economic categories and geography.</li> </ul> <p>Impact Indicators will be provided on a best effort basis depending on data availability and statistical analysis (where sufficient reliable data exists). Additional indicators may be provided based on publicly available statistics on in France (such as INSEE database).</p> <p>Groupe BPCE may also complete a study among Groupe BPCE’s customers who benefited from financing in order to estimate the contribution of these financings to the improvement of activity and employment creation including notably information on:</p> <ul style="list-style-type: none"> <li>● impact of loan provided on beneficiary’s activity (investment, profitability, employment generation, research &amp; development).</li> </ul>  |
| <b>Sport infrastructure &amp; Sport Economy</b> | <p>Relevant social impact indicators including qualitative and, where feasible, quantitative information on the social outcomes of the Eligible Social Assets such as the following indicative list:</p> <ul style="list-style-type: none"> <li>● <b>sport facilities:</b> <ul style="list-style-type: none"> <li>● number of loans granted to Sport Facilities,</li> <li>● split by type of sport facilities and geography;</li> </ul> </li> <li>● <b>not for profit organizations involved in the promotion of sport activities:</b> <ul style="list-style-type: none"> <li>● number of loans granted to non-profit organizations involved in the promotion of sport activities,</li> <li>● split by activities and geography;</li> </ul> </li> <li>● <b>loans granted to individuals and Small &amp; Medium Enterprises dedicated to the sport economy:</b> <ul style="list-style-type: none"> <li>● number of loans granted to individuals and Small &amp; Medium Enterprises dedicated to the sport economy,</li> <li>● split by activities and geography.</li> </ul> </li> </ul> <p>Impact Indicators will be provided on a best effort basis depending on data availability and statistical analysis (where sufficient reliable data exists). Additional indicators may be provided based on publicly available statistics on in France on sports activities (such as INSEE database) and Groupe BPCE’s publications related to sports industry.</p> |

[1] Ownership rate per area: source Insee [https://statistiques-locales.insee.fr/#c=indicator&i=bdcom.pt\\_log\\_rp&s=2016&view=map2](https://statistiques-locales.insee.fr/#c=indicator&i=bdcom.pt_log_rp&s=2016&view=map2)

| Eligible Social Project Category                                | Indicative environmental impact indicators  |
|---|---|
| <b>Healthcare</b>   | <p>Relevant social impact indicators including qualitative and, where feasible, quantitative information on the social outcomes of the Eligible Social Assets such as the following indicative list:</p> <ul style="list-style-type: none"> <li>● <b>healthcare infrastructure:</b> <ul style="list-style-type: none"> <li>● # of facilities and beds (if relevant),</li> <li>● # of patients in care,</li> <li>● split between full-stationary care and partial care,</li> <li>● split of care by type of medical activities (MSO, PAC, MHE...),</li> <li>● occupancy rate,</li> <li>● average length of hospitalization;</li> </ul> </li> <li>● <b>healthcare professionals:</b> <ul style="list-style-type: none"> <li>● number of loans granted to healthcare professionals,</li> <li>● split by type of activity and geography;</li> </ul> </li> <li>● <b>medical products &amp; equipment:</b> <ul style="list-style-type: none"> <li>● number of loans granted to support medical products &amp; equipment manufacturing,</li> <li>● split by type of medical products &amp; equipment;</li> </ul> </li> <li>● <b>innovation in the healthcare sector:</b> <ul style="list-style-type: none"> <li>● number of loans granted to innovative SMEs in the healthcare sector.</li> </ul> </li> </ul>        |
| <b>Education, professional training &amp; Access to culture</b> | <p>Relevant social impact indicators including qualitative and, where feasible, quantitative information on the social outcomes of the Eligible Social Assets such as the following indicative list:</p> <ul style="list-style-type: none"> <li>● <b>financial access to education:</b> <ul style="list-style-type: none"> <li>● number of students supported,</li> <li>● split by geography;</li> </ul> </li> <li>● <b>education, training &amp; culture infrastructure:</b> <ul style="list-style-type: none"> <li>● number and split by type of infrastructure dedicated to education and culture supported,</li> <li>● estimated number of students and pupils who benefitted from educational and vocational services,</li> <li>● number of student housings supported,</li> <li>● estimated number of students benefiting from housing,</li> <li>● split by geography;</li> </ul> </li> <li>● <b>organisations involved in the promotion of education, training &amp; culture:</b> <ul style="list-style-type: none"> <li>● number of loans granted to organisations involved in the promotion of education, training &amp; culture,</li> <li>● estimated number of individuals benefitting from educational or cultural services,</li> <li>● split by activities and geography.</li> </ul> </li> </ul> |

## Appendix III – Sport Economy: relevant identification performed via NACE code screening

Identification of eligible loans granted to Not for Profit organizations involved in the promotion of sport activities and eligible loans granted to individuals and Small & Medium Enterprises dedicated to the sport economy is carried out via NACE code screening based on the following list:

| <b>NACE Codes</b> | <b>NACE Heading</b>                                     |
|-------------------|---|
| <b>C30.9.2</b>    | Manufacture of bicycles and invalid carriages           |
| <b>C32.3.0</b>    | Manufacture of sports goods                             |
| <b>G47.6.4</b>    | Retail sale of sporting equipment in specialized stores |
| <b>N77.2.1</b>    | Renting and leasing of recreational and sports goods    |
| <b>P85.5.1</b>    | Sports and recreation education                         |
| <b>R93.1.1</b>    | Operation of sports facilities                          |
| <b>R93.1.2</b>    | Activities of sport clubs                               |
| <b>R93.1.3</b>    | Fitness facilities                                      |
| <b>R93.1.9</b>    | Other sports activities                                 |

