bpifrance
SERVIR L'AVENIR

UNIVERSAL REGISTRATION DOCUMENT 2023

INCLUDING THE ANNUAL FINANCIAL REPORT

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UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT 2023

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AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document was filed on 25 March 2024 with the AMF, in its capacity as the competent authority under (EU) Regulation No. 2017/1129, without prior approval, pursuant to Article 9 of said regulation.

The Universal Registration Document may be used for the purposes of offering financial securities to the public or admitting them to trading on a regulated market if it is supplemented by a securities note and, where appropriate, a summary and all the amendments made to the Universal Registration Document. The documentation as a whole is then approved by the AMF pursuant to (EU) Regulation No. 2017/1129.

MESSAGE FROM THE CEO



Nicolas DUFOURCQ
CEO of Bpifrance

In 2023, the context was one of continued positive economic growth and of reindustrialisation through the innovation that has already been set in motion, but also one of the highest levels of business creations. Among the obstacles faced by entrepreneurs, inflation and its consequences in terms of high rates and difficulties in raising funds have presented a major challenge.

This year, our financing business confirmed its vitality with €18.6bn (+13%) in loans awarded, in support of the growth, and reindustrialisation or environmental transition projects of French SMEs and ETIs. Taking a closer look, the year saw €9.4bn in medium- and long-term loans, a record level, and €9.2bn in short-term loan agreements awarded to the benefit of over 13,500 businesses. Bank lending guaranteed by Bpifrance remain vibrant, rising to €8.7bn (+5%) for €4.4bn in risks, despite a backdrop of overall growth in banking sector lending to businesses of only 2.7%.

Innovation financing also set a new record with €9.4bn deployed to the benefit of over 6,000 businesses. This figure is more than double that of 2022 (+110%) and in excess of seven times the 2019 level. This comes as a result of Bpifrance's massive roll-out of France 2030, with large-scale projects such as Verkor, Nuward, the Important Projects of Common European Interest (IPCEI H2) and Nano. Furthermore, the Industrial Start-up and SME Plan mechanisms enjoyed a promising start, in particular the 1re Usine AAP, the New Industry Loan and the SPI2 Fund. In parallel, the roll-out of the Deeptech Plan continued, with renewed State commitment. Its stated aim is to create 500 deeptech start-ups per year.

The equity investment business, both direct and indirect, demonstrated its countercyclical role to the full in a contracting market, with €4bn deployed in innovation capital (€677m, 150 operations), growth capital (€1.7bn, over 200 operations) and Fund of funds (€1.6bn, 76 funds). Despite this market context, which is less favourable than in 2022, disposals and distributions have amounted to nearly €2.0bn. 2023 also saw Bpifrance continue its work to facilitate private individuals' access to investment in unlisted French businesses with the launch of the Bpifrance Entreprises Avenir 1 Fund, following on from the success of the marketing of the Bpifrance Entreprises 1 Fund in 2020 and Bpifrance Entreprises 2 in 2022.

In support of French exporters, the Export business line posted a high level of activities with €22bn. This was driven in particular by €19bn in credit insurance, including flagship transactions, such as the Dakar express train carriages built by Alstrom and CAF Reichshoffen, or the construction of a new highway in Cotonou. In addition to these export contracts, insurance has also been provided to industrial projects in France or the supply of raw materials through the Strategic Projects Guarantee. The €330m in export loans put in place in 2023 (+197%) should also be noted. Finally, this year was also characterised by a rise in the number of businesses supported to work internationally.

In terms of Support, we have stepped up the pace with over 6,000 advice missions carried out by Bpifrance's experts (+48% as compared to 2022), in particular due to the conduct of over 2,200 climate-focused Diag'Actions (+88%). The number of businesses accelerated remained at a high level (989 businesses), including nearly 500 from the industrial sector. This enabled us to pass the milestone of 4,500 start-ups, SMEs and ETIs accelerated since the accelerators were created in 2015. Finally, the increase in the number of learners on the Bpifrance online university platform (25,504, i.e. +10% as compared to 2022) highlights the success of digital training among the heads of very small businesses and SMEs.

The **Creation business line** contributed to the **record number of business creations in France**. The Cap Créa collective, which brings together 26 support networks, who are Bpifrance partners, continued its work by supporting **153,000 project holders** and contributing to the **creation of 80,000 businesses**. This year, creation project financing was based on the award of €93m in interest-free loans to over 18,300 creators (+16%).

In conclusion, this year was laden with challenges for Bpifrance and our entrepreneur clients. However, we have successfully adapted to these, so as to be, as always, right where our clients need us. We are proud of what we have accomplished and are eager to continue our work in the years to come in support of our major priorities: reindustrialisation, the ecological transition of businesses, innovation, entrepreneurship and sovereignty. Our mission is unchanged: to help entrepreneurs to overcome their fears, to take risks, to fulfil their dreams, and together, to serve the future!



PRESENTATION OF BPIFRANCE

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In this Universal Registration Document, the terms "Bpifrance", "Issuer" and "the company" refer to Bpifrance, a public limited company with a capital of €5,440,000,000, whose registered office is located at 27-31, avenue du Général Leclerc in Maisons-Alfort (94710 Cedex), registered in the Trade and Companies Register under the number 320 252 489 RCS Créteil.

1.1. HISTORY AND DEVELOPMENT OF BPIFRANCE

The development of the Bpifrance Group over the past 20 years is described below.

2005-2010

OSEO was born in 2005 from the merger of **ANVAR** (the National Agency for Research Valorisation), the **BDPME** (the Development Bank for SMEs) and its subsidiary, **SOFARIS** (the French SME Finance Guarantee Company). Through these three companies, renamed **OSEO Innovation, OSEO Financement** and **OSEO Garantie**, the OSEO Group was entrusted with the mission of financing and supporting SMEs through three business lines: support for innovation, financing investments and the operating cycle in partnership with banks, and guaranteeing bank financing and equity investment. In order to improve OSEO's responsiveness and efficiency, the project to merge OSEO Innovation, OSEO Financement and OSEO **Garantie** was launched in 2008. This was made possible by Law No. 2010-1249 on banking and financial regulation of 22 October 2010 and took the form of a merger by acquisition by OSEO Financement (which became **OSEO SA**) of OSEO Garantie, OSEO Innovation and OSEO Bretagne.

2012-2013

On **6 June 2012**, the Minister for the Economy announced the **creation of the Public Investment Bank**. A public group at the service of business financing and development, acting in support of the public policies implemented by the State and the Regions, the Public Investment Bank was created by law No. 2012-1559 of 31 December 2012, amending ordinance No. 2005-722 of 29 June 2005. Since 12 July 2013, it has held, initially through an umbrella organisation called BPI-GROUPE (later Bpifrance SA), nearly 90% of the capital of OSEO (called Bpifrance Financement since 12 July 2013), 100% of the capital of the Fonds Stratégique d'Investissement (today Bpifrance Participations) and, indirectly, 100% of the capital of CDC Enterprises (today Bpifrance Investissement). EPIC BPI-Group (today EPIC Bpifrance) and the Caisse des Dépôts control Bpifrance SA jointly.

2017

Since 1 January 2017, Bpifrance SA has been managing public guarantees in the name, on behalf and under the control of the State through its 100% subsidiary Bpifrance Assurance Export.

2018

In December 2018, Bpifrance SA acquired from Caisse des Dépôts the shares comprising the capital of CDC International Capital, a company with the mission of developing long-term partnerships with foreign sovereign funds with the aim of carrying out joint investment operations in France and internationally.

2019

From 1 January 2019, Bpifrance SA become the key public actor for business creation support. Prior to this date, this offering was provided through the Caisse des Dépôts and Agence France Entrepreneur (AFE).

2020

On **18 December 2020**, by decision of the Extraordinary General Meetings of **Bpifrance SA and Bpifrance Financement, Bpifrance SA was acquired by Bpifrance Financement**. On the same day, the Bpifrance Financement Extraordinary General Meeting also changed the company's name (henceforth, Bpifrance). **EPIC Bpifrance and the Caisse des Dépôts each hold 49.18% of Bpifrance's capital.**

1.2. KEY FIGURES

Activity

Investment Activity

In millions of euros	2021	2022	2022 Development	2023	2023 Development
Assets under management	**44,436**	**50,284**	**5,848**	**51,950**	**1,666**
Fund of funds	13,479	16,979	3,500	17,596	618
Innovation	5,481	6,540	1,059	6,969	429
Lac 1	3,269	3,898	629	3,898	0
Development Capital (excluding Lac 1)	22,207	22,868	661	23,487	620

Banking Activity

In millions of euros	2021	2022	2022 Development	2023	2023 Development
Mid-long-term financing – Co-financing of investment[1]	9,682	9,829	147	10,247	419
Short-term financing - Mobilisation of credit-claims	3,817	4,199	382	4,247	48
Short-term financing - Prefinancing from CICE	1,741	733	-1,008	71	-662
Amount of guaranteed risks (excluding internal funds)	3,093	4,109	1,016	4,335	226
Amount of guaranteed risks Bpifrance Regions	304	350	46	350	0
Assistance to Innovation	3,826	3,875	49	8,914	5,039

[1] *Including PSG Innovation, Export Credit and Digital Credit.*

Performances

Performance Indicators - Bpifrance

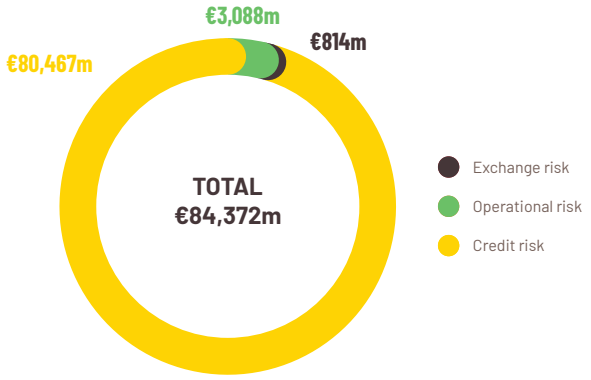
In millions of euros	2021	2022	2022 Change	2023	2023 Change
Net banking income	2 916	2 131	-785	2 014	-117
of which Bpifrance Participations	1 914	1 162	-752	1 034	-128
Operating costs	-870	-900	-30	-1 053	-153
Risk cost	-75	-163	-88	-56	107
Operating income	1 972	1 068	-904	904	-163
Contribution from equity affiliates	49	499	450	315	-183
Net income	1 829	1 503	-326	1 114	-389
	2021	**2022**	**2022 Change**	**2023**	**2023 Change**
Change in value *(€m)*[1]	**6,260**	**-1,741**	**-8,001**	**4,305**	**6,046**
Annual rate of change	**23.4%**	**-5.3%**	**-28.7%**	**14.3%**	**19.6%**
Average annual rate of change since inception	**7.9%**	**6.4%**	**-1.5%**	**7.1%**	**0.7%**
Return on Equity[2]	**6.4%**	**5.5%**	**-0.9%**	**3.7%**	**-1.8%**
Personnel	**3,407**	**3,519**	**112**	**3,859**	**340**

1 *The change in value corresponds to the annual change in revalued net assets, adjusted for dividends and capital injections. The change in unrealised capital gains/losses corresponds to the change in the value of securities at fair value through equity and the changes in the market value of equity-consolidated companies.*
2 *Net profit/IFRS equity.*

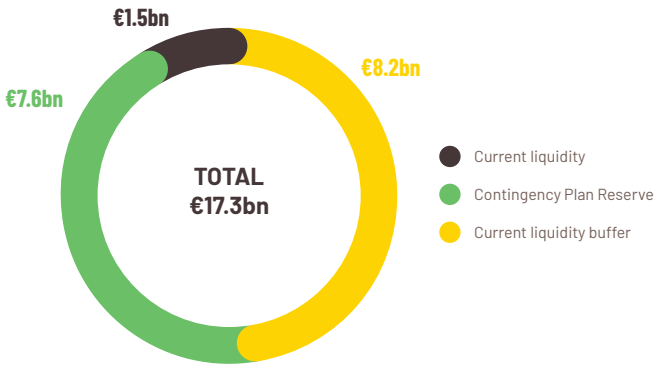
Status of Solvency and Liquidity

	31/12/2021	31/12/2022	31/12/2023
CET1 ratio	30.52%	27.55%	29.52%
Leverage ratio	20.88%	19.09%	21.15%
LCR liquidity ratio	425%	427%	368%

• Risks weighted by Type



• Liquidity reserve



Definition of liquidity reserves:

- **Current liquidity**: *assets that can be mobilised in one day, comprising cash, money market funds, and a portfolio of sovereign bonds*
- **Current liquidity reserve**: *highly liquid financial and commercial assets that can be mobilised in less than a week.*
- **Contingency plan reserve**: *financial assets that can be mobilised in the event of a proven stress situation.*

1.3. PRESENTATION OF TASKS AND BUSINESS LINES

A public group dedicated to financing and business development, Bpifrance acts in support of policies led by the State and the Regions. The ordinance of 29 June 2005, amended by Law No. 2012-1559 of 31 December 2012 provides the task of promoting innovation, start-ups, development, internationalisation, transfer and buy-out of companies, by contributing to their financing through loans and equity.

Bpifrance is a credit institution and a holding company that acts through its subsidiaries Bpifrance Régions (which operates, together with the credit institution, the Financing division), Bpifrance Participations, Bpifrance Investissement (an investment management company authorised and regulated by the AMF) and Bpifrance Assurance Export.

As a credit institution, Bpifrance is subject to banking regulations (Order of 3 November 2014 on the internal control of companies in the banking sector, payment services and investment services subject to the supervision of the French Prudential Supervision and Resolution Authority) which imposes numerous obligations on it, such as operating under market conditions, without abusive support or ruinous credit, and having a risk prevention system (financial, reputational and operational), separation of roles, monitoring measurement and risk management systems. Bpifrance and its subsidiary Bpifrance Régions are under the control of the French Prudential Supervision and Resolution Authority and subject to the direct prudential supervision of the European Central Bank[3].

Bpifrance is a neutral investment player whose mission is to attract all financing partners, foremost among which being banks, as well as innovation development networks, for the benefit of companies by co-financing projects with private banks.

In compliance with private actors and the rules of competition law, Bpifrance provides financing to companies in their most risky phases, such as business creation or transfer, innovation, and international operations, but also as part of capacity investments. To do this, it relies on the endowments of public actors at different levels: the State, local authorities (especially the Regions) and the European Union.

Its public interest mission requires Bpifrance to work as closely as possible with the regions, in favour of VSBs, SMEs, and mid-caps, regardless of their legal status (including SSE companies[4] and local state-owned enterprises[5] engaged in a commercial activity), in all business sectors, with the exception of financial services.

Its public status also implies particular openness to companies in each Region, a search for solutions with all partners, more patience, and appropriate remuneration.

Bpifrance is subject to State aid regulations (guarantee funds, research, development and innovation, subsidised loans) which prohibit in particular the financing of companies in proven difficulty or those who are not up to date with their social and tax contributions.

The following are the business lines of Bpifrance and its subsidiaries:

1.3.1. Financing

Bpifrance has a role as an investment bank: in partnership with banking and financial institutions as well as Regional Councils, Bpifrance intervenes in support of investments:

- Tangible and intangible investments through medium- or long-term loans and leasing, real estate, equipment or financial leasing operations, in particular in the financing of renewable energies;
- For intangible assets, as well as to finance working capital requirements, in the form of Unsecured Loans (Growth, Ecological Transition, Industry, Tourism, International, Transmission, Innovation), long and patient, without guarantees or security taken on the company or its directors, through the mobilisation of public grants.

Specific financing in partnership with the Regions, the Banque des Territoires, ADEME and also the EIB Group has further been developed to encourage investment in certain strategic issues or sectors: industry, tourism, climate, French Touch, very small businesses (VSB), etc.

Bpifrance contributes to the financing of the operating cycle and finances the cash flow needs of small and medium-sized companies that are clients of public and private contractors. For financed contracts, it issues signature commitments: sureties and first demand guarantees.

3 List published by the European Central Bank pursuant to Article 49, paragraph 1 of EU Regulation No. 468/2014 of the European Central Bank (BCE/ 2014/17)
4 Companies with a statute (cooperatives, SCOPs, mutuals, associations) or with a high social impact.
5 SEM, SPL, SPLA.

1.3.2. Guarantee

Directly correlated to the financing granted by its partners, Bpifrance's Garantie is a crucial tool for encouraging banks to finance SMEs in the riskiest phases of their growth, especially in the creation, innovation or transmission phases. Bpifrance provides guarantees for bank financing (including leasing and financial leases) and support from equity investors:

- with regard to creation;
- with regard to innovation;
- with regard to development;
- with regard to environment;
- with regard to transfers;
- with regard to strengthening the cash flow;
- with regard to international actions, the risk of failure of French subsidiaries abroad (GPI).

The standard loan-to-value ratio is between 40% and 60%. As part of the recovery plan, the guarantee quota has been increased to between 60% and 70% for the Development, Creation, and Transmission funds. The guarantee can be up to 80% in cooperation with the guarantee funds set up by the Regions together with Bpifrance Régions.

The guarantee is the preferred form of assistance, especially with smaller companies, because it is implemented in partnership with private banks, which are entitled to immediately decide on its granting up to €200,000 or by calling on Bpifrance for higher amounts.

The student loan guarantee, a scheme carried out on behalf of the State and largely reinforced as part of the recovery plan, makes it possible to guarantee loans made by banks for students' benefit without the latter having to provide other guarantees.

1.3.3. Innovation

The financing mission of Bpifrance's Innovation is to meet the financing needs of innovative individual or collaborative projects, from the idea stage to the market, in cases of the failure of conventional financing or the lack of experience of a commercial bank.

Bpifrance provides a financing solution for this which is adapted to the company according to its distance from the market (grant, recoverable advance, R&D, innovation loan or zero-interest loan, subsidised loan without guarantee, etc.) in close partnership with the players in Innovation financing and in particular with the Regions.

The innovation financing of companies falls into two main categories:

- Individual grants (in the form of subsidies, repayable advances, R&D or zero-interest innovation loans) and unsecured loans (Seed Loans, Innovation Seed Loans, Innovation Loans, New Industry Loans), from the State Budget (mainly France 2030), the Regions, Europe, and Partners, and managed by the Bpifrance Network in all the Regions;
- Individual grants or grants for collaborative projects from the State Budget (mainly France 2030 and France Relance), provided as part of competitions (i-Lab and i-Nov) or calls for projects (for the structural part of France 2030: i-Demo, AAP 1ère Usine; for the directed portion of France 2030: the sectoral AAPs for France 2030's acceleration strategies and strategic objectives), in the form of grants and recoverable advances, managed by Bpifrance's Expertise Department.

Bpifrance has also developed a support offer for all phases of business growth (mainly start-ups and SMEs), including advice, training, contacts, international immersion missions and assistance in setting up international collaborative projects.

1.3.4. Investment

1.3.4.1 • Tasks of the Investment Division Business Line

I. Tasks of the Investment Division Business Line

As part of the creation of Bpifrance, the investment doctrine was specified during the first half of 2013 and then adopted on 25 June 2013 by the Board of Directors of Bpifrance. This doctrine, which applies to all of the Investment division carried of Bpifrance (and therefore to Bpifrance Investissement), is summarized as follows:

Through its equity interventions, Bpifrance finances the development and growth of VSBs and SMEs, in line with the FSI France Investissement 2020 program, and aims at the emergence, consolidation and multiplication of mid-caps, an essential link to the competitiveness of the French economy and the development of exports.

Bpifrance's investments, in funds as well as in companies, are carried out selectively, in accordance with good professional practices, depending on the value creation potential (for the investor and for the national economy) of the companies or funds financed. However, Bpifrance is not an investor like any other. Its character as an informed investor operating under market conditions in the service of collective interest leads him to complete the investment offer of market segments characterised by a lack of private funds. As a result, Bpifrance devotes a significant part of its equity investments, from its own resources and those of third-party investors managed by Bpifrance, to the seed investment, venture capital, development capital and transfer capital segments, or to funds geared towards profitable companies in the social and solidarity economy but which, due in particular to their status, naturally attract few traditional investors. Bpifrance is also working to develop a mezzanine fund offer on the market as a complement or substitute for equity investments for companies whose shareholders would not like to open the capital to third-party investors.

In this context, all the operations in which Bpifrance is required to intervene are guided by the following guiding principles:

- Bpifrance operates with a view to creating, via minority shareholdings, a ripple effect of public investment to private investment. Whether it invests its own resources or those of other subscribers – public or private – under its management, Bpifrance systematically seeks private co-investors to whom it leaves the majority share, in order to stimulate the investment market;
- Bpifrance is an informed investor operating under market conditions. When it co-invests, Bpifrance operates according to the same financial and legal provisions as the co-investors (pari passu). Whenever possible, it sits on the boards of directors of the companies in which it has invested and on the advisory and strategic committees of partner funds;
- Bpifrance is a patient investor. It adapts its investment horizon, in particular to the technological context of the company and can accept that the profitability of its investments materialises over a longer period of time than most private investors. This is particularly the case in high-risk market segments (seed funding, venture capital, high R&D intensity). It provides long-term support to the companies in which it invests, which does not exclude a rotation of the asset portfolio in synergy with private co-investors, in order to ensure good risk management, freeing up room for manoeuvre to finance new investments and value its portfolio;
- Bpifrance serves the collective interest. In addition to the necessary assessment of the financial performance of companies (profitability, sustainability, liquidity), its investment decisions are made with regard to the impact of projects on the competitiveness of the French economy assessed against a multi-criteria analysis grid, integrating non-financial criteria such as the potential for export and international development, the contribution to innovation, ESG practices (environmental, social and corporate governance), the effects on employment and the development of the territory, the role in the sector, the development of family businesses, etc.
- In order to ensure that its investments effectively contribute to the growth and development of companies, Bpifrance favours the contribution of new money to the companies in which it invests, alongside other investors. However, Bpifrance plans to take over Private equity or to proceed with the delisting of a target by buying back shares, in particular in the following three cases:
- The generational transfer/buy-out of an SME;
- The exit of some of the historical investors in companies with high growth potential, in particular innovative ones;
- The purchase of shareholdings to maintain a significant presence of French investors in the capital, in companies considered sensitive or strategic.

Bpifrance does not invest in the capital of certain categories of companies:

- Companies dedicated to financing infrastructure construction projects. However, Bpifrance can invest in companies involved in the construction or operation of infrastructure;
- Companies whose main activity is property development or real estate;
- Banks and insurance companies;
- Opinion media and polling institutes, to prevent any conflict of interest and preserve its neutrality;
- Semi-public companies (SEM; sociétés d'économie mixte) which may also be the subject of investment by the Caisse des Dépôts.

Any investment decision likely to lead to competition with the other entities of the Caisse des Dépôts group will be subject to specific coordination.

Bpifrance may exceptionally operate in the turnaround capital segment, which aims to turn around companies in difficulty, particularly SMEs and smaller mid-sized companies, by taking special precautions. Indeed, this type of investment by nature contravenes Bpifrance's guiding principles for three reasons:

- They generally assume a majority investment in order to have all the levers for action;
- Public investments in companies in difficulty are subject to a presumption of French State aid and must therefore be notified to the competition authorities, leading to longer delays, or even a risk of non-completion of the investment operation;
- The restructuring of companies in difficulty would subject Bpifrance, a public investor, to significant reputational risks.

Taking these factors into account, Bpifrance will favour turnaround capital investments by investing in minority interests, alongside private investors, in funds managed by specialised independent teams.

In its application, this doctrine also takes into account the logic of a socially responsible investor and promotes it with its partner funds and funded companies within a clear ethical framework.

Fintech exception

Although investments in the capital of banks and insurance companies are not generally authorised, Bpifrance Investissement may however invest in Fintechs with banking or insurance approvals. Any company that meets all of the following conditions is designated as a Fintech:

- Fast-growing start-ups or SME;
- Having or in the process of developing an innovative technology or business model, enabling it to differentiate itself from traditional players whose business model is largely based on the intensive use of their balance sheet;
- Offering financial products or services, and/or products or services for the financial sector.

Investments in these Fintechs will pursue the objective of acquiring stakes in companies with technological or strategic interests for Bpifrance's business lines, in a Corporate Venture approach, and / or to contribute to the emergence of European champions. Investments in minority interests must systematically be carried out alongside a regulated or financial actor, as Bpifrance Investissement must not be or become the first shareholder among the category encompassing both regulated and financial investors, nor a reference shareholder in such companies.

Any investment decision likely to lead to competition with the other entities of the Caisse des Dépôts group will be subject to specific coordination.

II. The Business Lines of the Investment Division

Bpifrance's investment activities are structured around three business lines:

- **The Development Capital Department** invests directly in equity, quasi-equity and debt in order to support SMEs, mid-caps and large French companies in their development and growth projects. Located throughout the country with 53 regional offices, the 160 professional investors of this division perform the role of active minority investors seeking sustainable and responsible performance for their holdings over the long term.

This department includes the activities of:

- **Large-Cap and Sovereign Wealth Fund Partnerships**, in order to support the development of mid-cap and large French companies and to partner with long-term investors and sovereign wealth funds (€17.1bn under management);
- **Mid-Cap**, in order to accelerate the growth of independent SMEs and mid-caps with high potential (€2.4bn under management);
- **Small-Cap**, in order to grow SMEs and mid-caps in our regions (€1.7bn under management);
- **Specialised Funds (Tourism, Environmental Impact Funds, Automotive, Lac I)**, in order to address specific identified needs through management on behalf of third parties (€6.2bn under management).

In total, the Development Capital portfolio consists of more than 700 investments with assets under management of €27.4bn[6].

- **The Fund of Funds business line** primarily invests in and monitors partner funds subscribed via funds of funds managed on its own account, as part of the SME Innovation (FPCR 2000, FCIR, FFT3 and FPMEI), and France Investissement (FFI-A, FFI-B, FFI II, FFFI III, FFI IV, FFI V, FFI VI) programmes.

The Fund of Funds business line also manages funds on behalf of third parties:

- Programme d'Investissement d'Avenir, the France 2030 Plan:
  - National Seed Fund (FNA) and National Seed Fund No. 2 (FNA 2),
  - Fund of Funds MultiCap Growth (FFMC2), MultiCap Growth fund No. 3 (MC3) and MultiCap Growth fund No.4 (MC4),
  - Fund of Funds Retournement (FFR),
  - Fund of Funds Quartiers Prioritaires (FFQP),
  - Fund of Funds Edtech (FFE),
  - French Tech Acceleration Fund and French Tech Acceleration 2 Fund, co-managed with the Innovation Department,
  - Acceleration Fund Biotech Santé (FABS), co-managed with the Innovation Department and the Industrial Projects Equity Department;
  - National Industrial Venture Fund (Fonds National de Venture Industriel - FNVI),
  - ICC / Tech & Touch Fund, co-managed with the Innovation Department.
- Caisse des Dépôts Group:
  - FFI 3+,
  - Mandat Paris Green Fund,
  - Digital 1 Fund of Funds and Digital 2 Fund of Funds.
- Growth Fund of Funds, underwritten by the CDC and insurers;
- Fonds France Relance Etats-Régions (FFRER) as part of the Facilité pour le Reprise et la Résilience recovery plan and the Plan National de Relance et de Résilience (PNRR);
- France PME Régions underwritten by Allianz;
- Mandat APE, as part of the Aeronautics Support Plan;
- Fonds d'Avenir Automobile 2, co-managed with the Development Capital Department;

6 *Excluding €1bn debt from the Lac 1 fund.*

- Secondary funds and mirrors of funds aimed at private individuals:
  - Bpifrance Hexagone 1,
  - Bpifrance Hexagone 2,
- Primary funds aimed at private individuals:
  - Bpifrance Entreprises Avenir 1.

Since 2020, the Funds of Funds business line has been managing an activity aimed at private individuals. Three generations of funds have already been marketed: Bpifrance Entreprises 1, Bpifrance Entreprises 2 and Bpifrance Entreprises Avenir 1 (launched in 2023).

The **Innovation Capital business line** invests directly in French start-ups and scale-ups positioned in sectors of the future, in particular biotechnology, environmental technologies, digital, the creative sector or industry. Investment teams are structured by investment divisions dedicated to sectors or stages of intervention and act on behalf of funds held in equity by Bpifrance Participations, or held by third parties (including some funds from the Investments for the Future Program).

The business line is structured around investment clusters distinguished by sectors or stage of intervention:

- The ***Large Venture*** division, which invests via Bpifrance Participations and the Bpifrance Innovation I – Large Venture 2 fund in all areas of Innovation (mainly companies undergoing strong acceleration in the Digital and Life Sciences fields) and from €10m of unitary investment;
- The ***Digital Venture*** division, which invests via the Ambition Numérique funds, Ambition Amorçage Angels and the Bpifrance Innovation I - Digital Venture Seed & Digital Venture AB fund in digital start-ups, at seed stages and series A and B;
- The ***Life Sciences*** division, which operates in the Biotech and Medtech sectors via the InnoBio 1 and 2 funds, Biothérapies Innovantes et Maladies Rares, FABS and Bpifrance Innovation I - Medtech;
- The ***Autonomous Patient*** division, which operates in the digital health sector through the Autonomous Patient Fund;
- The ***Eco-technologies*** division, which operates via the Eco-technologies 1 and 2, Ville de Demain and Bpifrance Innovation I - Impact funds;
- The ***French Tech Acceleration*** division which operates via the FTA and FTA2 funds in support of accelerators and acceleration investment funds;
- The ***Deeptech Venture*** division which operates via the PSIM funds, Definvest, Defence Innovation Fund and French Tech Seed funds;
- The ***Cultural and Creative Industries*** division, which intervenes via the following funds: Fonds pour les Savoir-Faire d'Excellence (FSFE), Mode et Finance 2, Patrimoine et Création 2, Bpifrance Mezzanine I, Bpifrance Capital I & II and Tech & Touch funds;
- The ***Investments in industrial projects*** division, which manages the SPI and SPI2 funds, in order to support deeptech start-ups with equity until industrialisation.
- The ***Industrial Seed Investment*** division, which acts *through* the Bpifrance Industrial Seed Fund and supports start-ups and SMEs in the industrialisation phase.

The Innovation Support teams are grouped within ***Bpifrance Le Hub*** and work mainly with start-ups in Bpifrance's portfolio.

Finally, Bpifrance was involved in the deployment of the new **French Tech Sovereignty Fund**.

1.3.4.2 • Intervention by the various Investment division business lines

Bpifrance's investment business uses two distinct means of investment: direct investment and indirect investment (or in fund of funds).

- For direct investment, it is the Bpifrance Investissement teams who:
  - Instruct investment projects in the capital of the target businesses (carry out *due diligence*, negotiate entry valuations and the terms of shareholders' agreements: the terms of representation on the governing body, any exit clauses, etc.),
  - Execute the investment operations,
  - Subsequently monitor the holdings (participation in governing bodies, reinvestments, etc.) until their disposal;
- For indirect investment, the Bpifrance Investissement teams instruct projects and execute subscriptions that they subsequently monitor over their lifespan in funds managed by private management teams who, in turn, will invest directly in the businesses, rather than in the businesses directly.

A second key distinction in the investment business as it is exercised by Bpifrance Investissement, both directly and indirectly. In terms of investment in shareholders' equity, Bpifrance acts:

- either on its own behalf: thus exposing its own balance sheet;
- or on behalf of third parties: in the latter instance, Bpifrance is solely the manager of the resources entrusted to it by other actors.

The majority (approx. €38bn of the €52bn assets under management at the end of 2023) of Bpifrance's investments in shareholders' equity are made in the shareholders' equity of the group forming part of Bpifrance Participations. A minority (€14bn at the end of 2023), albeit of significant size and on the rise in recent years (€3.5bn at the end of 2015) of the investments in shareholders' equity are made using the resources that have been entrusted to Bpifrance by public or private investors (*limited partners* or *LP*). Thus, since 2010, the State, through the shareholders' equity programmes of the Investing in the Future Programme (PIA) (and later of France 2030) has historically been the largest donor for this activity. More recently, the share of private LPs (insurers, industrialists, sovereign wealth funds, the EIF) has been rising, in particular since the establishment of the Lac 1 Fund in 2020.

1.3.5. International

The international business line falls under two departments, the International and European Affairs Department and the Export Department.

Bpifrance's Export Department is structured around three business lines:

1.3.5.1 • Export insurance

Since 1 January 2017, through Bpifrance Assurance Export, Bpifrance manages public export guarantees in the name, on behalf and under the control of the French State. Prior to that date, this activity was operated by Coface.

The guarantee is granted directly by the French State, thus demonstrating the support of the French State for exporters. These guarantees to exporters are intended to encourage, support and secure French exports financed in the medium and long term, as well as French investments abroad.

More precisely, Bpifrance Assurance Export's offering is made up of a range of solutions designed to support business development in foreign markets, facilitate the issuance of guarantees and the granting of pre-financing by banks, secure exports and investments abroad, make the financing offered to foreign clients competitive and protect against currency fluctuations.

Bpifrance Assurance Export manages public guarantees in strict compliance with the international rules of the World Trade Organisation, the European Union and the OECD.

Bpifrance Assurance Export is organized into four divisions:

1. Key Accounts;
2. Mid-Sized Companies (Mid-caps) and SMEs;
3. International relations, development of the offer and rating;
4. Claims, consolidations and recovery.

1.3.5.2 • Export financing

In an increasingly competitive international environment, French companies must support their technical and commercial tenders with financing proposals in order to win markets that will be the relays of their future growth.

Since 2015, the Export Finance Department has been offering medium-long-term financing solutions to exporting companies domiciled in France for their foreign buyers, whether they are state, public, private or project companies.

Regardless of the sector of activity (transport, energy, water, defence, industrial equipment, etc.) and the continent of destination, Bpifrance's Export Finance Department offers export credits, with the cover of Bpifrance Assurance Export, in the form of

- Purchase of supplier credit (from €1 to €25m);
- Bilateral buyer credit (from €5 to €25m) or equity (up to €75m).

These means of intervention allow exporters to mitigate counterparty risks while offering their buyers competitive and long-term financing solutions.

1.3.5.3 • International development

The aim of the Export Development department is to increase the international market share of French companies. Based in France and abroad, the Bpifrance and Business France teams supported 4,154 companies through international missions and bespoke prospecting initiatives.

- Every year, Business France and its export partners organise more than fifteen international missions in 7 specific mission formats;
- The presence of the Bpifrance international team* helps strengthen business flows in all strategic sectors on 5 continents through meetings with public and private buyers with the support of the best local partners and experts;
- The Export Development team has a comprehensive role: it offers its customers a full range of financing, insurance, investment, and support solutions to meet the needs of companies at various levels of maturity;
- Bpifrance has 9 international offices: Mexico City, New York, Abidjan, Casablanca, Nairobi, Dakar, Düsseldorf, Dubai, and Singapore.

The Department of International and European Affairs is an operational and transversal directorate.

In collaboration with all of Bpifrance's management teams, it strives to contribute to the influence of the Group and its model, as well as to the development of its businesses internationally, through the strength of its network in Europe and internationally, as well as its sophisticated knowledge of institutional actors, sovereign wealth funds and long-term investors.

It invests and develops rich relationships and partnerships with multiple actors: institutions, investors, support structures, associations, companies, public authorities. To this end, the Department is structured around 5 dedicated teams in constant contact with all our partners.

The team of fund-of-funds investors in Africa, Averroès Africa, currently manages 4 investment vehicles and monitors 30 participations. Its objectives are to participate in the growth of private equity on the continent, the profitability of its investments and the development of the business relationships of its underlying portfolio with French companies, within the framework of Bpifrance's policy in favour of sustainable development.

The EuroQuity team runs a digital platform for connecting companies and their development partners, in France and internationally, particularly in Europe and Africa.

The Europe team ensures Bpifrance's lobbying and regulatory monitoring with European authorities and mobilizes European financial resources for the benefit of Bpifrance and French companies. It builds and encourages partnerships with Bpifrance's counterparts and any other foreign entity in Europe.

The International Advice team forges and facilitates partnerships with Bpifrance's counterparts and any other foreign entity worldwide, outside Europe. It provides technical assistance to foreign institutions and governments wishing to nurture development bank activities or products similar to those of Bpifrance. In particular, it works in Africa and the Middle East.

Finally, the mission of the Sovereign Wealth Funds & Long-Term Investors team is to develop our relationships with international investors, within the framework of partnership agreements or management on behalf of third parties, so that they invest in French companies, in particular through vehicles managed by Bpifrance Investissement. It also ensures that Bpifrance is recognized as a sovereign wealth fund among its peers.

In 2023, the International and European Affairs Directorate continued the effort to develop its activities in Europe, Africa and the Middle East, to promote the Bpifrance model, attract funds for the benefit of French companies, and facilitate the connection between the latter and potential partners.

1.3.6. Business Support

Bpifrance's Business Support business line is managed by an Executive Department, which provides a comprehensive range of services (advice, training, and networking). This department is structured into 7 divisions reporting directly to the Executive Director. It works with Le Hub and Bpifrance Excellence, which report to the Executive Director, as well as with the consulting team at the Development and Innovation Support Division.

In 2023, the Executive Business Support Department was reorganised into 7 departments, which all work together in an interdisciplinary manner:

1. Development: designs support products, improves the existing range, negotiates and enters into agreements with partners (the State, the CDC, Regions, Europe, professional organisations, etc.), manages the preparation and monitoring of the strategic support plan;
2. Marketing and Commercial Assistance: promotes the Support products, defines the marketing strategy and assists the network in its work to recruit Support clients;
3. Accelerators: disseminates information about new products and programmes, creates and distributes marketing materials, trains influencers and drives marketing, organises the implementation of Accelerator programmes;
4. Consultancy and operational management: participates in the design and implementation of Consultancy and Diag'Actions projects, manages Consultancy and Accelerator activities, shapes and manages the pool of external consultants and consultancy firms;
5. University: defines the content and formats of training courses for managers, both face-to-face and digital, inside and outside the Accelerators, and signs contracts with service providers; also ensures and certifies the quality of internal and external coaching staff in terms of technical skills and orientation;
6. Steering and Management: manages administrative follow-up with customers (contracts, invoices) and calls for funds from partners, collects and produces activity indicators for reporting, monitoring, and analysis purposes;
7. Expertise Centre: works transversally with the Business Support Departments on 3 strategic areas: Climate, Industry of the Future, and Industrial Start-Ups and SMEs.

At the same time, the drive to decentralise Business Support is continuing, with the deployment of 26 advisory managers in the regions, as well as the full appropriation of the Support business line by the Bpifrance network, with 27 regional Support managers or Business managers by the end of 2023.

1.3.7. Business creation

Bpifrance's mission is to support and strengthen national and local action in favour of business creation by entrepreneurship support networks throughout France, in particular in Priority Urban Areas (PUA), with the aim of increasing:

- The territorial coverage and clarity of the networks' support offer;
- Support for project leaders and entrepreneurs;
- Initiatives to raise awareness and promote entrepreneurship among various target groups, particularly young people and women.

To carry out these missions, Bpifrance supports the actors involved in supporting business creation in order to better:

- Raise awareness, prepare and direct project sponsors;
- Support and finance these projects, in particular through unsecured loans and bank loan guarantees;
- Work for everyone, throughout the country;
- Monitor developments in business creation and professionalise support networks to better meet the entrepreneurs' needs.

1.4. CAPITAL AND SHAREHOLDING

As at 31 December 2023, the share capital of the Issuer amounted to €5,440,000,000, divided into 680,000,000 shares with a nominal value of €8. Since that date, the Issuer holds 1,934,314 of its own shares, i.e. 0.29% of its capital (self-owned shares).