# Appendix IV – Local Economic Development Sectorial Exclusions

Groupe BPCE Local Economic Development Bonds - Sector Exclusions

| Code             | NAF Reference <sup>(1)</sup>  |
|------------------|---|
| <b>SECTION A</b> | <b>AGRICULTURE, SYLVICULTURE AND FISHING</b>  |
| <b>01</b>        | <b>Animal Farming, Hunting and annex services</b>   |
| <b>01.1</b>      | <b>Non permanent culture</b>  |
| 01.15Z           | Tobacco Growing   |
| <b>SECTION B</b> | <b>Mining</b>   |
| <b>05</b>        | <b>Coal and lignite Mining</b>  |
| 05.10Z           | Coal Mining   |
| 05.20Z           | Lignite Mining  |
| <b>06</b>        | <b>Fossil Extraction</b>  |
| 06.10Z           | Oil Extraction  |
| 06.20Z           | Gas Extraction  |
| <b>07</b>        | <b>Metal Ore Extraction</b>   |
| 07.10Z           | Steel extraction  |
| <b>07.2</b>      | <b>Metal Ore Extraction (excluding steel)</b>   |
| 07.21Z           | Uranium and thorium extraction  |
| 07.29Z           | Other ore extraction  |
| <b>08</b>        | <b>Other Extraction industries</b>  |
| <b>08.1</b>      | <b>Stone, Sand and Clay Extraction</b>  |
| 08.11Z           | Extraction of construction & ornamental stones, extraction of industrial limestone, gypsum, chalk and slate             |
| 08.12Z           | Exploitation of gravel and sand fields, extraction of clay and kaolin   |
| <b>08.9</b>      | <b>Various other extraction of minerals and materials activities</b>  |
| 08.91Z           | Extraction of chemical ore and mineral fertilizers  |
| 08.92Z           | Peat extraction   |
| 08.93Z           | Salt production   |
| 08.99Z           | Other extraction activities   |
| <b>09</b>        | <b>Services to extraction industries</b>  |
| 09.10Z           | Services to oil extraction  |
| <b>09.9</b>      | <b>Services to other extraction industries</b>  |
| 09.90Z           | Services to other extraction industries   |
| <b>SECTION C</b> | <b>Manufacturing</b>  |
| 12.00Z           | Production of tobacco goods   |
| <b>19</b>        | <b>Coking and oil refining</b>  |
| 19.10Z           | Coking  |
| 19.20Z           | Oil refining  |
| <b>20</b>        | <b>Chemical industries</b>  |
| <b>20.1</b>      | <b>Production of chemical products, nitrogen products and fertilizers, basic plastic materials and synthetic rubber</b> |
| 20.11Z           | Production of industrial gas  |
| 20.12Z           | Production of colouring and pigments  |
| 20.13            | Production of other basic inorganic chemical products   |
| 20.13A           | Enrichment and reprocessing of nuclear materials  |
| 20.13B           | Other Production of other basic inorganic chemical products   |
| 20.14Z           | Production of other basic organic chemical products   |
| 20.15Z           | Production of nitrogen and fertilizer goods   |
| 20.16Z           | Production of basic plastic materials   |
| 20.17Z           | Production of synthetic rubber  |



| Code        | NAF Reference <sup>(1)</sup>  |
|-------------|---|
| <b>20.2</b> | <b>Production of pesticides and other agrochemical goods</b>  |
| 20.20Z      | <i>Production of pesticides and other agrochemical goods</i>  |
| 20.30Z      | <i>Production of paints, varnishes and putty</i>  |
| 20.41Z      | <i>Production of soaps, detergents and cleaning products</i>  |
| 20.42Z      | <i>Production of perfumes and body care products</i>  |
| <b>20.5</b> | <b>Production of other chemical goods</b>   |
| 20.51Z      | <i>Production of explosives</i>   |
| 20.52Z      | <i>Production of glues</i>  |
| 20.53Z      | <i>Production of Essential oils</i>   |
| 20.59Z      | <i>Production of other chemical products</i>  |
| 20.60Z      | <i>Production of artificial or synthetic fibres</i>   |
| <b>24</b>   | <b>Metallurgy</b>   |
| <b>24.4</b> | <b>Production of precious metals and other non iron metals</b>  |
| 24.46Z      | <i>Design and transformation of nuclear materials</i>   |
| <b>25</b>   | <b>Production of metal goods except machines and equipment</b>  |
| 25.40Z      | <i>Production of weapons and ammunitions</i>  |
| <b>30.4</b> | <b>Production of military and combat vehicles</b>   |
| 30.40Z      | <i>Production of military and combat vehicles</i>   |
| <b>35</b>   | <b>Production and distribution of electricity, gas, steam and air conditioned</b>                               |
| <b>35.2</b> | <b>Production and distribution of gas based fuel</b>  |
| 35.21Z      | <i>Production of gas based fuel</i>   |
| 35.22Z      | <i>Distribution of gas based fuel</i>   |
| 35.23Z      | <i>Sales of gas based fuel</i>  |
| <b>46</b>   | <b>Wholesale trade except cars and motorcycles</b>  |
| <b>46.1</b> | <b>Intermediation of wholesale trade</b>  |
| 46.12A      | <i>Fuel central purchasing body</i>   |
| 46.12B      | <i>Other intermediaries in fuel, metals, minerals and chemical products</i>                                     |
| 46.17       | <i>Intermediaries in basic food, liquor and tobacco</i>   |
| 46.17B      | <i>Other intermediaries in basic food, liquor and tobacco</i>   |
| <b>46.2</b> | <b>Wholesale trade in basic agricultural products and living animals</b>  |
| 46.21Z      | <i>Wholesale trade (Business to Business) of cereals, unmanufactured tobacco, seeds and aliments for cattle</i> |
| <b>46.3</b> | <b>Wholesale trade of food products, liquor and tobacco</b>   |
| 46.35       | <i>Wholesale trade of tobacco made products</i>   |
| 46.35Z      | <i>Wholesale trade (Business to Business) of tobacco made products</i>  |
| 46.39       | <i>Non specialized wholesale trade of basic food, liquor and tobacco</i>  |
| 46.39B      | <i>Wholesale trade (business to business) of non specialized food products</i>                                  |
| <b>46.7</b> | <b>Other specialized wholesale trade</b>  |
| 46.71       | <i>Wholesale trade of fuel and annex products</i>   |
| 46.71Z      | <i>Wholesale trade (business to business) of fuel and annex products</i>  |
| 46.72       | <i>Wholesale trade of minerals and metals</i>   |
| 46.72Z      | <i>Wholesale trade (business to business) of minerals and metals</i>  |
| 46.75       | <i>Wholesale trade of chemical products</i>   |
| 46.75Z      | <i>Wholesale trade (business to business) of chemical products</i>  |
| <b>47</b>   | <b>Retail trade except cars and motorcycles</b>   |
| <b>47.2</b> | <b>Retail trade of food by specialized shops</b>  |
| 47.26Z      | <i>Retail trade of tobacco made products by specialized shops</i>   |
| <b>47.3</b> | <b>Retail trade of fuel by specialized shops</b>  |
| 47.30Z      | <i>Retail trade of fuel by specialized shops</i>  |
| <b>47.7</b> | <b>Other retail trade by specialized shops</b>  |
| 47.78B      | <i>Retail trade of coal and fuel</i>  |
| <b>84</b>   | <b>Public administration and defence, mandatory social security</b>   |
| <b>84.2</b> | <b>Public services</b>  |
| 84.22Z      | <i>Defence</i>  |

(1) The English translation is not binding and for information only.

# Appendix V – Additional information related to Healthcare sector Eligibility Criteria

## APPENDIX V.A – FRANCE “SERVICE PUBLIC HOSPITALIER”

The French hospital sector (public, private non-profit and for profit) falls under the French Social Security scheme<sup>(1)</sup> and more specifically under the universal healthcare system of the Assurance Maladie<sup>(2)</sup> which guarantees coverage of healthcare expenses for all individuals who are working, or have been residing in France on a stable and ongoing basis for at least 3 months.

French Hospitals responsibilities include:

- provision of public health services for the whole population, regardless of the income, social or financial status, at any time, and for all medical and surgical specialties, all diagnostic and therapeutic possibilities, including rare diseases or extremely expensive, complex and long-term treatment;
- research to continually improve care and develop new treatments;
- training of medical staff (such as doctors, nurses...).

Hospitals are highly regulated by public bodies:

- the activity of Hospitals is regulated by each “Agence Regionale de la Santé” (ARS) in their respective regions;
- financing by “Assurance Maladie” of Hospitals is regulated by law under the “tarification à l’activité” (T2A) and the cost of each activity is set each year by the French Minister in charge of health through a pre-established scheme (“GHS / GHM”).

Hospitals Finances are closely integrated within the French Public Finance Framework:

- the legality of any expense decided by the management of the hospitals is checked by the public accounting officer prior disbursement;
- the finances of the French Public Hospitals are audited by the French public audit body “Cour des Comptes”;
- the recourse to private financing by French Public Hospitals is strictly monitored and the approval of the ARS is mandatory in case of hospitals exhibiting financial weaknesses.

Public health establishments and private establishments participating in the public hospital service (PSPH) as defined by French Law include notably:

### Public Hospitals :

- Regional Hospitals (“Centres Hospitaliers Régionaux” – CHR),
- General Hospitals (“Centres Hospitaliers Généraux” – CHG),
- University Hospitals (“Centres Hospitaliers Universitaires” – CHU),
- Local Hospitals (“Centres Hospitaliers de Proximité” – HP),
- Psychiatric Hospitals (“Centres Hospitaliers Spécialisés” – CHS) ;

### Private Non-Profit Hospitals :

- private health establishments of collective interest (“Etablissements de Santé Privés d’Intérêt Collectif” – ESPIC),
- cancer treatment centers - (“Centres de Lutte Contre le Cancer” - CLCC) ;

### Private For Profit Hospitals:

- private clinics covered by a convention with Assurance Maladie: it is the vast majority of the private clinics across the French territory. Those facilities operate similarly to public hospitals as part of Assurance Maladie; in some instances and under supervision of the relevant ARS (Regional Health Authority), they can even assume the role of public hospitals for a given territory<sup>(3)</sup>. In private clinics covered by a convention with Assurance Maladie, patients only cover the outstanding balance of medical costs – if any – after receiving medical services and are informed of any potential outstanding balance beforehand. **These private clinics are considered as eligible;**
- unconditioned private clinics: there are very few private clinics in France not covered by a convention with “Assurance Maladie”. In these facilities, medical costs must be paid upfront by patients and the Assurance Maladie will reimburse 80% of the legal rates for the stay and medical fees to the patients afterwards. Private clinics that are not affiliated with a convention apply higher rates so the costs to pay by the patient can be very high. **These private clinics are not considered as eligible.**

Historically, the French hospital sector has always seen a co-existence of the public and private sectors, with the latter accounting for up to 33% of overall number of facilities (as detailed below). In France private for-profit clinics must obtain a license in order to operate, delivered by the relevant ARS, and are subject to frequent evaluation by the High Authority of Health (Haute Autorité de Santé - HAS) called “certification HAS”. Most of the rates for care are set by the Ministry of Health and the ARS. On average c. 90% of costs are covered by the “Assurance Maladie” and the remaining is covered by complementary health insurance, CMU-C and the patients.