Breakdown of the Issuer's capital and voting rights over three years[1]

	as at 31 December 2023				as at 31 December 2022				as at 31 December 2021			
	Number of shares	% of capital	% of theoretical voting rights [1]	% of voting rights exercisable at general meeting	Number of shares	% of capital	% of theoretical voting rights [1]	% of voting rights exercisable at general meeting	Number of shares	% of capital	% of theoretical voting rights [1]	% of voting rights exercisable at general meeting
EPIC Bpifrance[2]	334,434,120	49.18%	49.18%	49.32%	334,434,120	49.18%	49.18%	49.32%	334,434,120	49.18%	49.18%	49.32%
Caisse des Dépôts	334,434,120	49.18%	49.18%	49.32%	334,434,120	49.18%	49.18%	49.32%	334,434,120	49.18%	49.18%	49.32%
Bank and other shareholders	9,197,446	1.35%	1.35%	1.36%	9,197,446	1.35%	1.35%	1.36%	9,197,446	1.35%	1.35%	1.36%
Self-owned shares[3]	1,934,314	0.29%	0.29%	0.00%	1,934,314	0.29%	0.29%	0.00%	1,934,314	0.29%	0.29%	0.00%
TOTAL	**680,000,000**	**100%**	**100%**	**100%**	**680,000,000**	**100%**	**100%**	**100%**	**680,000,000**	**100%**	**100%**	**100%**

(1) *Complies with DOC-2021-02 position-recommendation of the AMF (see section 16 of the guide for the preparation of universal registration document)*

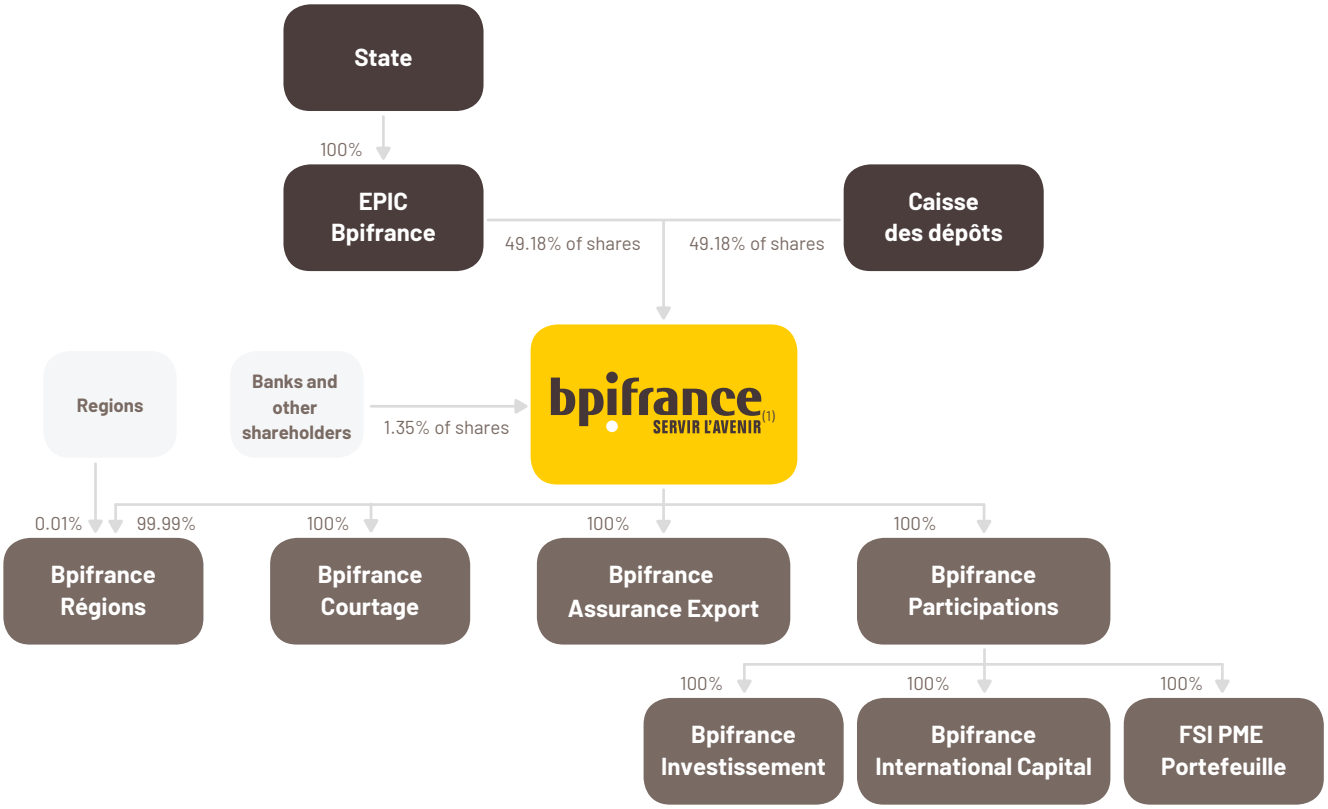
(2) *Of which one share is lent to the French State.*

(3) *In accordance with Article 223-11 of the AMF's general regulations, voting rights are associated with self-held shares for the calculation of the total number of voting rights; these shares do not have voting rights at the General Meeting.*

1.5. CAPITAL STRUCTURE OF THE BPIFRANCE GROUP

The capital structure of the Bpifrance Group as at 31 December 2023 is described below.

Organisational chart of the Bpifrance Group as at 31 December 2023



(1) *Bpifrance holds a 0.29% stake.*

02

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2.1. KEY EVENTS IN 2023

Some of the key events in 2023 are listed below:

January

- Bpifrance announced the sixth investment of the Lac 1 Fund, which acquired a holding of over 5% in Elis, the leader in the rental and maintenance of textile and hygiene items in Europe and Latin America.
- Chantiers de l'Atlantique relied on Pytheas Capital and Bpifrance to strengthen its relationship with its suppliers and secure its cash position.

February

- Bpifrance issued a first syndicated public bank loan of 250 million pounds sterling, maturing in January 2026.
- Bpifrance announced the seventh investment of the Lac 1 Fund, which acquired a holding in Alstom, the world railways leader.

March

- Bpifrance, together with the Banque des Territoires (BDT) and the European Investment Bank (EIB) raised the Tourism 2 Fund (FIT 2) to €240m.
- In partnership with France Investissement Assureurs, Bpifrance mobilised €12bn for the financing of rapidly growing SMEs. To mark its 10th anniversary, all partner insurers announced the renewal of their commitment for a record sum of €3bn over five years.
- Bpifrance took over 50 La French Touch businesses to the SXSW in Texas, from 10 to 14 March 2023, to bolster their links with American creative sector actors and to promote French savoir-faire.

April

- The CNC and Bpifrance renewed their support mechanism dedicated to the Cultural and Creative Industries with the launch of the third round of the Cinema and Audiovisual Accelerator.
- Bpifrance improved private individuals' access to investment in unlisted French businesses through the launch of Bpifrance Entreprises Avenir 1: the first investment fund enabling private individuals to invest, starting from 1,000 euros, alongside Bpifrance.
- Bpifrance and Business France supported six French aeronautics and space sector businesses in exploring the Mexican market in order to develop business in Mexico.
- In its report entitled "10 years of Impact: 2013-2023", Bpifrance looked back on the agency's work since its creation and evaluated its measurable impact on the French economy.
- Bpifrance participated, in the capacity of arranger, alongside a consortium of 16 French and international banks, in the financing of the Dieppe-Le Tréport offshore wind farm, which provides for the construction of 62 wind turbines with an installed power of 500MW.

May

- Bpifrance launched a door-to-door operation among 20,000 businesses to accelerate the decarbonisation of industry in the context of the Green Industry Action Plan.
- Bpifrance announced the three new laureates of the Data Challenge in Health call for projects, which aims to mobilise data science to improve medical diagnoses.
- Bpifrance and the 26 network members of the Cap Créa collective launched the fourth edition of the Cap Créa event, the major Creation and Entrepreneurship gathering.
- Bpifrance celebrated 10 years of supporting French businesses at the Hub together with its international partners: over 100 participants and 15 speakers from Europe and Canada.
- Invited by Bpifrance, the Foundation of Sovereign Wealth Funds of Europe, the Middle East and North Africa (EMENA) held its annual meeting in Paris, on Wednesday 10 and Thursday, 11 May 2023.

June

- Bpifrance launched a call for expression of interest (CFEI) in order to select the incubator operators for the Incubation component of the French Tech Springboard programme, led by the French Tech mission.
- Bpifrance made its first major investment in generative AI by participating in the fundraising of Mistral AI for a sum of €100m, one of the largest in Europe.
- Bpifrance, with its 20 years' experience in the energy transition, again received the support of ESG investors during the new €1bn green issue.
- A Bpifrance study, Le Lab, shed light on the trend for the recruitment of foreign employees to mitigate the need for skills in French industry.

September

- Bpifrance, through its SPI fund, took part in the funding round for over €2bn for the Verkor Gigafactory in France, comprising a C Series of €850m, a contribution of €600m from the European Investment Bank (EBI) and French subsidies. On this occasion, Verkor inaugurated the strategic projects guarantee (GPS) that will cover the battery manufacturer's bank financing.
- Bpifrance announced the 47 incubator operators chosen for the Incubation component of the French Tech Springboard Programme, led by the French Tech mission.

October

- The Bpifrance Inno Génération (BIG) was organised for a ninth time at the Accor Arena. This year the theme was Pride. The biggest business gathering in Europe invited all French entrepreneurs to come and get inspired, meet one another and learn about the major trends for tomorrow's world.
- On the occasion of the 9th edition of BIG, Bpifrance and its 26 network partners, members of the Cap Créa Collective, launched the Coq Créa: the community of supported business creators and buyers.
- Bonduelle, Arkolia and Bpifrance signed the 1st guarantee contract for the long-term supply of electricity to industrialists who are backed by renewable plants.
- Younited and Bpifrance celebrated the 3rd anniversary of their partnership at the service of financing VSB/SMEs through which the Fintech provides Bpifrance with its technological and operational loan platform.
- Bpifrance launched its first social bond issue for €1.25bn to finance entrepreneurship in priority districts.
- The State and the Caisse des Dépôts announced new resources (€456m) entrusted to Bpifrance to develop entrepreneurship in the Districts with its partners.

November

- The Pitchbook ranking listed Bpifrance as the top capital investment actor in Europe and the 2nd most active in the world in Q3 2023, with 31 operations carried out.
- According to the latest French Entrepreneurial Index for 2023, entrepreneurship remains at record levels, with entrepreneurship in priority city districts standing out in particular.
- Bpifrance and La French Touch organised the third edition of We Are French Touch, on 21 November 2023, at the Maison de la Mutualité in Paris, and brought together, on this occasion, the ecosystem of French Cultural and Creative Industries. Bpifrance has supported the creative sector to the tune of five billion euros since 2020.
- At the 2023 edition of Capital Invest, Bpifrance presented a report on 10 years of supporting capital investment in France, highlighting the resilience of the market with a record €28bn of available investment.
- Bpifrance took part in the Semaine de l'Industrie (Industry Week), which aims to promote the sector, attract new talents and promote business diversity through over 5,500 free events.

December

- Bpifrance and Cetim launched the first round of the Île-de-France Industry of the Future programme.
- Bpifrance launched the first edition of the Lighting Manufacturers' Accelerator.
- Bpifrance and France Industrie announced the launch of Mercato, an innovative Skill Transfer programme at the service of deep tech start-ups.
- PariSanté Campus and Bpifrance selected 20 start-ups to join the first round of their new accelerator dedicated to prevention.
- Cité de l'IA and Bpifrance signed a partnership for the roll-out of the France 2030 AI Booster programme in Hauts-de-France.
- Bpifrance hosted the autumn meeting of the International Investors Roundtable: 13 North American, Asian, Australian, European and Saudi Arabian sovereign wealth funds and pension funds were represented. They met with the Minister for Industry, as well as with the CEOs of five listed companies from the Bpifrance portfolio.

2.2. POST-BALANCE SHEET EVENTS

There were no material post balance sheet events.

2.3. STRATEGIC PLAN FOR 2024-2028

The challenges for the coming years are clear: the reindustrialisation movement is under way, and Bpifrance must support and amplify this. Before us, we have a generation of entrepreneurs who are ready to write a new chapter in France's industrial history. A green reindustrialisation, as this period will be key in meeting the targets for greenhouse gas emission reductions. This will require everyone to make an effort to profoundly transform the French economy and lifestyles. Simultaneously, the collective desire for sovereignty entails massive investment in developing strategic sectors, from health to defence and culture. We need to continue to support our little nuggets of French tech, and among these those ushering in the revolutions of today and tomorrow, such as artificial intelligence.

Finally, in a context of controlled public spending, more entrepreneurs are needed in order for the economy to create more value, and there must be greater audacity to export abroad and to bring the French balance of trade back into equilibrium.

In this context, the five-year Strategic Plan focusses on nine priorities:

1. **The Industry Plan:** the Industry Plan is built around three axes to contribute to the reindustrialisation of France. The first axis aims to construct new cathedrals of industry. Bpifrance supports this new dynamic, in particular as it is responsible for signing and monitoring subsidy contracts, and for instructing strategic project guarantees on the State's balance sheet. At the same time, Bpifrance is committed to accelerating the renewal of the demographic of industrial enterprises by continuing to support the development and scaling up of industrial start-ups. Finally, the Industry Plan strives to accelerate the growth and transformation of SME and ETI industrial capacities.
2. **Climate Plan:** The Climate Plan continues its roll-out with renewed goals for each of its three pillars. In particular, this will entail accelerating and intensifying the mass door-to-door operation being conducted by the Bpifrance Network and business lines in order to speed up the transitioning of 20,000 enterprises in five years. Bpifrance will continue to support the development of solution providers through the mobilisation of all business lines and a Greentech Plan bolstered by key areas for the decarbonisation of France. Finally, Bpifrance will support the diversification and expansion of low-carbon energies in order to meet the current and future needs of the market. In this context, a specific support plan will be implemented for nuclear businesses to support the relaunch of the sector.
3. **Tech Plan:** Bpifrance will maintain its tireless assistance to all French Tech start-ups, in particular through major support from the France 2030 Plan. To this end, Bpifrance will support start-ups from creation to their hyper-growth phase. In order to transform the sectors of tomorrow, Bpifrance will keep up the momentum of the Deeptech Plan, with the aim of developing over 500 deeptech start-ups per year by 2027, not only by promoting their emergence, but also by ensuring their growth. Finally, against the backdrop of the low liquidity of capital investment funds, Bpifrance will carry out several actions to support the market, following the example of the development of the Tech buyout segment or the stimulation of cross-over funds. Bpifrance will furthermore continue to work on creating an attractive ecosystem for listing unicorns in Paris.
4. **Support to double the number of entrepreneurs:** by mobilising alongside the Support Networks through the Cap Créa Collective, Bpifrance will pursue its goal of doubling the number of lasting businesses that generate added value and create employment in five years. To achieve this, action will be taken along four key axes: awareness raising, preparing and guiding project holders; strengthened support for creation and buyout through the support networks; facilitating access to finance through interest-free loans and to the Bpifrance bank guarantee, as well as strengthened partnerships with partner banks; for all and in all parts of the country, in particular in the framework of the new "Districts 2030" programme launched by the State, which will enable Bpifrance to strengthen its support to entrepreneurship in the City Priority Districts.

5. **Cross-sectoral Plans:** Bpifrance will provide support to the strategic sectors of health, defence, cybersecurity and culture.

- In the field of health, Bpifrance will strengthen its mechanisms to act across all areas of treatment (biotechnology, drugs, medical devices, CDMO), the distribution of care (clinics/hospitals, pharmacies, homecare providers, home hospitalisation) and digital health (software, services, connected objects, prevention).
- In order to support defence companies, Bpifrance will continue its work in three areas in close cooperation with the Directorate General for Armament. This will consist of supporting export growth, maintaining French sovereignty and facilitating the emergence of the leaders of tomorrow, and promoting the dissemination of innovation in defence.
- As regards cybersecurity, Bpifrance will continue its work to support solution provides and the adoption of these solutions by French businesses.
- In the field of the cultural and creative industries, Bpifrance will continue its Touch Plan, based on six pillars (Cinema and Audiovisual, Video Games, Fashion and Creation, Visual Arts and Lifestyles, Publishing, and Music and Live Performance) with the goal of supporting and accelerating the growth of the French cultural and creative industries by mobilising all Bpifrance business lines and resources in synergy with the entire public and private market ecosystem.

6. **Management on behalf of third parties and *retail*:** Bpifrance must amplify its work as a strategic shareholder of companies that are significant for France's future. In fact, it is critical that it mobilise more resources in the face of the challenges posed by reconstituting powerful industry, financing the EET, supporting sovereign sector companies, etc. To this end, Bpifrance will continue to ensure the rotation of its portfolio and will strengthen its capacity to act through management on behalf of third parties by relying, in particular, on third-party investment funds, including sovereign wealth funds. At the same time, Bpifrance will work towards the democratisation of investment capital by launching, each year, a new fund accessible to private investors and by involving the entire ecosystem.

7. **Digital:** Bpifrance will continue to take advantage of digital technologies to significantly broaden the distribution of its products that meet the needs of small businesses in collaboration with banking partners (e.g. difficulties in accessing credit, financing intangibles, digital and green transitions, etc.) and in synergy with its network of physical offices. Furthermore, Bpifrance will also capitalise on the potential of artificial intelligence, platforms and open finance to transform its work and maintain a high level of service to client businesses.

8. **CSR**: Bpifrance's CSR initiative lies at the heart of its strategy. Its aim is to raise the awareness of businesses countrywide and to strengthen its own processes by improving the consideration of CSR issues within all of its businesses. By virtue of its commitment to a more sustainable and inclusive economy, Bpifrance will also implement specific actions to protect biodiversity and support company directors.

9. **Key partnerships:** Bpifrance aims to carry all its partners along with it, and in particular wishes to ensure that the robust cooperation established with the Regions and the European Union is long-lasting. Bpifrance has forged partnerships with all the Regions, without exception, allowing it to co-construct and implement numerous mechanisms tailored to the priorities of each. In parallel, Bpifrance will also strengthen its role as a European funding operator in support of joint priorities by taking advantage of new programmes and by guiding our country's businesses towards these opportunities.

2.4. ACTIVITIES BY BUSINESS LINE AND KEY FIGURES

2.4.1. Financing

Breakdown by type

(in €m)	2022	2023	Change *in (%)*
ACTIVITY			
Financing			
New production[1][2]	**9,829**	**10,247**	**4.3%**
Outstanding at 31 December[1][2]	45,331	46,533	2.7%
Medium- and Long-Term Co-Financing	**4,872**	**5,898**	**21.1%**
Long- and Medium-Term Loans, including Export Credit	3,689	4,470	21.2%
Financial lease	1,183	1,428	20.7%
Unsecured loans[2]	**4,957**	**4,350**	**-12.2%**
Financing Subsidies		**4**	
Short-Term[3] **Receivables discounting**	**4,932**	**4,318**	**-12.4%**
Including CICE Pre-financing	4,199	4,247	1.1%
Including debt refinancing	733	71	-90.3%

[1] *Excluding Short-Term Financing.*

[2] *Of which Innovation Development Loans 2022: €598m - 2023: €501m*

[3] *These amounts reflect financing authorisations as at 31 December for which the commission has been paid.*

Breakdown of assistance excluding PCE by business sector

	2022	2023
Industry	26.12%	26.73%
Construction	3.86%	3.00%
Trade - Transportation	19.80%	20.68%
Business services	15.07%	16.47%
Personal services	30.36%	27.40%
Tourism	4.81%	5.72%
TOTAL	**100.00%**	**100.00%**

Comments on the evolution of the activity

With €9.4bn in medium- and long-term loans, and €9.2bn in short-term credit authorisations granted to over 13,500 businesses, the financing business was particularly active in 2023 (production of €18.6bn in total, as compared to €17.3bn in 2022) in support of investment projects and the development of French businesses.

Returning to pre-pandemic levels, almost €5.6bn in Unsecured Loans has been rolled out in 2023, up by 17% on 2022. While the financing of immovables has slowed down, loans for businesses' investments in intangibles and equipment have grown by 15 and 19% respectively. Above all, funding for renewable energies has been very vibrant over the year, fuelled by several large-scale *off-shore* wind farms.

In 2023, Bpifrance once again asserted its role of Climate Bank: globally, for all the financing mechanisms in support of the Climate Plan, an increase of 15% was recorded for the year, with €2.6m in loans committed. In line with Bpifrance's wish to involve as many actors as possible in the energy and environmental transition, over 850 businesses in transition, offering green solutions or producers of renewable energy, have received financial support. 2023 also saw the launch of the France Green Nation Subsidy mechanism, rolled out in partnership with the ADEME and aimed at financing initial transition costs.

The volume of Unsecured Loans has returned to levels that are more similar to historical ones, in a context marked by the gradual phasing out of the relaunch mechanisms (€81m in State-secured loans (PGE) and Recovery Loans awarded during the year; -€218m as compared to 2022). Nevertheless, the sharp rise in Growth Loans in 2023 (+25%), mechanisms dedicated to business transformation and development projects, is testimony to Bpifrance's enduring financial support to French SMEs and ETIs.

Alongside its support for Industry, Trade, Services and Transport/Logistics, Bpifrance has also confirmed its support for Tourism businesses, a historical area of action.

Finally, the short-term business has built on its launch in 2022, with a new increase of 13% in credit authorisations granted. Over 6,700 businesses took advantage of this facility in 2023.

2.4.2. Guarantee

Key figures (amounts in €m)

ACTIVITY	2022	2023	Change in %
Amount of risks (excluding internal funds)	**4,109**	**4 335**	**5.5%**
Creation	2,145	2 166	1.0%
Transfer	804	868	7.9%
Development	732	794	8.4%
Innovation	87	94	8.1%
International	91	104	14.0%
Cash	249	309	24.1%
Breakdown by type of guarantee intervention	**4,109**	**4,335**	**5.5%**
Bank loans	3,722	3892	4.6%
Capital	200	213	6.4%
Short term	187	230	23.3%
NUMBER OF GUARANTEED LOANS	**96,491**	**99,095**	**2.7%**
Net amount of covered risks[1]	**6,366**	**6,695**	**5.2%**
TOTAL OUTSTANDING RISK AS AT 31 DECEMBER (HEALTHY)	**19,071**	**19,244**	**0.9%**

[1] *Including internal funds.*

Breakdown of guaranteed risks by purpose, excluding internal funds (in percentage):

Breakdown of guaranteed risks by purpose (excluding internal funds)	2022	2023
Creation	52.22%	49.98%
Transfer	19.57%	20.02%
Development	17.82%	18.32%
Innovation	2.11%	2.16%
International	2.23%	2.41%
Cash	6.05%	7.12%
TOTAL	**100%**	**100%**

Breakdown of loans by business sector (in percentage):

Breakdown of guaranteed loans by business sector	2022	2023
Industry	20.65%	18.80%
Construction	6.88%	6.53%
Trade - Transportation	24.35%	23.19%
Business services	13.41%	14.71%
Personal services	21.26%	21.85%
Tourism	13.45%	14.92%
TOTAL	**100%**	**100%**

Comments on the evolution of the activity:

NEW GROWTH IN THE GUARANTEE BUSINESS IN 2023:

After strong growth in 2022, the guarantee business has maintained good momentum of 5% in 2023, even against a backdrop of overall growth in banking sector loans to businesses of 2.7%. The sum of the risk assumed by Bpifrance has risen from €4.1bn to €4.33bn.

The Creation Fund, which had supported the business to a considerable extent for the past two years, has stabilised. Nevertheless, it remains the largest, with 46% in terms of lending volumes and 76% of applications authorised. The Development Fund comes in second with very considerable growth of 8.4%. The Transmission Fund experienced a marked increase with growth of 7.9%. It accounts for 25% in terms of lending volume and 7.4% of applications authorised.

The successor of the classic PGE, the Resilience PGE, created in response to the conflict in Ukraine in 2022, ceased to be marketed on 31 December 2023. It helped 1,626 businesses in 2023 for an average individual sum of around 409,000 euros (compared to 160,000 for all PGEs). The Resilience PGE was more sought after by ETIs, which represent 13% of beneficiaries (compared to 1.8% for all PGEs).

Finally, 19,500 Student Loans were guaranteed on behalf of the State for a total financing sum of €253m. Use of the digital token platform was extended to all banks and was broadly used by students, making access to this mechanism easier.

Key figures for Bpifrance Régions:

Activity *(amounts in €m)*	**2022**	**2023**	**Change** *in %*
Amount of guaranteed loans	**1,194**	**1,259**	**5.49%**
Creation	440	411	-6.62%
Transfer	474	547	15.51%
Development	266	272	2.21%
Cash	14	30	106.75%
Breakdown by type of guaranteed intervention	**1,194**	**1,259**	**5.49%**
Bank loans	1,194	1,259	5.49%
Number of guaranteed loans	**2,635**	**2,592**	**-1.63%**
Net amount of covered risks	**350**	**350**	**-0.07%**
TOTAL OUTSTANDING RISK AS AT 31 DECEMBER	**1,119**	**1,125**	**0.53%**

Breakdown of guaranteed loans by business sector for Bpifrance Régions (in percentage):

Breakdown of guaranteed loans by business sector	**2022**	**2023**
Industry	15.25%	17.78%
Construction	11.50%	9.59%
Trade - Transportation	23.79%	19.46%
Business services	12.53%	18.25%
Personal services	19.07%	20.14%
Tourism	17.85%	14.78%
TOTAL	**100%**	**100%**

2.4.3. Innovation

Distribution of subsidies/advances/loans

Activity *(€m)*	2022	2023
Support for Innovation – Network	881	958
of which R&D Innovation Loan	464	444
Support for Innovation – Programmes and Competitions	428	619
Loans (unsecured and OC FTS)	584	501
Innovation Support SGL	14	0
Recovery Plan	351	17
Directed Sectoral Component	2,214	7,320
Of which notified projects	1,431	5,244
TOTAL	**4,473**	**9,415**

Comments on the evolution of the activity

With the acceleration in the roll-out of France 2030, which allowed 9.4 billion euros to be deployed in 2023, Bpifrance's innovation support business set a new record.

In 2023, more than 6,000 businesses benefited from innovation financing in assistance and loans provided by the network and the Bpifrance Expertise Department.

In terms of value, Bpifrance has considerably scaled up its support with more than €9.4bn deployed in 2023. This is more than double the 2022 figure (+110% growth) and is in excess of seven times the 2019 level.

This exceptional increase is explained by the acceleration in the roll-out of France 2030, with (i) financing decisions in support of major strategic projects (Liberty, Verkor, Nuward, IPCEI H2 and Nano), (ii) the growth of sector-based calls for projects deployed under the targeted component of France 2030 (H2, Materials, Quantum, AI, Automotive, Space, etc.), and (iii) the continued vibrant business of the structural programmes implemented at the national level (i-Lab, i-Nov, i-Demo, 1re Usine) and across the Bpifrance network (for example, deeptech grants or R&D innovation loans, etc.). In total, over 90% of total business was financed by France 2030 with the remainder financed or guaranteed by Europe, the Regions or specific Ministries.

The targeted component of France 2030 is primarily comprised of the contracting of major projects to the value of €5.24bn. These include Liberty for €2.8bn, Verkor for €569m and Nuward for €300m, as well as the Hydrogen IPCEI for €820m and the Nano IPCEI for €779m. Furthermore, the financing of projects under the sector-based pillars of the targeted component has risen considerably by +165% to €2.1bn in 2023, as compared to €783m in 2022.

The structural innovation grants awarded under the national call for projects are buoyed by the very strong growth of the 1re Usine mechanism (€220m in 2023, compared to €26m in 2022), but saw a drop for the i-Lab, i-Nov, i-Demo spectrum (€263m in 2023, -34% compared to 2022).

Structural innovation grants awarded by the Bpifrance network are up by +9%, as compared to 2022, and amounted to €958m in 2023. The Deeptech grants (Bourse French Tech Emergence and Deeptech Development Grants) continued to grow (+7% as compared to 2022) and the roll-out of the Bourse French Tech Lab has commenced with the first applications approved. R&D Innovation Loans remained the top mechanism in terms of value, with production of €444m. The roll-out of the Industrial Recovery mobilised €19m.

Unsecured Innovation Loans were down by -14% compared to 2022 and accounted for €501m in 2023. The New Industry Loan continued to grow, with €104m deployed (2.4 times more than in 2022), and Seed Loans and Seed Investment Loans held their ground despite a significant drop in the fundraising market. Conversely, the Innovation Loan posted a more noticeable drop.

The extension of the Territoires d'industrie programme facilitated the mobilisation of €17m, while the national component of the modernisation Relaunch Plan is now completely finished, as is the Innovation Support PGE.

In the framework of the Deep Tech Plan, the Pôles universitaires d'innovation (university innovation hubs) mechanism launched with €137m mobilised (of the €165m planned) to galvanise the emergence of deeptech projects arising from research.

2.4.4. Investment business lines

The work of Bpifrance Investissement is set out below, in two parts. Firstly, in the form of a concise analysis (I) highlighting the major characteristics of the work of Bpifrance Investissement in 2023, and secondly in the form of a detailed analysis (II) of the assets and portfolio managed in 2023, and of their development during this financial year.

I. Summary analysis - Main activities

a) Development Capital business line

2023 saw the consolidation of the vigour of the Development Capital teams, who invested €1.7bn in over 200 companies (+12% in investments vs 2022).

- **The business of the Large Cap division amounted to over €1bn**, including the €455m in investments made by the Lac 1 Fund (Alstom, Elis). The team executed 35 operations, primarily new investments in ETIs, such as Ateliers de France, EPSA, Adhetec, Tesca, Quadient and Biose. The trend of reinvesting in holdings to support their development has continued, in particular in major companies (GE) (for example, Malteries Soufflet, Worldline), but also in intermediate-sized businesses (ETIs) that lie at the heart of strategic sectors, such as the energy and environmental transition (Neoen), French Touch (Mediawan) or cybersecurity (Chapsvision).
- **The Mid Cap Debt and Equity Fund business totalled €257m**, in particular on account of a record year for the Debt business (€206m, i.e. +52% as compared to 2022), in particular due to investments in Relaunch Bonds. For Debt and Equity alike, and in keeping with 2022, the business focused on the sectors of health (Guerbet, Edukea, Laboratoires Delbert), industry (BCF Life Sciences, AB Process, Wichard) and digital, including artificial intelligence (Braincube, Groupe Passman, Nomotech).
- **The Small Cap Regions business deployed over €320m** (+12% vs 2022) in support of business across France. In keeping with 2022, the teams scaled up their investments in the French industrial branch (Semin, Rondo, Cevino, MH Industries, Demgy, Lessonia) and other strategic sectors for Bpifrance, such as health (X-Ray Phocea, Anjac), digital (Infodis, Teranga) or companies providing industrialisation advice (Neo2, Kickmaker).
- **The Tourism Fund deployed €70m** (+35% vs 2022) to support actors in hospitality (Parcel, Cimehotel, Timhotel, Atypio), leisure (Catalante Catamaran, Caliceo) or catering (BK Group). 2023 also saw the creation and launch of the **France Investment Tourism 3 Fund (FIT3)**, with a target size of €200m and Article 8 SFDR.
- **The Environment Impact Fund Division deployed €62m** (+171% vs 2022), a record pace of deployment that confirms Bpifrance's commitment to the sectors of the Energy and Environmental Transition with actors from, in particular, renewable energies and the timber industry joining the portfolio (TSE, Eléments, Linex), and the strengthening of support to historical holdings (Technique Solaire, Groupe TGW, Newheat, Langa International, Ciel et Terre). 2023 also saw the creation and launch of the **France Investissement Énergie Environnement Fund (FIEE 2)**, with a target size of €240m. This is Bpifrance's first Article 9 SFDR fund.

Portfolio rotation continued in 2023, with disposals of €1bn.

- In terms of **Large Cap**, the team made 11 disposals for a total of €549m, including, notably, the full disposal of De Dietrich and Total Eren, which confirms the ETI portfolio rotation trend already observed in 2022. The full disposal of Vilmorin, in the context of the takeover bid made by Limagrain, should also be noted.
- The **Mid Cap** team made 18 disposals in Debt and Equity during the year for a total of €173m (+33% vs 2022), including the full disposal of Looping, Transports Malherbe, Invoke Growth, Biotech Dental and Synchrone.
- In terms of **Small Cap**, the general and thematic teams executed 88 disposal operations worth €332m (+44% vs 2022) for a multiple of 3x.
    - The Small Cap Regions business had good general portfolio exits (Orest, Micromed, Anjou Volailles, Weliom).
    - The Tourism and Leisure Division continued its portfolio rotation with, in particular, the disposals of Potel & Chabot in catering and leisure, and Sequoiasoft in tourism services.
    - The Impact Environment Fund Division made disposals in the field of the environment (Environnement Recyling) and from its historical portfolios in nuclear (Atrix Group) and rail (Vaperail).

b) Fund of funds business line

Bpifrance indirectly takes minority stakes in companies, from start-up to transfer, in order to give them the means to grow. It invests indirectly through its own funds and funds managed on behalf of third parties in more than 580 national or regional private funds and 28 funds targeting Africa and the Mediterranean region.

Bpifrance assists the managers of innovation and development capital funds that meet private investors' expectations by subscribing, most often upon the first transaction of a significant size. Thus, the aim is to gradually contribute to market consolidation by selecting successful teams and encouraging an increase in the funds under management. On a limited basis, Bpifrance also supports new teams insofar as they present a highly differentiating investment strategy, a proven track record and the ability to raise a substantial fund.

After years of growth from 2013 to 2021, the Fund of Funds activity grew again in 2022, with a record €1,603m in subscriptions in 70 new funds.

Subscriptions made on behalf of Bpifrance's own account represented nearly 60% of the year's subscriptions, at nearly €945m[7], while subscriptions on behalf of third parties reached 40%, at nearly €658m. These were carried out on behalf of the France 2030 Plan.

Innovation Capital accounted for two-thirds of subscriptions in 2022, while Development Capital accounted for one-third.

For example, Bpifrance subscribed to:

- **TILT**, a Development Capital fund managed by TILT CAPITAL PARTNERS, focused on the energy transition. The fund is targeting a size of €250m and is focusing on four investment themes: energy efficiency, energy storage and production, energy network management, and decentralised energy solutions;
- **SINGULAR II**, a general fund with a target size of €350m in venture capital. Managed by SINGULAR CAPITAL PARTNERS, the fund will invest in around twenty Series A and B investments in high-growth, disruptive digital technology sectors;
- **CIPANGO I**, a fund specialising in the acquisition and turnaround of distressed companies with a target size of €120m, managed by ARCOLE. This fund will invest in around ten majority stakes in French companies with tickets of between €1m and €20m, with its team providing strong operational support, in particular by taking on corporate mandates;
- **FRENCHFOOD POSITIVE IMPACT**, FRENCH FOOD CAPITAL's second-generation fund, with a target size of €250m. This fund will focus on the transition to sustainable food and will invest in around fifteen minority or majority stakes in the following segments: consumer goods, retail and related services;
- **RELANCE NOUVELLE AQUITAINE**, a €20m general regional fund managed by AQUITI GESTION. This fund will operate in the Nouvelle Aquitaine region, with a particular focus on around twenty SMEs which can demonstrate their recovery, particularly those affected by the crisis;
- **PARTENAIRE CROISSANCE II**, general inter-regional fund with a capital of €50m, managed by INNOVAFONDS. The Capital Développement-Transmission fund will make minority or majority investments in around 10 SMEs and medium-size enterprises in Auvergne-Rhône-Alpes and Bourgogne-Franche-Comté, primarily in the industrial sector.

In terms of regional and interregional funds, Bpifrance continued to support management teams focused on France's regions: €150m was subscribed to 8 new funds.

The regional activities of Bpifrance's Fund of Funds continued in the context of the consolidation of regional teams, in line with Bpifrance's strategy as well as the merger of French administrative regions implemented over the past 6 years.

In Africa, subscriptions to funds of funds amounted to almost €15m (in addition to the €1,603m mentioned above).

c) Innovation Capital business line

Bpifrance Investissement's Innovation business line is made up of wise and patient investors who support companies over the long term in order to meet unmet market needs. Bpifrance co-invests with local players by selecting and supporting the companies with the greatest growth potential and by encouraging consolidation.

In a bearish market context (fundraising amounted to €8.5bn in 2023, i.e. a drop of -40% compared to the previous year), Bpifrance's Capital Innovation business only contracted by -7% in 2023, thus fully fulfilling its contracyclical role. Thus, €677m was mobilised in 150 operations, including 52 new investments, and nearly 70% of the sums were used to support the portfolio.

The Large Venture Fund business saw an exceptional slowdown in 2023, at €93m invested, namely a contraction of -74% as compared to 2022, in keeping with the very significant slowdown of the *growth* segment market. In particular, the fund invested in Ringover and broadly supported its portfolio through reinvestments.

This marked drop in Large Ventures, which in previous years accounted for around 50% of the investment business line, was nevertheless largely compensated for by the strong performance of the venture capital funds dedicated to the *early stage* (€248m, i.e. +9% as compared to 2022) and by the very strong acceleration of industrial investments through the SPI Fund (€179.5m, i.e. +129% as compared to 2022), as well as strategic investments *through* the French Tech Sovereignty Fund (€157m, i.e. +166% as compared to 2022).

The Digital Venture Division maintained its activity at 2022 levels with €60m invested (in particular in Mistral AI, Poolside, Dattak, Niryo, Teale, Juno, Louise Life, Callyope and AMO, with deeptech proving to be an important basis of the investment strategy, in particular artificial intelligence, whether new LLM models or applications). The Life Sciences Division invested €60m (in particular in Alentis, Algo Therapeutics, Amolyt Pharma, Guard, Uromems and Cairdac), the Green Division invested €25m (in particular in Sencrop, Ynsect, Aledia, Ayro and Elicit Plant), the French Tech Acceleration Division invested €8m (in particular in 4Elements Fund I, AgriLife Studio and FrenchFounders), the Deeptech Venture Division invested €66m (in particular in Numalis, Provenrun, Greenerwave, Microoled, XXII, Share my Space, Quobly, Caeli Energie, Diamfab, Echopen, Mob Energy, Mycophyto, etc.), the Cultural and Creative Industries Division invested €21m (in particular in Chamatex, Docent, Brut, Gamestream and Respire) and the Industrial Seed Division invested €8m (in particular in Angell Bikes).

7 *Share held by Bpifrance*

The SPI funds, managed by Bpifrance on behalf of France 2030, which constitute a key mechanism in terms of supporting the reindustrialisation movement, made record deployments with €179.5m invested and nine new holdings, including Verkor, Umiami, Exotrail, Expliseat, Corwave, Milla and Vulkam, as well as one investment in its demonstrators pocket. This activity testifies to real vitality among industrial start-ups and their growing adoption of industrialisation strategies in their own right.

The French Tech Sovereignty Fund, which has been entrusted to Bpifrance by the State in order to secure the investments of French businesses in sovereign technologies, has invested in seven businesses (including Ascendance Flight Technologies, Ynsect, Scalinx and Sipearl).

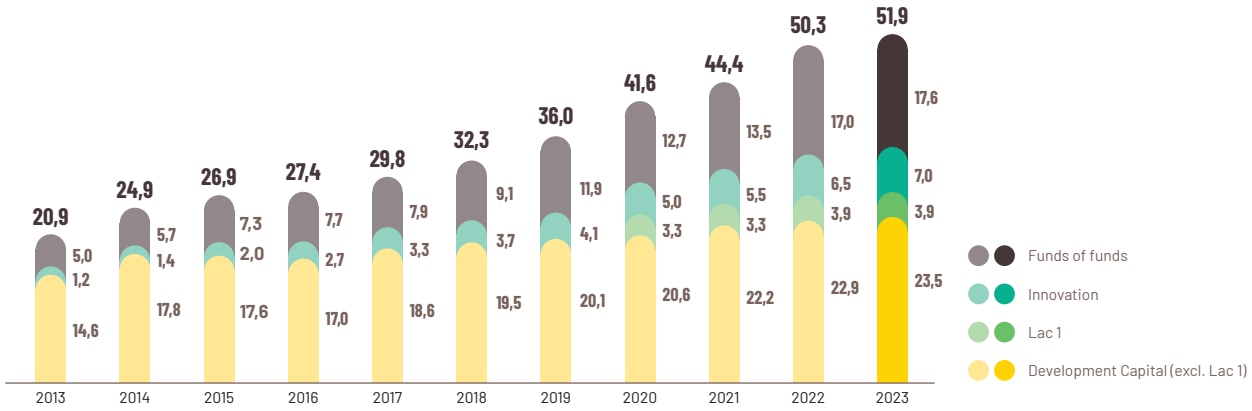
The investment business has provided very significant support to Bpifrance's strategic axes in 2023, with €505m invested in deeptech, €520m in industrial start-ups, €289m in greentech, €138m in AI start-ups, €117m in French Care innovative businesses and €28m in French Touch start-ups.

Finally, the Hub's acceleration business has enabled guidance to be provided to Bpifrance Investissement holdings in the form of several services: talent recruitment, contact making, operational support, community coordination and visibility.

II. Detailed analysis

a) Assets under management

Assets under management by Business line (€bn)

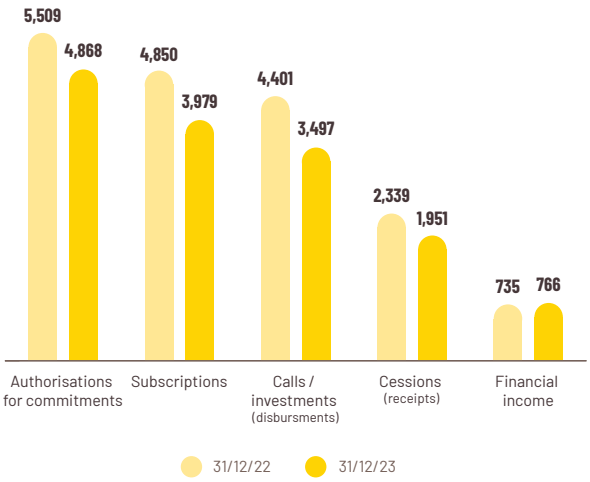


Assets under management increased between 2022 and 2023 by €1.7bn, including:

- **Fund of Funds business line**: +€0.6bn
  - As regards the funds managed on behalf of the PIA (Investing in the Future Programme): raising and assumption of management of the National Industrial Venture Fund (FNVI) for €350m, and an increase in the size of the FABS Fund of €140m,
  - As regards funds managed on behalf of third parties: raising and assumption of management of the Growth II Fund of Funds (FFG II) for €100m.
- **Development Capital business line:** +€0.6bn
  - Raising and assumption of management of the Bpifrance Private Debt 3 Fund through shareholder's equity for €300m,
  - The change in the direct portfolio of large and medium-size enterprises is linked to flows of disposals and investments, i.e. +€258m,
  - Raising and assumption of management of the FIEE 2 Fund for €169m (of which 88% through shareholder's equity),
  - Raising and assumption of management of the FIT 3 Fund through shareholder's equity for €100m,
  - Increase in the size of the FIT 2 Fund by €54m (including 32% through shareholder's equity),
  - Expansion of the remit of the France Relaunch Bonds by €100m (including 2% subscribed by Bpifrance Investissement and 6% subscribed by Bpifrance Participations),
  - Expansion of the French Tech Sovereignty remit subscribed by the PIA for €300m, including €39m allocated to the Large Cap team;
  - Fund disposals/liquidations for -€402m.
- **Innovation Capital business line**: +€0.4bn
  - As regards the funds managed on behalf of the PIA (Investing in the Future Programme): increase in the size of the French Tech Seed Fund of €150m (of which €50m managed by Bpifrance Investissement) and expansion of the remit of French Tech Sovereignty, subscribed by the PIA for €300m, of which €261m is allocated to the Innovation team,
  - As regards funds managed on behalf of third parties: increase in the size of the Innovation Defence Fund of €50m,
  - Raising and assumption of management of the Bpifrance Industrial Seed Fund through shareholder's equity for €50m.

b) Change in the portfolio under management

Annual activity flows of Bpifrance Investissement in €m (2023 vs. 2022)



In 2023, Bpifrance Investissement authorised €4,868m of investments, distributed as follows:

- €1,582m for the Fund of funds (partner funds, and Africa and Mediterranean funds);
- €2,479m for the Development Capital business line, including €1,491m for Large Cap funds and direct holdings, €461m for Mid Cap funds and €527m for Small Cap funds;
- €807m for the Capital Innovation business line.