Public health establishments and private establishments participating in the public hospital service are required to provide support to the whole population by law and support reduction social inequalities, gender inequality and regional inequalities via generic missions:

- make necessary medical treatment available to each and every person and provide continuous access to medical treatment (discrimination for the access to medical treatment is explicitly prohibited);
- provision of medico-social services targeting people in a situation of hardship (medical services provided free of charge in the absence of health insurance cover: the French universal health insurance system);
- provision of healthcare services across all territories in France, including the most isolated territories.

The main missions carried out by the public hospital service include the following common fields of activity:

- **Medicine, Surgery, Obstetrics** (MSO) – Practice of acute hospital care or for serious conditions during their acute phase in Medicine, Surgery, Obstetrics and Dentistry;
- **Post-Acute Care** (PAC) - The practice of care (including rehabilitation) in the context of treatment or medical supervision of patients requiring ongoing care, with the aim of returning home;
- **Psychiatry** (PSY) - Specialized Care Practice in the Treatment of Mental Disorders.

[1] Available at [https://www.cleiss.fr/docs/regimes/regime\\_france/an\\_0.html](https://www.cleiss.fr/docs/regimes/regime_france/an_0.html)

[2] Available at [https://www.cleiss.fr/docs/regimes/regime\\_france/an\\_1.html](https://www.cleiss.fr/docs/regimes/regime_france/an_1.html)

[3] Art. L. 6112-3 French Health Policy (“Code de la Santé Publique”)

**APPENDIX V.B – PRINCIPLES OF HEALTHCARE ELIGIBILITY CRITERIA**

**Context**

The French healthcare system is based on multiple structures (care categories):

- Healthcare (ambulatory care and hospital care);
- Medico-Social and Social (for “fragile” populations, such as the elderly or disabled).

The Regional Health Authority (*Autorité Régionale de Santé - ARS*) coordinates activities and allocates the operating budget of hospitals, clinics, care centers and structures for the elderly, disabled and dependent people. Regardless of the statute of the provider (public, private not for profit or private for profit), regulation by the ARS is meant to have a territorial dimension - for a better distribution of doctors and the supply of care on the territory - and an economic dimension - for a better use of resources and control of health expenditure.

The French Social Security system, which refers to a set of institutions whose function is to protect individuals from the consequences of various events or situations, covers most of the costs charged to patients for medical services via the “Assurance Maladie” national scheme (one of the 5 branches of the Social Security) for all types of healthcare services providers:

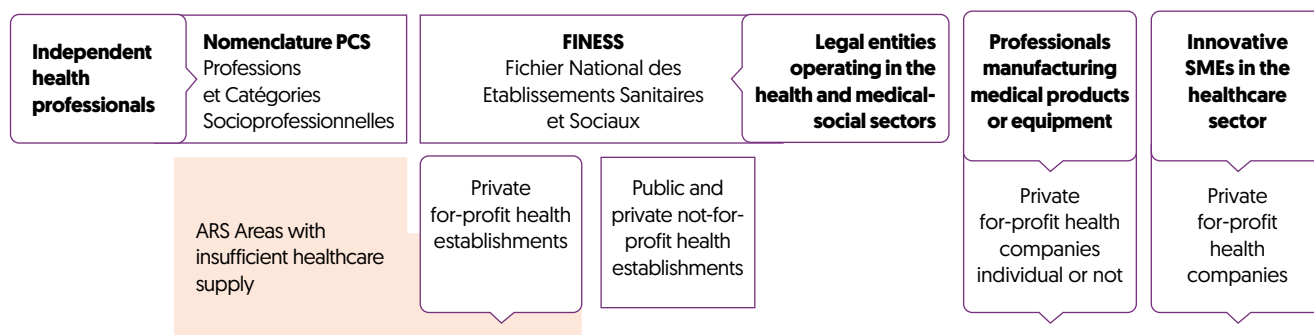
public, private not for profit and private for profit (when covered by a convention with the “Assurance Maladie”).

Complementary health insurance in France (oftentimes called “mutuelle”) is specifically designed to reimburse costs above amounts covered by the “Assurance Maladie” – the amount reimbursed is calculated the same way whether the cost is incurred in the public or private sector. Complementary health insurance is broadly available in France as a vast majority of employers must provide it to employees under strict conditions including minimum reimbursement coverage plan.

In addition, French solidarity complementary health insurance (*Complémentaire Santé Solidaire – CSS*, former CMU-C) gives the opportunity to individuals who do not have the means to obtain complementary health care (falling below revenue ceilings defined by law) to benefit from healthcare services without any upfront costs. It applies for both public and private healthcare service providers in France.

**Principles**

Groupe BPCE’s approach to Eligibility Criteria for the healthcare Eligible Project Category is mainly based on a precise targeting of healthcare players and a strong focus on medical deserts, with a selective targeting of private for-profit players.



## APPENDIX V.C – FOCUS ON FRANCE DÉSERTS MÉDICAUX (MEDICAL DESERTS)

### Context and definition

The problem of medical deserts has become a critical issue in healthcare systems worldwide, particularly in France. Medical deserts refer to areas where access to healthcare is significantly challenging due to various factors, including uneven distribution of healthcare professionals.

The concept includes a dual perspective:

- the spatial aspect concerns the concentration of healthcare professionals in a region, leading to a geographical gap between patients and healthcare providers, necessitating extensive travel for consultations;
- the temporal aspect relates to the ratio of patients to physicians. The higher the patient load, the less time available for each individual. Medical deserts lead to prolonged waiting periods, risking patients' health deterioration and shifting consultations towards emergencies, creating challenges in securing a new primary care physician.

The root of this issues can be traced back to historical decisions made in response to economic challenges, particularly during the oil crises of 1973 and 1979<sup>[1]</sup>. To address social security deficits and unemployment crises, the government, limited medical school admissions through a policy known as "numerus clausus", which aimed to control the number of physicians and curb healthcare expenses. The initial number of medical students, which was fixed to 8,588 in 1972, decreased to 3,500 admissions in 1993.<sup>[2]</sup>

However, this decision did not consider the aging population's healthcare needs, particularly the baby-boom generation, leading to increased demand for medical services. As the population aged, the gap between retiring general practitioners and new entrants narrowed, and since 2020, there have been more retirements than new arrivals, resulting in a declining workforce of general practitioners<sup>[3]</sup>.

Moreover, the distribution of doctors is also affected by their ability to freely choose practice locations. Unlike other healthcare professionals who face restrictions, doctors can settle wherever they want, exacerbating regional imbalances. The prognosis indicates a worsening situation until 2028<sup>[4]</sup>. However, the government has recently shifted its approach by abandoning the numerus clausus policy and introducing a numerus apertus, allowing medical schools to set admission quotas based on needs. This change, coupled with a 20% increase in second-year admissions in 2021, is expected to improve physician density in the medium-term.

While these long-term measures are promising, immediate solutions are also being debated. Suggestions include delegating certain tasks to other healthcare professionals to free up time for doctors and addressing the issue of unequal distributions. Furthermore, it's crucial to note that medical deserts are not only limited to general practitioners but also include midwives, dentists, and other healthcare professionals. The uneven distribution of specialists in primary care has a

significant impact on the integration of other professionals, such as independent nurses.

### Calculation

To measure medical deserts, the "Accessibilité Potentielle Localisée" (APL)<sup>[5]</sup> is a crucial indicator developed by IRDES (Institut de Recherche et Documentation en Economie de la Santé) and DREES (Direction de la recherche, des études, de l'évaluation et des statistiques) in 2012 and revised in 2015. The APL measures the spacial adequacy between the supply and demand for primary healthcare at a fine geographical level. It aims to enhance traditional healthcare accessibility indicators by considering specific factors such as distance and population density. The APL uses data from the French National Health Insurance (SNIIR-AM) and population data from INSEE.

The APL is calculated at the municipality level and considers healthcare professionals' activity levels and the age structure of each municipality's population, influencing healthcare needs. The current APL is available for general practitioners, nurses, midwives, physiotherapists, and dentists, excluding liberal healthcare professionals aged over 65. For each healthcare professional, geolocated at the municipality level, the APL is calculated either in terms of the number of consultations and visits or in full-time equivalents. Activity thresholds are applied, and the demand for healthcare is standardized based on the age structure.

Then the regional health agencies rely on the results of the APL and/or more and more other indicators that they consider more appropriate given the characteristics of their territories, to define several zoning systems used to describe under-served areas from a medical standpoint<sup>[6]</sup>:

- priority intervention zones (ZIPs);
- complementary action zones (ZACs);
- other zones.

The calculation methods have been updated by the Order of October 1, 2021 amending the Order of November 13, 2017 relating to the methodology applicable to the medical profession for the determination of the areas provided for in 1° of Article L. 1434-4 of the public health code.

The regional ARS oversee the calculation. The 2016 law on modernizing the healthcare system in France allowed for the identification of under-served areas, as defined in Article L. 1434-4 of the Public Health Code. This article states that the directors of regional health agencies determine, by decree, for each concerned healthcare profession, the areas characterized by insufficient healthcare offerings or difficulties in accessing healthcare. A ministerial decree establishes the methodology for determining these areas for each profession.

The data provided by the General Directorate of Healthcare Supply in 2020 (DGOS, Direction générale de l'offre de soins) thus show that 26.5% of municipalities, representing 18% of the French population, are classified as priority intervention zones (ZIPs) and 50.8% of them, representing 36% of the population, are in complementary action zones (ZACs)<sup>[7]</sup>.

[1] Bouton, Richard. "Médecine générale: la rupture des années 1990", Les Tribunes de la santé, vol. 48, No. 3, 2015, pp. 39-47.

[2] Dormont Brigitte, Samson Anne Laure. Démographie médicale et carrières des médecins généralistes: les inégalités entre générations. In: Economie et statistique, n°414, 2008, pp. 3-30.