Subscriptions for 2023 amounted to €3,979m and are detailed as follows:

- €1,581m for the Fund of funds (excluding cancellations of commitments made);
- €1,721m in subscriptions for the Development Capital business line, including €1,010m for Large Cap funds and direct holdings, €256m for Mid Cap funds and €455m for Small Cap funds;
- €677m was subscribed by the Innovation Department teams.

Investments made by Bpifrance Investissement in 2023 amounted to €3,497m, detailed as follows:

- €1,108m in calls paid by the Funds of Funds business line for the deployment of partner funds;
- €1,721m for the Development Capital business line, including €1,010m for Large Cap funds and direct investments, €256m for Mid Cap funds, and €455m for Small Cap funds;
- €667m was disbursed by the Innovation Department teams.

In 2023, Bpifrance Investissement carried out disposals for €1,951m, broken down as follows:

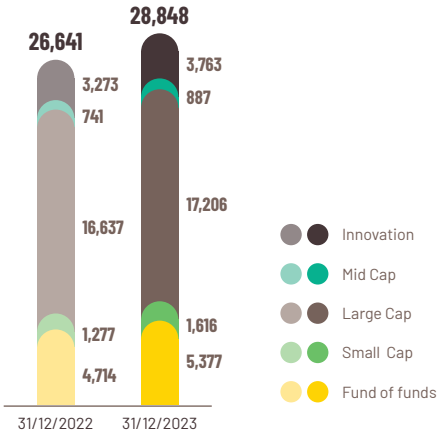
- €669m in distributions received by the Fund of Funds business line, including €223m in net capital gains;
- €1,053m realised by the Development Capital business line, of which €549m was realised by the Large Cap business, including net capital gains of €107m, €173m by the Mid Cap business, including net capital gains of €40m, and €332m by the Small Cap business, including net capital gains of €216m;
- €229m received by the Innovation Capital business line, with a net capital gain of €54m.

Lastly, during 2023, Bpifrance Investissement received financial income of €766m, broken down as follows:

- €12m received by the Fund of Funds business line;
- €751m received by the Development Capital business line, including €685m for the Large Cap business, €34m for the Mid Cap business and €32m for the Small Cap business;
- €3m received by the Innovation Capital business line.

The total gross value of the portfolios of funds and direct investments managed by Bpifrance Investissement was €28,848m at 31 December 2023.

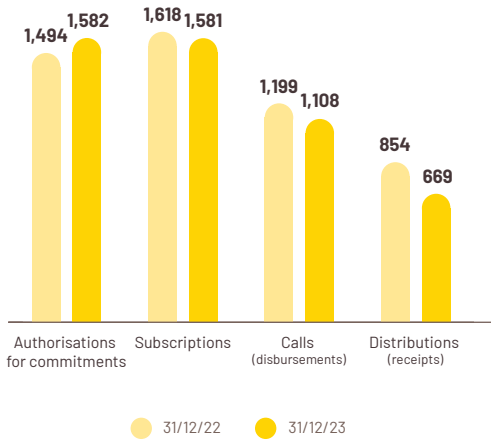
Gross value of portfolios managed by Bpifrance Investissement in €m (2023 vs. 2022)



III. Change by business line

a) Fund of Funds business line

Annual activity flows of funds of funds managed by Bpifrance Investissement in €m (2023 vs. 2022)



The graph above shows the flows associated with the investment and distribution activities of partner funds. Flows relating to direct funds held by funds of funds have been restated. For example, the calls and amortisations of the FNA fund were restated from the flows related to the FBIMR fund.

Fund of Funds commitment authorisations

At the end of 2023, the amount of commitment authorisations, excluding waivers, taken by the Bpifrance Investment Committee was €1,582m. These commitment authorisations were taken on behalf of Bpifrance's own funds for €948m, with the remaining balance primarily allocated to funds from PIA programmes (FABS, FNA 2, FTA 2, FMC4, FNVI) for €533m).

These authorisations break down as follows:

- Seed funding, €183m authorised (of which €104m through FNA 2), as compared to €184m in 2022 (of which €140m through FNA 2);
- Venture capital, €192m authorised (of which €122m through FFI VI), as compared to €481m in 2022;
- Development Capital, €533m authorised (of which €395m through FFI VI), as compared to €501m authorised in 2022;
- Capital growth, €654m authorised (of which €274m through FMC4 and €268m through FFI VI), as compared to €308m authorised in 2022;
- Africa and Mediterranean Fund of Funds: €20m authorised, the same figure as in 2022.

Fund of funds subscriptions

Innovation Capital account for 60% of subscriptions in 2023, while Development Capital account for 40%.

The majority of new subscriptions in 2023 come from funds in the investment period, i.e., FFI VI (€972m), FMC4 (€238m), FNA 2 (€129m), FABS (€50m) and FNVI (€41m). Total subscriptions by the Fund of Funds business line in 2023 amounted to €1,581m, compared with €1,618m in 2022.

Fund of funds calls and distributions

Portfolio calls in 2023 amounted to €1,108m and portfolio distributions to €669m, for a portfolio amortisation of €446m.

Portfolio calls were concentrated on funds held in FFI V (€358m), FFI IV (€172m), and FFI VI (€133m) as well as PIA funds (€295m), including FMC3 (€65m), FNA 2 (€59m), FFMC2 (€31m), FNA (€25m) and FNVI (€20m). Among the other funds of funds under management, calls were concentrated on the Growth Fund of Funds (€51m) and the APE - Aéro Funds mandate (€28m).

Portfolio distributions remain concentrated on the FFI IV (€218m), FFFI III (€149m), FFMC2 (€56m), FFI II (€40m) and FFI3+ (€29m) funds, which together accounted for nearly 75% of total distributions in 2023.

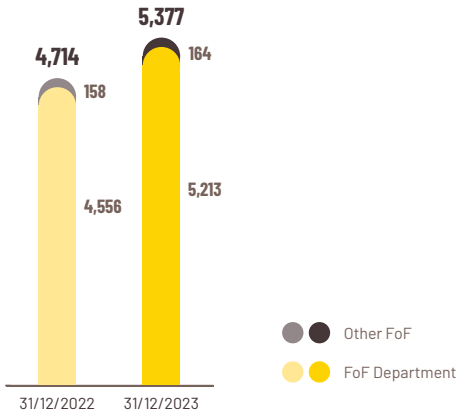
The funds of funds managed by Bpifrance Investissement received net capital gains of nearly €223m during the year 2023, including €97m for FFFI III, thanks in particular to the KEENSIGHT IV (€19m) and OPV EARLY STAGE I (€18m) funds, €40m for FFMC2 thanks in particular to the KEENSIGHT IV (€40m) fund, €28m for FFI II, €27m for FFI IV, and €25m for FFI3+.

Total exits in 2023

25 funds or investment companies exited the Fund of funds portfolio in 2022 (liquidation of mature funds):

- 1 fund in the FCPR fund portfolio: JET INNOVATION SUD (0,9x);
- 3 funds in the FCPR 2000 portfolio: ELAIA VENTURES I (3,3x), INNOVACOM5 (1,0x), BIODISCOVERY 2 (0,7x);
- 1 fund in the FCIR portfolio: RHONE-ALPES AUVERGNE BOURGOGNE PME 2 (1,4x);
- 1 fund in the FFT3 fund portfolio: ORKOS III (0,1x);
- 5 funds in the FPMEI portfolio: INDUSTRIES & FINANCES INVESTISSEMENTS 2 (1,3x), NORMANDIE CREATION 1 (1,4x), BV4 (0,4x), LFPI CROISSANCE (1,1x) and EPF III (1,0x);
- 1 fund in the FSI PME Portfolio (private Funds of Funds segment): APEH FRANCE INVESTISSEMENT 2 (1,9x);
- 3 funds in the FFI A portfolio: MONTPARNASSE INVESTISSEMENT IV (1,4x), EKKIO CAPITAL II (2,3x) and PME CHAMPIONNES II (1,4x);
- 3 funds or companies in the FFI B portfolio: SIPAREX ENTREPRENEURS I (1,6x), FCT GIAC OBLIGATIONS LONG TERME (1,2x) and PROXIPACA FINANCE (0,5x);
- 4 funds in the FFI II portfolio: FCPR RHONE-ALPES AUVERGNE BOURGOGNE PME 3 (1,6x), D& P V (1,8x), CABESTAN CAPITAL (2,5x) and EPF IV (1,8x);
- 1 fund in the FFFI III Portfolio: PREDIREC LEASING STRATEGIQUE (1,1x);
- Two direct passive joint investment funds from the FFI IV Fund portfolio: IN'TECH INVESTORS (2.7x) and CAPZACO III (1.9x);

Gross value of Fund of Funds portfolios managed by Bpifrance Investissement in €m (2023 vs. 2022)

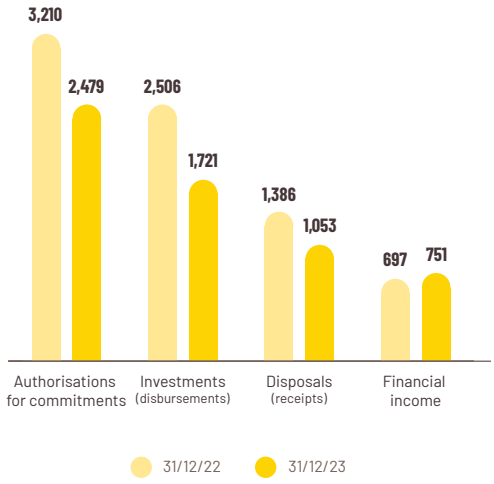


The **gross value of the Funds of Funds portfolio** at 31 December 2022 and 31 December 2023 corresponds to the stock of investments in partner funds; the outstanding amounts relating to direct managed funds held by the Funds of Funds have been restated. The gross value of the Fund of Funds portfolio (including international funds and EIF) was €5.4bn at 31 December 2023.

b) Development Capital business line

The graph below shows the flows associated with the investment and disposal activities of the funds and direct holdings managed by the Development Capital division. FAA cash flows are restated to exclude cash flows relating to FAA rank 2, in which it holds a 50% stake.

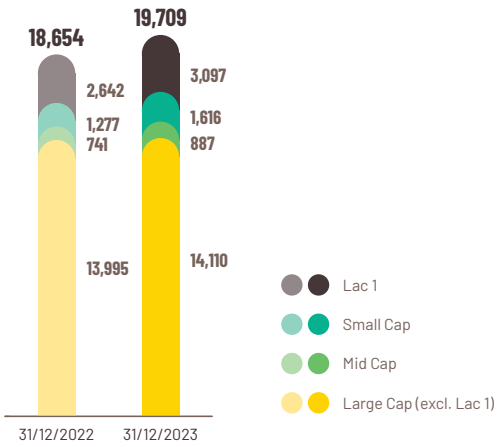
Annual activity flows of Development Capital funds managed by Bpifrance Investissement in €m (2023 vs. 2022)



The Development Capital business line encompassing the Large Cap, Mid Cap and Small Cap holdings made investments worth €1,721m in 2023 in 208 operations, including five joint investments of the three business lines (Technique Solaire, Groupe Pénèlope, Lessonia, SAF and TSE), as compared to €2,506m (in 186 operations) in 2022. The sums invested were down by 31% (except Lac1, which was down by 13%). However, activity in terms of number of operations was up by 12%. Disposals amounted to €1,053m in 2023, as compared to €1,386m in 2022.

The gross value of the portfolio of funds and direct holdings managed by the Development Capital division at 31 December 2022 and at 31 December 2023 corresponds to the stock of investments; the amounts outstanding relating to the FAA rank 2 fund, 50% held by the FAA fund, have been restated.

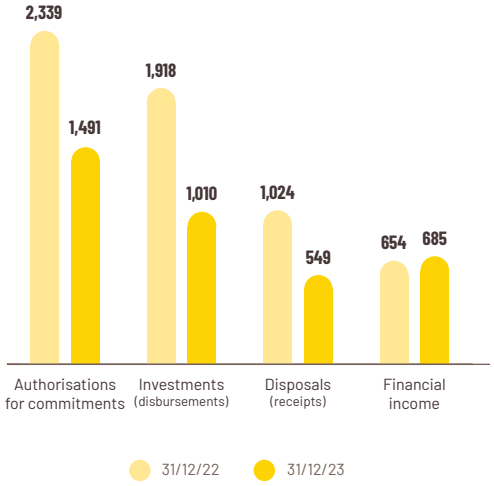
Gross value of portfolios of Development Capital funds and direct investments managed by Bpifrance Investissement in €m (2023 vs. 2022)



Large Cap

The graph below shows the flows associated with the investments and disposals of funds and direct holdings managed by the Large Cap team. FAA cash flows are restated to exclude cash flows relating to FAA rank 2, in which it holds a 50% stake.

Annual activity flows of Large Cap funds and direct holdings managed by Bpifrance Investissement in €m (2023 vs. 2022)



Investments

Large Cap fund investments and direct holdings were down at €1,010m in 2023, as compared to €1,918m in 2022 (€556m in 2023, as compared to €864m in 2022, excluding Lac 1).

The **Lac 1** Fund reinvested €455m in three businesses, as compared to a total investment in 2022 of €1,054m in six businesses (including two reinvestments).

Investments in **Large companies** amounted to €167m, as compared to the €274m made in 2022. These are comprised of four reinvestments, of which €102m in Malteries Soufflet in order to finance the acquisition of the Australian United Malt Group. Continued investment in Quadient, seeded in 2022, for €46m in 2023, enabled Bpifrance to hold 8% of the company's capital and consequently to be represented at the General Meeting of an actor that tackles the challenges of sovereignty. The other two reinvestments were Worldline for €12m and Technicolor Creative Studios for €6m.

In 2023, investments in **Mid-sized companies** amounted to €363m, as compared to €561m in 2022. The number of operations carried out in 2023 rose to 24, including 13 reinvestments, as compared to 15 operations in 2022, including seven reinvestments. The main new dossiers for the year are Biose for €64m (including €39m through the French Tech Sovereignty remit subscribed by the PIA), Ateliers De France and EPSA for €40m each, Technique Solaire for €32m and Adhetec for €30m. Reinvestments were primarily comprised of Neoen for €34m, Mediawan for €12m, Mersen for €11m and Chapsvision for €10m.

The activity of the **Automotive division** was up in 2023 with €25m in investments made in five companies, as compared to €1m in 2022 in one company. These investments involved the FAA 2 Fund with investment of €20m in three new companies (Tesca: €10m, Impériales Wheels: €7m and EyeLights: €3m) and the FAA Fund with €5m reinvested in two companies (Trèves: €3m and Setforge: €2m).

The **International Development Capital** team, which made investments of €28m in 2022, did not make any investments in 2023.

Disposals

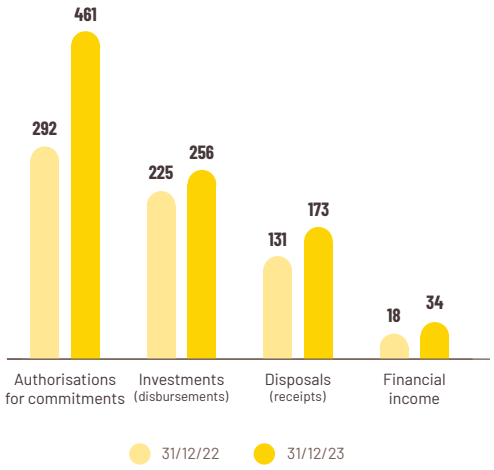
Disposals made by the Large Cap funds and the direct scope amounted to a gross value of €442m for cash receipts of €549m, as compared to €1,477m for cash receipts of €1,024m in 2022. These disposals represented 11 operations in 2023 (including seven full disposals and four partial disposals), as compared to 22 in 2022:

- For the large companies (GE) segment, one full disposal was executed in 2023. Bpifrance disposed of its Vilmorin securities in the framework of the takeover bid made by Limagrain for €82m, making a capital gain of €19m;
- For the mid-sized companies (ETI) segment, portfolio rotation continued with ten disposals amounting to €464m (vs €401m in 2022) for a cost price of €378m and a capital gain of €86m. These were spread over six full disposals, including Total Eren for €341m, Neoxam for €35m, De Dietrich for €21m and Gascogne for €20m, and four partial disposals, notably the monetisation of Criteo shares for €28m;
- No disposal was made in 2023 by the Automotive, International Development Capital and Lac 1 Divisions.

The gross value of the Development Capital division's Large Cap portfolio managed by Bpifrance Investissement was €17.2bn at the end of 2023 (compared to €16.6bn at 31 December 2022). Most of these funds and investments are directly underwritten in whole or in part by Bpifrance Participations. Only the €189m investment under the French Tech Sovereignty mandate (underwritten by the PIA) is managed entirely on behalf of third parties.

Mid Cap

Annual activity flows of Mid Cap funds managed by Bpifrance Investissement in €m (2023 vs. 2022)



Investments

As at 31 December 2023, the investments made by the **Mid Cap** Funds, spread across the Equity, Debt and International Build-Up Divisions had risen to €256m in 33 companies, as compared to €225m in 25 companies in 2022.

Equity Division investments amounted to €41m in nine businesses, as compared to €89m in 11 businesses in 2022. The new investments were made by the Bpifrance Capital 2 Fund for €24m in three new companies, while reinvestments were spread between the Bpifrance Capital I (€8m), Bpifrance Mezzanine I (€8m) and FIC 5 (€1m) Funds.

Debt Division funds were used to make €206m in investments in 21 businesses, as compared to €136m in 2022 in 15 businesses. These investments focused on two vehicles (i) the Relaunch Bonds remit with €98m invested in six companies and (ii) the Bpifrance Private Debt 3 Fund, raised at the start of 2023 for €300m, which invested €86m in eight new companies. The remaining investments were spread over the Bpifrance Private Debt II Fund for €14m in five companies and the Bpifrance Mezzanine I Fund for €9m in two companies.

The **International Build-up Division** invested €10m in three companies, including one new investment of €6m in Biogents through the FBI pocket of the Bpifrance Capital 2 Fund. This Division did not make any investments in 2022.

Disposals

Portfolio rotation continued for **Mid Cap** holdings with the execution of 18 partial and full disposals for cash receipts of €173m, including the following operations: Looping, Synchrone, Invoke Growth, Biotech Dental, Malherbe, Coutot-Roehrig and GCC. Net capital gains made on the disposals amounted to +€40m (primarily for the Equity funds for +€28m) and financial income was €34m (primarily from the Bpifrance Private Debt II Fund for €17m, FIC Private Debt for €5m and Bpifrance Private Debt 3 for €4m).

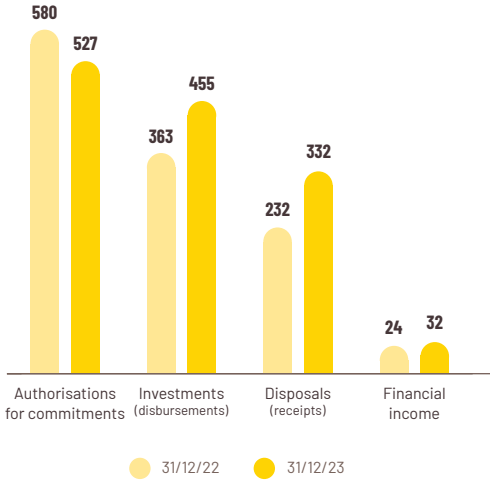
The **Equity Division** realised a disposals sum that was up as compared to the 2022 financial year with €86m in cash receipts for a cost price of €58m on eight disposals, as compared to €62m in cash receipts for a cost price of €40m on six disposals. These primarily concern the Bpifrance Capital I and FIC 5 funds with €50m and €31m in cash receipts for a cost price of €24m and €29m.

In 2023, the **Debt Division** funds made disposals of €86m for a cost price of €74m on 10 disposals, i.e. up as compared to 2022 (€69m in disposals for a cost price of €74m on eight disposals). The main funds contributing to the total cash receipts of the Debt Division are FIC Private Debt (cash receipts of €38m), Bpifrance Private Debt II (cash receipts of €30m) and Bpifrance Capital I (cash receipts of €15m).

The **gross value of the Development Capital division's Mid Cap portfolio** managed by Bpifrance Investissement was €887m at the end of 2023 (compared to €741m at 31 December 2022). Most of these funds are subscribed directly by Bpifrance Participations or indirectly via funds of funds for SMEs. Only the €145m Obligations Relance France Généraliste fund is deployed entirely on behalf of third parties.

Small Cap

Annual activity flows of Small Cap funds managed by Bpifrance Investissement in €m (2023 vs. 2022)



Investments

Investments in 2022 amounted to €455m in 145 companies, a higher level of activity than in 2022 (€363m invested in 130 companies).

Investments by Small Cap funds remained focused on the funds of the **Regions Division**, which amounted to €322m in 106 businesses, as compared to €288m in 94 businesses in 2022. Primarily, these fall under the Bpifrance Capital 2 Fund (€209m) and the Relaunch Bonds Fund (€73m). Of the funds that have completed their investment period, only Bpifrance Capital I (€19m) and FIR 1 (€5m) reinvested in their portfolio companies in 2023.

The **Tourism and Leisure** fund teams invested €70m in 23 companies in 2023, compared with €52m invested in 28 companies in 2022. Most activity was concentrated on the FIT 2 fund (€45m invested in 14 companies) and FIT 3 fund launched in 2023 (€23m invested in 6 companies).

In 2023, **Environment Impact Fund** Division funds were used to make €62m in investments in 16 companies, as compared to €23m in 9 companies in 2022. In 2023, these investments centred on the energy and environment (EE) sector through the FIEE 2 Fund, raised in 2023, for €29m in 8 new companies, and Bpifrance Capital I for €20m in 5 reinvestment operations. In terms of the timber industry, 3 new operations were carried out in 2023, for €12m through the Forest and Eco-Materials Fund (FBEM).

Disposals

The **Small Cap** Fund carried out 88 disposals in 2023 for a gross value of €116m and cash receipts of €332m, as compared to 97 disposals in 2022 for a gross value of €115m and cash receipts of €232m.

The disposals were primarily carried out by the **Regions Division** funds with a disposals for a gross value of €80m and cash receipts of €253m, as compared to disposals for a gross value of €74m and cash receipts of €157m in 2022. The Bpifrance Capital I Fund made disposals for a gross value of €41m during the year with cash receipts of €168m, i.e. a multiple of nearly 4.1x, excluding financial income, including the disposal of Orest for €87m with a multiple of 12.4x. FIR 1 realised disposals for a gross value of €27m during the year with cash receipts of €69m, i.e. a multiple of nearly 2.6x, excluding financial income. The other funds that made disposals in 2023 were FIR 4 with disposals for a gross value of €3m for cash receipts of €4m, Bpifrance Mezzanine I with disposals for a gross value of €2m for a disposal value of €3m, and FIR 3 and FIR 2, with a gross disposal value of €1m and €2m for cash receipts of €3m and €2m.

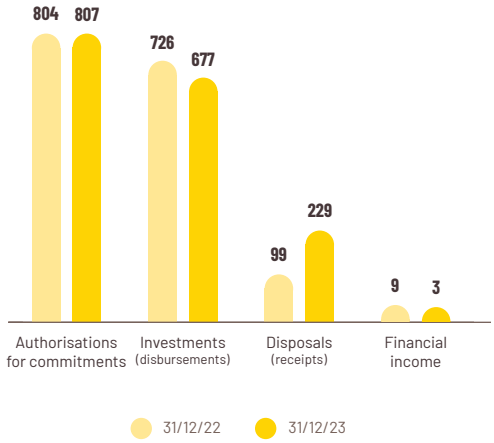
The **Impact Environment Fund** Division made disposals for a gross value of €10m for cash receipts of €30m, as compared to disposals for a gross value of €24m for cash receipts of €46m in 2022. These disposals focused on the Bpifrance Capital I and FDEN funds with a gross value of €3m disposed of for cash receipts of €11m and €10m respectively.

In 2023, the **Tourism and Leisure** Division fund made disposals that were up compared to 2022 for a gross value of €26m for cash receipts of €48m vs a gross value of €17m for €28m in cash receipts.

The gross value of the Development Capital division's **Small Cap portfolio** was therefore €1.6bn at the end of 2023 (vs. €1.3bn at 31 December 2022). Most of the funds are directly or indirectly subscribed by Bpifrance Participations via FSI PME Portfolio or funds of funds for SMEs. Only the €145m Definvest and the Obligations Relance France Généraliste funds are fully deployed on behalf of third parties.

c) Innovation Capital business line

Annual activity flows of Innovation Capital funds and direct investments managed by Bpifrance Investissement in €m (2023 vs. 2022[8])



Investments

The investments[9] made by the **Capital Innovation business line** in 2023 amounted to €677m in 150 businesses, i.e. an activity level that was down in terms of amount as compared to 2022, but stable in terms of the number of dossiers (€726m in 148 businesses). Unlike 2021 and 2022, activities in 2023 were primarily comprised of new investments, which represented 62% of the sums invested (as compared to 47% in 2022), but only 35% of dossiers (as compared to 35% in 2022).

Over 2023, 32% of investments made in terms of amount were from Bpifrance equity, 60% PIA funds and 8% other funds managed on behalf of third parties. In 2022, the investments made were broken down as follows: 66% from equity, 28% from PIA funds and 6% from funds managed on behalf of third parties.

During 2023, **Industrial Projects Division** funds made subscription commitments worth €179m, as compared to €78m in 2022. The SPI Fund made four additional subscription commitments for €32m, as compared to four subscription commitments (including one new one) for €38m in 2022. Its successor fund, SPI 2, raised in mid-2022, made nine new subscription commitments for €147m. In parallel to these subscription commitments, the three division funds made disbursements of €170m, both for subscription commitments relating to this year and earlier subscriptions made since the creation of the funds.

In the context of PIA activity, the **French Tech Sovereignty** Fund invested €157m in 10 businesses. The new investments comprised 92% of the sum invested and 70% of the dossiers processed with seven new businesses and an average ticket of €21m.

In 2023, the **Large Venture** team invested €93m in 21 businesses. Of these 21 dossiers, one is a new investment for €10m (Ringover Group). The other 20 dossiers processed are reinvestments for a sum of €83m, including €25m in Ynsect.

The sum of the disbursements made in 2023 by the **Transversal Innovation Division** amounted to €66m in 29 businesses. New investments accounted for 60% (by value, against 55% in 2022) and 47% (by volume, against 54% in 2022) of the Division's total investments in 2022. The PSIM fund, which reached €16m of investment in 4 companies in 2022, reinvested €10m in 3 companies. The Definvest Fund (jointly managed with the Small Cap business line) invested €8m in 5 businesses, a stable level as compared to 2022 (€8m in 6 businesses). The French Tech Seed Fund invested €12m in 14 companies, essentially under the French Tech Seed Phase 2 mechanism, as compared to investments of €9m in nine companies in 2022. The Defence Innovation Fund invested €27m in five businesses, as compared to €18m in four businesses in 2022. Finally, the Deeptech France 2030 Fund, which is presently being established, and for which the investments are borne by Bpifrance Participations, invested €6m in two businesses.

The **Digital Venture** team invested nearly €60m in 33 businesses, as compared to €63m in 40 businesses in 2022. New investments accounted for over half of investments in terms of value, with €32m in 11 businesses.

70% of the disbursements made in 2023 by the **Life Sciences** team were reinvestments: of the 18 investments made for a sum of €57m, 14 were reinvestments for a sum of €40m. In 2022, reinvestments accounted for €35m in 15 businesses, of the €38m invested in 17 businesses.

In 2023, the investment level of the **Eco-technologies** team remained stable as compared to 2022, namely €25m in 11 businesses (vs €24m in 13 businesses in 2022). Reinvestments totalled €23m in 10 businesses, i.e. 92% (in value) and 91% (in volume) of the sum total invested by the Ecotechnologies team.

In 2023, the investments of the **Creative Industries** team were down at €21m, in 11 businesses, as compared to €27m in 14 businesses in 2022. These investments were primarily made by the Bpifrance Capital 2 Fund.

The 2023 investments of the **French Tech Acceleration** Fund were up at €8m in eight companies, as compared to €4m in four businesses in 2022. This activity was spread over three new investments for €4m and five reinvestments for €4m.

The **Bpifrance Industrial Seed** Fund, raised in 2023, invested €8m in three companies, i.e. an average ticket of €3m.

The **Autonomous Patient** team reinvested €3m in four businesses, down compared to 2022 (investments of €18m in seven businesses).

8 The data as at 31/12/2022 has been recalculated to include the Industrial Projects Division, which was presented separately in the 2022 report.
9 The Investments data corresponds to the sums spent by the funds and direct holdings and to subscriptions for the FP Industrial Projects funds.

Disposals

The disposals made by the Innovation portfolio in 2023 amounted to a gross value of €175m for cash receipts of €229m through 13 partial disposals and 23 full disposals, up as compared to 2022 (33 disposals for a gross value of €110m and cash receipts of €99m).

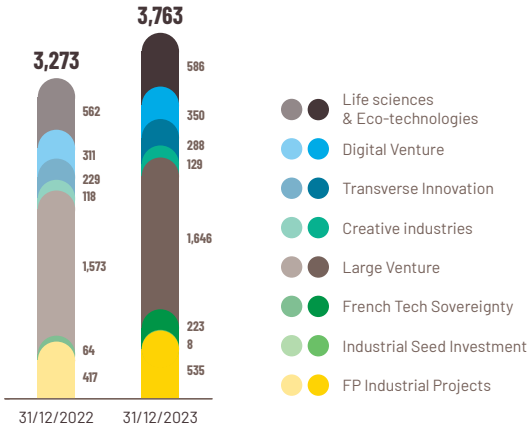
The Life Sciences team made eight disposals for a gross value of €57m and cash receipts of €125m, i.e. disposal multiple for the year of 2.2x. The main operations involved the full disposal of Vectivbio for cash receipts of €44m and a disposal multiple of 3.0x, of Emergence Therapeutics for cash receipts of €36m and a disposal multiple of 6.0x, as well as Limflow for €39m in cash receipts and a multiple of 2.0x.

The Large Venture team made five disposals for a gross value of €20m and cash receipts of €26m, including the disposal of Limflow for cash receipts of €20m and a multiple of 1.8x.

The Creative Industries team made three disposals for a gross value of €12m and cash receipts of €25m, including the disposal of Ateliers de France for cash receipts of €22m and a multiple of 2.1x.

The remaining disposals made in 2023 were spread over the teams responsible for Industrial Projects (gross value of €52m for €20m in cash receipts on two businesses), Digital Venture (gross value of €20m for €19m in cash receipts on 10 businesses), Transversal Innovation (gross value of €8m for €8m in cash receipts on four businesses), French Tech Acceleration (gross value of €3m for €3m in cash receipts on four businesses) and Ecotechnologies (gross value of €3m for €3m in cash receipts on one business).

Gross value of the Capital-Innovation fund portfolios and direct holdings managed by Bpifrance Investissement in €m (2023 vs 2022[10])



The gross value of the Capital-Innovation funds portfolio managed by Bpifrance Investissement amounted to €3.8bn at the end of 2023 (vs €3.3bn as at 31 December 2022). This portfolio strikes a balance between assets subscribed by Bpifrance Participations, primarily by the Large Venture, Digital Venture, Life Sciences, Creative Industries and Industrial Seed teams, and assets managed on behalf of third parties, including the Industrial Projects, Transversal Innovation and Ecotechnologies funds, as well as the investments made under the French Tech Sovereignty remit.

10 The data as at 31/12/2022 has been recalculated to include the Industrial Projects Division to the Innovation Department.

2.4.5. International

Export Department

	2022		2023		
	Amount (€m)	No. of companies	Amount (€m)	No. of companies	Change
Medium- to long-term credit insurance	**30,180**	89	**19,033**	107	-37%
Prospecting insurance (including APA)	**285**	1,501	**216**	1,352	-24%
Surety and pre-financing guarantees	**930**	370	**1 054**	393	13%
Foreign exchange insurance	**422**	62	**773**	70	83%
Export credit	**111**	13	**330**	13	197%
International Growth Loan	**313**	177	**295**	145	-6%
International Project Guarantee	**85**	172	**112**	180	32%
International support initiatives	**17 missions**	278	**26 missions**	415	49%
New businesses supported by Business France		3 876		4 011	3 %

€22bn **Total Export**

Including the sum of the International Growth Loans and the investments covered by the International Projects Guarantee (GPI) accounted for under the Financing and Guarantees section.

a) Export Insurance

2023 saw an increase in the number of businesses supported as compared to 2022, +9% for credit insurance, +6% for bond support and pre-financing and +13% for foreign exchange insurance. For its part, prospection insurance, aimed at exporting SMEs, saw a drop in the number of beneficiaries, -10%.

Credit Insurance

Credit insurance continued to support a large number of exporters with 107 businesses supported in 2023 (vs 98 in 2022), in particular for flagship transactions in the cruise sector, and rail and road developments. The sum of the guarantees granted at the end of December was, for its part, down by -37% at €19,033m in 2023 (vs €30,274m in 2022), in relation to the record level seen in 2022.

There was also strong activity in the field of insuring industrial projects in France or the supply of raw materials through the Strategic Projects Guarantee. The manufacture of electrical batteries in France facilitates support to the energy transition and reindustrialisation. In 2023, five operations were guaranteed for €2,056m.

Prospecting insurance

Prospection insurance continued its reorientation towards projects supporting green reindustrialisation. Activity levels were down slightly on account of budgetary restrictions. The number of agreements was down by -10%, 1,354 in 2023 (vs 1,502 in 2022). The sums guaranteed also fell by -24% with €216m in 2023 (vs €285m in 2022).

Surety and pre-financing guarantees

This year, the business saw a rise, both in terms of sureties and pre-financing. The overall number of approvals for both guarantees increased by +6%, i.e. 545 in 2023 (vs 514 in 2022) and in terms of amount an increase was also seen (+13%), with activity of €1,054m in 2023 (vs €930m in 2022). The launch, at the end of the year, of the Export Bond Support Lines, should be noted. This is a new product delegated to commercial banks to set up export bonds.

Foreign exchange insurance

The number of foreign exchange insurance beneficiaries bounced back this year (+13%), with 70 in 2023 (vs 62 in 2022), as well as the export volumes supported, +83%, €773m in 2023 (vs €422m in 2022).

Treasury loans and FASEP

The new tools managed on behalf of the State by Bpifrance Assurance Export also contributed to financing French exports with €558m in committed loans and €25m in subsidies aimed at financial feasibility studies for infrastructure and service projects in developing countries through the FASEP.

b) Export financing

Geopolitical instability in 2023 (destabilisation in the Sahel region of Africa and the crisis in the Middle East), on top of the earlier crises (Covid-19, logistic chain issues, conflict in Ukraine and energy inflation) has not dissuaded SME-ETIs from launching internationally. Nevertheless, the transformation of the infrastructure projects implemented by major groups was typical of the Export Credit business, which tripled its commitment volume to reach €330m for the year.

In 2023, 64% of export clients supported were SME-ETIs, and 71% of applications were for the African continent.

The year also saw diversification in the location of buyers, with, in particular, one contract in Uzbekistan, one in India and one in Mongolia.

c) International Business Support

4,000 companies (+3%) were supported through Bpifrance's partnership with Business France, renewed in 2022, as part of Team France Export. Note that the number of businesses taking part in Bpifrance's international missions has doubled and that 70% of these focus on Industry.

Bpifrance's employees abroad – the financial backbone of Team France Export in the field – have continued to work hard to serve exporters and their local partners.

International and European Affairs Department

Bpifrance has continued its active role in supporting European initiatives by taking part, in a sustained manner, in dialogue with its peers and the institutions, and by anticipating changes to regulations in key areas of activity: Green Deal, regulation of State, research and innovation grants.

In terms of financial resources, the year saw the signature by the European Commission of the InvestEU guarantee contract for the New Industry Loan, which will enable funding of €200m per year for five years.

In May, Bpifrance organised an international event to celebrate its 10th anniversary with the participation of Nobel Prize in Economics winner Edmund S. Phelps and 15 international speakers.

Bpifrance consolidated its relations with European countries, in particular Germany, Italy and the Netherlands, most often in support of intergovernmental cooperation initiatives, as well as with its long-term international partners in Canada, Morocco and Africa more broadly. A technical assistance contract was signed with the Hellenic Development Bank to create a facility for financing green projects.

Finally, Bpifrance consolidated its presence in the governance of organisations in Europe with participation in the Boards of Directors of HDBI (Greece), Invega (Lithuania), the European Investment Fund, the Eureka network and the European Association of Guarantee Institutions (AECM), as well as the Steering Board of InvestEU.

In Africa, Bpifrance subscribed to three development capital funds through its Averroès Africa vehicle: Adenia V, Amethis III and Mediterrania IV. Simultaneously, the work to forge contacts between our underlying African portfolio and French businesses has been stepped up. Collaboration with the AFD Group has intensified following the announcement by the President of the Republic of the Choose Africa 2 initiative in February. Four initial African countries have been selected: Benin, Cote d'Ivoire, Senegal and Togo. They will be able to take advantage of AFD funding and the technical assistance of Bpifrance to create a single point of contact for the financing and support of local businesses. In parallel, six technical assistance contracts have been signed to the benefit of Cote d'Ivoire, Libya (2), Mauritania, DRC and Tunisia, on different issues, such as green finance, innovation, CSR and the creation of a guarantee fund.

In sum, the appeal of the Bpifrance model is undeniable with 48 international and European delegations received, and nine new partnership agreements signed to develop opportunities to the profit of French SMEs with the organisations of several countries: Kobo Hub (DRC, accelerator and incubator), École 42, Access Bank in Nigeria, Arise IIP (Africa), IBK and KIAT in South Korea, KOSGEB and Tubitak in Turkey, and the Mexican Finance Ministry.

Finally, the EuroQuity business contact making platform is growing rapidly. Today, it brings together 21,700 innovative companies (+13% vs 2022), 3,030 investors (+8.5%) and 2,970 support structures (+35%). It runs through 42 digital communities, 252 labels and 80 e-pitches per year for +400 start-ups. Today, the Africa France Entrepreneurs community, launched in 2022, numbers 42 African countries, run by the France Team. EuroQuity strengthened its leadership for the European Commission *Access to Finance* projects having obtained the set-up of major new contracts in 2023: EIC Scaling Club (support for 100 deep tech scale-ups), ESIL 2 (support for business angels in Central and Eastern Europe) et atTRACTION (a community of innovation ecosystems to promote the growth of deep tech businesses).

We have continued to develop our relations with sovereign wealth funds and long-term investors. The partnership with QIA, the Qatari sovereign wealth fund was renewed. An agreement was signed with KIA, the Kuwaiti sovereign wealth fund on the occasion of the EMENA annual meeting (a foundation bringing together the sovereign wealth funds of Europe, the Middle East and North Africa) at Bpifrance. The autumn meeting of the members of the IIR, the International Investment Roundtable, in Paris, enabled us to welcome North American, Asian, Australian, European and Saudi Arabian pension and sovereign wealth funds.

2.4.6. Business support

The development of advice missions (+48% as compared to 2022) to support directors in their climate transition and reindustrialisation projects has continued in vibrant fashion.

In 2023, 989 new businesses were accelerated, meaning that in excess of 4,500 start-ups, SMEs and ETIs have been accelerated since the creation of the accelerators in 2015. With 48 accelerator rounds, including 16 regional/territorial rounds, and 15 sectors launched in 2023, interest in these support programmes is not waning.

In addition, the advice business has grown strongly (+48% as compared to 2022) to reach over 6,000 advice missions carried out by Bpifrance experts. For example, **942 ad-hoc Expertise and Advice missions (+54%)** have been deployed to support start-ups, SMEs and ETIs in their strategic redefinition processes.

Activities to support the Energy and Environmental Transition were underscored by the growth of the climate-focused Diags'Actions (Décarbon'action, Eco-flux, Eco-conception, Perf'immo) that are constructed and financed in partnership with the ADEME. Over **2,200 Diag'Actions, almost double** the number of missions than last year (+88%), were carried out in 2023, with decarbonisation being at the top of the list of the needs covered, ahead of energy saving challenges. To provide reinforcement to these businesses, **350 green VTE (Territorial Volunteers in Business) joined the SMEs in 2023** in order to bring the execution of projects related to the ecological transition to fruition.

Reindustrialisation, another Bpifrance strategic pillar, was taken up by nearly 500 industrial businesses that joined the accelerators. In addition, **220 industry of the future advice missions** were carried out in partnership with the CETIM. Moreover, a **growing number of Innovation Diagnostics (1,182, up by 51%), more strongly focused on industrial SMEs**, bolstered the intensity of innovation in the French economy. The launch of the **AI Booster France 2030 programmes and the Cybersecurity plan** will support this trend in 2024.

The increase in the number of learners on the Bpifrance online university platform (25,504, i.e. +10% as compared to 2022) highlights the success of digital training among the directors of VSBs and SMEs.

In this context of strong growth, all the Support business lines maintained a very high level of satisfaction **(between 95 and 99% depending on the programme)**.

2.4.7. Business creation

In a context that remains buoyant, with over one million businesses created, the Cap Créa collective, which brings together 26 support networks that are Bpifrance partners, continued its mobilisation in 2023 by supporting 153,000 project holders and contributing to the creation of nearly 80,000 businesses.

This support relied in particular on digital tools with the launch of Mon Pass Créa (176,000 passes created by the end of 2023) and the website www.bpifrance-creation.fr (over 10 million hits in 2023).

Creation project funding was based on the award of €93m in interest-free loans to over 18,300 creators (+16%).

2023 was the last year of the **Entrepreneurship For All Programme in the City Policy Priority Districts (QPV)** rolled out by Bpifrance with the support of the Caisse des Dépôts and the State: Since 2019, 102,000 project holders have been identified and prepared, 20,900 businesses have been created and over 3,900 directors have been accelerated, in 960 QPV.

2.5. BPIFRANCE STRUCTURE AND FINANCIAL MANAGEMENT

• Financial markets in 2023

2023 was a year of transition on the markets, characterised by three major periods:

- The end of the unprecedented cycle of monetary tightening, starting in 2022 and ending in September 2023;
- The banking crisis interlude following the bankruptcy of Silicon Valley Bank (SVB) in March 2023 caused several days of fears of a global financial crisis;
- The start of the easing cycle: the pivotal point for central banks was at the end of October. 2023 proved to be a year of falling rates for medium- and long-term maturities.

The end of the most brutal monetary tightening cycle in modern history:

Following the Covid-19 pandemic, massive relaunch programmes were initiated in 2022, and huge imbalances appeared between supply and demand on account of supply chain problems. This was compounded by a serious energy crisis in Europe, due to the war in Ukraine. For these reasons, inflation peaked at nearly 10% in November 2022. As a reaction to this inflation and in the face of a very resilient employment market (in particular in the United States of America), central banks were forced to commit to restrictive financial conditions. In 15 months, the ECB raised its key interest rates by 450 base points and announced the end to all reinvestment of its securities, as well as the end of all its bank support programmes (in particular the TLTRO). This represents, over time, nearly 3,000 billion euros in liquid assets withdrawn from the Eurosystem. During this period, rates experienced a certain amount of stability, despite very significant volatility. Each economic indicator was scrutinised and was capable of bringing about large fluctuations, compensated for upon publication of the next indicator several days or weeks later.

- The 10-year fungible treasury bond rate rose from 2.7% to 3.5%.
- The Euro Stoxx fluctuated around 4,000 points (+0%) peaking at 4,500 points in the summer. The S&P 500 rose from 3,800 points to 4,200 points (+10%) peaking at 4,600 points in the summer.
- The EUR/USD went up from 1.05 to 1.07. It reached 1.12 during the summer due to desynchronisation in the pace of ECB and FED rate rises.

Despite this volatility, the soft-landing scenario became reality. During Q1, inflation appeared uncontrollable and the economy in full boom. The only indicator pointing to prudence was the collapse in lending to businesses. In Q2, the market picked up, believing that the central banks would be more prudent following the warning of the SVB episode. In the middle of the summer, investors had to face the fact that the Fed and ECB were more determined than they had imagined, which corrected shares and bonds downwards.

For several days in March, the markets thought that the cycle had come to an early and brutal end, following the collapse of the Silicon Valley Bank (SVB):

On 7 March 2023, the SVB, a regional American bank focussing on lending to business, suddenly collapsed having been poorly protected against rate rises. In its wake, several banks found themselves in difficulty and were saved *in extremis*. The Fed temporarily reopened the liquidity gates to banks. The market feared contagion and a systemic risk, in other words: a sudden and brutal end to the cycle. Many market players, positioned on rising rates found themselves trapped, accentuating the phenomenon. Thanks to the Fed's rapid and targeted intervention, and strong regulatory requirements for European banks, the problem was reduced in several weeks. This episode ruined many investors' appetite for risk, but left a greater trace in peoples' minds than on the markets. The monetary tightening market quickly resumed.

The pivotal moment expected in the summer was delayed until September. Finally, at the end of October, the market was convinced that inflation was under control.

At the end of October, it came as a surprise that a set of inflation-related figures were down. In the context of the war in Palestine (would could have been inflationary), the markets interpreted this data as the long-awaited signal of the end of monetary tightening by central banks. A race between investors ensued to purchase shares and bonds before it was too late, pushing up prices and further accentuating the feeling of urgency as the year was coming to a close.

- The 10-year fungible treasury bond rate fell from 3.5% to 2.5%
- The Euro Stoxx rose from 4,000 points to 4,500 points (+12%)
- The S&P500 rose from 4,200 points to 4,700 points (+12%)
- The EUR/USD rose from 1.05 to 1.10

Thus, while 2023 was dominated by rising rates and a tightening of financial conditions, both bonds and shares ended the year on positive ground.

Outlook for 2024

It would seem clear that 2024 will be the year of falling rates and a contracting economy. However, the prevailing scenario is currently that of a return to normal: with a slight contraction of the economy and an easing of financial conditions towards 'neutral ' territory rather than 'restrictive ' territory. The start date and pace of this readjustment are the two big unknowns on the cusp of 2024. In 2024, issuers are announcing new financing needs in excess of those in 2023. To meet this offer, issuers can no longer count on the Fed and the ECB, which have stopped all reinvestment of their bond portfolios. The ECB is seeking to withdraw nearly 3,000 billion euros from the system, but should take several

years to reach this target. In 2023, monetary funds played the role of substitute investors, buoyed by record fundraising. Will they still be up to the challenge in 2024? Will there be other substitute investors?

Nevertheless, risks remain of a more brutal slowdown in the economy with SVB-type phenomena. Conversely, the European economy could stabilise with inflation structurally above 2% on account of new issues, such as the energy transition or deglobalisation.

Financial structure of Bpifrance

The Issuer's total consolidated balance sheet amounts to €100.4bn as at 31 December 2023, as compared to €101.6bn as at 31 December 2022, i.e. a slight drop of €1.2bn. This drop is attributable to:

- A -€6.7bn fall in liquid assets recorded under Cash in hand and Central banks;
- A €1.9bn increase in Financial assets at fair value by equity;
- A €1.3bn increase in Client loans and receivables, at amortised cost;
- A €1.1bn change in Fair value adjustments for portfolios hedged against interest rate risk.

Customer advances amounted to €49.2bn after amortisation for credit risks of €1.1bn, up by €1.3bn as compared to the end of 2022, in particular due to growth in the credit activity over the period.

In addition to these loans, there are €6.3bn in lease financing and similar operations.

Bpifrance's financial management hinges on two missions: refinancing and liabilities management on the one hand, and financial asset management on the other.

Bpifrance refinancing management

Customer loans are refinanced by matching cash and interest rates on outstanding loans and leasing transactions. To this end, refinancing operations are supplemented by interest-rate hedging operations carried out either using financial instruments or via the creation of asset portfolios specifically dedicated for this purpose. Under these conditions, the institution is committed to limiting the risks inherent in financial operations and to optimising them in relation to market conditions. In this respect, it has set itself the objective of having a liquidity advance to enable it to cope with a temporary deterioration in market conditions.

The bond resources recruited in 2023 represent a total of €6.1bn of issues over the year.

The prospectus governing this programme was supplemented on 12 June 2020 to indicate that the ceiling of the EMTN programme increased from €35bn to €45bn.

The EMTN programme thus represented 100% of the medium and long-term refinancing carried out in 2023 by Bpifrance. In total, the breakdown of outstanding refinancing by lender at 31 December 2023 was as follows: investors in EMTN and BMTN programmes represented 85.1% of outstanding amounts; Caisse des Dépôts, 0.02%; the European Central Bank via its monetary policy programmes, 14.27%; EPIC Bpifrance, 0.65%.

Outstanding short-term interbank refinancing (certificates of deposit and securities delivered under repurchase agreements) amounted to €13.4bn as at 31 December 2023, compared to €7.14bn as at 31 December 2022, i.e., an increase of 88%.

This increase is in particular due to the securities delivered under repurchase agreements which amounted to €7.08bn as at 31 December 2023, compared to €1.764bn as at 31 December 2022, i.e., a growth of 301%.

As at 31 December 2023, the breakdown by origin of medium- and long-term financing resources for customer loans, i.e., an outstanding amount of €42bn, is as follows:

- €35.774bn, or 85%, of resources recruited on the financial market under the EMTN programme;
- €0.01bn, or 0.02%, of contractual loans from financial institutions with resources from LDD (sustainable development savings account) deposits;
- €0.27bn, or 0.65%, of public resources, primarily from the "Investing in the Future" Programme, though EPIC Bpifrance;
- €6bn, or 14.27%, of medium-term refinancing from the ECB (TLTRO).

The resources backing the guarantee activity of the Issuer and Bpifrance Régions, for a sum of €6.98bn as at 31 December 2023, have decreased slightly as compared to 2022.

In turn, the outstanding amounts for certificates of deposit reached a sum of €7.08bn as at 31 December 2023, as compared to a sum of €5.4bn as at 31 December 2022.

Refinancing with the European Central Bank was comprised, as at 31 December 2023, of €6bn in resources recruited under the TLTRO.

Financial asset management

Management of Bpifrance's financial assets also includes management of cash, liquidity buffers, or more broadly the liquidity reserve, as well as investment in guarantee funds.

The sum total of financial assets as at 31 December 2023, amounts to nearly €21bn. Presently, this is comprised of the portfolio associated with the Financing activity for 69%, and the remainder with the investment of guarantee funds.

Overall, this portfolio is primarily comprised of:

- €13.7bn of sovereign debt, of which €7.8bn in bonds issued by the French State and €5.9bn of deposits in Agence France Trésor;
- €2.9bn of Banque de France deposits;
- €2.6bn of bank debts, of which €1.09bn from NEU CP;
- €381m of sight deposits, €341m of interbank loans and €776m of bonds;
- €521m of investments in bonds issued by public agencies, local and regional authorities, or other public sector entities;
- €358m of covered bonds and €535m of other asset-backed securities (ABS);
- €300m of Unit Trusts, SICAV or ETF;
- €68.5m of non-consolidated holdings.

2.6. BPIFRANCE CONSOLIDATED AND CORPORATE RESULTS

• Consolidated accounts

Net Banking Income (NBI) amounts to €2,013.8m, as compared to €2,131.2m in 2022, down by -€117.4m (-5.5%). This drop is primarily due to the fall in net gains or losses on financial instruments at fair value through profit or loss (-€173.1m change in value), primarily in the scope of Bpifrance Participations (-€207.8m).

For the banking business scope, the net interest margin has remained stable (-€0.2m (0.0%), despite the degradation of the trade margin in a context of particularly fast rate rises and 0.6% growth in average outstanding loans for the lending business over the period.

In fact, the sustained strong performance of the commercial medium- and long-term financing business in 2023 (€9.2bn i 2023, as compared to €8.8bn in 2022, excluding income from the Covid-19 pandemic (+5.3%)), borne in particular by unsecured loans for financing the energy transition (+59.6%) and nevertheless counterbalanced by a reduction in the CICE pre-financing business, has allowed average outstanding amounts to further grow by 0.6% and to thus support the net banking income from banking activities. In 2023, the impact of the halting of the CICE pre-financing mechanism on Financing net banking income is a drop of €10.6m.

As regards the guarantee business, average resources used amount to €19.9bn (including funds mobilised for Unsecured Loans), up by €0.8bn (+4%) on account of both the growth in sums for the Market funds (+€0.7bn) and to a lesser extent the funds associated with unsecured loans (+€0.1bn).

Net banking income for the activity amounted to €172.1m, up by €40.5m, as compared to the previous year. This increase is partially explained by extraordinary effects, such as the receipt of the unexpended balance as remuneration for PGE management for €14.5m following the signature of the agreement with the State, and growth in financial income and other operating income for €15.1m related to the higher interest rates, but also due to the increase in guarantee commissions for €11m. The rise in guarantee commissions is spread over the market funds and amounts to €5.3m on account of the performance of the Creation Fund (+€2.6m) and the funds associated with Unsecured Loans (+€4.1m due to the growth in green loans). The regional guarantee saw a slight change of €0.8m in guarantee commissions.

As regards the innovation business, net banking income amounted to €103.1m in 2023, buoyed by a still high level of management fees due to the roll-out of several subsidy schemes operated on behalf of the State under France 2030.

Operating costs (staff costs, other operating costs) amounted to €1,053m, up by 17%, as compared to 2022. This year, Bpifrance continued to strengthen its human and financial resources, both in terms of support functions and for its commercial activities, in order to roll out its strategy (Climate Plan, Industry Plan, Tech Plan, Support for businesses in their various phases of development, as well as incentivising Creation countrywide and mobilising third-party investors). This increase, particularly affected by an inflationary context, is also impacted by the will to provide digital responses and to modernise the Group's IT bases necessary to the operational implementation of the various plans.

Finally, while 2023 saw the finalisation and invoicing of Bpifrance's reimbursement terms for its management of PGE for the State, it has been necessary to update the estimated costs, which led to an additional provision.

In 2022, the net cost of risk amounted to -€56.3m. This includes the provision for expected credit losses, which represents a reversal of provision of €108m bringing the ECL 2020 provision to €509m. This is compounded by a documented cost of risk of -€164.3m, down by -9.2% as compared to 2022.

The contribution to net income of equity-consolidated companies amounted to €315.1m as at 31 December 2023, down by -€183.4m (-36.8%) as compared to 2022.

The group share of net income amounted to €1,114.6m, down by -€388.6m, as compared to 2022.

Consolidated balance sheet

The total consolidated balance sheet amounts to €100.4bn as at 31 December 2023, as compared to €101.6bn as at 31 December 2022, i.e. a slight reduction of -€1.2bn. This drop is attributable to:

- A -€6.7bn fall in the Cash in hand and Central banks line;
- A €1.9bn increase in Financial assets accounted for at fair value by equity;
- A €1.3bn increase in client loans and receivables, at amortised cost;
- A €1.1bn increase in fair value adjustments for portfolios hedged against interest rate risk.

The group share of shareholders' equity before net income amounted to €28.9bn at the end of 2023, down by -€3.0bn (-11.4%) as compared to 2022.

Customer advances amounted to €49.2bn after amortisation for credit risks of -€1.1bn, up by €1.3bn as compared to the end of 2022, in particular due to growth in the credit activity over the period. In addition to these loans, there are €6.3bn in lease financing and similar operations.

Financial assets at fair value through equity amounted to €17.1bn at the end of 2023, up by €1.9bn or a 12.3% rise. Financial assets at fair value through profit or loss amounted to €7.5bn at the end of 2023, up by €0.6bn or a 8.0% rise. Finally, holdings in equity-consolidated companies amounted to €4.2bn at the end of 2023, up by €0.3bn over the period.

Separate financial statements

The company separate financial statements are prepared in accordance with the provisions applicable to credit institutions under French standards.

In contrast to the consolidated financial accounts, the company separate financial statements focus on the legal nature of the financial lease:

- the asset is depreciated in accordance with the tax rules (straight-line, declining-balance, progressive depreciation or another method specific to the SICOMI regime, as the case may be);
- all rent and charges related to the tenant's default are recorded in NBI.

The net result thus determined is €723.6m, resulting in a variation in the unrealised reserve on leasing operations of -€53.5m.

2.7. OUTLOOK FOR 2024

2.7.1. Financing activity

The Financing business should continue its growth trend in 2024 with an overall intervention capacity of €15.1bn in loans, spread over €5.8bn in Mobilisation of Accounts Receivable and Signed Commitments for the Short-Term, and €9.3bn for Medium- and Long-Term credits.

The issues of reindustrialisation, the energy and environmental transition, and more generally of the development and transformation of French SMEs and ETIs will continue to drive the roll-out of our financing solutions.

- Intervention through Secured Loans should amount to €5.5bn, including €1.6bn for financing renewable energies;
- The production level for Unsecured Loans should stabilise in 2024 at €3.75bn, in a more constrained budgetary context;
- For its part, Short-Term financing has a production target of commitments worth €5.8bn in 2024, buoyed by the rise in power of the pre-financing market and early supplier payment, as well as by growth in the acquisition of new clients, an aim that is common to all business lines.

2.7.2. Guarantee

For 2024, the Guarantee business line will assert its goal of triggering the ecological and energy transition of SMEs/VSBs and of contributing to awareness raising about these challenges. Thus, three new green purposes will be proposed for the Creation, Transmission and Development funds, with attractive quotas and pricing. The green nature of the projects will be classified and tracked using a digital token platform, designed in collaboration with the Digital and Climate teams. A release of Relaunch Plan terms is planned in parallel and will be in keeping with these new offers.

Furthermore, the maximum acceptable risk sums for the guarantee will change in 2024, rising from €1.5m to €2m for all businesses. Additionally, in order to contribute to the specific support for industry, this cap will be raised to €2.5m for this sector.

2.7.3. Innovation

Following an exceptional year in 2023 at €9.4bn, characterised by over €5bn in major projects posted, in 2024 the innovation financing business should return to its 2022 and 2023 level, i.e. around €4.4bn, broken down as follows:

- Structural action to support structural innovation, primarily driven by France 2030 (with the support of the Regions and partners for certain programmes) will account for €1.5bn;
- Unsecured Loans will account for €580m and French Tech Seed Phase 1 financing will account for €50m;
- The roll-out of the targeted component of France 2030 will permit support for innovations along certain strategic lines to the value of over €2.3bn.

2.7.4. Investment business lines

a) Development Capital business line

For the Development Capital Department, the strategic axes defined in the last plan include:

- To remain the benchmark partner of French SMEs and MMEs (mid-market enterprises) in the regions, with a strong industrial focus and to support our holdings in their energy transition;
- To focus on sectors and branches of the future, in particular those linked to a better consideration of environmental challenges;
- To participate in the creation of European champions, with French roots, while continuing to develop third-party management;
- To be exemplary in taking ESG criteria into account and to be a pillar of the Bpifrance Climate Plan.

b) Fund of funds business line

Fund of funds activity should continue to be dynamic in 2024.

Subscriptions expected from the managed funds should total nearly €1.7bn: €1.66bn for the activities of the Fund of Funds Department and €19m for the Africa and Mediterranean team.

- Subscriptions through Shareholders' Equity should account for nearly €900m of the total for 2024;
- The Fund of Funds, the management of which was entrusted to Bpifrance under the France 2030 Plan will also be used for the following goals in 2024:
  - Multicap Growth No. 4 (MC4): €315m,
  - National Seed Fund No. 3 (FNA 3), currently being established: €80m,
  - Biotech Health Acceleration Fund (FABS): €50m,
  - French Tech Acceleration 2 (FTA 2): €10m,
  - National Industrial Venture Fund (FNVI): €60m;
- Investments in the managed funds dedicated to the Regions should amount to over €25m:
  - Fund of Funds Relaunch State-Regions (FFRER): €18.5m,
  - France SME Regions (FPMER): €7m;
- The Digital 2 Fund of Funds will continue to be rolled out in 2024, with €30m in investments planned during the 2024 financial year;
- The Growth 2 Fund of Funds (FFG 2) currently being established should make €110m in subscriptions during the 2024 financial year;
- Fund of Funds Climate, which is being established and has the mission of investing in funds dedicated to the energy and ecological transition over the entire value chain, should invest €25m over the course of the year.

c) Innovation Capital business line

For 2024, the Innovation Department's investment teams have an investment target of €774m.

In 2024, Bpifrance will maintain a market share lower than 10%, will continue to focus its work on Deeptech, on enterprises offering global warming solutions under the Climate Plan, and on the industrialisation of innovative solutions developed by emerging actors.

The investment objectives by division for 2024 are as follows:

- Large Venture division: €250m;
- Digital Venture division: €73m;
- Autonomous Patient division: €16m;
- Life Science division: €45m;
- Eco-technologies division: €26m;
- French Tech Acceleration division: €10m;
- Deeptech Venture division: €137m;
- Cultural and creative industries division: €30m;
- Industrial Investment division: €130m.
- Industrial Seed Funding Investment Division: €8m;
- French Tech Sovereignty: €50m.

At the same time, Le Hub will continue to support start-ups in the Bpifrance portfolio.

Finally, the following is planned for 2024:

- The creation of the Large Venture 3 Fund;
- The creation of the Innobio 3 Fund;
- The creation of the Prevention Fund;
- The creation of a Deeptech Fund, endowed with a sum of €100m by France 2030;
- Replenishment using existing funds to pursue their roll-out.

2.7.5. Business support

2024 will reaffirm and anchor the trends seen in 2023. In order to seek out new clients, Support will cover all geographical areas and all themes.

The Diag'Actions Climate continuum will be enriched, and Bpifrance will contribute to the dissemination of innovation across all business lines through Diag Inno and Neo Accelerators.

Industry will lie more than ever at the heart of our priorities through a full range of Accelerators, Advice Missions and diagnostics.

Themes such as AI and Cybersecurity will constitute the levers for supporting the transformation of businesses implemented through the support programmes.

The goals for 2024 are as follows:

- To incorporate 950 businesses into the various acceleration programmes, with the aim of raising this figure to 1,050 through the work of the Network;
- To carry out 950 Expertise and Advice Missions;
- To undertake 2,900 Diag Actions, covering either Climate or Cybersecurity, with the aim of raising this figure to 3,200;
- To carry out 1,400 Diag Innovation.

2.7.6. International

2023 saw an increase in the number of businesses receiving export support. In 2024, the aim is to speed us this rise for the whole of our range, in support of Bpifrance's major strategic priorities. The Export businesses will therefore be mobilised to:

- Support the resurgence of French industry by accelerating its internationalisation;
- Continue our support to the conquering French Tech, French Fab, French Care and French Touch communities;
- Accelerate the launch of French solution providers onto the markets opened by the challenges of decarbonisation internationally.

This aim will apply to Bpifrance's various Export businesses, with, in particular, the following goals:

- As a member of the France Export Team, Bpifrance is an actor for the governmental Osez l'Export plan and has implemented a mass door-to-door operation through its 50 regional departments in order to introduce its export financing, insurance and support solutions to as many French businesses as possible. The aim is to raise the number of exporting businesses from 150,000 to 200,000 by 2030, and to better cover them against risks in a context of the over-indebtedness of emerging countries and a rise in interest rates. In fact, an increasing number of countries have defaulted on their foreign debt during the past three years.
- To this end, the Bpifrance Assurance Export credit insurance mechanism will be specifically developed in order to better cover businesses against the risk of default by their clients. This is why particular effort will be paid to marketing to SMEs and ETIs to better inform them of the credit insurance and stabilisation solutions in coming years. Furthermore, Bpifrance Assurance-Export will continue to develop the bond support and pre-financing guarantee business (with the aim of hitting 560 dossiers in 2024, as compared to around 540 in 2023) and exchange rate guarantees (with the aim of reaching 80 clients in 2024, as compared to 70 in 2023). Budgetary authorisations for Treasury loans (€1bn) and FASEP (€30m) will remain at the same level as in 2023, while prospection insurance will see half of its resources dedicated to industrial businesses in 2024 in support of the resurgence of French industry and its internationalisation.
- As regards Export Credit, after a remarkable year in 2023, 2024 should follow this trend, given a book to bill of around €400m, in particular in the urban infrastructure sectors and for a larger number of purposes. Bpifrance also aims to increase the number guarantees for international projects to 210 dossiers, as compared to 180 in 2022. Note that Bpifrance should nevertheless be extra vigilant in terms of sovereign exposure in a context of the over-indebtedness of emerging countries, accentuated by a rise in interest rates which has seen a growing number of countries default on their foreign debt in the past three years (for example, Zambia, Ghana, Ethiopia, Sri Lanka, etc.). Despite the significant rise in unpaid sums for private counterparties in Africa for operations under €5m, claims remain under control overall given the low financial stake in question.
- Furthermore, the international delegations will work on the rationale of connecting actors and the financing of the flows of business between French businesses and their partners with the aim of developing the internationalisation of French businesses, exports, joint investments and partnerships. This will be done through a pathway of support missions for businesses internationally, enhanced with more rigorous monitoring (25 international missions planned in 2024) and a strategy of connecting major international buyers with our French exporters.

2.7.7. Business creation

2024 should allow the continued roll-out of Bpifrance's support mechanisms for business creation and entrepreneurship though:

- Network financing in order to enable support to be provided to over 200,000 people and contributions to be made to 100,000 creations;
- The development and distribution of Interest-free Loans in partnership with the support networks to finance over 36,500 creations through, in particular, the mobilisation of over €193m in the form of PHS and PHCR.

Furthermore, the deployment of the Entrepreneurship District 2030 programme aimed at businesses in City Policy Districts (QPV), which will see the mobilisation, from 2024, of €456m on the part of the Banque des Territoires and the State, will, in particular, strengthen three location-specific mechanisms:

- CitésLabs, human relays dedicated to detecting and preparing project holders. Targets for the 2027 horizon: 200 CitésLabs; 70,000 people detected; 1,100 districts covered;
- The Entrepreneurship for All Bus, allowing us to reach people where they live. Targets for the 2027 horizon: 40 Entrepreneurship for All Buses; 60,000 people detected; 1,300 districts covered;
- Fabriques à Entreprendre - Carrefours de l'Entrepreneuriat, a place bringing together solutions for project holders and business creators. Targets for the 2027 horizon: 40 Hubs; awareness raising and detection of 80,000 people.

2.8. OTHER INFORMATION

2.8.1. Group scope, subsidiaries and holders

An organisation chart showing the main subsidiaries and holdings of Bpifrance appears on page 18 of this universal registration document (point 1.5).

The detailed table of subsidiaries and holdings appears on page 342 of this universal registration document (note 7.2 of the notes to the financial statements).

Significant holdings in companies with head offices in the French Republic

In 2023, Bpifrance contributed to increasing the capital of Club Rating, raising its holding rate from 9.89% to 15.31% of the capital.

2.8.2. Free shares, stock options reserved for salaried employees and executive of Bpifrance

No plan has been put in place, during the past financial year, with a view to allocating free shares or stock subscription (or purchase) options to the salaried staff and managers of Bpifrance.

2.8.3. Bpifrance share buyback programme

No Bpifrance share buyback programme was set up during the past financial year. 3.1.9.4. Bpifrance

2.8.4. Bpifrance employee profit-sharing

As at 31 December 2023, no employee of the Bpifrance Group held any shares in Bpifrance.

2.8.5. Proposal for the allocation of earning from the financial year

During the past financial year, Bpifrance recorded a profit of 670, 071, 493.32 euros. It is proposed that this profit be allocated as follows:

	Euros
Distributable profit for the year	670,071,493.32
Retained earnings	461,095,955.64
I.e., an available balance of	1,131,167,448.96
Transfer to legal reserve	33,503,574.67
i.e., a distributable profit of	**1,097,663,874.29**
Distribution of an interim dividend (€0.18 per share entitled to dividend rights)	122,051,823.48
Distribution of final dividend (€0.40 per share entitled to dividend rights[1])	271,226,274.40
i.e., a dividend of (€0.58 per share)	**393,278,097.88**
Transfer to other reserves	-0
Transfer to retained earnings	704,385,776.41
TOTAL RETAINED EARNINGS AFTER APPROPRIATION OF PROFITS	**704,385,776.41**

[1] *Assuming 678,065,686 shares entitled to dividend rights at the date of the meeting.*

This proposal was established on the basis of an assumption of Bpifrance treasury shares, on the date of payment of the balance of the dividend, of 1,934,314. In the event of a change in this number on the date of in payment of the balance of the dividend, the sum corresponding to the balance of the dividend not paid or to be paid due to the change in the number of treasury shares would, depending on the case, be credited or debited from the "carry forward".

2.8.6. Ratification of the co-option of a board member

Following the resignation of Carole Abbey from her office of board member, the Board of Directors co-opted Marion Cabrol, Investments Director at the Management Unit for Strategic Investments of Caisse des Dépôts in the capacity of board member, on 6 November 2023.

It is proposed that this co-option be ratified.

The additional information concerning Marion Cabrol referred to in Article R.225-83 of the French Commercial Code has been made available to shareholders under the conditions set out in Articles R.225-88 and R.225-89 of the said Code.

2.8.7. Renewal of the term of office of directors

No directors reached the end of their term of office at the end of the meeting called to approve the financial statements for the past financial year.

2.8.8. Proposal to appoint the external auditors for the mission to certify the sustainability information

It is proposed to appoint one or two external auditors for the mission to certify the sustainability information.

2.8.9. Payment deadlines for supplier and customers

The balance of the accounts payable amounted to 160,155 euros as at 31 December 2023.

The balance of the customer account at 31 December 2023 amounted to 210,909,282 euros.

These balances are analysed according to the maturities of the debt (for supplier payment terms) and the receivable (for customer payment terms) in the following table. The information below does not include banking and related transactions.

	Article D.441l.1°: Invoices received and unpaid at the closing date, in arrears						Art D.441l.2°: Invoices issued and unpaid at the closing date, in arrears					
	0 days (reference)	1 to 30 days	31 to 61 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (reference)	1 to 30 days	31 to 61 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) PAYMENT DELAYS												
Number of concerned invoices	0					43	0					3,231
Total amount of concerned invoices excl. Taxes	0	9,856	8,646	50,499	55,028	124,030	0	28,481,542	9,988,888	6,000,090	20,345,133	64,815,653
Percentage of total amount excl. taxes of purchases excl. taxes for the financial year	0%	0%	0%	0%	0%	0%						
Percentage of turnover amount excl. taxes for the financial year							0%	2%	0%	0%	1%	3%
(B) INVOICES EXCLUDED FROM (A) RELATIVE TO LITIGIOUS OR UNACCOUNTED DEBTS AND RECEIVABLES												
Number of excluded invoices	0	4	2	2	60	68	2	111	72	215	8 066	8 464
Total amount of excluded invoices	0	2,484	37	1,126	32,479	36,126	6,440	1,380,576	1,258,895	3,366,602	140,087,555	146,093,628
(C) REFERENCE PAYMENT DELAY (CONTRACTUAL OR LEGAL DELAY ARTICLEL441-6 OR ARTICLE L.443-1 OF THE BUSINESS CODE)												
Payment terms used to calculate payment delays	* Contractual delays: yes * Legal delays: no						* Contractual delays: yes * Legal delays: no					

2.8.10. Non-deductible charges

The non-deductible charges (Article 39-4 of the French General Tax Code) incurred by Bpifrance during the past financial year amount totalled 1,858,422.66 euros.

2.8.11. Research and development activities

Bpifrance does not have any research and development activities.



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3.16 REPORT OF THE INDEPENDANT THIRD-PARTY ORGANISATION ON THE NON-FINANCIAL PERFORMANCE STATEMENT 151

This chapter relates to the corporate, societal and environmental information required under Article R225-102-1 of the French Commercial Code, as amended by Ordinance No. 2017-1180 and its implementing Decree No. 2017-1265, transposing Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 on the publication of non-financial information.

This Statement of non-financial performance details the issues, the approaches implemented and the indicators that Bpifrance monitors in order to assess its impacts.

3.1. BPIFRANCE'S SOCIETAL RESPONSIBILITY

Societal responsibility is at the heart of Bpifrance's missions as 'a public group at the service of business financing and development, acting in support of public policies led by the State and led by the Regions. With a view to supporting sustainable growth, employment and the competitiveness of the economy, it promotes innovation and the initiation, development, internationalisation, transformation and the transfer of businesses, by contributing to their financing through loans and equity[11]'.

The CSR Charter expresses Bpifrance's public commitment to integrate social responsibility issues into its business lines and internal operations, and is based on the conviction, confirmed by the most recent studies, that CSR performance creates economic and social value and serves the future.

Bpifrance has set itself four priorities, which form the backbone of its commitment: job development, quality of governance and management, promotion of women's entrepreneurship, and ecological and energy transition.

Bpifrance's societal responsibility lies, first and foremost, in the effectiveness of its action to create and maintain sustainable growth for businesses, which is long-lasting and creates economic value.

Since its creation, Bpifrance has worked towards this goal by providing support for the financial needs of companies and entrepreneurs at all stages of their development, including via the multiplying the effect of its interventions in its operations as a financial institution. A support offer has been added to the financial support measures, aimed at providing entrepreneurs with advice, training and contacts, taking into account the major challenges associated with their societal responsibility, such as employment, energy transition, climate change, innovation, regional development and digital technology.

In aiming to help companies achieve responsible growth, Bpifrance is careful to carry out its activities in a transparent and responsible manner, respecting and developing the skills of its employees and controlling its impact.

11 *Law 2012-559 of 31 December 2012, creating Bpifrance.*

3.2. A SPECIFIC BUSINESS MODEL

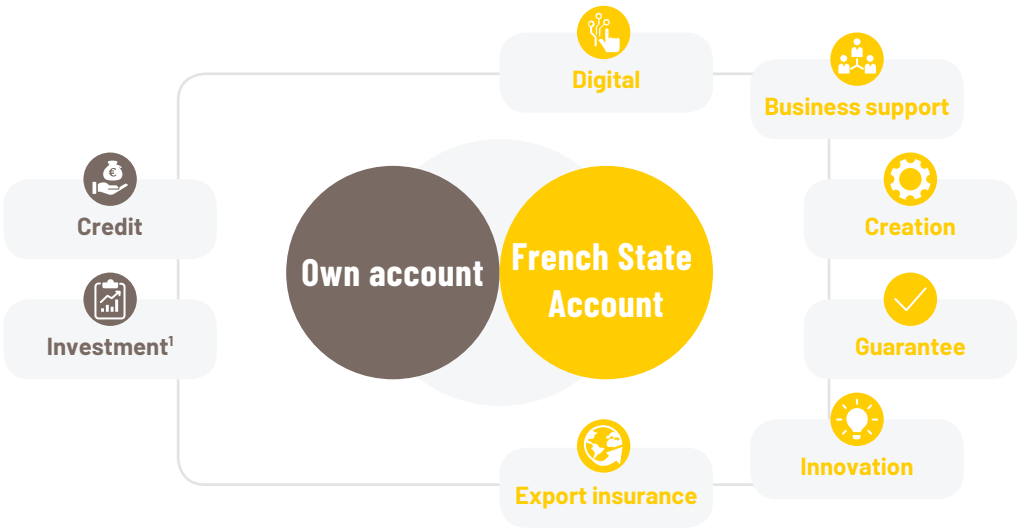
• Business model

Bpifrance directly carries out financing, innovation support and guarantee activities; direct investment and fund of funds activities are carried out by the management company Bpifrance Investissement, both on its own behalf and on behalf of third parties and Bpifrance Participations; Bpifrance Assurance Export carries out export insurance activities for French companies in the name and on behalf of the State.

• Our Business lines at the service of entrepreneurs



Our organisation and our financial resources



For Bpifrance's own account

- Co-financing activities, by Bpifrance, in the form of long or medium-term **loans** or financial leases, as well as the financing of short-term receivables, from bond resources;
- **Equity activities**, by Bpifrance Investissement, directly or via investment funds.

Financing: debt and equity

For the French State

Financed by public resources[2], these activities are dedicated to the following missions:

- Financing innovation through grants[3] and loans
- **Guaranteeing** bank loans or equity organisations (Bpifrance);
- Insuring companies' **export** operations (Bpifrance Assurance Export).
- Support for business creation and entrepreneurship by **Bpifrance Création**
- Support and advice at every stage of a company's growth
- Digital products and services, such as online banking for loans to very small businesses

Funding: allocations from public funds

1 Bpifrance also manages assets on behalf of third parties.
2 the French State, Regions, European funds.
3 In the form of grants, advances and interest-free loans.

Bpifrance's business model is that of an atypical organisation, built to respond to the companies' needs for sustainable growth in support of public policies.

OUR RESOURCES

At each key step of development

Human

4,155
Total personnel
(+9.3% year on year)

including 295
apprentices and trainees

38 years old
Average age

92%
managers
(approx.)

56%
women

44%
men

A continuum of solutions

Bpifrance

Financing, Innovation, Guarantee

Bpifrance Participations and Investissement

Direct equity and Funds of funds

Bpifrance Assurance Export

Export guarantee

A unique environment of stakeholders

Stakeholders

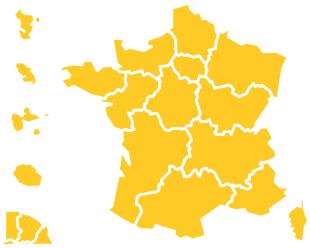
- A single shareholding structure between **the State** and the **Caisse des Dépôts et Consignations**
- A network of **institutional, private and public** partnerships
- **Partner of the 18** French **regions**

Financial

- **Bond** resources
- **Public** resources
(Investing in the Future Program)
- **European** resources

The bank for all entrepreneurs, firmly rooted in the regions

Local and international integration



- Partner of the 18 French regions
- 50 local establishments

bpifrance CRÉATION

Entrepreneurship for all

INTANGIBLE VALUES:

PROXIMITY
SIMPLICITY
WILLINGNESS
OPTIMISM

ONE MISSION:

SERVING THE FUTURE

OUR VALUE GENERATION

Financing Innovation

Financial support for companies and bank partners

€9.4bn
in long- and medium-term financing (+6%)

€9.2bn
in short-term loans (+12%)

€9.4bn
in **innovation** grants and loans (+110%),

more than 6,000 companies

€8.7bn
guarantee (+5%)

Entrepreneurship for all

Since 2019

3,900
accelerated

20,900
businesses created in **960 QPVs**

Bpifrance creation

153,000
project leaders supported by Créa (+67%)

for €71m
(+136%)

€93m
(+108%) direct interest-free loans

for the benefit of 18,300
(+16%) recipients

Equity

Investment

€1.6bn
invested in

76 funds

€677m
invested in **Innovation** capital,

150 transactions

€1.7bn
invested in development capital,

200 transactions

International

€22bn
in insurance and guarantee of export projects*

26
export support operations

2,675
beneficiary companies

Non-financial support and networks

4,456
companies accelerated

including 989
in 2023

more than 6,000
consulting missions SME/Mid-caps (+48%)

of which over 2,200
Climate-oriented Diag'Actions

4,011
international support activities (+3%)

** Aggregated on behalf of the French State.*

3.3. OUR NON-FINANCIAL RISKS

The public interest missions entrusted to Bpifrance, its banking status and its specific business model determine its non-financial risks and the associated challenges. These are reviewed annually, as are the Group's strategic objectives, with a view to ensuring that they are closely aligned with current developments. The strategic objectives for 2024-2028 reflect the changing dimensions of Bpifrance, which has become a major player in business resilience and a central operator for Plan France 2030. This has resulted in increased responsibility for the analysis that will be repeated in 2020 to account for the particular expectations related to the public health crisis.

The mapping of non-financial risks, consistent with the approach taken by Caisse des Dépôts Group, was drawn up using the following method:

- Identification of potential risks;
- Identification of measures and means to control these risks;
- Prioritisation and rating of risks, according to a methodology adapted to the assessment of non-financial issues.

This was revised in 2021 in the light of the revised post-crisis strategic objectives for 2021-2024. In view of the entry into force of the CSRD (*Corporate Sustainability Reporting Directive*) on 1 January 2024, Bpifrance initiated a double materiality analysis in 2023, which will modify and/or enhance the non-financial risk mapping below.

Food security, animal welfare, a responsible, fair and sustainable food industry, actions aimed at promoting the connection between the French nation and its armed forces, supporting commitment to the reserves, and the fight against food waste are not relevant material issues for Bpifrance due to its service activities.

The indicators for monitoring non-financial risks have been defined in line with the major risks identified, the missions assigned to Bpifrance and the expectations of its shareholders.

The primary non-financial risks and challenges and their key monitoring indicators are listed below; they will be detailed in each corresponding chapter.

CSRD: Bpifrance's transition approach

The European regulatory framework for sustainable finance is evolving very rapidly and Bpifrance continues to make every effort to comply with all requirements of this complex body of regulations.

Particular effort is currently being made to meet the obligations of the *Corporate Sustainability Reporting Directive* (CSRD).

Published in the Official Journal of the European Union on 16 December 2022, this directive updates the current *Non-Financial Reporting Directive* (NFRD), which in 2014 created obligations for reporting and transparency on sustainability issues for certain European companies.

Strengthening corporate sustainability reporting requirements is a key element of the European Green Deal, and the main objective of the CSRD is to harmonise corporate sustainability reporting and improve the quality and availability of published ESG data, in particular by requiring the adoption of *European Sustainability Reporting Standards* (ESRS).

It also expands the range of companies subject to these obligations and requires them to comply with Article 8 of the Taxonomy Regulation of June 2020 (transparency in non-financial statements).

Ordinance No. 2023-1142 of 6 December 2023 transposed the CSRD into French law and provides a number of clarifications, in particular on the scope of the entities covered, the dates of application, the certification of the sustainability report and the role of statutory auditors.