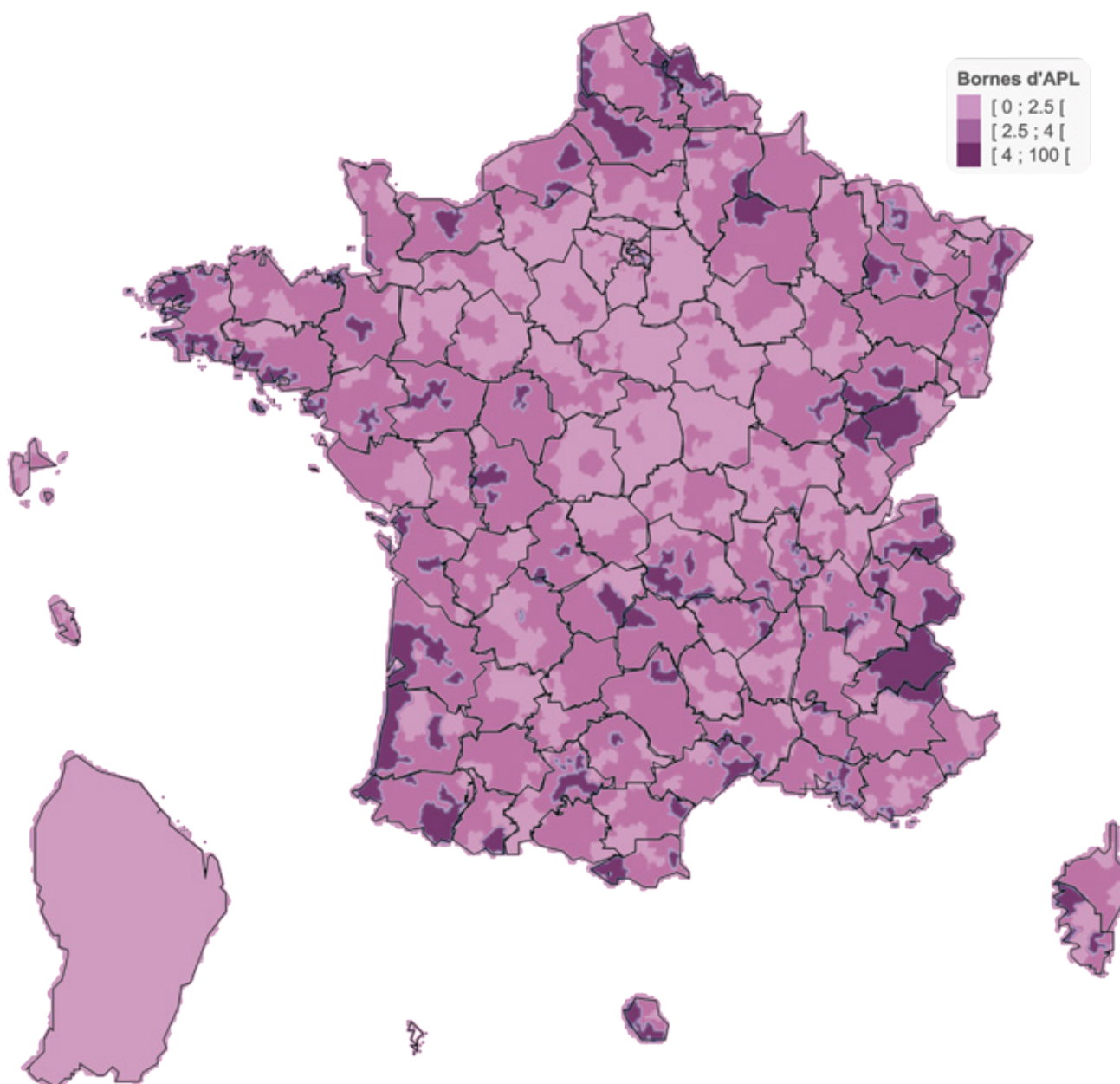
[3] Atlas de la démographie médicale en France, Conseil National de l'Ordre des Médecins, June 2023.

[4] Quelle démographie récente et à venir pour les professions médicales et pharmaceutiques? Constat et projections démographiques, Direction de la Recherche, des Études, de l'Évaluation et des Statistiques, March 2021.

[5] L'indicateur d'accessibilité potentielle localisée, Direction de la recherche, des études, de l'évaluation et des statistiques, August 2020.

[6] Les zones sous-denses en médecins, Ministère du travail, de la santé et des solidarités, June 2023.

[7] Hervé Maurey, Jean-François Longeot, Déserts médicaux: L'État doit enfin prendre des mesures courageuses! Rapport d'information N°282 [2019-2020], January 2020.

LOCALIZED POTENTIAL ACCESS (APL) TO GENERAL PRACTITIONERS IN PRIVATE PRACTICE OR IN HEALTH CENTRES IN 2022<sup>[1]</sup>

## APPENDIX V.D – ELIGIBLE HEALTHCARE INSEE PCS, FINESS OR NACE CODES

In order to identify relevant activities and screening of medical deserts in France Groupe BPCE relies on three different methodologies:

- **I.N.S.E.E.** (*Institut National de la Statistique et des Études Économiques*) - The nomenclature *Professions et Catégories Socioprofessionnelles* (PCS) is a reference system designed by I.N.S.E.E. to group French workers into categories whose members present a certain social homogeneity. To create these groups, I.N.S.E.E. takes into account a number of socio-professional criteria:

- employment status (salaried, self-employed, employer);
- occupation;

- qualification;
- professional hierarchy position;
- economic activity of the company where the employee works.

The nomenclature includes up to four nested levels of aggregation to define an occupation. **17** independent health professionals PCS have been identified:

- **FINESS** (*Fichier National des Établissements Sanitaires et Sociaux*) - FINESS is the single national directory of legal entities operating in the healthcare, medical-social and social sectors, as well as in the training of health and social professions. FINESS registers legal entities that are required to obtain prior authorization, approval or a validation procedure to carry out their activities;

[1] Available at <https://drees.shinyapps.io/carto-apl/>

- **ARS** (*Agences Régionales de Santé*) - The regional health agencies (ARS) apply a zoning method to identify territories in France (Metropolitan France and French overseas departments and territories) where the supply of healthcare is insufficient:
  - spatial dimension linked to the low density of healthcare professionals in a given area, resulting in a geographical distance between patients and their doctor,

– temporal dimension linked to the number of patients per doctor.