This ordinance was supplemented by decree No. 2023-1394 of 30 December 2023, itself supplemented by two ordinances.

The CSRD will be phased in from 1 January 2024, depending on the category of company. As a major European public interest company that already meets the NFRD thresholds, Bpifrance will have to submit its first digitised sustainability report in 2025, for the 2024 financial year.

Bpifrance has launched a number of projects to prepare for its first report in 2025, for the 2024 financial year. In particular, these projects involve: improving the structure of our ESG data repositories and the tools used to collect this information; strengthening ESG data governance; and preparing for the regulatory requirements of the CSRD.

In 2023, Bpifrance prepared its first dual materiality analysis. In order to ensure a complete and accurate assessment of the material issues, the analysis was structured around the following stages:

Definition of the scope of analysis, including a detailed consideration of Bpifrance's activities and business model, as well as a classification of its business and geographical scope.

Definition of the issues, based on the ESRS themes published by EFRAG, relevant benchmarks, such as the SASB materiality matrix for the financial sector, and other sources, in order to adapt the issues to the specificities of Bpifrance's businesses. This stage also includes an initial fine-tuning of the key areas, with internal discussions helping to narrow down the list of priority issues.

Breaking down the identified issues into IROs (Impacts, Risks, Opportunities) using existing financial and non-financial risk maps to ensure that the various dimensions of the issues are properly considered.

Rating methodology, with the establishment of scales and a rating guide. The resulting ratings were then submitted for consultation. Internal and external stakeholders were consulted and a consensus was reached on the level of materiality assigned to each issue.

The dual materiality matrix was finalised, followed by an in-depth review, including the necessary arbitrations and adjustments, to ensure the relevance and accuracy of the information presented.

The results of this dual materiality analysis were then circulated internally to Bpifrance's management and governance bodies, including the Audit Committee. This analysis will be published in Bpifrance's first CSRD report for 2024, in 2025. Based on the issues identified by this analysis as material, Bpifrance is currently conducting a Gap Analysis to determine the missing data to be collected for the next non-financial reporting cycle, in order to comply with the requirements of the directive as fully as possible.

MACRO RISK	CSR issues	Key indicators
Governance and ethics	Business ethics	Rate of employees trained in AML/CFT
	Security of data and funds	Rate of employees trained in anti-corruption measures
Failing to carry out missions of public interest	Ecological and Energy Transition	Support for the EET *(in €m)*
	Regional economic development	Weight of funding compared to the economic potential of the Regions
	Digital transformation	Weight of 'Numetic' financing in the activity
Stakeholder dissatisfaction	Customers	NPS and customer satisfaction rates
	Quality of the offer	
	Other stakeholders	Number of grievances and complaints filed against the entity regarding its environmental, social or human rights impacts
Human Capital	Quality of life at work (QLW)	Average number of days of absence due to illness, excluding long-term illness
		Employee satisfaction rate
	Diversity and equal opportunities	Recruitment rate of women on permanent and fixed-term contracts
		Percentage of young people under 30 and older people over 55 recruited
	Social dialogue	Topics covered in the agreements
		Number of agreements and amendments signed during the year
	Talents	Turnover rate of staff on permanent contracts
	Training	Training access rate
Taking ESG issues into account in the business lines	Integration of ESG issues	Carbon footprint of the 24 largest investments of Bpifrance
		Amount of assets under direct management directly exposed to the thermal coal sector

3.4. GOVERNANCE AND ETHICS

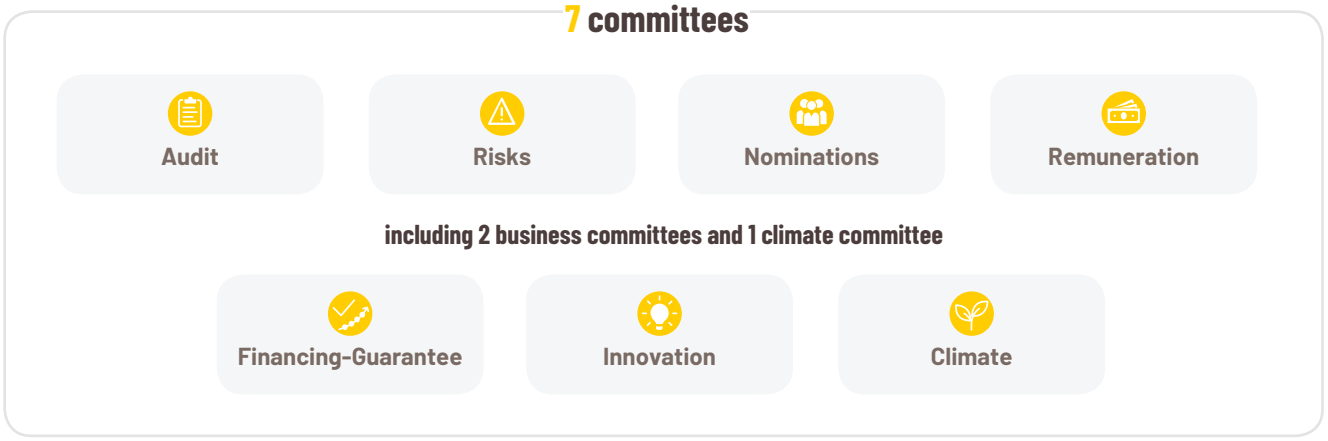
3.4.1. A structured governance to meet the challenges

Bpifrance is a public limited company with a Board of Directors. Invested with missions of public interest as defined by the law creating the Public Investment Bank[12], the provisions of which have now been incorporated into Ordinance No. 2005-722 of 29 June 2005 on the Public Investment Bank, it is majority owned by the State, via the EPIC Bpifrance and Caisse des Dépôts[13], (together representing 98.36% of the capital), with 1.35% of the capital also held by regulated shareholders (mostly credit institutions, investment firms and insurance companies) and other public organisations.

Bpifrance acts in support of the public policies of the State and the Regions, fostering and supporting the sustainable growth of companies, taking into consideration environmental, social and societal issues in both its decisions and its management. The group's activities are carried out directly by Bpifrance or through its subsidiaries, all of which are incorporated under French law.

The composition of Bpifrance's governance instances is determined by law[14], which establishes a strict principle of gender equality on the Board of Directors and the steering committees, both national (CNO) and regional (CRO), mandated with expressing an opinion on the strategic focusses, intervention doctrine and the terms of exercise, by the company and its subsidiaries, of their public interest missions and the implementation of the ecological and energy transition[15].

The functions of the Chair of the Board of Directors and the CEO of Bpifrance are separate. The Board of Directors is comprised of nine representatives of the shareholders (of which four board members represent the State and four board members represent Caisse des Dépôts), two representatives of the Regions, two representatives of Bpifrance employees and three qualified individuals (including the CEO). It has four specialist committees (as defined by the French Commercial Code) and three advisory committees:



The Climate Committee is specifically mandated with formulating opinions on i) strategic focuses, ii) intervention doctrine, iii) the terms for the exercise by Bpifrance of its public interest missions, and iv) the implementation of the ecological and energy transition.

The Financing-Guarantee Committee, the Innovation Committee and the Climate Committee are made up of 2 categories of members:

- members appointed from among the board members or censors of Bpifrance;
- expert members who are neither board members or censors of Bpifrance (together, the College of Experts).

The detailed composition of the Board of Directors and the Committees, as well as the competencies of their members, appear in detail in section 6 of this document.

The Government Commissioner, appointed by application of the law on the creation of the Public Investment Bank may attend the meetings of the General Meeting of Shareholders, the Board of Directors and of any of the committees created by the Board of Directors.

The Board of Directors will discuss its operation annually, and may request an evaluation to be carried out by an external consultant.

12 *Law 2012-0559 of 31 December 2012.*
13 *49.18% each.*
14 *Ordinance No. 2005-722 of 29 June 2005 on the Public Investment Bank.*
15 *These instances, comprised of elected representatives of the National Assembly and the Senate, representatives of the Regions, representatives of the trade unions, of the professional organisations, local public companies and semi-public companies, and of sector experts for the CNO, and of representatives of the State, the Region, the regional directorate of Caisse des dépôts, trade unions, professional organisations, of the regional Economic, Social and Environmental Council (CESE), of the Chamber of Commerce and Industry and the chamber of trades and crafts of the Region, of individuals qualified on account of their expertise and a regional representative of the ADEME for the CRO, constitute prime forums for dialogue for Bpifrance stakeholders.*

Six training sessions were organised in 2023 to update board members' knowledge and/or enhance their skills in order to better perform their duties. These sessions covered cyber security, ESG risks, prudential regulations, quantification of credit risk, fund of funds business and digitalisation.

At 31 December 2023, the Boards of Directors of Bpifrance Investissement and Bpifrance Participations were comprised of equal numbers of representatives of the French State (3 seats) and Caisse des Dépôts (3 seats), independent members (3 seats) and the Chief Executive Officer of Bpifrance. The Boards of Directors of Bpifrance Investissement and Bpifrance Participations have established specialised committees. The attendance rate of board members at Board meetings in 2023 was 89%.

The table below provides a summary:

Name	Form	Separation of functions	Number of directors[16] representing Bpifrance or its shareholders (State or CDC)	Number of directors (qualified or independent persons)	Number of directors representing employees	Parity[17]	Specialised committees
Bpifrance Investissement	SAS	No	6	3	0	Yes	NRC[18]
Bpifrance Participations	SA	No	6	3	0	Yes	Audit and Risks Investment
Bpifrance International Capital	SA	No	3	N/A	N/A	No	
Bpifrance Assurance Export	SAS		N/A[19]	N/A	N/A	N/A	
Bpifrance Courtage	SAS	No	N/A	N/A	N/A	N/A	
Bpifrance Régions	SA	Yes	6	0	0	Non	

The internal regulations of the Boards of Directors of Bpifrance and its subsidiaries specify the function and prerogatives of each of these Boards of Directors, as well as those of the committees, and include a Directors' Charter, which defines the Directors' duties in terms of attendance, confidentiality and ethics.

3.4.2. Ethics and Compliance: commitment, organisation, deployment

Bpifrance places its action at the crossroads of the public interest and the interest of the market by supporting French companies according to its guiding values: Proximity, Simplicity, Willingness, and Optimism. Bpifrance acts with loyalty, integrity, professionalism, and honesty, and commits to respecting and ensuring respect for these values and principles, as well as the laws, regulations and recommendations of the professional associations applicable to its activities.

This commitment aims, on the one hand, to ensure that its activity complies with the laws and regulations in force and, on the other hand, to maintain the trust of all its stakeholders over the long term.

The entities of the Bpifrance group that carry out banking and financial activities are regulated entities, subject to obligations defined by a set of regulations, including in particular obligations in terms of anti-money laundering and countering the financing of terrorism, as well as the fight against corruption.

Unethical practices would generate risks:

- of administrative, monetary and/or disciplinary sanctions by an administrative authority acting under the prerogative of public authority (e.g., a sanction pronounced by the AMF or the ACPR[20]);
- of civil and/or criminal sanctions: in case of legal action, which could result in damages;
- to reputation, generating distrust among clients and stakeholders, which may lead to loss of business, in turn resulting in financial losses, difficulties in raising funds, additional financing costs, loss of management mandates.

In carrying out its activities, Bpifrance strictly monitors respect for human rights[21] and the fight against corruption and complies with the tax rules in force.

Bpifrance aims to be exemplary in its business practices, and expects its clients, partners and stakeholders to follow this example.

16 *Excluding the Chairmen of the Board of Directors.*
17 *Yes = 50-50%, No = breakdown different to 50-50%.*
18 *Nomination and Remuneration Committee.*
19 *N/A = not applicable.*
20 *The French Prudential Supervision and Resolution Authority.*
21 *See the chapter on Human capital.*

3.4.3. Organisation and systems

The Compliance and Permanent Control Department is responsible for the second-level compliance and permanent control system. This department manages the procedures, systems and controls implemented by the establishment to guarantee the compliance of its operations with the law, regulations and market rules in terms of banking and financial regulations, and also to keep operating and non-compliance risks at the level set within the framework of the Group's risk appetite. It is in particular responsible for implementing mechanisms in terms of Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT), anti-corruption and anti-fraud[22] and managing operating and non-compliance risks.

Our policies and mechanisms

- Doctrine
- Compliance policy (2016, updates in 2019 and 2021)
- Internal Control Charter (2019)
- Organisation Bpifrance Permanent control system (2023)
- Group and business line policies for Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) (2016, updates in 2019, 2021 and 2022)
- Anti-corruption, -favouritism or -influence peddling policy (2019, updated in 2023)
- Anti-fraud policy (2018, updated in 2022)
- Economic sanction compliance policy (2019)
- Outsourcing policy (2020)
- 'New Activities' compliance mechanism (2021, updated in 2023)
- Alert procedure (2020, updated in 2021, 2022 and 2023)
- Employee training in AML/CFT
- Employee anti-corruption training
- Permanent Control and Compliance intranet area (policies and procedures)
- Compliance area and public commitment of the CEO on the Bpifrance website
- Supplier referencing platform

Our goals

- Protect against the threats of money laundering, terrorist financing and corruption

Bpifrance has implemented a set of instructions and procedures applicable to the Bpifrance Group and/or its subsidiaries, including in particular those respecting (non-exhaustive list):

- Anti-money laundering and countering the financing of terrorism;
- The prevention and management of conflicts of interest;
- Combating corruption;
- Combating fraud;
- The rules governing gifts and other benefits received or offered;
- The rules governing employees' personal transactions in listed and unlisted securities;
- The operational and non-compliance risks mapping mechanism;
- The operational and non-compliance risks management mechanism;
- Operational risk action plan management mechanism;
- The whistleblowing system;
- The group compliance policy.

These systems are regularly updated.

Insofar as Bpifrance aims to be exemplary in terms of ethics, compliance and anti-money laundering, countering the financing of terrorism, corruption and fraud, the Bpifrance Group has adopted an ethics charter, which is available on its website.

Bpifrance's ethics charter is supported by the commitment of its Chief Executive Officer and is based on five inseparable pillars:

- Compliance with financial security laws and regulations;
- Integrity in relationships with third parties;
- Respect for markets and the principles of free competition;
- Respect for confidentiality and the protection of personal data;
- Protection of the assets, people and interests of Bpifrance and its shareholders.

Consequently, Bpifrance is publicly committed, on its website and through the voice of its CEO, to not tolerate any fraudulent or unethical behaviour or actions, and to combat all forms of corruption.

Business ethics and compliance are essential to the implementation of its actions. Each employee is an actor and responsible for this.

22 *See Section 5.1 "Internal control and risk management system"*

3.4.4. Ethics

Bpifrance has also adopted codes of ethics for its financing and export insurance activities, as well as for its direct and indirect investment activities, which constitute a reference framework of its fundamental values, guiding principles and rules of good conduct and complement its internal regulations.

All new employees must read and accept the Code of Ethics and the internal regulations of Bpifrance.

By signing the code of ethics, employees undertake to behave loyally towards the Bpifrance Group, making a constant effort not to do anything that could compromise the group's image, and to demonstrate competence, care and diligence in their work.

3.4.5. Anti-money laundering and countering the financing of terrorism

Non-compliance with the AML/CFT regulations by one of the entities of the Bpifrance Group may result in a risk to the company's reputation and image as well as a risk of sanctions, which may be administrative, disciplinary and/or criminal in nature. Therefore, the highest level of Bpifrance Group management is involved in the combating financial crime. Bpifrance does not finance, invest in or support companies or organisations whose identity, legal representative, proxies or beneficial owner(s) cannot be identified and verified.

The Bpifrance Group has a policy on anti-money laundering and countering the financing of terrorism, which is translated into operational policies for the financing, export insurance and investment departments.

These documents describe the issues at stake in this fight, the due diligence to be conducted in order to obtain the required knowledge of the business relationship and the planned operation, as well as the rules for referring cases to the Financial Security Department.

A specific tool was deployed in 2018 to facilitate the performance of due diligence for knowledge and verification of business relationships and to ensure traceability.

All employees are required to be familiar with the Group's policy on anti-money laundering and countering the financing of terrorism and to attend training programmes on these subjects, which are held annually for operational teams.

3.4.6. Compliance with applicable economic sanctions and export control regulations

The Bpifrance Group undertakes to comply with all legislative and regulatory provisions relating to economic sanctions and export controls in the countries and territories where it operates.

Thus, Bpifrance is equipped with a mechanism permitting compliance with the applicable economic sanction and control regulations. Bpifrance group employees must apply the Group's policy on compliance with economic sanction regulations and take the training programme annually.

3.4.7. Combating corruption and fraud

The provisions of Article 17 of the Sapin II Law[23] on the fight against corruption and influence peddling came into force on 1 June 2017 and apply to all Bpifrance Group companies. Bpifrance has zero tolerance for corruption, influence peddling and, more generally, for illegal, unfair or unethical practices.

Bpifrance is also committed to the fight against fraud, both external and internal, and has put in place measures to combat all forms of damage to its assets, those of its agents and those of its employees.

These measures are at the heart of the values promoted by Bpifrance and included in its Codes of Ethics. Bpifrance employees must, in all circumstances, behave with loyalty, impartiality, fairness, discretion, diligence, honesty and professionalism, while respecting the integrity of the markets in which they operate. By informing employees and providing them with rigorous training, these policies aim to prevent any risk of fraud and corruption, any risk of granting any assistance to or concluding a purchase agreement with a company which has dubious practices or managers.

Group policies determine the rules and procedures applicable to all employees with regard to preventing and combating corruption and fraud, including the methods for detecting, handling and remedying cases of suspected, attempted or actual fraud. In order to strengthen its anti-fraud measures, in 2021 Bpifrance set up a new governance structure in order to provide a framework for managing this risk, to strengthen its anti-fraud policy and to organise awareness-raising activities among employees.

In addition, there are strict rules governing personal transactions and mandates, the receipt of gifts, invitations to meals and other types of benefits received by or offered to employees. Each employee, on an annual basis, must sign a declaration on their honour that they have complied with these rules, or, failing that, must explain circumstances of any deviations.

In addition, Bpifrance's defined delegation schemes structure award and investment decisions, as well as the rules for double-verification and collective decision-making via committees.

It should be noted that Bpifrance has held ISO 37001 certification since December 2019. This certification is issued by Euro Compliance for anti-corruption and attests to the effectiveness of the anti-corruption management system and its commitment to this issue. It was renewed at the end of 2022 for an additional three years. A surveillance audit was carried out in September 2023, resulting in the renewal of the certification.

3.4.8. Supplier referencing

An electronic supplier referencing platform was set up in 2019 in order to strengthen transparency, promote consistent processes, evaluate Bpifrance Group's suppliers and service providers, and ensure the monitoring of anti-corruption measures in application of law No. 2016-1691 of 9 December 2016, known as Sapin II, by applying the following principles in particular:

- Fair competition (at the time of consultation and final choice);
- No conflicts of interest;
- Compliance with the applicable procedures on gifts, hospitality and other benefits;
- Confidentiality of exchanges as well as traceability and archiving of the entire purchasing process.

This platform allows the practices of companies and their managers who provide services to Bpifrance to be verified in order to ensure that Bpifrance may conclude commercial agreements with these service providers.

3.4.9. Whistleblowing policy

A whistleblowing system on a secure platform allows any employee to report any impropriety with respect to compliance with banking and financial regulations, the rules set out in the Bpifrance Codes of Ethics and in the Anti-Corruption Policy, as well as any crime, misdemeanour, serious and obvious violation of the law, threats or harm to the public interest, etc. that he or she may have observed to the Director of Compliance and Permanent Control in a direct and strictly confidential manner. This system complements other channels for reporting failures or improprieties, such as the reporting of operational risk or non-compliance incidents.

23 See Section 5.3 "Regulatory environment"

3.4.10. Operational and non-compliance risk management

The procedural framework dedicated to the management of operational and compliance risks includes an Operational Risk Management Policy as well as policies dedicated to the mapping of operational and compliance risks, the reporting and management of incidents, the anti-fraud mechanism and the monitoring of inherent action plans, as well as governance issues related to operational risks.

The mapping of operational and non-compliance risks for the entire Bpifrance Group is updated at least once yearly for all business lines. It describes the risks to which Bpifrance is exposed, including corruption risks, and prioritises them according to the impacts defined in the methodology in force for the Bpifrance Group. Risk Management Systems are also identified and assessed during this exercise in order to determine the level of residual risk exposure for each Bpifrance business line.

In addition, an incident reporting system was deployed in 2021 and is governed by dedicated instructions. In summary, a process whereby incidents are validated by the first line of defence was put in place and completed by a systematic review of incidents by the Operational Risk Department (LoD2). The objective of this procedure is to identify operational risks and non-compliance incidents and to thus determine possible corrective actions and/or action plans in order to reduce the potential impacts and the probability of re-occurrence.

	Rate of employees trained in AML/CFT[1]			Rate of employees trained in anti-corruption measures[2]		
	2023	2022	2021	2023	2022	2021
Bpifrance	936	365	476	864	437	508
Bpifrance Investissement	270	116	88	270	116	88
Bpifrance Assurance Export	65	22	42	55	21	47
Brokerage	integrated into Bpifrance					
TOTAL	**1,271**	**503**	**606**	**1,189**	**574**	**643**
Total number of employees as at 31/12	4,155	3,801	3675	4,155	3,801	3675
	30%	13%	17%	28%	14%	18%

(1) *Number of employees trained in anti-money laundering and countering the financing of terrorism (AML/CFT) measures/ Total number of employees who received one or more training courses during the year (permanent, fixed-term, work-study and traineeship). Some of these employees left the Group during the year.*

(2) *Number of employees trained in anti-corruption measures/ Total number of employees who received one or more training courses during the year (permanent, fixed-term, work-study and traineeship).*

3.4.11. Taxation

Bpifrance and its subsidiaries pay all their taxes in France.

In the context of the automatic and mandatory exchange of tax information with respect to cross-border reporting arrangements (or the 'DAC 6 Regulation'), the Bpifrance Group has mapped its activities in order to determine the arrangements potentially subject to the DAC 6 reporting obligation. Following a census of operations carried out since 25 June 2018, no reportable systems were identified. The implementation of a procedure dedicated to this obligation is included in an instruction.

3.4.12. Influence and lobbying activities

Bpifrance enters into exchange and discussion with the Regions, banks, professional federations, Chambers of Commerce, incubators, etc. in France and at the European level. These activities form part of its public interest mission to support sustainable growth, create jobs and competition, and to have this mission taken into account by these ecosystems and stakeholders on the one hand, and, on the other hand, to ensure that its offer meets expectations and needs.

A Brussels office is tasked with ensuring information monitoring with the European institutions and supporting the group's departments in terms of community financing projects and affairs. It is registered with the European authorities. Similarly, the institutional and media relations department has been declared to the French authorities for its representative activities between Bpifrance and the public authorities. Bpifrance and its subsidiaries are fully taxed in France.

3.4.13. Protection of data and funds, security and resilience of the Information System

Information System Security (ISS) is a major issue for Bpifrance and is the subject of specific attention for the Group's Senior Management and board members. In this regard, since 2022, cyber risks have been a separate risk in the Group risk mapping and are, to this end, managed separately at governance instances.

⚠ Major risks identified

- Failure to ensure the protection of data and the integrity of information systems
- Embezzlement, fraud
- Loss of customer and stakeholder confidence

Data protection and the integrity of information systems are essential to the performance of Bpifrance's activities.

Failure to ensure data protection the integrity of information systems results in risks as defined in Bpifrance's Information Systems Security Policy (PSSI):

- Large-scale propagation of malicious files on the Bpifrance information system
- Internal digital fraud;
- External digital fraud;
- interruption or malfunction of a strategic service or a critical Bpifrance function;

Embezzlement and fraud carry the risk of sanctions:

- Administrative, monetary and/or disciplinary sanctions by an administrative authority acting under the prerogative of a public authority (e.g., a sanction pronounced by the AMF or the ACPR);
- Civil: damages, in case of legal action;
- Criminal: in accordance with the nature and impact of the fraud.

Failure to protect data and the integrity of information systems and/or the misappropriation of funds or fraud may result in damage to Bpifrance's reputation, generating distrust among clients and stakeholders, which may lead to loss of business, in turn resulting in financial losses, difficulties in raising funds, additional financing costs, loss of management mandates.

Our answers

- Information system security policy
- Data protection policy
- Internal enforcement procedures and instructions
- Authorisation procedure and tool for computer applications and systems
- Security procedures and systems for access to premises
- Employee awareness training
- Anti-intrusion audits and tests

Our goals

- Protecting personal and confidential data and funds from misuse

On behalf of Bpifrance

As cyber risks continue to increase, Bpifrance is constantly adapting its systems to ensure both the security of the data entrusted to it and the resilience of its services. The Group's Information Systems Security Department is strengthening its workforce every year, integrating new technologies to anticipate and counter cyber risks.

The goal is to continually adapt and strengthen the mechanism and to show that the actions undertaken permit management of the exposure to cyber risks faced by Bpifrance by evolving from 'defensive' security towards 'offensive' security, in order:

- To protect the information systems and the data entrusted to them against any accidental or deliberate threat;
- To pre-empt threats with new-generation solutions;
- To contribute to the overall performance of Bpifrance's information systems and its reputation;
- To contribute to the longevity of Bpifrance's activities and services, and to contribute to the overall resilience of critical processes;
- To allow Bpifrance to implement tailored security arrangements.

Consequently, ISS management is strengthened each year: a comprehensive body of procedures and associated permanent controls, new tools integrating the latest technologies, heightened security requirements, growing teams and resources. Security audits and intrusion tests, on both the Bpifrance Group and business line tools have been carried out to a great extent in 2023. Awareness-raising, training and cyber exercise activities have been strengthened, with the aim of making employees stakeholders in combatting cyber threats. Further, complementary mechanisms have been in place for a long time in order to ensure the security of the funds entrusted to or received by Bpifrance, including:

- Strict and tracked rules separating payment requests and approvals;
- Secured access to premises and a complete absence of cash on sites;
- Employee anti-corruption policy and trainings;
- Rigorous internal control mechanism;
- Audit and risk committees at the S.A. and business line subsidiaries.

The protection of personal data is organised at the Bpifrance Group level, in a system that involves all business lines and employees and defines the roles and responsibilities of each support department in order to implement and continuously improve the processes, with the support of the data protection officer assigned to the Group Compliance and Permanent Control Department. The policy relating to the management of personal data of clients and prospects is published on the Bpifrance website.

To support entrepreneurs

In addition to the actions undertaken within the Group and on behalf of the DGE (Direction Générale des Entreprises) and in conjunction with ANSSI and the SGPI (Secrétariat Général Pour l'Investissement), Bpifrance is implementing the government's plan to help small and medium-sized businesses address cyber threats.

Its Cybersecurity Diagnostic is designed to strengthen the cybersecurity of SMEs and SMIs by providing an individual assessment of the company's exposure to cyber risks. The objectives of this diagnosis are to:

- Raising awareness among management and disseminating best practices in cyber security;
- Conducting an assessment of the strengths and weaknesses of the company's information systems security;
- Putting forward individual, prioritised, costed recommendations to ensure adequate data security;
- Helping the company prepare for cyber crisis management.

3.5. STAKEHOLDER SATISFACTION: A CORE CONCERN

Major risks identified

- Failing to meet stakeholder expectations
- Failing in our role as a long-term partner for customers

Satisfaction is at the heart of Bpifrance's concerns, as it has a public interest mission to support sustainable growth, employment and competitiveness of the economy, in support of public policies.

The risks of stakeholder dissatisfaction are likely to generate financial losses, resulting from the disaffection of clients whose expectations of funding or support are not satisfied; a lack of confidence on the part of partners – particularly public partners – could result from the failure to meet expectations and fulfil missions and lead to a reduction in resources – particularly public resources.

Our goals

- Maintain the high level of interaction with our stakeholders
- Meet their expectations

Our answers

- Doctrine
- Bpifrance Group corporate social responsibility charter
- Strategic ambitions reviewed annually
- Partnerships and agreements (ex-delegated guarantee)
- Deployment of offers in line with public policies
- Principle of co-intervention
- Decentralised organisation
- Proximity to customers and partners (decentralised organisation, networking, events)
- A constantly evolving range of services to support all companies, whatever their size, at all stages of their development and on all their financial and non-financial issues
- Offer transparency
- Cross-functional Group offer committee
- Measuring the impact of the actions deployed; annual customer satisfaction survey

3.5.1. A sustained dialogue with Bpifrance's stakeholders

The satisfaction of our stakeholders is at the heart of Bpifrance's dynamics, and we maintain sustained relationships with them:

Key stakeholders	Main modalities of dialogue or expression
Clients	• Dedicated contacts according to business line, needs and location • Welcome platform and services: my Bpifrance online • Events and round tables (Bpifrance Inno Génération, BIG Tour, Deeptech Tour, Entrepreneurship for All Tour, Hub Bpifrance, Communities: Excellence, Coq Vert, French Fab, French Tech, green tech companies) • Direct or digital contact (new project guide) • Satisfaction survey • Studies (LAB), business surveys • Tribu (Bpifrance's social network)
Banking partners, own funds	• Exchanges with business line managers: co-financing, guarantees, investment departments and business lines • Operational relations in the field, in co-financing or co-investment • Market relations and meetings in organisations and networks (France Invest, ORSE, etc.) with business lines and cross-functional groups • Studies (LAB), economic surveys
Regional partners	• Dedicated contact persons: Regional partnerships, regional action and entrepreneurship department, network and regional directors
Employees	• Relationship with management: operational relations, annual appraisal interview and professional interview every 2 years, career interview carried out by HR at the employee's request • 'DAC' meetings[24] and Visual management • Satisfaction survey (every two years) • Internal communication: intranets, information screens on each site, occasional information provided by messaging if necessary, chats organised with the CEO or executive directors, breakfasts, internal news programmes, business meetings • Whistleblowing systems: psycho-social risks, harassment, operational risks, compliance, etc.
Labour partners	• Employee representative bodies • Employee representation agreement • Interviews upon start and end of service
Directors	• Boards of Directors and General Meetings • Commissions and Committees • Annual seminar on Group strategy for directors

24 *Continuous Improvement Process.*

Key stakeholders	Main modalities of dialogue or expression
Supervisory authorities	• Regular meetings and exchanges between the relevant departments and sections of the Bpifrance Group and: • the ECB and the ACPR as part of their authorisation, supervision and prudential monitoring tasks • the AMF as part of its regulatory tasks
Investors and analysts	• Investment business line: dedicated contacts • Bond investors: Finance Department, Investment tour • Investor space on the bpifrance.fr website
Non-financial rating agencies	• Dedicated contact Sustainable Development & CSR Department: answers and discussions on the rating • Meetings
Suppliers	• Exchanges with buyers and the Purchasing Department: responses to calls for tender, Initiative Conseil referencing process, contracts, referencing platform, CSR assessment for the main suppliers • Operational monitoring of the service with the business lines
Professional and local associations and networks	• Meetings, regular exchanges and participation in workshops and working groups (business lines, cross-functional)
Media	• Dedicated media contact: Institutional and media communication department (press releases and conferences, discussions with journalists, institutional publications) • Communication (including digital): Communication Department

3.5.2. An organisation that drives customer satisfaction

The entire Bpifrance organisation and its resources are geared towards satisfying its stakeholders and, in accordance with its mission, towards businesses and their environments, in support of public policies:

Close to customers and their environments	An integrated bank at the service of entrepreneurs	Pooled resources, strictly limited financial resources
	50 locations	1,200 front office staff in the network
	A transparent organisation	The contact persons responsible for each location are identified, for simpler communication
An adapted and transparent financial offer	A continuum of products	For each company, whatever its size, at all stages of its development and its problems
	Adapted solutions, in constant evolution	In financing tangible and intangible investments, in supporting innovation projects, in equity, in financing guarantees or equity
	Transparent solutions	The terms and conditions of each solution are described on the website, for example: eligibility conditions, funded or eligible expenses, financial conditions, associated banking partnership etc.
Dedicated online spaces and tools	Regional service portal	To facilitate exchanges and streamline processes
	Banking space	To file, manage and check the status of applications
	Support networks area	To submit and manage applications for grants, unsecured loans
	Suppliers	A one-stop shop for referencing, completing and updating data in real time.
	Calls for tender	To respond to a consultation
A comprehensive offer for non-financial support	Advice and support	In-depth diagnostics or consulting missions, in pairs of Bpifrance and external experts
	Training	Free online training courses that are constantly updated: https://www.bpifrance-universite.fr/
		Face-to-face training: accelerators, seminars
	Information	A think tank and studies, accessible online: https://lelab.bpifrance.fr/ SME business surveys, flash surveys
Networking and large events	Communities: Excellence, Deeptechs, Accelerated, Entrepreneurs, Coq Vert, French Fab, French Touch	To exchange and progress
	Bpifrance Inno Génération	
	Big Tour, Deeptech Tour	
	Entrepreneurship for all	
	Jour E	
	TRIBU: the social network	
	Euroquity	

3.5.3. Quality of the offer

Bpifrance's strategic plans are reviewed annually, in the framework of an exercise involving all business lines. This is based on an analysis of the developments noted, in particular in the economic climate and business expectations. Thus, this work allows Bpifrance's action plan to be optimally tailored, and for it to fulfil its public interest mission and business needs.

Bpifrance's strategic objectives for 2024-2028 have thus committed it to strengthening its partnerships, firstly with the Regions in order to better integrate their priorities; with Europe as a key operator of the European recovery plan in order to put it at the service of French companies; and with long-term investors in order to respond to the challenges of increasing the capital mobilisation, particularly in sectors of the future.

Bpifrance is constantly adapting what it offers or how this is organised. This is seen in the evolution of its range of products and services, and the launch of new activities, with a steady goal of ongoing improvement, performance-seeking and the satisfaction of all its parties.

This dynamic is carried out with the dual aim of maintaining overall consistency within the Bpifrance Group and complying with regulatory requirements in this area.

A robust coordination process has been set up between Group departments (business lines, operational and transversal). This allows the impacts of new offers, and customer and partner satisfaction levels to be evaluated, and to implement optimally tailored solutions and deployment means.

3.5.4. Bpifrance events to bring people together and provide support

Bpifrance Inno Generation

Bpifrance Inno Generation is a unifying event, bringing together Paris, the regions, the international dimension and communities of entrepreneurs around diverse issues (climate, Deeptech, industry 4.0, cybersecurity, tourism, investment, business creation, international, innovation, etc.) and represents a unique opportunity for visitors to develop their ideas and their network.

Its 9th edition took place on 6 October 2023, both in-person and online (80,000 participants registered), and brought together all entrepreneur profiles: from business creators to major groups via start-ups, VSEs, SMEs, MMEs, etc. who were offered over 500 workshops and conferences broadcast live, with audio and video, in order to understand the challenges of tomorrow and technological trends, over 1,000 contributors with 150 top speakers on the Bang, Ampli and Big Media stages. Innovative businesses presented a product or a service, and new formats permitted even richer discussions, over 33,500 connections (support workshop, Bang studio, interview space, etc). In keeping with 2022, BIG 2023 was organised with environmental responsibility in mind: strict limits on single-use materials, use of materials with a low environmental impact and re-usable signage, encouraging sustainable mobility and the use of public transport, and stimulating event partners to keep to these same commitments.

The 10 CSR commitments of BIG 2023 were as follows:

- Encourage sustainable mobility and the use of public transport;
- Use materials with a low environmental impact as much as possible;
- Reduce the amount of "goodies";
- Limit the use of paper;
- Limit the use of single-use plastic;
- Promote responsible catering;
- Reuse or recycle furniture and signage;
- Better waste management;
- Measure and communicate BIG's CSR impact;
- Encourage BIG's partners to respect our commitments.

As a result:

- There was 0 food waste in the technical catering;
- 5 lorry loads of equipment reused after the event;
- 40 partner companies involved;
- Participants encouraged to adopt eco-friendly behaviours through signage.

The Tours

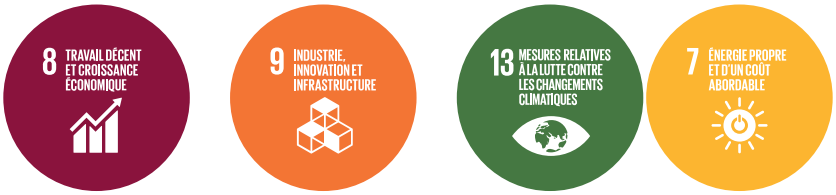
The French Fab Tour, Big Tour (Tour of Recovery), Entrepreneurship for All, Deeptech Tour bring together companies and entrepreneurs and help them raise awareness among the general public.

The Leaders

Since 2013, Bpifrance has supported French men's and women's team sports, with which it shares its values of proximity, simplicity, determination and optimism.

The Leaders is a community of 55 men's and women's sports clubs, representing seven disciplines (football, rugby, basketball, handball, volleyball, ice hockey and water polo). Bpifrance's network of partner sports clubs covers 14 regions of France as well as other countries, forming a formidable network of players essential to the social cohesion and economic dynamism of their regions. By setting itself the objective of relaying thoughts, experiences, and innovative products and services, Bpifrance's objective is to disseminate information and promote networking among innovators in the sports world, and to energise this market on a sporting, economic, social and environmental level.

3.5.5. Measuring the impact of the actions implemented



Bpifrance monitors and evaluates the results and impacts of the projects it supports every year, particularly in terms of the growth of French companies as well as employment and publishes these elements on its website[25].

As a public bank, Bpifrance ensures that its actions serve the public interest and of course the Sustainable Development Goals in the context of the missions entrusted to it by the legislator. The main Sustainable Development Goals to which Bpifrance contributes have been defined in the framework of a task force at the Caisse des dépôts Group level, and monitoring indicators have been fixed and consolidated at this level. These key objectives are:

- Objective 8: Promoting long-term, shared and sustainable economic growth, full productive employment and decent work for all;
- Objective 9: Building a resilient infrastructure, and promoting sustainable industrialisation that benefits all and encourages innovation;
- Objective 13: Urgently taking measures to combat climate change and its consequences;
- Objective 7: Guaranteeing access for all to reliable, sustainable and modern energy services, at an affordable price.

The results of these 2023 impact assessments are not available at the time of writing, and the data presented are those from the previous year's booklet, which are important for measuring the positive impact of Bpifrance's interventions.

A study of the impact of Bpifrance's actions is carried out after a three-year period to measure the effective impact of such actions; the results published in the 2022 impact booklet demonstrate the efficiency of the measures implemented by Bpifrance, in correlation with the missions entrusted thereto as well as the expectations of its stakeholders:

- A strong impact over three years on supported companies:
  - Employment and turnover are growing faster in supported companies than in non-supported but initially similar companies (+8.4% additional annual growth in headcount, +7.9% for total sales and +17% in export sales for companies receiving development support). Estimated additional increase of €138 billion in turnover and 404,130 jobs maintained or created thanks to Bpifrance's support for business development over the 2012-2018 period;
  - Supported companies are also more resilient after 3 years (+4 survival points compared to companies which are initially similar but do not receive support for business growth and to strengthen cash flow);
- Significant support for risk-taking: overall, out of all supported companies with a Banque de France credit rating, 43% of support beneficiaries in 2022 had a low rating, whereas the proportion of low ratings is 35% for all companies rated by the Banque de France. By systematically collaborating with its banking partners, Bpifrance is helping encourage the private sector to support risk-taking;
- A knock-on effect on private funding through its various instruments::
  - on average, €1 of government funding invested in a Bpifrance credit guarantee fund covers €15.1 of private credit risk, with the total amount of private credit actually granted to SMEs by partner banks amounting to €27.7);
- Bpifrance's support for the Social and Solidarity Economy (SSE) reached around €440 million in 2022. This support involved 5,809 entities. Bpifrance's work with SSE entities is mainly based on its general (non-specific) offer:
  - Unsecured loans remain the most important form of support for the SSE, with €120 million mobilised, up 10% on 2021. Growth in this business was mainly driven by the near doubling of the amount of Green Loans (€45.7 million),
  - Although representing limited amounts compared with other instruments (€30 million), solidarity loans enable a very large number of SSE projects to be supported (4,920 in 2022),
  - Support for innovation in favour of SSE structures will reach €80 million in 2022 and will remain the second largest amount of support in this sector, despite a decrease in 2022 (-20%). The decline in this business is almost entirely attributable to the decline in repayable advances,
  - Despite a lower total amount (€70 million, or -17% compared with 2021), private equity activity benefited more companies (110 companies supported in 2022, or +50% compared with 2021).

Customer satisfaction

The results of the 2023 survey show a slight decline in customer satisfaction to 7.7/10 (8/10 in 2022, 7.8/10 in 2021 and 7.9/10 in 2020) and a drop in Net Promoter Score to 41 (52 in 2022, 42 in 2021 and 49 in 2020).

25 *https://bpifrance.fr/A-la-une/Dossiers/Impact-de-Bpifrance*

3.6. OUR MAIN MISSIONS TO SERVE THE PUBLIC INTEREST

The doctrine of Bpifrance, a public group serving the public interest, was presented to the National Assembly and the Senate on 15 May 2013. It defines Bpifrance's intervention doctrines in its financing and investment activities, as well as its structural commitments: to be a tool serving companies, to revitalise regions, to work for innovation, to promote competitiveness and growth, and to adapt to specificities, by being as close as possible to the supported companies and by fostering close partnerships, in particular with the Regions.

Bpifrance's strategic objectives are updated each year, based on an assessment, together with the business lines, of their achievements, economic and sectoral developments, and broad consultations; these updates are submitted to all representative bodies of the Bpifrance Group's stakeholders and validated by the governing bodies before being published.

This annual update of the Bpifrance Group's strategic objectives aims to take into account the needs of companies and economic and sectoral developments as closely as possible, in light of its public interest mission to serve sustainable growth, employment and competitiveness of the economy.

Bpifrance's failure to fulfil its public interest mission by supporting public policies and the business environment and by ensuring that market deficiencies are remedied would call into question its reputation and its credibility vis-à-vis its stakeholders. This loss of credibility could result in lost customers, business failures among customers due to the lack of financing solutions in the face of market problems, and financial losses. Furthermore, Bpifrance's failure to accomplish its public interest mission could lead to a decrease in access to the public and/or European resources dedicated thereto, and thus to higher resource costs.

3.7. THE ECOLOGICAL AND ENERGY TRANSITION (EET)



Supporting the EET is one of the missions entrusted to Bpifrance by the French legislature and is included in the bank's strategic plans.

Over the period 2020 to 2023, Bpifrance supported the ecological and energy transition (EET) sector to the tune of over €21bn[26], all activities together. This support has only intensified over the years: the sum total invested to the benefit of the EET thus represented €7.1bn in 2023, €5.8bn in 2022, €4bn in 2021 and €4.4bn in 2020.

This mobilisation in favour of the production of renewable energy and companies' ecological and energy transition aims to help them, in particular, to reduce their emissions, to better control their sources of supply and natural resources, to reduce waste, to preserve biodiversity, and to initiate or continue the transition of their business models by better managing risks, in particular those resulting from climate change.

Through its financial and non-financial support, Bpifrance contributes to the Sustainable Development Goals of clean energy production, responsible production and consumption, and measures to combat climate change.

⚠ Major risks identified

- Failure to support companies through the changes that are essential for their survival: accounting for climate change in their activities
- Lack/inadequacy of offers contributing to the EET
- Non-financing/ inadequate financing of the EET
- Generating environmental impacts, delay in the transition of companies, economic impact

Our answers

- Doctrine
- Bpifrance Group Corporate Social Responsibility Charter
- Strategic objectives, reviewed annually
- Bpifrance Climate Plan
- Our business processes
- Our intervention restrictions
- Support and awareness-raising

Our objectives

- Strongly supporting transition solutions
- Accelerating the transition of all businesses

26 *€21.3 billion.*

3.7.1. The Climate Plan

In September 2020, and following the Relaunch Plan formalised by the Government, Bpifrance launched a Climate Plan based on three pillars:

1. Accelerating businesses' transition using a unique continuum blending financing and support;
2. Massive funding and support for solutions providers, including Greentech innovation, to help "green unicorns" emerge and grow;
3. Supporting the development of renewable energies (RE) and contributing to the growth of international champions

The Climate Plan is at the heart of the Bpifrance mission, which uses its Network of 50 establishments to support each business and each project. Bpifrance has strengthened its teams of Climate Coordinators in all its regional offices.

After more than 3 years of successful deployment, the Climate Plan now has a number of key elements on which to build in order to raise ambitions and accelerate the ecological transition of French businesses. Between its launch and the end of December 2023, €20.3 billion was deployed. Bpifrance's support for the Ecological and Energy Transition amounted to €7.1 billion in 2023 (compared with €5.8 billion in 2022).

• Pillar 1: accelerating businesses' transition

By the end of March 2023, the first 3 years of the Climate Plan will have enabled more than 4,700 businesses to make the transition, thanks to an increase in green loans and support services. Bpifrance is stepping up its ambition to support 20,000 businesses over the next 5 years.

- **Bpifrance's teams offer companies support tailored to their stage of development:**
  - More than **2,400 technical diagnoses** (carbon footprint, material and energy flow audits, etc.) have been carried out and have led to action plans, including more than 1,500 Diag Décarbon'action, more than 400 Diag Eco Flux and almost 100 Diag Per'Immo and Eco conception,
  - More than **450 Green TEVs** have recruited young people to work on a mission or project related to the company's ecological and energy transition,
  - Subsidised **strategy consultancy services** to help SMEs and SMIs draw up a comprehensive climate strategy were rolled out in 2023,
  - More than **100 companies** have received in-depth support through a comprehensive training and consultancy programme delivered via the decarbonisation and energy transition accelerators,
  - The **Coq Vert Community**, created to bring together companies in transition and solutions providers and to stimulate collective development at both local and national level, now has more than **2,400 members**, including **150 Pathfinders**.
- **Bpifrance is providing massive funding for the investments required for transition action plans**:
  - By the end of 2023, more than **€1.5bn** had been granted to finance **green property**, as part of a comprehensive programme including diagnostics, a comprehensive renovation plan and long-term financing at a subsidised rate,
  - **€2n in green loans** and energy-saving loans have been granted to finance business transition plans, stimulating financing of a similar amount from private banks,
  - At the same time, a **green subsidy** was launched in partnership with the Agence Française de la Transition to balance the financing plan for targeted actions,
  - All financing applications are supplemented by a **dialogue** between Bpifrance and the company to assess its maturity with respect to the challenges of the ecological transition, using an index built based on sectoral data. Building on its deployment since late 2022 in a few initial sectors, Bpifrance aims to extend this to all sectors and all applications by mid-2024.
- **As an investor, Bpifrance helps its direct and indirect holdings to accelerate their transition from SMEs to CAC 40 companies**:
  - Bpifrance is stepping up its due diligence on climate issues and helping its investments build and monitor their decarbonisation business plans,
  - As a subscriber to investment funds, Bpifrance assesses the commitments of the funds to which it subscribes and helps them to take climate issues into account.

• Pillar 2: Massive funding and support for solutions providers, including *Greentech* innovation

- **Bpifrance is deploying a reinforced continuum of support solutions to help more "green unicorns" emerge thanks to the resources allocated by the French government as well as reinforced monitoring**:
  - Thanks to the resources allocated by the French government through PIA 4 and the Deeptech and France 2030 plans, Bpifrance is able to offer a complete **continuum from the lab to the factory**, enabling green unicorns to emerge and attract financing and investment; **2,000 greentech companies** have already been financed, with 50 equity investments,
  - Our Fund of funds activity will be proactive, fostering the development of new investment funds which specifically address the issues of ecological transition.

• Pillar 3: Supporting the development of renewable energies (RE)

- To help decarbonise the French economy and promote access to clean energy for French businesses, Bpifrance is capitalising on its **long-standing and recognised role in financing renewable energy**:
  - Between September 2020 and end-2022, around **€4bn in funding** was provided to more than 400 projects,
  - Bpifrance also provides equity support, with **€70m invested in renewable energies** and energy efficiency by the end of 2022,
  - At the end of 2023, Bpifrance will launch a **guarantee fund** to encourage **Corporate Power Purchase** Agreement (PPA) contracts,
- Bpifrance also supports the emergence of **innovative players** in new energies (in particular via the France2030 calls for projects), and provides assistance for **renewable energy developers with export issues**;
- **The4th class** of the "Energy Transition" accelerator will be launched in 2024. This accelerator helps companies in the Energy sector rethink their positioning and business model to meet current and future challenges.

3.7.2. Governance

The implementation of this Climate Plan, announced in 2020, led to an acceleration of the work of all Bpifrance business lines in 2022, within a specific organisational framework:

- A Climate Department has been created to monitor all the transversal projects. This team reports on the progress of the projects to a restricted body of executive directors and to the CEO;
- Climate Coordination Managers have been deployed to each regional department to support the Network in rolling out the Climate Plan;
- Climate benchmarks have been identified at several head office business lines.

All of our business lines have thus moved to prioritise climate issues, leading to the creation of new products and the adaptation of our intervention policies.

A Climate Committee, made up of directors, observers and a college of experts, was also set up in 2020; this consultative body meets prior to the meetings of the Board of Directors and formulates opinions on the company's strategic orientations, intervention doctrine and methods for carrying out its public interest missions as well as the implementation of the ecological and energy transition.

Monitoring the Climate Plan is also on the Executive Committee's (COMEX) agenda each month.

3.7.3. Internal transformation plan

An internal transformation plan has been put together focussing on energy saving:

- Energy efficiency of our buildings:
  - Conduct of energy audits at our premises with a view to implementing a programme to improve our energy performance and complementary actions,
  - The standard use of LED lights fitted with movement sensors across all group sites, in order to automatically switch off the lighting when no one is present, has allowed us to reduce our electricity consumption,
  - Waste management.
- On mobility:
  - All travel for which a one-way journey is shorter than four hours is **made solely by rail**,
  - **Car fleet**: implementation of new car fleet catalogues, including electric and hybrid vehicles, as well as financial stimuli to switch to these.

Furthermore, climate occupies an ever-growing place in Bpifrance's communications activities, in particular a dedicated 'green bubble' is installed at our BIG event, and numerous workshops and conferences on the ecological transition have been organised.

Bpifrance also created and organised the second edition of 'jour E' on 4 April 2023, in Paris, an event aimed at entrepreneurs on the theme of the energy transition.

3.7.4. Sustainable refinancing programmes and non-financial ratings

At 30/11/2023, Bpifrance had €6.25 billion in sustainable bonds outstanding.

A targeted investment programme has been incorporated into Bpifrance's EMTN programme. The securities issues conducted under this programme benefit from the guarantee of the public institution (EPIC) as well as the Aa2 rating from Moody's and AA- rating from Fitch granted to the EMTN programme. In detail:

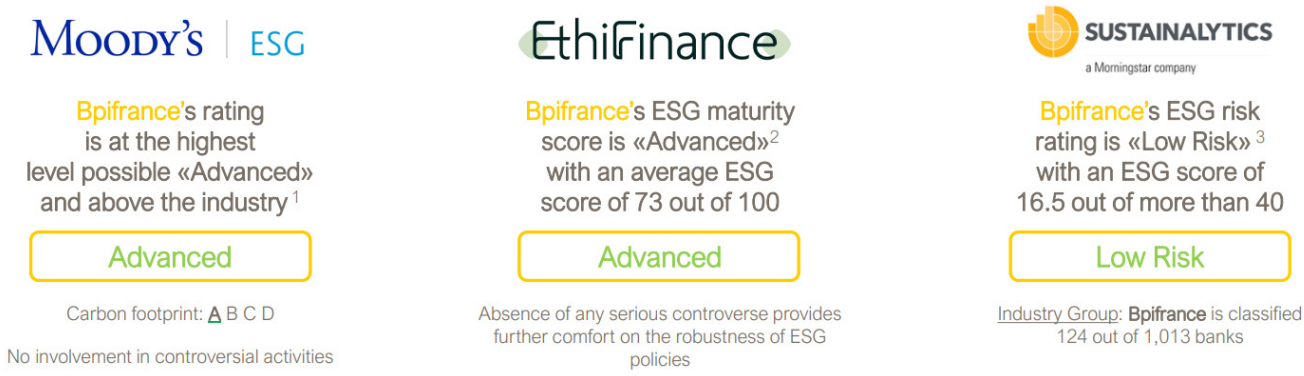
- the Bpifrance Covid-19 Response Bond - FR0013510724 - €1.5 billion - maturing on 26/02/2027;
- the Bpifrance Inaugural Green Bond - FR0014003C70 - €1.25 billion - maturing 25/05/2028 - complying with the ICMA Green Bond Principles;
- the second Bpifrance Green Bond - FR001400BB83 - €1.25 billion - maturing 29/11/2027 - complying with the ICMA Green Bond Principles;
- In June 2023, Bpifrance successfully issued a third green bond (FR001400IV17 - maturing 25/05/2033) via an updated version of its 10-year €1 billion Updated Green Bond Framework. This new framework document is aligned with the latest version of the Green Bond Principles published by ICMA in June 2021 and follows a best practice approach by presenting an alignment study to the Green Taxonomy of eligible assets. Two new asset classes, Green Buildings and Green Techs, are now eligible for the sustainable refinancing programme, in line with the United Nations Sustainable Development Goals: #6 Clean water and sanitation; #7 Clean and affordable energy; #11 Sustainable cities and communities; #13 Measures to combat climate change; #14 Aquatic life; #15 Terrestrial life.
- In October 2023, Bpifrance also successfully issued its first social bond (FR001400LPZ1 - maturity 27/09/2027) via its General Social Bonds Framework ("Bpifrance Social Financing Framework") for €1.25 billion with a 4-year maturity. The framework document, published in June 2023, is aligned with the Social Bond Principles published by ICMA in June 2021, and presents five categories of eligible assets: Job creation and preservation; Social progress; Access to essential financial services; Access to essential education services; Access to essential health services; Access to essential services and basic infrastructure. These categories are aligned with the United Nations Sustainable Development Goals: #1 No poverty; #3 Good health and well-being; #4 Quality education; #8 Decent work and economic growth; #9 Industry, innovation and infrastructure; #10 Reduced inequalities; #11 Sustainable cities and communities.

These refinancing programmes offer investors unprecedented access to information about Bpifrance loans. Yearly impact reports are published, measuring the positive externalities of the loans and projects financed by Bpifrance, including information on the $TeqCO_2$ avoided thanks to renewable energy projects, and the number of jobs saved and/or safeguarded by geographical area. Detailed information can be found on the dedicated Investors page: Sustainable finance | Bpifrance.

Non-financial ratings

Bpifrance is currently rated on an unsolicited basis by several non-financial rating agencies, with an additional rating process underway. Moody's ESG, Ethifinance and Sustainalytics have given Bpifrance excellent ratings:

- ·Moody's ESG: "Advanced" and A for carbon footprint
- Ethifinance: 73/100 and Advanced
- Sustainalytics: score of 16.5/40 ("LOW RISK")



Bpifrance's Finance Department monitors these ratings and maintains an active dialogue with the rating agencies. With a view to improving Bpifrance's CSR policy and transparency, it disseminates the best practices suggested by the rating agencies internally and implements actions to promote the Group's "best practice" alignment.

3.7.5. The Climate Academy: a corporate school since 2020

Since its creation in 2020, the Climate Academy has been structured into three levels:

- The 1st level, acculturation, consists of making awareness-raising modules permanently and systematically available to all employees, ensuring that everyone has a basic understanding of climate issues and sustainability in general. Acculturation is based mainly on e-learning and workshops such as the Climate Fresk;
- The 2nd level, in-depth training, is structured by business line, with individualised training modules to gradually develop the skills of all business lines in line with Bpifrance's strategy and external developments (regulatory, market maturity, etc.);
- The 3rd level, expertise, is aimed at a narrower population and aims to capitalise on internal exports, developing them into educators and disseminators of good practice within the business lines. The range of courses dedicated to expertise includes certification courses;

For in-depth training and expertise, the emphasis is on individualised, operational and in-person courses.

- In 2023, the academy continued to develop its offer at each of the three levels:
  - Acculturation: Climate Fresk workshops continue to be provided for all new employees (permanent contracts, work-study students and interns). The biodiversity awareness campaign was launched with an e-learning module and Climate Fresk workshops. Access to external e-learning platforms (coorpacademy, coursera) also allows for continuous enrichment and renewal of the training offer,
  - In-depth: climate risks, the basics of carbon assessment, responsible digital technology and regulation were the themes most frequently addressed in 2023. This has made it possible to lay the first building blocks of the skills programmes that will be completed in 2024. New formats were also tested with the cross-functional business lines, so all employees can take ownership of the climate plan and identify their contribution – for example "Climate and HR business lines". These new formats will continue to be rolled out in 2024. It should be noted that 100% of in-depth training courses are delivered in-person in order to encourage exchanges between participants (excluding courses delivered on an individual basis) and that 100% of the new in-depth training courses developed in 2023 were individually designed to meet business needs as closely as possible and optimise the impact in terms of learning. Examples of new training subjects: SFDR, CSRD, environmental strategy, change management and ecological transition, climate and HR business lines,
  - Expertise: training courses on new topics were prepared in 2023 and will be rolled out in 2024;
- Post-training evaluations are used to assess the recommendation rate for training courses:
  - The average recommendation rate for new courses offered in 2023 is 4.7/5.

In 2023, the management of the academy was strengthened with the recruitment of a dedicated development manager within the HR Development and Training Department. The Climate Academy is part of the skills development plan.

3.7.6. Restrictions on financing and investments in the fossil energy sector

Bpifrance has committed, alongside the Caisse des Dépôts Group, to capping financing and investments in sectors exposed to fossil energies.

As regards thermal coal, the Group has committed to achieving zero exposure to thermal coal for its investment and financing portfolios by 2030 in OECD countries, and by 2040 in the rest of the world. Thus, Bpifrance is removing from its investment and financing portfolios:

1. Companies whose business is exposed at more than 5% of turnover to thermal coal;
2. Companies developing new coal-fired power stations (threshold 300MW of new capacity) or new mines and infrastructure dedicated to coal;
3. Mining companies whose annual thermal coal production volume exceeds 10Mt;
4. Energy suppliers whose electricity production capacity from coal exceeds 10GW.

As regards non-conventional energies, Bpifrance undertakes to attain, prior to 2050, zero exposure to non-conventional hydrocarbons and to regularly re-examine this exit date in order to bring it forward. It is removing from its investment portfolios and financing:

1. Companies[27][28] generating over 10% of their turnover from non-conventional hydrocarbons: oil sands, and Arctic or hydraulic fracturing resources, except when financing targets a project or subsidiary dedicated to renewable energies;
2. Direct financing of exploration infrastructure and projects dedicated to these non-conventional hydrocarbons.

As regards the capping of conventional oil and gas, Bpifrance is excluding the following from its investment portfolios and direct financing:

1. The development of new oil or gas projects (*upstream*)[29];
2. Infrastructure or transport associated[30] with these new projects.

3.7.7. Measuring the carbon footprint of portfolios

As part of its Climate Plan, Bpifrance is committed to regularly measuring the carbon intensity of its activities (Financing, Investment and Export Insurance).

An initial assessment procedure was carried out in the summer of 2020, covering all portfolios as at 31 December 2019 as well as scopes 1, 2 and 3; carried out with the support of external consultants, this procedure made it possible to define the calculation methodologies specific to each activity, line by line, and to assess, on an essentially statistical basis, the carbon intensity of each company in the portfolios, over its entire value chain, and then to allocate a share to Bpifrance, by major product line, and then by aggregates.

This assessment process was renewed and internalised for the portfolios as at 31 December 2021. Its results were presented to Bpifrance's management bodies and to the Climate Committee, which reports to the Board of Directors. At this stage, they are not intended to be published, but to promote reflection and to support the Group's climate-related projects.

The carbon footprint is estimated using a 'bottom-up' methodology, including the information declared by the businesses, where this is available. It is calculated step-by-step, line-by-line, using sector-based positioning indicators, as well as data from the balance sheet of each business financed or invested in. The scope of the estimate covers all financing and investment activities, as well as export insurance for the three emission scopes. The methodology adopted complies with best sectoral practices and the recommendations in place, as set out in the FBF common methodology on measuring the carbon footprint.

In addition, Bpifrance calculates and publishes its carbon footprint on scopes 1 and 2 of listed companies in which it has directly invested (in value). The carbon footprint of each investment is assessed in terms of its carbon footprint and intensity over the 2020-2022 period. The carbon footprint corresponds to GHG emissions for scopes 1 and 2 (tCO_2eq). Carbon intensity corresponds to GHG emissions in scopes 1 and 2 per unit of turnover (tCO_2eq/€ million).

The carbon data for scopes 1 and 2 are taken from the Carbon Disclosure Project (CDP)'s Climate Survey and from annual reports published by companies, such as the Non-Financial Performance Statement (NFPS). Turnover figures are taken from the companies' financial reports. The carbon performance of our holdings in scopes 1 and 2 is assessed using the data they publish. These data were then processed by the Evaluation, Studies and Prospects Department (ESPD) to ensure their relevance, consistency and comparability.

The carbon data finally selected from the various sources (CDP and NFPS) were selected to ensure that the information was relatively relevant, consistent and comparable from one year to the next. Adjustments have been made by the ESPD to harmonise the scope and reporting method from one year to the next.

	2022	2021
Number of companies for which carbon data could be collected	24	26
Scope 1+2 emissions[31] (tCO_2e)	47,075,084	47,457,896
Average carbon intensity (tCO_2eq/€ million)	145	184
Scope 1+2 emissions attributable to Bpifrance (tCO_2e)	125,970	N/A

27 Excluding companies supplying products and services (so-called oil and gas-related companies).
28 Excluding Green Bonds, Sustainable Bonds and Social Bonds, and excluding companies primarily focussing on the transportation, storage and distribution of gas in France and bordering countries whose activities are regulated obligating them to non-discrimination in access to their infrastructure. The CDC Group encourages the latter to do their utmost to limit exposure to non-conventional energies and requires them to publish the share of their activities resulting from these resources.
29 With the exception of a company developing mine gas in France to reduce methane emissions
30 An infrastructure is said to be associated with a project if the following conditions are met: (a) it is significantly connected to the project, (b) it is executed in a time frame connected to the project, (c) the project is not viable without it and (d) it would not be executed without the project.
31 Corresponds to total emissions by holdings and not the portion attributable to Bpifrance.

3.7.8. Measuring Bpifrance's carbon footprint

When calculating its 2022 carbon footprint, Bpifrance enlisted the help of a service provider to establish a methodology based on that of ADEME (French Agency for Ecological Transition).

Methodology:

- *Define the scope of the data to be collected*:
  - Based on ADEME's Bilan Carbone methodology, determine the categories of emissions relevant to our activity, and for which Bpifrance has data,
  - For each data item referenced, look for physical data rather than monetary data;
- *Define areas for improvement in data collection*:
  - Identify ways of capturing new data for the next report or data with greater granularity,
  - Work with the business units to implement these areas for improvement;
- *Publish the results and define an action plan*:
  - Publish clear and readable results, by scope and by emission category,
  - Propose an action plan to meet our reduction targets;
- *The following process was followed for each emissions category:*
  - List existing internal data,
  - List the data to be gathered internally,
  - Determine the data collection method for each (Excel import, questionnaire, supplier information), as well as the business line responsible,
  - Define the need and the scope of the collection,
  - Adapt the requirements according to the operational complexities of each business line,
  - Definition the right emission factor based on recognised databases (ADEME, Boavizta, etc.),
  - Data reprocessing,
  - Implementation;
- This methodology has two main objectives:
  - Calculate Bpifrance's internal carbon footprint on the following scopes: scope 1, 2 and scope 3 upstream (suppliers) – scope 3 downstream of portfolios is calculated via a dedicated project,
  - Collect the most accurate data possible, preferring physical data to monetary data whenever possible, and exact data rather than average emission intensity factors for all indicators where this is deemed relevant.

Results:

In 2022, Bpifrance emitted **63.5 ktCO$_2$e**, with the following breakdown by scope:

- **Scope 1**: 7.6k tCO$_2$e **(12%)**
- **Scope 2**: 360.7 tCO$_2$e **(0.5%)**
- **Scope 3**: 55.6k tCO$_2$e **(87.5%)**

This assessment has led to the development of an action plan for reducing emissions (with 2022 as the reference year) in the various areas, with a prioritisation of the levers with the greatest impact, particularly in the areas of **procurement of goods and services, travel** and **fixed assets and energy**.

Data sources used:

The data sources used to calculate this Bilan Carbone are as follows:

- Energy bills (gas, electricity, CPCU, etc.);
- Invoices for goods and services (IT equipment, paper, intellectual services, etc.);
- Car lease contracts;
- Tonnage of waste by category;
- Fuel consumption;
- Expenses (travel, other);
- Real estate contracts (ownership or lease);
- Questionnaire on commuting to and from work.

Reduction plan:

Actions prior to the 2022 balance sheet date

Bpifrance has identified 6 sectors for reducing its own emissions: real estate, waste management, mobility, IT, purchasing and events. Over the past year, actions have been implemented in each of these pillars, such as those listed below (which are not exhaustive).

Bpifrance has begun energy audits at each of its sites, which will continue until the end of 2023. Bpifrance has also deployed a new range of less polluting vehicles, offered dual interface telephones (professional and personal), reduced heating and air conditioning usage, installed LED lighting, extended the rotation period for terminals by one year, and refurbished 450 computers via a company that employs at least 55% disabled people.

In terms of waste management, Bpifrance has reduced the impact of employees' coffee breaks by installing bean-to-cup coffee machines and eliminating the use of single-use cups by providing mugs. Bpifrance has installed water fountains in company canteens to reduce the consumption of canned beverages and bottled water and has provided returnable glass containers for takeaway meals.

Bpifrance also calculated the carbon footprint of the BIG event, took steps to reduce it, and had Jour E certified as a sustainable event.

Lastly, Bpifrance has begun raising employee awareness via the Climate Fresk workshops, in which more than 3,500 Bpifrance employees have now participated, enriched by climate challenges. At the same time, the Climate Academy was opened to train the various business lines in environmental issues, including modules for further study and even certification.

New action plan

Bpifrance has set itself two objectives for 2030:

- -40% on scopes 1 and 2;
- An improvement in the granularity of scope 3 data by 2024 in order to establish a clear reduction plan that can be monitored over time.

To achieve this, Bpifrance will prioritise the projects with the greatest impact, particularly in the procurement of **goods and services** as well as **travel**, **fixed assets and energy**.

Details of emissions by scope are available on the ADEME website: Declaration table - Consultation publication form - GHG balance sheets (ademe.fr)

3.7.9. Bpifrance Biodiversity roadmap

Biodiversity is under increasing pressure from the habitat loss and pollution, accelerating its deterioration. This deterioration is having a significant impact, including on our economies. On a global scale, around half of GDP is heavily or moderately dependent on the services provided by nature, making the economy vulnerable to its degradation, particularly in key sectors such as agriculture, forestry and energy.

To address this major systemic risk, French and European legislators have taken steps to encourage companies to act (for example, the European Regulation on deforestation-free products, the Climate and Resilience Law and the Zero Net Artificialisation Objective) and to regulate financial institutions (through the Climate Energy Law, the Taxonomy and the Sustainable Finance Disclosure Regulation "SFDR").

Bpifrance will support all its customers in meeting these new regulatory constraints, while seizing opportunities for transformation aimed at better preserving and restoring biodiversity.

To achieve these objectives, Bpifrance will implement a number of concrete actions:

- stepping up communication initiatives to raise awareness among economic players of the issues, impacts, regulatory implications, risks and opportunities associated with biodiversity;
- providing customers with tools to help them better understand the biodiversity issues related to their activity and business models;
- proposing support services that take account of biodiversity issues. Bpifrance will integrate biodiversity issues into its support services where relevant, and will create a Biodiversity diagnostic to help its customers identify risks, diagnose dependencies and measure their impact on biodiversity;
- deployment of a strategy based on dialogue with and support for investments in sectors where biodiversity is a major issue, as well as with partner funds.

Bpifrance's commitment in this area is global. Bpifrance will actively educate and train its employees on biodiversity issues, reduce the operational impact of its activities, and strive to improve the measurement of the impact of its activities on biodiversity in order to contribute to a better integration of these issues in its practices and decisions while improving risk management.

By capitalising on these initiatives, Bpifrance will make an active contribution at the local level, alongside its peers and in line with the ambitions of the Caisse des Dépôts Group.

3.7.10. Bpifrance taxonomy and activities

Bpifrance has calculated Key Performance Indicators for its sustainable economic activities, in accordance with Article 8 of the EU Regulation 2020/852 and subsequent texts. Two sets of indicators are published below: obligatory and voluntary.

The information note on the key performance indicators for BPIFRANCE's sustainable economic activities, published pursuant to Article 8 of EU Regulation 2020/852 and subsequent texts, is included at the end of this Non-Financial Performance Statement in Section 3.14.3.

Voluntary GAR

Bpifrance publishes one voluntary indicator: Exposure to aligned activities; Financing of renewable energy projects, with a view to supporting emerging sectors alongside traditional technologies (methanization, offshore wind, floating solar, agrivoltaics, heat networks, etc.) as well as complementary businesses declaring their alignment percentage.

Mandatory GAR

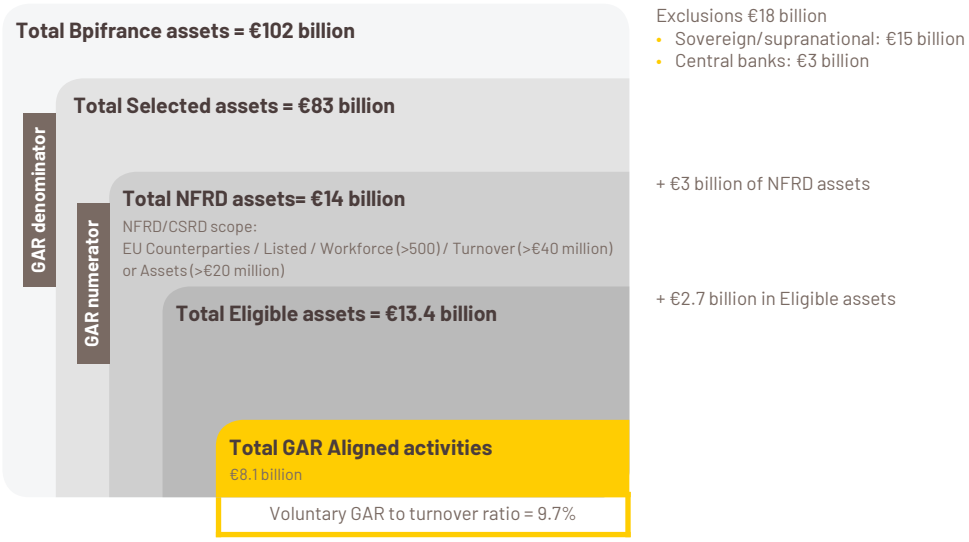
VOLUNTARY GAR ALIGNED

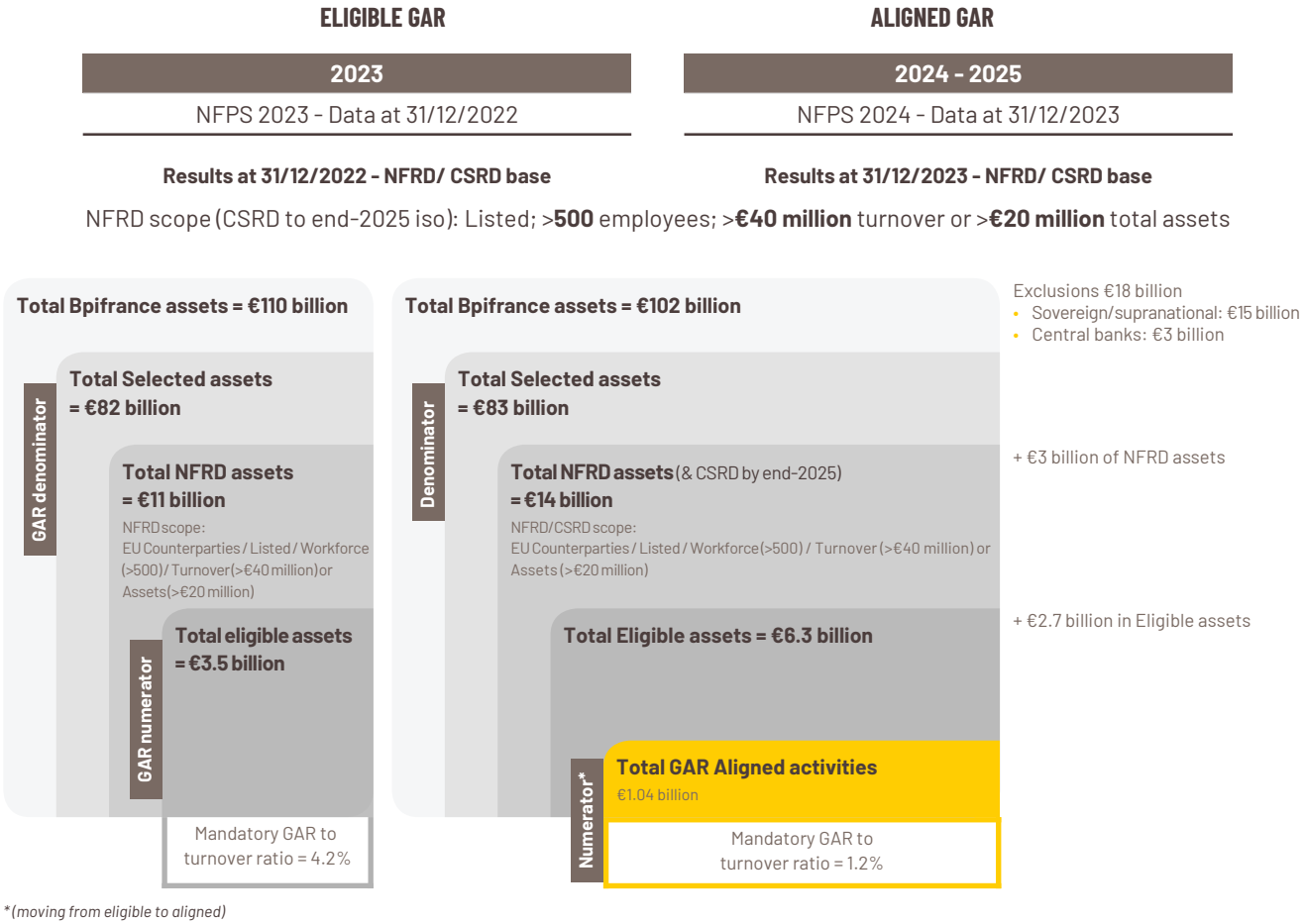
2024 - 2025

NFPS 2024 - Data at 31/12/2023

Results at 31/12/2023 - NFRD / CSRD base

NFRD scope (CSRD to end-2025 iso): Listed; >**500** employees; >**€40 million** turnover or >**€20 million** total assets





(moving from eligible to aligned)

The regulatory indicators for taxonomy-eligible and non-eligible activities are relatively low, given: exposure to counterparties not subject to NFRD which conveys Bpifrance's positioning for, primarily French, unlisted businesses and SMEs/VSEs/MMEs, the activities of which cannot therefore be taken into account in the activities, eligible or otherwise, whatever their nature, aimed at mitigating or adapting to climate change.

The regulatory indicators for eligible and non-eligible activities, both aligned and non-aligned with the taxonomy, are relatively low given the exposure to counterparties not subject to the NFRD, which reflects Bpifrance's positioning on unlisted companies and SMEs, mainly French, whose activities cannot therefore be taken into account in the activities, eligible/aligned or otherwise, whatever their nature, with climate change mitigation or adaptation objectives.

Bpifrance supports VSEs, SMEs and MMEs in the context of their development, and in particular in their energy transition in its role of Climate Bank.

The « Green Asset Ratio » (GAR) solely takes account of NFRD businesses at this stage and de facto excludes €64bn of the Bpifrance portfolio (including funds, unlisted enterprises, etc.). In this context, not all the Climate Bank's activities are reflected in the mandatory GAR indicator as it is currently defined, including:

- activities relating to the financing of renewable energy projects, with a view to supporting emerging sectors alongside traditional technologies (methanization, offshore wind, floating solar power, agrivoltaics, heating networks, etc.) for €7.2 billion by end-2023;
- €2.5 billion by the end of 2023 to finance the ecological and energy transition of all French VSE/SME/MMEs towards decarbonisation of their production processes and alignment with the objectives of the Paris Agreements.

Lastly, Bpifrance has very little exposure to companies that are excluded from the Paris Agreements or that could cause harm to the environment ("Do Not Significant Harm"):

- Less than 1% exposure to one of the world's 20 biggest polluters, the TotalEnergies Group, exposure concentrated exclusively on renewable financing activities for €336 million and down by more than 40% over 6 months to end-2023;
- Only €4.8bn (or 6.5% of Bpifrance's total portfolio) represents counterparties operating in sectors excluded from the Paris Agreement benchmark.

Only €4.1bn (or 5.4% of Bpifrance's total portfolio) represents counterparties that do not comply with the "DNSH" principle, down by half since 2022.

Main developments:

- **Mandatory GAR ratio:**
  - **Numerator:** Change from % eligible to % aligned published by counterparties in their annual reports at 31/12/2022, resulting in a lower ratio,
  - **Denominator**: change mainly due to changes in Bpifrance's financing and investment business & Financial institutions included;
- **Voluntary GAR ratio:**
  - **Numerator:**
    - All aligned NFRD companies (Mandatory GAR numerator),
    - Including specialised RE and methanization financing under the Climate Plan for a total of **€7.1bn,**
    - Complementary companies declaring a Non-NFRD alignment % for a total of **€8m** of aligned exposures.

3.7.11. Integration of EET issues into business line processes

The issues and questions relating to the corporate EET are integrated into all of Bpifrance's financial business lines, which have drawn up their own climate roadmaps.

For investment business lines:

- The Environmental, Social and Governance (ESG) analysis tool, which enables direct investors to identify the materiality of the issues with regard to the company's business sector and its size, and then the company's maturity on these issues; if relevant, additional due diligence may be carried out to define the areas for improvement in environmental performance, in collaboration with management; A project to rework and digitalise this analysis tool was launched during 2023;
- These issues are included in the ESG diligence pack questionnaire of the Fund of Funds Department, and the progress of the invested funds is monitored; a Climate Kit (sharing of ESG good practices, definition of the carbon footprint, overview of service providers, etc.) has been drawn up and sent to all funds subscribed and the management companies managing them;
- In the annual survey of directly invested companies, partner funds and the companies they have invested in.

It should be noted that the strategy for reducing the climate change impacts of large companies in Bpifrance's direct investment portfolio was the subject of a detailed presentation to Bpifrance's Comex, spread over several months.

For the Financing and Innovation business lines:

The issues and questions relating to the EET are addressed in the analysis table implemented for the financing and innovation business lines, above certain thresholds; this encourages the investor to evaluate companies on their control of energy consumption, greenhouse gas emissions, and use of natural resources as well as their implementation of eco-friendly design, pollution and waste solutions.

The consideration of transition issues was also strengthened for certain particularly affected sectors (transport, real estate, construction and public works), following internal working groups, with action sheets introduced.

For export credit insurance projects:

Environmental and social aspects are part of Bpifrance Assurance Export's underwriting criteria for all insurance projects over €10m as well as those located in a sensitive area, and for investment insurance projects, in accordance with the OECD Recommendation on Common Approaches for Officially Supported Export Credits as well as the environmental and social due diligence. It aims to ensure that the projects in question comply with the local regulations of the host country and with the relevant international standards, mainly those developed by the World Bank (WB) and the International Finance Corporation (IFC).

Since 1 January 2021 and in collaboration with the French State, preferential export guarantee conditions are offered for climate sustainable projects.

3.8. THE DIGITAL TRANSFORMATION

The public health crisis has demonstrated, if it were necessary, that it is absolutely necessary for companies to have the digitised processes necessary to carry out their activities whatever the circumstances, and to have robust systems and data protection mechanisms.

The delayed or insufficient digital transformation of business models may lead to reduced activity, market losses that could lead to the failure of the companies concerned, and financial losses for Bpifrance, in addition to the risks of impaired reputation and loss already described that would result from the failure in its public interest missions.

⚠ Major risks identified

- Failure to support businesses in their digital transformation, which is essential for their survival
- Lack/insufficiency of offers participating in the financing of digital transformation
- Economic 'disengagement', corporate and societal impacts

Our answers

- Doctrine
- Bpifrance Group Corporate Social Responsibility Charter
- Strategic plan, reviewed annually
- Digitisation of processes: Bpifrance Online, Partner spaces (Regions, Banks, Support networks, Suppliers)

Our goals

- Continue to digitise processes
- Support the digital transition of VSEs and SMEs with the FranceNum programme

Like supporting the EET, participating in the digital transition is part of Bpifrance's roadmap, and has been among its objectives since its intervention doctrine was established.

For Bpifrance, digital transformation is an essential component of any business strategy, improving the customer experience and optimising productivity.

Beyond its financial tools, Bpifrance aims to support entrepreneurs in assessing their company's maturity with respect to this subject, firstly through a self-diagnosis tool – the 'digitalometer' – and then with the support of a third-party expert, if needed; e-learning programmes are offered on Bpifrance Université, as are exchanges between peers facilitated via networking schemes as well as courses as part of accelerator programmes. A practical awareness guide has been published to help VSEs and SMEs prepare for the GDPR, including from entrepreneurs.

Digital conversion is one of the challenges of the industry of the future, and it is important for companies to assess their maturity and to look for ways to improve; this is what the 'Frenchfabometer' is intended for.

In addition, Bpifrance has accelerated its own digital transformation and, in order to better support businesses, is in the process of deploying a customer portal; this portal digitises low value-added tasks as and part of our service offer in order to offer customers and their partners greater availability and efficiency. Four values shaped the way this portal was built: simplicity, proximity, personalisation and trust.

The business line and partner extranets have been designed in the same spirit, as has Tribu, Bpifrance's social network, where all Bpifrance communities can meet to exchange and share.

Bpifrance's interventions are measured on a so-called 'numetic' domain, within the sectors of the future, analysed as follows:

Themes	Development potential
• Digital	• Cybersecurity
• Microelectronics	• Smart cities
• Photonics	• Smart grids
• Nanotechnologies - Nanoelectronics	• Factories of the future
• Innovative materials	• Augmented reality
• Systems	• Cloud computing
• Software and embedded systems	• Contactless services
• Big data valuation	• Edtech

Support for this 'numetic' sector accounted for 13.30% of Bpifrance's total activity excluding holdings (€30.3bn) in 2023, i.e., over €4bn[32];

At the same time, Bpifrance is continuing to digitise its own processes by providing its customers and partners with dedicated areas that facilitate and streamline requests and access to its offers, including, for example, Bpifrance En Ligne and the training programmes on Bpifrance Université.