In these areas, the public authorities may decide to provide assistance for the installation of new healthcare professionals.

| Eligible healthcare players | Eligible Assets   | INSEE PCS, FINESS, NACE code and/or ARS criteria  |
|-----------------------------|---|---|
| <i>Ambulatory care</i>      | <b>Private healthcare professionals</b><br>General practitioner / specialist<br>Pharmacist<br>Medical auxiliary   | <b>Nomenclature PCS</b><br>311a, 311b, 311c<br>344a, 344b, 344c, 344d<br>311d, 311f<br>432b, 432c, 432d<br>433a, 433b, 433c<br>526b, 526e<br><br>Located in a municipality recognized by the health regional agencies ("agencies regionales de santé"; ARS) as being in areas with health offer shortages ("medical desert")  |
|                             | <b>Health centers, care and prevention centers</b>  | <b>FINESS</b><br><u>Category code:</u><br>124<br>603<br>636<br><br>Located in a municipality recognized by the health regional agencies ("agencies regionales de santé"; ARS) as being in areas with health offer shortages ("medical desert")  |
|                             | <b>Blood transfusion establishments</b>   | <b>FINESS</b><br><u>Category code:</u><br>132   |
|                             | <b>Facilities providing oxygen for medical use at home</b>  | <b>FINESS</b><br><u>Category code:</u><br>632   |
|                             | <b>Occupational Health and Prevention Services (SPST)</b>   | <b>FINESS</b><br><u>Category code:</u><br>616   |
| <i>Hospital care</i>        | <b>Public hospitals</b><br>Regional Hospitals (CHR)<br>University Hospitals (CHU)<br>Hospital Centers (CH)<br>Local hospitals (HP)<br>Specialist Hospitals (CHS)<br>Armed Forces Training Hospitals (HIA)<br>Other public hospitals | <b>FINESS</b><br><i>PSPH: 1</i><br><u>Category code:</u><br>156 Medical-Psychological Center (C.M.P.)<br>362 Long-term care facility<br>366 Therapeutic Workshop<br>412 Therapeutic Apartment<br>415 Regional Medical-Psychological Service (S.M.P.R.)<br>425 Part-time residential therapy center (C.A.T.T.P.)<br>430 Mental Health Aftercare Center<br>433 Prison Health Establishment<br>444 Crisis Center Permanent Home<br>697 Health cooperation group - Health establishment<br><u>Status code:</u><br>01 State<br>11 Public departmental hospital establishment<br>12 Public interdepartmental hospital establishment<br>13 Public communal hospital establishment<br>14 Public intercommunal hospital establishment<br>15 Public regional hospital establishment<br>29 Public health cooperation group<br><u>Category code:</u><br>101 (CHR / CHU)<br>355 (CH)<br>106 (HP)<br>292 (CHS)<br>114 (HIA) |

| Eligible healthcare players | Eligible Assets  | INSEE PCS, FINESS, NACE code and/or ARS criteria  |
|-----------------------------|--|---|
|                             | <p><b>Private not-for-profit health establishments</b><br/>           Private Hospitals of Collective Interest (ESPIC)<br/>           Private not-for-profit establishments, not declared to be of collective interest</p> | <p><b>FINESS</b><br/>           ESPIC<br/> <i>PSPH: 6</i><br/> <u>Category code:</u><br/>           109 Private health establishment with SSR (follow-up care rehabilitation) authorization<br/>           122 Obstetric, surgical and gynecological care facility<br/>           127 Home hospitalization<br/>           128 Surgical Care Facility<br/>           129 Medical Care Establishment<br/>           131 Cancer Research Center<br/>           141 Dialysis center<br/>           146 Alternative to in-center dialysis facilities<br/>           156 Medical-psychological center (C.M.P.)<br/>           161 Nursing home for mental illness<br/>           292 Specialized hospital for mental illness<br/>           362 Long-term care establishment<br/>           365 Multidisciplinary Care Establishment<br/>           366 Therapeutic Workshop<br/>           412 Therapeutic Apartment<br/>           415 Regional Medical-Psychological Service (S.M.P.R.)<br/>           425 Part-time residential therapy center (C.A.T.T.P.)<br/>           430 Mental Health Aftercare Center<br/>           444 Crisis Center Permanent Home<br/>           696 Health cooperation resources group<br/>           697 Health cooperation group - Health establishment<br/>           698 Other Hospital Law Establishments<br/>           Private not-for-profit not collective interest<br/> <i>PSPH: 7</i><br/> <u>Category code:</u><br/>           109 Private health establishment with SSR authorization<br/>           122 Obstetric, surgical and gynecological care facility<br/>           127 Home hospitalization<br/>           128 Surgical Care Facility<br/>           141 Dialysis center<br/>           146 Alternative to in-center dialysis facilities<br/>           161 Nursing home for mental illness<br/>           292 Specialized hospital for mental illness<br/>           362 Long-term care establishment<br/>           365 Multidisciplinary Care Establishment<br/>           430 Mental Health Aftercare Center</p> |
|                             | <p><b>Private for-profit hospitals</b></p>   | <p><b>FINESS</b><br/> <i>PSPH: 0, 3, 9 or empty</i><br/> <u>Category code:</u><br/>           109 Private health establishment with SSR authorization<br/>           122 Obstetric, surgical and gynecological care facility<br/>           127 Home hospitalization<br/>           128 Surgical Care Facility<br/>           129 Medical Care Establishment<br/>           141 Dialysis center<br/>           146 Alternative to in-center dialysis facilities<br/>           161 Nursing home for mental illness<br/>           292 Specialized hospital for mental illness<br/>           362 Long-term care establishment<br/>           365 Multidisciplinary Care Establishment<br/>           412 Therapeutic Apartment<br/>           430 Mental Health Aftercare Center<br/>           697 Health cooperation group - Health establishment<br/>           698 Other Hospital Law Establishments<br/>           699 Authorized entity<br/> <u>Status code:</u><br/>           71 (S.N.C.)<br/>           72 (S.A.R.L.)<br/>           73 (S.A.)<br/>           75 Other company<br/>           78 (E.U.R.L.)<br/>           79 (S.C.M.)<br/>           85 (S.E.L.A.R.L.)<br/>           86 (S.E.L.A.F.A.)<br/>           88 (S.C.P.)<br/>           89 Private health cooperation group<br/>           91 (S.E.L.A.S.)<br/>           95 (S.A.S.)</p>   |