32 Vs €3.8 billion in 2022, €2.5 billion in 2020, €2.3 billion in 2019 and €1.8 billion in 2018.

3.9. REGIONAL ECONOMIC DEVELOPMENT



Among Bpifrance's intervention principles is accounting for the challenges in balancing regional economic development, particularly in disadvantaged urban areas, in support of public policies, and to support sustainable growth and employment.

Partnerships with the Regions could be called into question, and French or European public resources could be reduced, reducing Bpifrance's capacity to intervene on behalf of businesses.

⚠ Major risks identified

- Failure to take into account balance in regional economic development in its activities
- Lack of offers participating in the balanced economic development of the territories
- Lack or inadequacy of support for regional development
- Loss of attractiveness of the regions, ESG impacts (departure of companies for example)

Our answers

- Doctrine
- Bpifrance Group Corporate Social Responsibility Charter
- Strategic plan, reviewed annually
- Regional partners
- Entrepreneurship for all

Our goals

- Strengthening partnerships with the Regions
- Supporting VSEs and start-ups
- Supporting creators in all areas

Bpifrance, a public group providing financing and development services, acts in support of public policies conducted by the State and the Regions, and ensures, in its activities, balance in terms of regional economic development.

Partnerships with the Regions around common schemes are the major axis of involvement in and with the Regions, for companies; by offering each Region tools that are adapted to the priorities of its economic development and its innovation strategy, and that meet the needs of companies at different stages of their development, access to available funding is simplified for them, while limiting the need for public funding.

These partnerships make it possible to develop a financing offer adapted to specific regional characteristics via common tools, in particular for the financing of innovation (Regional Innovation Funds), access to credit (Regional Guarantee Funds) covering most companies' needs in terms of creation, innovation and development, and access to equity capital, facilitated, moreover, by the implementation of regional or interregional investment funds, and the activity of the Regional Funds division of the Funds of Funds business line of Bpifrance Investissement.

The pooling of financial resources between Bpifrance and the Regions makes it possible to increase the effectiveness of interventions in serving regional development and employment.

In its impact indicators, Bpifrance monitors the weight of the Region in the total Bpifrance financing in relation to the economic potential of the Region, and reports to each Region on its own indicators, as shown in the table below.

	GNP 2018 (source INSEE) *in €m*	ECONOMIC WEIGHT OF THE REGION IN THE NATIONAL GDP	WEIGHT OF REGION IN 2022 FINANCINGS	WEIGHT OF REGION IN 2021 FINANCINGS
Auvergne-Rhône-Alpes	274,209	11.61%	17.32%	15.38%
Burgundy-Franche-Comté	78,176	3.31%	2.36%	3.11%
Brittany	98,576	4.17%	3.53%	3.59%
Centre-Val De Loire	74,142	3.14%	2.20%	2.39%
Corsica	9,395	0.40%	0.34%	0.44%
Grand Est	161,067	6.82%	6.50%	7.33%
Hauts-de-France	166,234	7.04%	5.78%	5.92%
Ile-de-France	729,516	30.89%	32.93%	33.75%
Normandy	94,734	4.01%	2.90%	2.74%
Nouvelle-Aquitaine	176,167	7.46%	6.72%	5.71%
Occitanie	172,554	7.31%	7.61%	6.91%
Pays-de-la-Loire	117,497	4.97%	3.96%	4.54%
Provence-Alpes-Côte-d'Azur	165,989	7.03%	5.97%	6.04%
Overseas Territories	43,548	1.84%	1.88%	2.15%

Bpifrance thus covers the regional financing needs of France's productive fabric in a uniform manner, with support that is wholly proportional to the economic potential of the Regions.

The strengthening of partnerships with the Regions is pursued taking into account their strategic priorities, particularly on key issues.

The dynamics of VSEs and business start-ups are inextricably linked to the economic development of territories, particularly disadvantaged urban areas, and Bpifrance contributes more and more each year by facilitating entrepreneurship for all.

The dedicated Bpifrance Création website aims to remove the barriers to business creation, and offers in particular/

- methodological content, practical information sheets;
- a referral service for regional support networks;
- an Entrepreneur Pass, a tool for obtaining targeted information and setting up projects;
- tools such as business plans, to-do lists, assistance in choosing a legal status, business pre-analysis, downloadable guides, etc.

By the end of 2023, 176,000 entrepreneur passes had been created, 100,000 business plans made, and the bpifrance-creation.fr website had once again exceeded the threshold of 10 million visits (10.4 million).

In a context of strong growth in business creation in France (over one million businesses created in 2023), Bpifrance continued its mobilisation alongside the 26 creation support networks present across all French regions to raise awareness, provide information, guide, support and finance project leaders. 18,307 interest-free loans were issued representing a total of €89m.

With the support of the State and the Banque des territoires, since 2019 Bpifrance has been committed to stepping up actions to support entrepreneurial initiatives in PUAs, by combining the grassroots commitment of the Support Networks and Bpifrance's comprehensive range of services to support businesses and their development. The Entrepreneurship for All programme, supported by Bpifrance, brings together all of these initiatives to help disadvantaged districts, in addition to the measures generally available under the law.

In 2023, 11 new winning Entrepreneurship Bus projects will be rolled out. Present in the Auvergne-Rhône-Alpes, Grand Est, Provence-Alpes-Côte d'Azur, Occitanie, Brittany, Centre-Val de Loire, Pays de la Loire and Overseas regions, these new Entrepreneurship Buses will be deployed in over 190 urban areas with a population of over 670,000. They will receive co-financing from Bpifrance covering 50% of the overall operating budget over 3 years (2023-2026), alongside other co-financiers such as local authorities and the State, mainly from urban policy funds. The acquisition of the buses will be entirely financed by the public investment bank. In addition to financial support, Bpifrance will coordinate among the winning projects and facilitate the sharing of best practices in order to make the most of everyone's experience.

The winner in Brittany, BGE Bretagne, will operate an electric bus that will cover the Rennes metropolitan area (5 priority urban districts - 32,800 inhabitants) by end-2024. This is the first electric bus in the fleet to test this type of engine.

Between 2019 and 2023, the Entrepreneurship For All programme identified and assisted more than 102,400 people through various outreach schemes (CitésLab, the Entrepreneurship Bus and the Entrepreneurship Factory), support the creation of more than 20,900 businesses and accelerate more than 3,028 entrepreneurial projects in priority districts (Emergence, Creation and Growth VSE accelerators). In addition, the commitment of more than 1,000 local partners has made it possible to cover more than 960 priority districts by 2023 (i.e., 64% more than in 2018). 1,620 local events (in-person and online) were also organised, including 67 stops on the Entrepreneurship for All Tour, reaching over 50,000 people. The Talents des Cités competition continues to attract applications, with over 778 registered (compared with 720 in 2022).

Building on this success, it was announced that the "Entrepreneurship Districts 2030" programme would be implemented from 2024, following on from the Entrepreneurship For All Programme, with resources increased to over €450 million over 4 years – a fitting recognition of the work performed by local and national actors and Bpifrance with the support of Caisse des Dépôts and local sponsors (local authorities, the State, European Funds, etc.) since 2019.

3.10. CSR AT THE HEART OF BPIFRANCE

The strategic objectives for 2024-2028 keep CSR at the heart of Bpifrance's strategy, both in terms of taking into account the environmental, social and governance (ESG) dimensions of each business line, and in raising awareness among entrepreneurs throughout the country, as well as in its own approaches, in line with Bpifrance's Corporate Social Responsibility Charter, presented to and validated by Bpifrance's stakeholders and its governing bodies

Information on ESG risk management is also presented in the Pillar 3 report, which is available on the Bpifrance group's institutional website (www.bpifrance.fr).

3.10.1. Integrating CSR into business processes

Businesses play an essential role in society, and have to play their part in the major societal challenges.

For Bpifrance, helping managers place these issues at the centre of their concerns leads them to prioritise objectives of sustainable growth, resource conservation, job creation and social cohesion.

This integration at the company level is essential for companies to control their risks and their economic performance, and limits their risks of failure, which could lead to financial losses. In the context of this consideration of environmental issues in particular, Bpifrance is in a position to best fulfil its public interest missions of financing the EET and promoting regional development.

⚠ Major risks identified

- Failing to raise awareness and to commit companies to take environmental, social and societal issues into account in their activities, in particular to combat climate change and to strengthen their positive impacts on the economy and society.

In order to take non-financial issues into account in its decisions, and to stimulate and support companies in their CSR initiatives, Bpifrance has deployed a series of commitments, policies and mechanisms in its business lines and in its support for companies.

3.10.2. Public commitments

Bpifrance, committed to the ecological and energy transition and the fight against climate change, has marked this commitment by signing:

- the Global Declaration on Climate Change, the Montreal and Paris conventions and the Financial Institutions' Declaration of Intent on Energy Efficiency;
- the Public Investor Charter on Climate, the Public Investor Charter on SDGs[33], the Santiago Principles and the Poseidon Principles[34].

supporting initiatives:

- deployment of ACT methodologies;
- Planet Tech Care for the reduction of the digital footprint
- becoming a member of the Carbon Disclosure Project, and the One Planet Sovereign Wealth Funds (OPSWF) initiative and implementing financing and investment exclusions in the tobacco sector, as well as financing and investment exclusions and commitment policies in the fossil fuel sector.

As a responsible investor, Bpifrance is a signatory of the Principles for Responsible Investment (PRI) promoted by the United Nations, and a signatory of the France Invest responsible investor charter.

Bpifrance Investissement is also a signatory of the SISTA and Parité de France Invest charters, which aim to accelerate the financing of female entrepreneurs, particularly in start-ups, and the place of women in management, both in the management teams and in the companies receiving investment.

33 Sustainable Development Goals.
34 Bpifrance Assurance Export.

3.10.3. Bpifrance, responsible investor

Our answers

- Responsible investor (RI) approach
- Operational procedures for implementing the RI approach in direct investment and funds of funds
- Annual ESG survey

Responsible Investor Policy

Bpifrance Investissement, the operational subsidiary of Bpifrance for direct investment and fund of funds activities, aims to meet the equity needs of companies of all sizes, from start-ups to large corporations, in order to finance and support their development and growth, and to stimulate, guide and develop private market players.

Bpifrance carries out these activities while taking into account Environmental, Social and Governance issues, and by encouraging the use of best practices in Socially Responsible Investment.

This responsible investment policy is carried out in a manner consistent:

- with international benchmarks and proactive best practices;
- with the orientations and objectives pursued by Bpifrance Investissement to develop the economy according to a sustainable model, while ensuring a financial return in line with the market practices of capital investors.

This policy of general integration of ESG criteria and commitments (incentives to do better and support) represents a constructive approach that aims to contribute to the dissemination and recognition of ESG issues in the business world.

In all of its investment decisions, Bpifrance seeks to systematically take into account the non-financial 'ESG' (Environmental, Social and Governance) criteria likely to have an impact on its investments.

Its responsible investment approach is defined in accordance with international benchmarks and proactive market practices on the one hand, and, on the other, with the orientations and objectives pursued by Bpifrance. The responsible investor policy is deployed in its direct investment activity as well as in its Fund of funds activity, and is in accordance with:

- the provisions of Article 4 of Law 2012-1559 of 31 December 2012 relating to the creation of Bpifrance;
- the legal texts applicable to Bpifrance, in particular with regard to combating money laundering, the financing of terrorism and corruption, and compliance with the international conventions signed by France;
- the Bpifrance Group's Corporate Social Responsibility Charter;
- the responsible investment charter of the Caisse des Dépôts Group, a 50% shareholder in Bpifrance, and its climate policy.

In compliance with the Disclosure Regulation applicable from March 2021, Bpifrance Investissement has published its sustainability policy[35] which describes how sustainability risks are taken into account in the investment decision-making process.

Bpifrance annually measures the carbon footprint of its listed investment portfolio and monitors it with a view to the transition to a low-carbon economy, as part of a support and assistance approach.[36]

Integrating ESG analysis into direct investment activity

In the due diligence phase, the investment teams carry out an ESG 'inventory' of the entity to receive investment based on a study of the case, with the help of an internal tool that identifies the priority ESG issues according to its business sector and size.

This phase makes it possible to identify any ESG risks that are significant enough to prevent investment as well as any relevant issues with regard to the characteristics of the company concerned, then, on the basis of a shared diagnosis, to raise the awareness of the managers and to encourage a progress-driven approach, by determining actions for improvement in consultation with the entrepreneur.

The issues identified are then the subject of a shareholder dialogue as well as operational monitoring of the identified areas for ESG improvement, possibly via the Board of Directors. The analysis thus conducted is based, prior to the investment, on a generally qualitative approach and on the qualitative or quantitative information published or communicated by the company, and then, during the holding period, on the information published or communicated to the governing bodies on which a Bpifrance representative sits.

According to the company's workforce and business sector, the internal ESG analysis tool offers suggests the prioritised ESG issues to be examined with the company, and then, after data collection, evaluates the consideration of these issues, enabling the areas for improvement to be identified. In certain cases, this internal analysis may be supplemented by a more complete audit carried out by an external body.

35 *Available here (in our policies): https://www.bpifrance.fr/nous-decouvrir/nos-engagements*
36 *See § The Ecological and Energy Transition.*

The result of the ESG analysis – the status risk, risks, the company's CSR approach and practices, areas for improvement – is included in the investment memo presented to the Investment Committee and forms part of the assessment made of the company. It also helps to identify good business practices.

The areas of progress discussed and calibrated in consultation with the manager are given concrete form in a 'progress letter', or in a corporate social responsibility (CSR) clause integrated into the shareholders' agreement.

Secondly, throughout the holding of the investment, the company's progress on these key ESG issues will be monitored through regular dialogue with Bpifrance Investissement and the governing bodies in which a Bpifrance representative participates, or through follow-up meetings.

This ESG due diligence tool for investors was partly reviewed and digitised in 2023 and will be strengthened in 2024.

A specific reinforced system is implemented for Lac 1 Fund investments in listed companies:

- Prior to any investment, the front office teams commission an initial ESG analysis to be conducted by a non-financial rating agency;
- ESG due diligence must be carried out before the investment committee, with two objectives:
  - To identify and analyse the company's strengths and weaknesses on its key issues,
  - To establish a first draft of an ESG roadmap for the future director, who will represent Bpifrance on the Board of Directors,
  - This ESG due diligence will be carried out by an external service provider chosen by the investment team and will focus in particular on highlighting the links between the company's strategy and sustainable development issues. Its conclusions form part of the investment memorandum and are taken into account in the decision;
- Based on the results of the due diligence, a roadmap is established, which specifies the areas of improvement identified for the company on all environmental (with particular attention to climate), social and governance issues and identifies the relevant monitoring indicators. This roadmap structures shareholder dialogue on ESG issues as part of the investment monitoring process.

Finally, Bpifrance conducts an annual survey of companies invested in with respect to their commitments, policies and practices in the environmental, social, societal and governance fields, which, in addition to mapping the consideration of ESG issues by the companies in the portfolio, helps raise awareness of these issues.

In addition, the training modules for directors representing Bpifrance on the governing bodies of companies receiving investment continued in 2020, as part of the Institut Français des Administrateurs sessions, in conjunction with the investment legal department.

Integration of ESG analysis in the Fund of funds activity

Bpifrance Investissement engages in a dialogue with each management company in order to make its commitment known, to raise awareness and to gain support. Prior to investment, it sends an ESG questionnaire in the 'due diligence pack'.

ESG analysis criteria

In the direct business investment activity

The ESG analysis can be conducted with the help of a tool to identify relevant ESG issues according to the company's industry and size, and may be complemented, in some cases, by an external audit. It is based on the four priorities of the Bpifrance Sustainable Development Charter and four themes divided into fourteen questions:

Governance

- Transparency and balance;
- Anticipation.

Human Capital

- Employment and labour policy;
- Job and skills management;
- Diversity and equal opportunities;
- Well-being at work;
- Climate and social dialogue.

Environment

- Environmental policy and management system;
- Energy and greenhouse gases;
- Inputs and waste;
- Control of other environmental impacts.

Stakeholders

- Sustainable and ethical supplier relationships;
- Quality and customer satisfaction;
- Relations with other external stakeholders.

In the Fund of funds activity

The ESG questionnaire in the due diligence pack focuses on the management company and its own CSR policy as a company, as well as the consideration of ESG criteria in its investment activities. The purpose of this questionnaire is to assess the integration of the management company's responsible investment approach, and in particular the consideration of climate change issues in its investments, on the one hand, and the deployment of a corporate social responsibility approach in its operations, with a particular focus on professional equality and environmental issues, on the other hand.

Information used for ESG analysis

- In the direct business investment activity

The ESG analysis of companies is based on data voluntarily provided by the companies, whether published or not.

- In the Fund of funds activity

The answers to the ESG due diligence pack questionnaire are provided by the management company. During the life of the fund, Bpifrance Investissement encourages its partner management companies to adopt an approach that integrates ESG criteria into their analysis of investments in funds subscribed by Bpifrance Investissement. Management companies must provide an annual report on these subjects which covers their practices as a company and as an investor, as well as those of the companies invested by the funds subscribed by Bpifrance.

Strengthening sectoral policies

In 2022, Bpifrance strengthened its sector-based policies in collaboration with the Caisse des Dépôts Group through the adoption of a Group Responsible Finance Charter. On this occasion, Bpifrance renewed its commitment to gradually incorporating all ESG issues into the analysis of its investments and financing. It also takes care to position its sustainable development activity in the framework of public policy objectives in terms of climate, biodiversity preservation, and social and regional cohesion.

The Responsible Finance Charter defines new requirements and exclusions for certain sectors due to proven or potential negative impacts on human rights, inequalities, the climate or biodiversity, and which the Caisse des Dépôts Group deems incompatible with its commitments, regardless of the location of the investment or financing. Bpifrance thus does not allow financing and investment in the following activities:

1. Businesses or activity in the fossil energies sector, in accordance with the terms set out in the climate chapter;
2. Businesses or main activity producing or engaging in commerce related to pornography;
3. Businesses or main activity producing, storing or selling tobacco[37]
4. Businesses or main activity of gambling[38];
5. The production, development, storage, distribution, commercialisation or use of anti-personal landmines[39], cluster bombs[40], chemical weapons[41], nuclear weapons sold outside signatory countries to the Treaty on the Non-Proliferation of Nuclear Weapons[42] and biological weapons[43];
6. Speculation on agricultural raw materials that has a direct impact on food prices[44].

Implementation of the SFDR regulation

Since 2022, several regulatory texts have come into force covering ESG aspects. Bpifrance investments were therefore affected by Regulation (EU) 2019/2088, known as SFDR or Disclosure, as well as by the obligations arising from the decree implementing Article 29 of law No. 2019-1147 of 8 November 2019 on energy and the climate. The disclosures regarding these regulatory obligations and concerning the Bpifrance management company are published on the website dedicated to our commitments in terms of sustainability, as well as on the Climate Transparency Hub platform.

Following their deployment in 2022, Bpifrance has strengthened its range of "Article 8" and "Article 9" funds. These funds, which meet strict environmental, social and governance (ESG) criteria, aim to promote sustainable investments. By end- 2023, Bpifrance will manage more than a dozen Article 8 and 9 funds in sectors such as sustainable innovation, green technologies and renewable energy, as well as funds dedicated to specific sectors: automotive, wood and eco-materials, tourism, etc. Other Article 8 and 9 funds are already being prepared for 2024, completing Bpifrance Investissement's range of responsible products.

Annual ESG survey

Bpifrance conducts an annual survey of its portfolio companies and the managers of the funds invested. The results of this survey are analysed by the Sustainable Development and CSR Department and presented and discussed with the investment teams.

The survey questionnaire covers all ESG pillars, including questions on the impacts of climate change on the activities of companies and fund managers, as well as gender equality. It is reviewed and enriched again this year by a working group set up under the impetus of France Invest's ESG Committee and administered by the four members of this group with the funds and companies invested. This new questionnaire is recommended by France Invest as part of the advanced ESG approach for the second year running. Its use by a growing number of management companies should, in the short to medium term, allow for increasing collection and pooling of responses, and help to improve practices.

It should be noted that for the 2023 survey on 2022 data, the questionnaires submitted to partner holdings and funds include questions aligned with the European taxonomy and the application decree of the Energy and Climate Law.

37 Including specialised sales, including e-cigarettes.
38 Excluding casinos.
39 The Ottawa Treaty (or Anti-Personnel Mine Ban Convention) prohibits the use, stockpiling, production and transfer of anti-personnel mines and promotes their destruction. It was signed on 3 and 4 December 1997 by 122 States, including France, and henceforth brings together 164 States.
40 The Oslo Convention (or Cluster Munitions Convention) prohibits the use, production, stockpiling and transfer of all cluster munitions defined as such. It was signed on 3 December 2008 by 94 States including France, and today brings together 115 States.
41 Chemical weapons are defined as all toxic chemical agents when these are used for a military purpose, as well as munitions and devices specifically designed to cause damage by the action of toxic products. The Chemical Weapons Convention (CWC) of 1997 Prohibition of the development, production, updating, acquisition, stockpiling, holding and transfer of chemical weapons.
42 Nuclear weapons rely on the energy released by the fission of atomic nuclei (uranium, plutonium or hydrogen). The Nuclear Non-Proliferation Treaty (NPT) of 1970 prohibits the transfer of nuclear weapons, and sets guidance for that of components that could enable nuclear weapons to be developed. Nevertheless, it encourages technological and scientific cooperation in terms of nuclear energy for peaceful uses.
43 Biological weapons are microbiological agents or other biological agents, as well as toxins that are not destined for prophylactic, protective or other peaceful purposes. The Biological Weapons Convention (BWC) of 1975 prohibits the development, production, stockpiling and acquisition of biological agents and toxins for a military purpose.
44 These are exchange-traded funds based, in particular, on agricultural raw materials that are basic foodstuffs and speculative transactions that might contribute to the inflation of basic agricultural or marine raw materials (wheat, rice, meat, soya, sugar, dairy products, fish and corn).

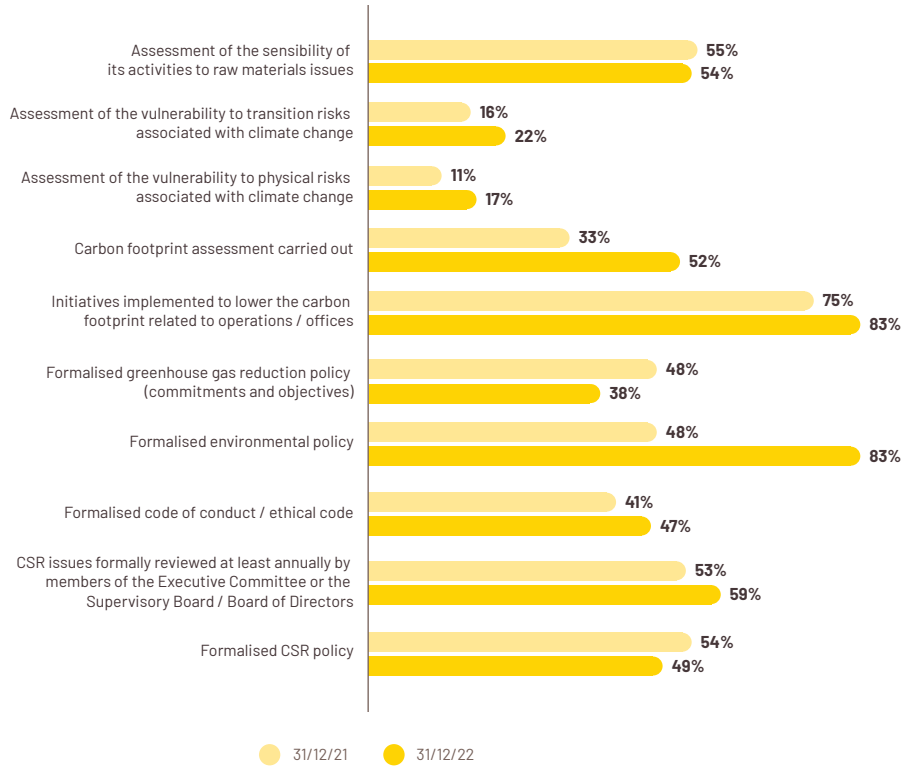
Some aggregate results of the responses to the 2023 survey are provided below.

They show that CSR issues are increasingly taken into account by both companies and management companies (MC) of the funds subscribed by Bpifrance:

In the direct business investment activity

- In the direct business investment activity (561 respondent businesses against 475 in 2022)
  - Almost 49% of respondent businesses stated that they had a CSR policy (-5 points), and 59% (+6 points) of respondent businesses stated that the issue of CSR is formally examined at least once per year with members of the Executive Committee or the Board of Directors/ Supervisory Board,
  - 22% (+6 points) identified the company's exposure to climate change transition risks (regulatory changes, new market trends, technological issues, reputational issues)
  - 17% (+6 points) identified their physical risks,
  - 54% evaluated the main risks associated with raw materials in their value chain,
  - Of these, 34% identified the business' exposure to climate change transition risks (regulatory change, new market trends, technological problems, reputational challenges);,
  - Of these, 55% assessed the main risks as being related to raw materials in their value chain, and 58% identified one or more risks.

In the direct business investment activity



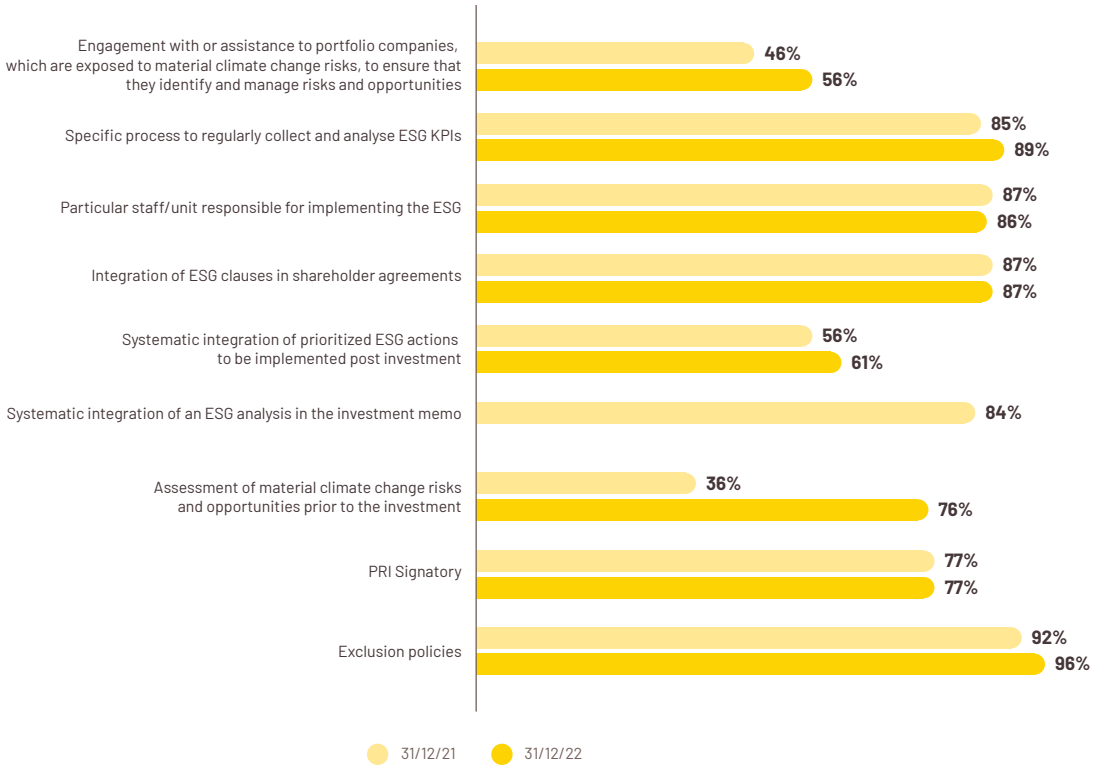
In the Fund of funds activity

In 2023, 126 management companies responded to the annual ESG survey carried out by Bpifrance (120 in 2022).

Of these respondents:

- Only 4% have no formalised policy for integrating ESG criteria into the investment process, 4% are in the process of elaborating one, 19% have formalised one, but not yet published it, and 73% have formalised and published it;
- 61% systematically seek to identify priority ESG actions to implement after investment, 17% in the majority of instances, and 16% on an ad hoc basis;
- Almost 89 % of the SDGs have implemented a system for collecting ESG data, 71% for the entire portfolio, 12% for a majority of the businesses invested in and 6% for a minority;
- 45% (out of 105 respondents) have at least one independent member on their governance body and 54% have at least one woman.

In the Fund of funds activity

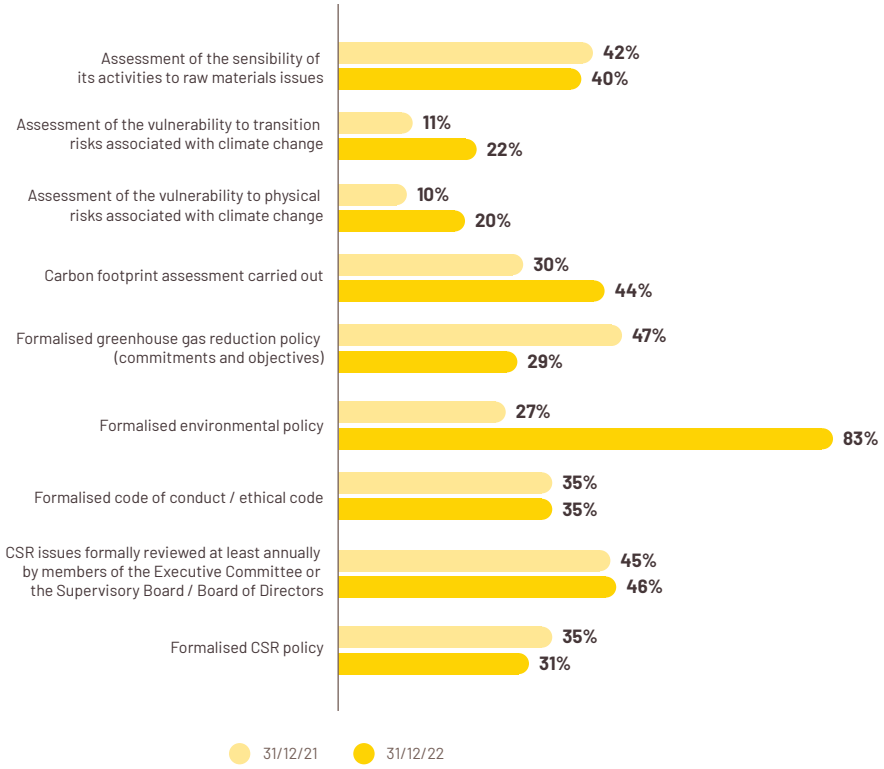


In companies invested by Bpifrance's partner funds

1,306 companies invested by Bpifrance's partner funds ('underlying businesses') also responded to the annual ESG survey.

- 83% stated that they have a formalised policy for reducing greenhouse gas emissions (commitments and targets);
- 20% have assessed the business' exposure to the physical risks of climate change (extreme weather events, global warming, rising sea levels);
- 22% have assessed the business' exposure to the risks of climate change transition (regulatory change, new market trends, technological problems, reputational challenges);
- Of the 40% who had assessed the main risks linked to raw materials in their value chain, less than 23% believed that they were exposed to one or more significant risks.

Companies invested by Bpifrance's partner funds



3.10.4. Taking CSR into account in financing activities

CSR are taken into account in the financing business in a manner adapted to the business and customer relationship processes.

A simplified 11-question analysis of the company's ESG practices is provided for credit or innovation support cases above certain thresholds.

These questions concern:

- For environmental issues: energy consumption, greenhouse gas emissions, use of natural resources and implementation of eco-friendly design, pollution and waste solutions;
- Labour issues: the evolution of the number of employees (including those under 25), the quality of jobs, workplace health and safety, dialogue and social, climate and human resource management;
- Societal issues: transparency and fair practices, regional integration;
- Corporate governance.

Fiscal practices, such as respect for human rights, are examined as part of a normal financing review when these issues are relevant.

For a business manager, the CSR analysis of the company often consists in formalising points often addressed when analysing a loan application, without necessarily weighing on its operational agility.

This CSR assessment system was integrated into the study and decision support tool, with a view to simplifying the process in the operational phase, and to evaluating the company's consideration of the issues on a scale of 1 to 4, in order to complete the information required for decision-making.

This integration makes it possible to enrich and clarify the awareness of company practices on environmental, social and governance issues, if necessary, and to enrich the offer to better meet the identified needs.

ESG investment methodologies DFIN portfolio

In addition to applying the exclusion principles defined by the Group, Bpifrance's Finance Department has developed an ESG rating methodology for its treasury investment portfolios. Since 2020, a review of portfolio ESG ratings has been carried out monthly, using an external non-financial database, and covers a wide range of issuers of which Bpifrance holds one or more securities. These ESG analyses are incorporated into investment decisions. A review and monitoring of ESG ratings and ESG controversies has also been implemented for financial counterparties of the Bpifrance Finance Department.

3.10.5. Taking CSR into account in export insurance activities

Our answers

- Environmental and social analysis of all credit insurance projects over €10m or located in a sensitive area, as well as investment insurance projects.
- Roadmap to end support for hydrocarbon projects.
- Performance standard for thermal power plants.
- Preferential export guarantee conditions for climate sustainable projects.

• Environmental and social analysis

Environmental and social aspects are part of Bpifrance Assurance Export's underwriting criteria for all credit insurance projects over €10m or located in a sensitive area, as well as investment insurance projects.

For these activities carried out in the name and on behalf of the State, Bpifrance Assurance Export conducts its environmental and social analyses in accordance with the OECD Recommendation on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence. It aims to ensure that the projects in question comply with the local regulations of the host country and with the relevant international standards, mainly those developed by the World Bank (WB) and the International Finance Corporation (IFC).

All applications for credit insurance are accompanied by an environmental and social assessment annex, which contains two parts.

If the project meets one of the two eligibility criteria in the first part (contract amount > €10m and/or location in a sensitive area), an in-depth environmental and social analysis must be carried out by Bpifrance Export Insurance. The second part of the annex, containing a more detailed environmental and social assessment questionnaire, must then be completed. For investment insurance applications, the environmental and social assessment annex also has two parts. The first is systematically fulfilled, the second only if the investment is made in a business sector or environment considered sensitive from an environmental and social point of view.

The information collected in the annex must enable Bpifrance Assurance Export to classify the project in one of the three following categories, according to the importance of its environmental and social impacts:

- Category A: projects with potentially significant impacts, for which an environmental and social impact assessment is required. This category of operations requires a thorough environmental and social analysis as well as risk monitoring;
- Category B: projects with less significant potential impacts, for which further information may be required. This category of operations requires a less detailed environmental and social analysis, and risk monitoring may be non-systematic;
- Category C: projects with little or no environmental and social impact. This category of operations does not require a detailed environmental and social analysis. No risk monitoring is required.

Operations should be assessed against sectoral or specialised standards, guidelines or other nationally and internationally recognised standards, with the most stringent standards being applied. As part of the appraisal and monitoring of operations, Bpifrance Assurance Export may request additional information and conduct site audits.

If necessary, the Bpifrance Assurance Export guarantee may be subject to environmental and social conditions to ensure compliance with the standards in force, based on the opinion of Bpifrance Assurance Export and, if applicable, the competent technical ministries.

Bpifrance Assurance Export respects the fundamental right of public access to information concerning the projects covered by its guarantee.

The transparency mechanism is twofold:

Ex-ante transparency: prior to the guarantee decision, for projects under appraisal that have been classified as Category A. This ex-ante transparency is implemented in particular for the benefit of civil society and the local populations affected by the projects.

For projects classified in category A, Bpifrance Assurance Export asks to receive all relevant environmental and social information, including the environmental and social impact assessment (ESIA), the environmental and social management plan (ESMP) and the action and resettlement plan (RAP) for displaced persons, if applicable. In line with the OECD common approaches, Bpifrance Export Insurance will make its publicly available documents (ESIA) transparent. At the request of the buyer or exporter, these documents may have been previously redacted with respect to information whose disclosure would undermine the commercial or industrial confidentiality of the export.

The ex-ante transparency period starts on the date the information is made available on the Bpifrance website, for at least 30 calendar days before the final commitment to grant support.

Ex-post transparency: after the guarantee is accepted, for projects classified in category A or B and those relating to contracts of more than €10m, obtained by French companies and benefiting from a Bpifrance Assurance Export guarantee. This ex-post transparency is carried out on a quarterly basis. It entails the provision of a description of the projects and, where applicable, essential information on their environmental and social consequences as well as Bpifrance Export Insurance's monitoring requirements.

• Climate plan for export financing

Following the report submitted to the Parliament on 12 October 2020, a three-part Climate Plan was decided by the State and implemented from February 2021, based on a roadmap for ending support for hydrocarbon exploitation projects, restricted support for thermal power plant projects and a climate 'bonus' system based on the European green taxonomy.

3.10.6. Raising awareness, coaching and supporting teams

Actions aimed at teams on CSR issues and challenges have been expanded and strengthened.

The first part concerns the directors who represent Bpifrance in the companies' governing bodies; their voice on CSR issues is essential for the implementation and involvement of governance in a structured and comprehensive approach.

The second component aims to strengthen the knowledge and skills of employees, particularly the teams dealing with entrepreneurs, including:

- the integration of a CSR module in the Climate training plan;
- the creation of a dedicated ESG space for investment hosting guides on ESG processes and sectoral issues (9 sectoral guides);
- 37% of employees who received one or more training courses during the year attended an SD/CSR training course.

The third component is support from the SD & CSR ESG Department teams for the needs and projects of business and cross-functional teams, such as discussions on climate roadmaps, measuring carbon footprints, setting up funds, analysing and implementing texts or standards... This expert support contributes to the understanding and integration of CSR issues in these projects.

3.10.7. Raising awareness of CSR among entrepreneurs

The CSR DDD conducts awareness raising and training activities for businesses on CSR with the help of business and partners networks (Initiative France, Réseau Entreprendre, Medef, CJD, Leader Occitanie, Union Française de la Bijouterie, etc.).

We offer the businesses packages on two levels:

- Webinars, podcasts as well as thematic guides;
- ½-day free sessions to raise awareness of CSR issues;
- Intensive and tailor-made support on implementing CSR activities and operational action plans in a semi-collective format, run by experts whose experience and methodology we have validated.

For 12,18 or 24 months, a group of around ten entrepreneurs take part in group training days. In parallel, these same businesses are monitored individually, at their premises, by an expert in order to construct an operational CSR roadmap.

30% of the cost may be covered by Bpifrance subject to examination of the application.

2023 key figures:

8	7	7,784	85	364	2,244	5,091
main partners (R3, Greenflex, Croissance Bleue, Lucie, Avisea, Génération Responsable, Avisea and Primum Non Nocere)	Seven flagship programmes that we are broadening each year that are either general or specific in scope (responsible digital, biodiversity, responsible procurement, etc.).	Total of businesses who have undergone awareness-raising and/or training in iso budget vs 1,776 in 2022, 624 in 2021 and 171 in 2020	businesses trained on programmes (several days)	businesses underwent awareness-raising (1/2 day)	business underwent awareness-raising through approx. 20 thematic webinars + Replays (regenerative fashion, employer branding, supply chain, biodiversity, CSRD, etc.).	listeners via 22 podcasts

Awareness-raising among companies is based on several pillars:

- Events and interviews:

Organised by Bpifrance or Bpifrance taking part, these allow the CSR vision to be put into practice and to be a factor in the transformation of the company, in order to meet expectations and to play its part in the major environmental and social challenges.

- Support:

Both the production and provision of content (e.g., CSR guides, webinars) offer and the awareness raising: support offer continued, as did activities for the Bpifrance Transition Community, intended for entrepreneurs, experts, and various actors who want to succeed in social, environmental and societal transitions, launched in 2020 with the very active support of the Euroquity team.

3.10.8. Bpifrance as a key player

Awareness-raising, both for entrepreneurs and business lines, is also achieved through the actions carried out by Bpifrance as a key player in:

- Participating in working groups: such as the joint development – alongside other private equity players and under the impetus of France Invest's ESG committee – of ESG survey questionnaires, applied by each participant in 2019, revised annually and recommended by France Invest;
- by organising various webinars aimed at its ecosystem and employees;
- by organising events such as Bpifrance Inno Génération (round tables and presentations), the Climate Hackathon and Jour E (workshops, presentations, etc.) to encourage stakeholders to take steps towards transitioning their business models;
- by organising 6 "midi-entrepreneurs" networking events at Bpifrance to promote female entrepreneurship;
- speaking at CSR trade fairs or events in the context of our partnerships, or by inviting businesses (start-ups/VSEs/SMEs and MMEs), such as Produrable, Talents for the Planet, Rencontre Ecotech, Normandurable, Forum Convergences, H2E, Change Now, Forum National des éco-entreprises;
- taking part in judging panels and award ceremonies: DEFIS RSE, UNICLEN, Conseil Supérieur de l'Ordre des Experts-Comptables, Science factor, Handitech Trophy, Science Po, Forum du commerce responsable, Génération Responsable, Demo Day ESS, Cleantech Open France, Ocean Pitch Challenge;
- by supporting events and festivals: Le Temps Presse, Deauville Green Awards, Atmosphère, Citizens entrepreneurs, le G20 jeunes entrepreneurs et le Club Choiseul RSE, which are intervention spaces for the winning integration of these issues into strategy and practices, and giving the floor to committed entrepreneurs, for the benefit of both our ecosystem and our employees;
- through targeted initiatives to raise awareness among Bpifrance employees and business lines, such as film showings and debates and employees' participation in the Handitech Trophy organised throughout the year;
- by participating in various projects/reflections: within Planet Tech Care, or with Comité 21 in the creation and promotion of the 'Companies and stakeholders: new ways of resilience and governance' think tank;
- as a member of AFNOR's 'Environment and Social Responsibility' strategic committee;
- by interacting with the academic and university spheres; in this vein, together with Skema, Bpifrance has established the new 'Sustainable Finance & Fintech' master's degree programme. An impact programme has also been set up with CY Entreprendre, aimed at encouraging student entrepreneurs to take account of environmental and social externalities when building their businesses.