| Eligible healthcare players                      | Eligible Assets  | INSEE PCS, FINESS, NACE code and/or ARS criteria   |
|--|--|--|
| <i>Medical biology</i>                           | <b>Private for-profit or not-for-profit medical laboratories</b>   | <b>FINESS</b><br><u>Category code:</u><br>610<br>611   |
| <i>Pharmacy</i>                                  | <b>Dispensary Pharmacies</b>   | <b>FINESS</b><br><u>Category code:</u><br>620  |
|  | <b>Community Pharmacies</b>  | <b>FINESS</b><br><u>Category code:</u><br>629  |
|  | <b>Propharmacies</b>   | <b>FINESS</b><br><u>Category code:</u><br>627  |
| <i>Handicapped &amp; maladjusted children</i>    | <b>Children under 6</b><br>Early medical and social action centers (CAMSP)   | <b>FINESS</b><br><u>Category code:</u><br>190  |
|  | <b>Children over 6</b><br>Medico-psycho-pedagogical center (CMPP)<br>Motor education institute (IEM)<br>Medical-educational institute (IME)<br>Therapeutic, educational and pedagogical institute (ITEP)<br>Special education and home care service (SESSAD) | <b>FINESS</b><br><u>Category code:</u><br>189 (CMPP)<br>192 (IEM)<br>183 (IME)<br>186 (ITEP)<br>182 (SESSAD)   |
| <i>Mentally or physically handicapped adults</i> | <b>Mental or physical disability adults</b><br>Establishments and services providing assistance through work (ESAT)  | <b>FINESS</b><br><u>Category code:</u><br>246  |
|  | <b>Mental disability, multiple disabilities adults</b><br>Specialized home (MAS)<br>Residential care home (FAM)  | <b>FINESS</b><br><u>Category code:</u><br>255 (MAS)<br>437 (FAM)   |
| <i>Seniors</i>                                   | <b>Public residential facility for dependent elderly people</b> (EHPAD)<br><b>Home nursing service</b> (SSIAD)   | <b>FINESS</b><br><u>Category code:</u><br>354 Home nursing service (SSIAD)<br><u>Category code:</u><br>500 (EHPAD)<br><u>Status code:</u><br>03 Commune<br>06 Other local authority<br>08 Intercommunal Social Action Centre (CIAS)<br>11 Public departmental hospital establishment<br>12 Public interdepartmental hospital establishment<br>13 Public communal hospital establishment<br>14 Public intercommunal hospital establishment<br>15 Public regional hospital establishment<br>17 Communal Social Action Centre<br>18 National Social and Medical-Social Establishment<br>19 Departmental Social and Medical-Social Establishment<br>20 Interdepartmental Social and Medical-Social Establishment<br>21 Communal Social and Medical-Social Establishment<br>22 Intercommunal Social and Medical-Social Establishment<br>26 Other Public Administrative Establishment<br>30 Public social or medical-social cooperation group<br>40 General social security system<br>41 Special social security system<br>47 Health insurance company<br>51 Syndicate<br>60 The 1901 Act not recognised as being of public utility<br>61 The 1901 Act recognised as being of public utility<br>62 Local law association<br>63 Foundation<br>64 Congregation<br>65 Other private non-profit organisation |
| <i>Addiction treatments</i>                      | <b>Centers for Addiction Care and Prevention</b> (CSAPA)<br><b>Harm reduction support centers for drug users</b> (CAARUD)<br><b>Therapeutic coordination apartments - HIV, chronic diseases</b> (ACT)  | <b>FINESS</b><br><u>Category code:</u><br>197 (CSAPA)<br>178 (CAARUD)<br>165 (ACT)   |



| Eligible healthcare players                                      | Eligible Assets  | INSEE PCS, FINESS, NACE code and/or ARS criteria   |
|--|--|--|
| <i>Training health and social care staffs</i>                    | <b>Public, private for-profit or not-for-profit medical schools for health professionals</b>   | <b>FINESS</b><br>Category code:<br>300 (Schools for Health Professions)<br>436 (Schools for Health and Social professions)   |
| <i>Professionals manufacturing medical products or equipment</i> | Professionals (individuals or companies) producing products or equipment that contribute to healthcare in the following areas:<br>Manufacture of <b>medical-surgical and dental equipment</b><br>Manufacture of <b>pharmaceutical preparations</b><br>Manufacture of <b>medical irradiation equipment, electromedical and electrotherapeutic equipment</b> | <b>NACE code:</b><br>3250A Medical-surgical and dental equipment<br>2110Z, 2120Z Pharmaceutical preparations<br>2660Z Medical irradiation equipment, electromedical and electrotherapeutic equipment<br><b>SME definition:</b><br>FTE ≤ 250 and (turnover ≤ €50m or balance sheet total ≤ €43m)  |
| <i>Innovative SMEs in the healthcare sector</i>                  | Innovative companies that have has either:<br>Significant expenditure on Research & Development (R&D) and Innovation, filed a patent or digital creation within the last 3 years or obtained Research Tax Credit (CIR) or other aid for R&D and Innovation   | <b>NACE code:</b><br>2110Z, 2120Z, 2660Z, 3250A, 4773Z, 4774Z, 4778A, 8610Z, 8621Z, 8622A, 8622B, 8622C, 8623Z, 8690A, 8690B, 8690C, 8690D, 8690E, 8690F<br><b>SME definition:</b><br>FTE gras# ≤ 250 and (#gras turnover ≤ €50m or balance sheet total ≤ €43m)<br><b>Innovation loan with FEI InvestEU “Innovation” guarantee</b><br>(product code G4113) |





BPCE, société anonyme à directoire  
et conseil de surveillance au capital de 188932730 euros.  
Siège social: 7, promenade Germaine Sablon, 75013 Paris.  
RCS Paris n° 493 455 042. Tél.: +33 (0)1 58 40 41 42.

**groupebpce.com**