In all, the sustainable development department was involved in almost 87 separate events to help its ecosystem move towards a more sustainable path.

3.11. MAKING PROGRESS IN OUR INTERNAL PRACTICES

3.11.1. People, the driving force behind the Bpifrance dynamic

A human resources policy that neglects the talents and training of its employees, their quality of life at work, the issues of diversity and equal opportunities, and social dialogue may lead to a loss of motivation, a refusal or reluctance to change, a mismatch between skills and the evolution of the company and its business, and a deteriorated social climate. These situations may generate risks of absenteeism, inability to meet stakeholder expectations, especially in emergency situations, and this reputational damage may lead to customer disaffection, difficulties for customers, which may in turn lead to difficult situations, as well as stakeholder dissatisfaction, which may lead them to withdraw from partnerships or resource contributions. As an employer, a poor reputation may also lead to difficulties in recruiting the talent and skills needed to grow the business.

Since the creation of Bpifrance, the human resources policy has therefore focused on creating and leading a community of employees with a wide range of skills, based on the company's values: determination, optimism, simplicity and proximity, in the service of the unique public interest mission with which it has been entrusted: helping companies to see bigger and further, creating a positive impact and fostering a more dynamic French economy. Training, professional equality, quality of life at work and working conditions, in particular, the organisation of work and the workplace within a public health context that has turned them upside down, as well as the health and safety of the Group's employees, are at the heart of the human resources policy and the sustained social dialogue, both at Group level and at the level of each of its entities.

3.11.2. Employment trends

Bpifrance's employment policy is based on the creation of permanent jobs; thus, in 2023, recruitments on permanent contracts represent 99% of recruitments, excluding work-study and traineeship contracts (100 % in 2022).

5 people were recruited on fixed-term contracts in 2023 (vs. none in 2022) and 733 people were recruited on permanent contracts (as compared to 506 in 2022 and 478 in 2021) raising the total workforce on permanent contracts from 3,525 to 3,871 employees on permanent contracts, i.e., an increase of 9.8% as compared to 2022.

Of these hires, 51.9% were women (vs. 48.8% in 2022); 52.4% of those hired were under 30 years of age (vs. 56.9% in 2022), and 1.3% were over 55 years of age as of the hire date (vs. 0.4% in 2022).

The average turnover rate for permanent staff will be 20.8% in 2023, compared with 14.8% in 2022, 14.9% in 2021, and 13.5% in 2020, while the average age of the group's permanent and fixed-term staff will fall from 38.6 years to 38 years in 2023.

Following the transfer of staff from the brokerage business line within Bpifrance, the number of employees at this entity is 1 in 2021 and 2022.

Bpifrance has an active policy of supporting and upgrading the skills of students through its Schools and University policies; thus, at end-2023, 295 work-study and traineeship contracts were in progress (compared to 280 as at 31/12/2022), thanks, in particular, to talks and events organised with major Paris and regional universities as well as partnerships (some of which are specifically focused on the employment and professional integration of students with disabilities), communication on social networks, and the recruitment space on the Bpifrance website.

The average number of days of absence for staff on permanent contracts, excluding long-term illness and part-time working on health grounds, comes to, at the Group level, 3.7 days in 2023, as compared to 4.1 days in 2022, and 3.2 days in 2021, with slight variations depending on the entity: down for Bpifrance (3.9 days in 2023, vs. 4.3 days in 2022), down for Bpifrance Investissement (2.9 days in 2023, vs. 3.5 days in 2022), and up slightly for Bpifrance Assurance Export (3.3 days in 2023, vs. 3.1 days in 2022).

3.11.3. Career support

Our answers

- Agreements on the Forward-Looking Management of Jobs and Skills
- Talents Framework
- Interview systems

The support and development of employee skills are organised via:

- An annual appraisal interview and a professional interview every two years;
- Upon hiring: an onboarding follow-up, carried out with the management hierarchy in the form of an interview at the end of the 3-month trial period;
- HR follow-up in the event of functional, geographical or intra-group mobility, including a 3-month integration period;
- Career interview, conducted by HR at the employee's request;
- Finally, for elected representatives: an interview at the beginning of the mandate and an interview at the end of the mandate.

The annual interview is an important exchange for both parties, manager and employee. Bpifrance is careful to ensure that it is conducted at the beginning of the year and has put in place an active campaign to remind everyone of the opportunity for a specific time dedicated such exchanges, notably regarding their goals, performance, objectives for the year, and interests concerning training.

3.11.4. Health and safety

The health and safety provisions, in particular as part of QLW agreements stipulate: an annual appraisal with the CSE (Economic and Social Committee), coordination between the head office occupational health doctor and those in the provinces, an annual activity plan for the occupational health doctor. The QLW agreement covers working conditions and in particular issues related to health, stress at work, psycho-social risks, or harassment and violence in the workplace.

Bpifrance applied the authorities' guidelines and recommendations on remote work during 2021, and the specific measures implemented as a result of the public health crisis in 2020 have been maintained:

- Occupational risk prevention plan;
- Internal measures implemented during the public health crisis, upon return from lockdown: distribution of masks and disinfectant wipes, gel dispensers, twice-daily disinfection, catering protocols, etc.;
- New manager training course module dedicated to the prevention of psychosocial risks;
- Establishment of an 'external listening unit' to support employees:
- 'Call & Coach' programme, i.e., one hour of support per week with a coach;
- Social worker and medical hotline;
- School support for children in partnership with Cours Legendre;
- Establishment of dedicated mailboxes for monitoring COVID-19 cases in conjunction with the Occupational Medicine Department and Regional Health Agencies.

In addition to the procedures already in place for managing health and safety risks:

- Posters (evacuation plan, health measures related to COVID-19) on site and on the intranet;
- E-learning on safety issues;
- Safety training: fire safety and first aid training, evacuation exercises.

In the particular context resulting from the public health crisis, special attention was paid to social dialogue and the Quality of Life at Work (QLW).

3.11.5. Social dialogue and QLW

Our answers

- Social dialogue mechanisms
- Employee representative bodies Group and group companies
- Bpifrance Group QLW agreements
- Commitments and associated measures: occupational health - well-being measures (annual interviews, mobility, access to information, support mechanisms) - role of management - work time coordination - teleworking - parenthood: special leave - emergency childcare, cots, donations of days off

Social dialogue and quality of life at work are key success factors for a Bpifrance community that is competent and committed to the company and its values.

To this end, the 2022 employee survey ('committing together') was conducted in collaboration with Willis Towers Watson. To recap, the 2020 survey covered ten topics: trust and vision, commitment, culture and values, line manager-managerial skills, performance management, effectiveness of the organisation, remuneration, staff involvement, line manager-proximity and career development. The results are particularly satisfying, including in terms of the historic level of participation, which has reached an all-time high of a response rate of 89%, as compared to 82% in 2020 and 88% in 2019.

The following can be highlighted:

- A positive overall opinion score that remains very high at 71.2%, slightly down compared to that of 2020 (-1 point), but up as compared to that of 2019 (70.5%) and 2018 (68.8%). This positive opinion remains above the overall score for the WTW France National Standard for the same questions (70.1%).
- A pride level as regards belonging to the Bpifrance Group that is still just as high with a score of 94% positive responses coupled with a feeling of optimism (one of Bpifrance's core values) that is also clearly exemplified by a strong feeling of trust and adherence to the business' values and culture (91%).
- Nevertheless, two expectations remain topical and require vigilance on the part of Management: perception in terms of performance management and the sharing of information between the different business lines.
- The categories Line Management-Proximity and Line Management-Managerial Skills merit particular mention with rising scores of 82% and 80% respectively. These results confirm the good relationship with line management.

Communication with employees is fundamental to ensure information sharing, with significant resources are devoted to this: first of all, the intranet brings together news, information, and access to tools and apps; internal newsletters – particularly on specific topics – are widely distributed; information screens are present at each site; necessary information is distributed via messaging on a case-by-case basis, and regular digital meetings with management have also been implemented.

The aim is to strengthen social dialogue, to permit employees to express themselves directly and to put forward their ideas, which will either be deployed after a feasibility study (for example in order to improve Bpifrance's environmental footprint in the context of the Climate Plan) or will be the object of discussion in view of amendments to agreements (QLW in particular), or the implementation of new mechanisms or new initiatives.

Dialogue with employees at Bpifrance is still strong in 2023 as attested to by the number of meetings held with labour partners (122 in 2023, 127 in 2022, 123 in 2021, etc.) and the collective agreements signed between Management and the trade union delegates. Collective agreements cover ever more subjects, in particular as part of the policy in place in terms of Quality of Working Life, professional equality, disability, working conditions and hours, employee savings schemes or health insurance.

In total, 19 agreements and additional clauses were signed in 2023 (18 in 2022, 24 in 2021). This slight drop is partially explained by the frequency of the agreements which, for certain negotiation subjects, are reviewed every three years.

The Covid-19 pandemic changed the way our work is organised. 2022 continued to see large-scale teleworking – the arrangements for which are set out in a collective agreement; employees have recently been asked about workplace organisation, the terms of which will be reviewed in 2023 with our labour partners.

In addition, Bpifrance is responding to new expectations, particularly on the Sustainable Mobility Package introduced by the Group at the beginning of 2022. Following the 2023 NAO, management and employee representatives worked together to develop new schemes or improve existing ones.

Long at the heart of labour relations and among employees' expectations, Quality of Life at Work is a central issue for employees' well-being, health, meaning and motivation, and many initiatives in this area continued to be deployed in 2023.

Within Bpifrance, tools and initiatives are available to the group's employees depending on their personal and/or professional status and essentially revolving around 4 pillars:

1. Health, whether physical or mental;
2. Civic commitment;
3. Professional and personal life balance;
4. Diversity and inclusion.

1. **Health**: Improving preventive healthcare through measures promoting physical and mental activity

a. **Gymlib: our partner for physical health and well-being.** Human capital is the common thread in Bpifrance's values. Preserving it is therefore a major concern for the business which focusses its action on preventive health through physical activity, which is recognised to be beneficial both physically and psychologically. Our partnership with Gymlib gives access to various structures and physical activities, but also to well-being spaces. More than 50% of our employees are registered on Gymlib, with almost 35% active and more than 930 sports and/or wellness centres visited. With the aim of getting employees moving, several walking challenges are organised throughout the year. Employees can join and form teams and walk together. This year, during the month of October, dedicated to raising awareness of breast cancer, a charity challenge was organised for the Group's employees, with a target of 50 million steps; if this was achieved, the Group would make a donation would be made to the Pink Ribbon association.

b. **Moodwork** (Bpifrance holding): **our partner for mental health and well-being**. A platform giving access to personalised and dedicated advice and conferences online, personal development programmes + online support for each situation that requires it and enabling contact with expert practitioners (psychologists, ergonomists, etc.). Employees can make an appointment with a healthcare professional for confidential, one-to-one support. Group support is also offered (discussion groups, managerial posture, etc.). This support is appreciated by employees, who give it a score of 9/10, some describing it as *"invaluable support in times of professional difficulty*". More than 25% of employees have created an account on the application, more than 150 individual well-being assessments have been completed and more than 40% of employees registered on the platform have received individual support from a health professional.

c. **Psychosocial risks, musculoskeletal disorders, chronic progressive diseases, well-being and nutrition**: Training sessions are available for some of these topics and workshops + webinars take place regularly in order to raise employees' awareness of these important subjects. They are all accessible as replays on our Bpifrance internal TV channel. This year, health professionals (physiotherapists, osteopaths, nutritionists, masseurs) led fun in-person workshops packed with practical advice to help employees learn about the risk factors affecting their health and how to address them. For example, last June, during Quality of Life at Work Month, an osteopath was on hand to help employees find the right postures for their workstations. There was also a superfood tasting workshop led by nutritionists to discover new delicious and healthy flavours. A number of webinars on psychosocial risks were offered throughout the year, addressing issues such as stress management, eye strain, optimism and the quest for meaning. Another workshop to raise awareness of musculoskeletal disorders was held at the Lille regional office, attended by almost 40 participants. To mark World Workplace Health and Safety Day on 28 April, a reminder about the various resources available within the Group was sent to all employees. In particular, it included a reminder about the system for mental health Moodwork, access links for workplace first-aid training, whom to contact if you are a witness or victim of a workplace accident, and links to first-aid training courses available on the internal training platform.

d. This year, e-books on natural medicine specially created for employees were made available on the Bpifrance intranet. These digital booklets aim to provide naturopathic advice, tips and healthy recipes for maintaining physical and mental health.

2. **Civic commitment**: Giving meaning to one's personal life through one's professional life is an important vector for everyone. Giving meaning to one's work, developing skills and getting involved are key to an employee's professional success.

a. Through **civic leave** the company allows an employee to grow their civic commitment using their professional skills and their more personal skills. Civil leave allows any employee to undertake two weeks of volunteering at a charity in their private time in a foreign country in order to share and pass on their skills and knowledge to support the development of local communities in complete safety, thanks to our partnership with Planète Urgence. Employees who go on solidarity leave return very satisfied and are even more committed to protecting the environment. In line with this solidarity-based approach, and to raise employee awareness of the need to reduce our carbon footprint, during Quality of Life at Work Month, participation in these events was quantified and a corresponding donation was made to Planète Urgence for its reforestation programmes. This year, 932 trees were planted.

b. **The Skills Donation programme (member of the Alliance pour le mécénat de compétences)** was introduced within the company during 2023 with our partner KOEO. Alongside solidarity leave, this drives engagement by giving employees the opportunity to contribute their personal and/or professional skills to associations of general interest that Bpifrance already supports (Cap'Créa associations). 2 forms of skills donation are currently on offer for employees on permanent contracts with 3 months' seniority.

- "Traditional" volunteering for one or two days a year, consecutive or not;
- And end-of-career volunteering of one day a week for employees retiring within 12 months. This programme will help retirees consider how they might make their knowledge and talent available after their career within the Group has come to an end.

Time spent volunteering under the Skills Donation programme is considered as working time and is paid as such. It represents an opportunity for employees to develop and pass on their professional and personal skills and to work in continuity with Bpifrance's mission to support entrepreneurs.

3. **Professional/personal life balance**: In order to promote a balanced professional/personal life and for everyone to feel fully satisfied at work.

a. **Personal services allowance**: Bpifrance offers employees an annual sum of €300, fully funded by the company, so that they can use personal service payment vouchers (housework, ironing, home-schooling, life coaching, gardening, etc.) and so better reconcile professional and private life.

b. **Donation of reduced working time days**: All employees can anonymously donate their reduced working time days that they have not taken to the benefit of a collective fund instituted by the company. The beneficiary employee will have their pay maintained during their period of absence. Any employee may take advantage of these donated days:

- who cares for a child who has a disease, disability or is the victim of a particularly serious accident rendering a sustained presence and restrictive care essential;
- or who has the capacity of a family member caregiver.

c. **KIE**: A Legal Care application through which any employee to ask a specialist lawyer questions (legal and regulatory issues, personal and/or day-to-day legal matters). A free 20-minute consultation with the lawyer is also available. This application allows employees to benefit from legal advice tailored to their particular situation, for greater peace of mind on a day-to-day basis. This network of dedicated lawyers has been a resounding success with employees, with a 4.8/5 satisfaction rating. The questions put to lawyers concern real estate (nearly 40% of questions), taxation (12% of questions) and inheritance (11% of questions). Since last June, more than 20% of employees have activated their account and more than 730 questions have been put to lawyers. More than 35% of employees (who have activated their EKIE account) have had an online consultation with a lawyer.

d. **KLARO (formerly Toutes mes aides)**: a desire to provide better support to employees through a platform that enables any employee to be able to quickly view the assistance they may be able to claim depending on their situation, whether this assistance is from a collective organisation, the State, Bpifrance or benefits linked to a particular status. Employees who use this tool secure assistance of €3,000 on average. and an average of 8 eligible grants per user for an average amount of €2,100 in grants triggered. To date, 65% of employees have an account on the KLARO platform.

e. **Parenthood**: company employees have access, up to the limit of the places available, to reserving places at inter-company childcare facilities. The monthly childcare or nanny premium, which can be combined with the crèche places scheme, helps pay for childcare provided by an authorised organisation or person until the child's 7th birthday (or their 10th birthday if the child is disabled). Other family allowances are available depending on the child's development (from the birth bonus to the education allowance for children aged 7 to 25). Also in the category of family benefits, when an employee's child is ill and requires their presence at their bedside, the employee can use "ill children" leave. At the start of the new school year and provided that they have informed their manager, employees who are parents can have 2 hours off on the first day of school for their child(ren) aged 11 and under *(employees paid hourly or per day should make arrangements with their manager).*

f. **Tutoring**: Remaining with our family-friendly approach, employees can benefit from private in-person or online private tutoring for their child(ren), tailored to their particular needs and at a discounted rate, thanks to the Cours Legendre online platform.

g. **Right to disconnect**: this is based on a principle of responsibility on the part of both the manager and the employee as regards the use of communications tools, whether messaging or other means of communication and recalls the importance of not requiring a response from one's interlocutor outside of normal working hours, and in any event not before 8am or after 9pm on weekdays and not during the weekend (from Friday 9pm to Monday 8am), except in exceptional circumstances. This right also recalls the importance of not scheduling work meetings at the end of the day, after 6pm, nor too early in the morning (not before 8am). This principle is also recalled each time the VPN is opened, and work applications are not accessible between 9pm and 7.45am (unless on-call).

4. **Diversity and inclusion**: Because diversity and inclusion are sources of innovation and performance, three major themes are the object of attention at Bpifrance:

a. **Gender equality**: historically, Bpifrance has been committed to promoting the professional equality of women and men. Collective agreements have been signed to this effect at each group business in order to correct any discrepancies, and promote diversity in teams and careers. A gender equality index is published annually on the Bpifrance website. The gender equality index scores calculated from 1 January to 31 December 2023 are: 93 points/100 for Bpifrance, 85 points/100 for Bpifrance Investissement and 99 points/100 for Bpifrance Assurance Export. Diversity in managerial bodies is also part of Bpifrance's commitments (Rixain) and in 2023, the CMG was 36% women as compared to 32 % in 2022)[45]. As a reminder of its commitments to gender equality, Bpifrance employees were given fact sheets on the Rixain Act, available on the internal training platform. As part of this drive to promote gender equality, the Bpifrance Group is also committed to promoting the role of women in the entrepreneurial world and is a signatory of the SISTA charter, which aims to make the selection practices for innovative projects more inclusive and support business creation through dedicated support networks.

b. **Disability**: Collective agreements have been signed aimed at recruiting and retaining disabled people, as well as regular awareness-raising actions through Mission Handicap, such as: Handitech Trophy, the European Week for the Employment of People with Disabilities, partnerships with ESAT, etc. The group has also signed the manifesto for the inclusion of people with disabilities in economic life and posts job advertisements on websites dedicated to this purpose (Forum Hello Handicap). A Group contact person is responsible for guiding, informing and supporting people with disabilities at the Group. This year, an awareness-raising campaign on disability in the workplace was launched on the Group's online platform. Composed of e-learning quizzes and practical information sheets, it has enabled managers and employees to learn about different types of disability and how to accommodate them. Maintaining the employment of disabled employees is a priority of Bpifrance's disability policy. These employees are supported by Mission Handicap through ongoing, individualised support throughout their careers. To ensure this continuity, monthly meetings are organised between Mission Handicap, the social worker and the occupational physician. These discussions help streamline communication on current initiatives and to offer personalised solutions to each individual. As part of the Teleworking agreement, measures have been taken to make teleworking more flexible for disabled employees with a Recognition of Disabled Worker Status (RQTH). *More details in the Disability section*

c. **Diversity-Inclusion**: A signatory to the Diversity at Work Charter and the Our Districts have Talent mission, Bpifrance also takes part in the Entrepreneurship for All Programme facilitating access to entrepreneurship in fragile districts or regions, and raising-awareness of entrepreneurship there. The Group also has a partnership with Frateli, a charity which develops and manages the sponsorship of young, high-potential students, who are in receipt of grants, by professionals. Because Bpifrance is committed to developing its employees in a climate of trust and respect for others, awareness-raising and training initiatives are carried out for managers and gradually for employees on the issues of non-discrimination. For example, during the Quality of Life at Work month last June, employees were invited to take part in a webinar on stereotypes that can lead to discrimination. Another webinar, to mark coming-out day, featured a testimonial to encourage employees to cultivate a caring environment that facilitates exchange and free expression within the company. With regard to LGBT+ issues in the workplace, an awareness-raising workshop was organised for members of the HR department and elected employee representatives.

45 *Bpifrance's gender equality index | Bpifrance.*

To guard against all forms of discrimination, Bpifrance conducts the following initiatives:

- Raising awareness and training executives, managers and employees in recruitment, training and career management and the challenges of non-discrimination and diversity. For example, a conference on intergenerational relations was organised for all Group employees and managers to better understand the needs and expectations of each generation (Baby Boomer, Gen X, Y, Z, etc.).
- Bpifrance has been recognised as a "Company Committed to Diversity" by the Statista research institute and Capital magazine, and aims to set an example by promoting the diversity of French society in all its differences, its richness, and its cultural, ethnic and social components at all levels of the Group's workforce. In order to promote this diversity within the workforce, measures have been put in place to contribute to quality labour relations and direct expression by employees, such as the introduction of a whistleblowing procedure for all employees who feel they have been the victim of harassment. Contact persons for gender-based violence have been appointed in each subsidiary (one employer representative and one employee representative).
- In the context of the QLW agreement, communication to all employees regarding the business' commitments to non-discrimination and diversity in the form of workshops, conferences or webinars.
- Implementation of an alert procedure for all employees who believe that they have been the victim of harassment. Furthermore, sexist acts contact persons have been appointed at each subsidiary (one employer representative and one staff representative).
- Implementation of an e-learning training course on non-discrimination, diversity and gender equality, and a module in the new managers and new starters course.
- Providing a training platform to complement the internal platform, with training resources (videos, podcasts, e-learning courses) on the theme of Diversity and Inclusion.

Additionally, in June, during the QLW Month, but also throughout the year, Bpifrance offers its employees numerous actions to assist them in integrating the various mechanisms, help them to activate the levers for action at their disposal based on their needs and to construct their own 'best-being' at work. For the 2023 edition of Quality of Life at Work Month, an in-person forum was organised at the company's head office, where employees were invited to meet all the partners involved in the QLW measures put in place within the company. This special time gave employees the opportunity to exchange ideas and find out about all the action levers available to them.

A sign of interest in these measures, more than 1,600 employees have already taken part in the most recent editions of the QLW month. Throughout 2023, 14 QLW webinars were held across the Group, covering all QLW pillars: Health (mental and physical), Solidarity, Work-life balance and Diversity and inclusion.

- Health: the following topics were addressed: Stress management, eye strain and an e-book on naturopathic medicine naturopathy e-book to help you get back to work in shape and with peace of mind, with an average of 85 participants.
- For community involvement: a webinar presenting the skills donation scheme, with an average of 100 participants.
- For Work-life balance: 3 webinars on the EKIE tool, including 2 EKIE Masterclasses on real estate and traffic violations, and 1 webinar on the personal service allowance. These webinars were attended by an average of 250 employees.
- For Diversity and Inclusion: 4 webinars were offered, 2 on disability, 1 on stereotypes and discrimination, 1 on coming out, with an average of 57 participants.

In 2023, Bpifrance is ranked 8th out of the 25 best employers by *Glassdoor*[1]. This is in addition to proactive policy towards young people and future graduates in terms of welcoming work-study students and interns. Between January and December 2023, 111 events were conducted with schools, either online (47) or in person (64): recruitment forums and days, Bpifrance presentations, student meetings, admissions juries, inter-company events, etc.

Further, Bpifrance undertakes to valorise skill transmission, in particular through careful management of the so-called senior (55 years and over) employee population anticipating the end of their career. To do this, career monitoring actions, targeted training actions, and a mechanism for valorising experience and transmitting know-how and knowledge through mentorship permit an exchange of skills and knowledge between employee generations.

3.11.6. Training policy

Our answers

- Training policies
- Process of defining the training programmes offered
- Diversity of training programmes

Our goals

- Deploying tools increasingly adapted to remote work and nomadism
- Develop knowledge of the businesses and products
- Develop employees' technical and business skills
- Develop talent and the ability to evolve

Bpifrance's training policy is at the heart of the HR strategic plan, which aims to manage human resources through the prism of skills and thus bring the necessary value to the deployment of the company's strategic plan by maximising the its employees' expertise in the service of enhanced performance.

As a result, Bpifrance is investing massively (over 5% of its payroll) in these various training programmes and is structuring its offering by building dedicated Academies to address – globally and at all organisational levels – the needs of employees to develop their skills in the major verticals identified in the strategic plan (Climate Academy, Tech Academy, Management Academy, Relationship Excellence Academy, etc.).

On a day-to-day basis, and in direct collaboration with the business units, the Training team draws on all its expertise in educational engineering to develop training modules tailored to the specific needs of the organisation, and builds its offering by selecting the most appropriate didactic methods with respect to the topic at hand and the defined educational objectives (classroom-based, e-learning, co-development, blended learning, AFEST, gamification, etc.).

At the same time, Bpifrance has a solid and up-to-date regulatory training base that enables it to fully meet its compliance obligations by ensuring that all its employees have the necessary skills, reinforced by a dedicated tool that provides it with a continuous and individualised view of the completion rate of each training course.

Significant attention is paid to the employability and personal development of all the Group's employees. As a result, all our employees, as well as students on internships and work-study courses, benefit from a rich and varied range of soft skills training, enabling them to develop, at their own pace and according to their own needs, cross-disciplinary skills that will be useful to their professional career plans.

In 2023, more than 4,234 Bpifrance Group employees benefited from one or more training courses, equivalent on average to 27.5 hours specifically dedicated to training.

Bpifrance is committed to the fight against discrimination, in terms of professional equality, the integration of young people and the retention of older workers, and the integration of people with disabilities. Under the terms of Article 13 of the QLW agreement signed in May 2016, Bpifrance is committed to fighting against all forms of discrimination, and has signed the Diversity Charter in order to raise awareness and train its employees in diversity.

Our answers

- Agreements on gender and disability equality
- Diversity commitment
- Disability actions
- Recruitment actions

Our goals

- Fight against all forms of discrimination

3.11.7. Integration of young people and retention of seniors

Bpifrance is committed to integrating young people and retaining seniors in the labour market through, in particular:

- The implementation of the commitments made in the QLW agreements, such as end of career sponsorship or GEPP (Job and Career Management), in particular through the intergenerational transmission of skills by mentoring (Mentoring Academy);
- An integration and HR follow-up programme for new employees under 30 years of age. These employees are assigned a mentor to help them integrate.

Its pro-active policy aimed at young people and future graduates in terms of hosting work-study placements and interns. **111** actions were carried out between January and December 2023 with schools, in digital (**47 actions**), in-person (**64 actions**) or mixed format: recruitment forums and days, Bpifrance presentations, student coaching sessions, student meetings, admissions panels and inter-enterprise events.

3.11.8. The link between the Employment Relations and Innovation Department and Bpifrance's Disability Mission

Alongside measures implemented in terms of Quality of Life at Work (QLW), the primary aim of employment innovation is to provide new responses to expectations that need to be met or improved. In other words, this means providing new responses to or thinking on needs that are new or that have yet to be sufficiently considered.

Employment innovation at Bpifrance is about proposing and/or improving solutions and mechanisms that aim to improve the daily lives of employees through an ambitious programme that, since 2016, does not cease to provide enrichment. QLW means being attentive in order to propose and implement innovative mechanisms that aim to respond to the main themes which are: improving working conditions, personal/professional life balance, health at work, civic engagement and diversity/inclusion.

Within the diversity and inclusion pillar, the attention given to persons with a disability, both during recruitment and retention, is a priority at Bpifrance. This consideration is also seen in awareness-raising and training for all Bpifrance employees and managers.

• The 4 axes of the Disability Agreements

Bpifrance is committed to the professional integration and employment of people with disabilities through its agreements promoting professional integration. These Disability Agreements cover four areas:

1. Bpifrance is committed to the professional integration and employment of people with disabilities, in particular through the commitments made in its collective agreements, which focus on four main areas:
   - Organisation of equipment on site or at home,
   - Organisation of working hours,
   - Teleworking arrangements (adapted to the current Teleworking Agreement),
   - Reimbursement for individual equipment,
   - Reimbursement of commuting expenses.

Human support (training)

By 2023, Mission Handicap will have made more than twenty accommodations in all categories, and will have made many initial contacts with employees wishing to share their situation.

2. Recruiting employees who are disabled and hosting students on work-study placements or internships. For this, job vacancies will also be disseminated through job boards, recruitment agencies and forums that are familiar with the issue of disability at work. Furthermore, Bpifrance forges and maintains partnerships with higher education establishments, such as Dauphine or Grenoble Ecole de Management. In the same vein, new procedures and tools have been introduced for recruitment officers to ensure that each candidate's skills are taken into account when feedback is given to managers. In 2023, 2.32% of Bpifrance employees had a disability (a slight increase that can be explained by the growth of 5% per year on average of annual workforce) and 1.77% for Assurance Export (this figure has nearly doubled in one year).

In 2023, Bpifrance participated in five specialist forums, with more than thirty profiles were studied by the HR department thanks to partnerships with selected schools.

3. Encourage procurement of goods and services from the protected and adapted sector, such as ESATs (Etablissement et Service d'Aide par le Travail) or adapted companies. To achieve this, a number of partnerships and actions are being undertaken, such as participation in the National Economic Observatory for Responsible Procurement, soliciting services from the GESAT network at company events, and organising internal events dedicated to the use of the sheltered and adapted sector.

• Mission Handicap players

Bpifrance's Mission Handicap works with a wide range of people, including HRBP/HR, social workers and occupational physicians. As disability is a subject that may be common across many departments, synergies represent a major lever for action. To promote this communication, Mission Handicap is stepping up its projects in the areas of recruitment, job retention and use of the sheltered sector.

As mentioned earlier, we are taking a hard look at our recruitment tools and processes. We are also working with the HR Department to diversify our communication on online offers.

On an experimental basis and as part of a dynamic of involvement, three-way exchanges on employment are set up at regular intervals. They are made up of staff from Mission Handicap, the Group Social Assistant and the occupational physician at head office. This communication with the occupational health departments enables better monitoring of individual cases and direct relay of news to employees.

Finally, developing partnerships with the sheltered sector is also part of Bpifrance's disability policy. The Procurement Department and Mission Handicap define synergies in terms of Responsible Procurement within the framework of the new Group Procurement Policy 2023 and the Supplier Relations and Responsible Procurement Charter 2023 (RFAR).

As an example,

role adaptations since 2020, incl. 34 in 2023

have been carried out for Bpifrance employees in order to keep them in employment.

3.12. INTERNAL OPERATION

3.12.1. Organisation of internal operations

The Facilities and Environment Department (FED) manages the Bpifrance head office and network offices, as well as the logistics resources of the entire group.

This centralised environmental management, coordinated with all departments, ensures the professional management of the sites, works, physical purchases - excluding IT - and services that ensure their operation. FED is also responsible for managing business travel for the Group.

The environmental impacts of activities can thus be measured and analysed, in order to determine and implement the most efficient reduction measures.

3.12.2. Facility locations

Bpifrance is located throughout France, close to companies and their environments, in properties that are mainly leased, some for the long term. In the event of a change of location, the choice is determined according to the criteria of comfort and accessibility for employees and considering its environmental qualities.

The main sites – in terms of surface area and number of employees – are located in the Paris region: the head office in Maisons-Alfort and two others in the centre of Paris.

The 'HEQ service building in operation' certification of the 'Le Vaisseau' head office, obtained in 2014, is renewed each year at the excellent level on the Sustainable Building and Sustainable Management axis.

A second site, in Paris, obtained the same 'excellent' HEQ certification for a service building in operation in 2018, and another is HEQ service in operation certified for the common areas. In addition, several regional offices are located in certified buildings (BREEAM for Marseille and Bordeaux; B positive for Nancy; RT 2020 for Brest, BREEAM for the site rented in the Paris region in Fontenay).

3.12.3. Energy

The energy consumption (electricity and gas) indicators and greenhouse gas emissions resulting from the use of Bpifrance's sites have put Bpifrance on a path of constant improvement.

To interpret Bpifrance's energy consumption data, it is necessary to take into account new working habits. Since the Covid-19 health crisis, teleworking has been common among employees. As a result, many employees work remotely one or more days a week. By the end of 2023, around 88% of employees will have opted for telework, compared with 66% at the end of 2022, 60% at the end of 2021 and less than 10% at the end of 2020.

Electricity consumption is not differentiated by use, and therefore corresponds to the needs of lighting, heating and cooling, and the powering of equipment, particularly computers.

Thanks to recent energy consumption reduction measures (switch to LEDs at all sites, insulation works at the Maisons Alfort head office, DSI Climate roadmap, etc.), energy consumption per employee, which has been falling in recent years, continued to do so in 2023 by 13% (following an increase of 4.8% in 2022) which is explained by a less regular presence of employees on site after 2020 and 2021, which were marked by periods of lockdown and generalised remote working.

Since 2022, all sites (with the exception of 8 sites) are powered by electricity from renewable sources (RE). In 2023, 100% of the energy used (electricity and heating) was from renewable sources, as compared to 60% in 2022 and 11% in 2021.

3.12.4. Paper, plastic and consumables

The large drop in copier paper consumption noted in recent years (period 2019-2021) results in particular from the digitalisation of processes and the measures taken (double-sided printing by default) on the one hand, and the massive absence of staff on site (pandemic, increase in remote working).

As a result, this consumption of copy paper fell sharply in 2023 to 4.2 kg of paper used per active employee (-44%), compared with 7.5 kg in 2022, 6.5 kg in 2021 and 11.7 kg in 2020.

Bpifrance is not concerned with the circular economy in its operations; however, the FED's actions are underpinned by waste reduction objectives, particularly with respect to plastic and aluminium capsules.

However, the installation of a dehydrator for food residues and waste at the head office allows them to be recovered as biomass, and solutions are being studied for two other sites.

In 2023, 5.73 tonnes of IT equipment were collected, down sharply on 2022, when 8.18 tonnes were collected. This drop can be explained in particular by the responsible digital strategy aimed at extending the lifespan of IT equipment.

The measures already taken (plastic cups replaced by paper cups at the end of 2018, the sorting and weighing of waste and ink cartridges in place across all sites, water fountains connected to the mains to avoid plastic demijohns and bottles) were supplemented and intensified in 2023 with the replacement of the paper cups with reusable ceramic mugs for all employees, and the replacement of capsule coffee machines with machines using beans.

3.12.5. Business travel

Emissions linked to business travel increased between 2021 and 2022 (+13%).

These changes should be assessed cautiously, despite the tightened measures to limit intra-group meetings and reduce airplane usage (remote meeting devices, car sharing for group travel, encouragement of train usage, etc.), travel has increased in line with the rebound in global activity.

Emissions attributable to the vehicle fleet for employees in direct contact with customers on the ground represent 64% of emissions in 2023. To reduce these emissions, alternatives to business travel are being proposed and hybrid vehicles are gradually being integrated into the car fleet.

Air travel represents the second emission line (40%) and corresponds to trips that take longer than three hours, essentially international travel outside Europe; emission volumes from train travel represents only 0.84% of the total.

3.12.6. Digital responsibility

In the context of its Green IT/Responsible Digital approach, the Information Systems Department (DSI) has implemented an austerity plan aimed at rationalising its infrastructure.

This year, 43 office servers were decommissioned thanks to the migration of office files to a single, more efficient medium. 35% more storage space has been saved thanks to this new technology and the extensive cleaning/classification carried out by each Bpifrance network site.

The DSI lent itself to the exercise of calculating our environmental impact for 2022 for scopes 1, 2 and 3:

	Scope 1	Scope 2	Scope 3	Total
Total $kgCO_2$ / year	64	76,817	3,386,268	3,463,148

The calculation has been enhanced in relation to 2022 by taking into account:

- an equipment depreciation rule to reflect the value of making equipment last
- impacts provided by certain Digital Factories with which the IT Department works
- known business trips

Checks on the eco-design quality of digital services have been introduced and 10% of applications have improved their eco-design quality score, which helps to limit our environmental impact.

Bpifrance has signed the INR (Institut du Numérique Responsable) charter, demonstrating our commitment to reducing the environmental and social impact of our IT

3.12.7. Responsible procurement

As part of its Procurement policy, Bpifrance has undertaken a number of initiatives to promote Responsible Procurement, based on sustainability and social responsibility, fostering a lasting relationship of trust with its suppliers.

Firstly, the widespread roll-out of the e-procurement purchasing tool to 80% of the Group's departments is a key step. Not only does this tool allow for secure communication and transactions, it also promotes faster payment of invoices thanks to 100% digitisation. Bpifrance undertakes to implement monitoring indicators relating to the payment of invoices, such as processing and payment times and the rate of invoices paid beyond the agreed date.

More generally, Bpifrance has also put in place practices focused on environmental sustainability. This is demonstrated in particular by the adoption of eco-friendly or reconditioned furniture for its premises, the purchase of composters, and the promotion of Responsible Procurement of IT equipment. The company's aim is to encourage the re-use of IT equipment, extend its lifespan and increase purchases of eco-designed, affordable software.

At the same time, Bpifrance includes social criteria in its purchasing function and is committed to promoting the employment of people with disabilities. This has resulted, for example, in contracts with inclusive structures that promote the integration of disabled staff (EA/ESAT) for catering services.

In 2024, the company plans to:

- Sign the RFAR Charter (Responsible Supplier Relations and Procurement)
- Pay particular attention to the CSR approach of high-volume suppliers. This will make it possible to collect data from the CSR questionnaires sent to its suppliers, providing a complete overview of the portfolio and reinforcing transparency in the Responsible Procurement approach.
- Take steps to calculate, monitor and reduce its carbon emissions, in particular by collecting data from its suppliers (scope 3)

3.13. OUR SOCIAL COMMITMENTS

3.13.1. Women's entrepreneurship

Promoting women's entrepreneurship is one of the priorities of Bpifrance's CSR Charter, which has had a strong intervention doctrine and action since its creation.

While women account for half the working population, and one third of business managers, they only account for 12% of managers of SMEs/MMEs with over 10 employees[46]. A percentage of women that poses questions, and which can be explained in part by the lower takeover of external companies by women. At a time when the age of SME managers is high, the potential of women to take over businesses constitutes a challenge for feminising SME and MME boards.

Beyond this more equal balance, the issue is also to respond to the challenges posed by gender; female business managers must contend with the persistence of gender stereotypes, and reconcile private and family life.

The differences between men and women in terms of entrepreneurship can be seen on several levels and there are many feminine specificities. Bpifrance is carrying out a dedicated action by activating four main levers to support the development of women's entrepreneurship.

• Ever greater mobilisation of entrepreneurship and business creation support activity

In order to promote the launch of aspiring female entrepreneurs, Bpifrance is rolling out an information and guidance action across the whole country, and in particular in fragile areas. This action also takes place through the partner support networks which provide support and financing solutions for business creation or takeover, in particular in the context of PAREF[47].

• Mobilisation of the support lever

In order to raise awareness of gender issues and the obstacles to women's entrepreneurship, Bpifrance includes specific modules and webinars on the issue of gender equality and growth, cognitive bias and everyday sexism in its training programmes for managers.

Bpifrance also ensures the gender equality and diversity of the people running the various programmes by relying on the networks of female partner managers, and by strengthening the presence of female business heads at accelerators.

• Raising the percentage of women in the portfolio and encouraging risk capital actors

Bpifrance is consolidating the percentage of businesses managed by women in the direct holdings portfolio, will use its influence to strengthen the place of women in the governance of others, and raise their awareness (as start-ups are not affected) of the requirements of the Rixain law. Here too, we play our role of local bank by supporting initiatives aiming to promote gender equality in the risk capital eco-system (SISTA, France Invest, Level20, etc.), and by supporting gender equality on the management teams of partner funds.

46 Bpifrance Le Lab study: Male and female SME-MME directors.
47 Regional Women's Entrepreneurship Action Plan (PAREF).

• Implementing the Rixain law

The Rixain Law of 24 December 2021, aimed at greater equality between women and men in companies, includes two major obligations with different eligibility thresholds:

The introduction of a quota for senior executives and members of governing bodies;

Publication of a gender equality index (score out of 100 points) based on 4 or 5 indicators:

- Gender pay gap;
- Difference in the rate of individual increases;
- Number of employees receiving a rise following maternity leave;
- Parity among the 10 highest earners;
- Difference in promotion rates (only for companies with more than 250 employees).

Bpifrance has a long-standing commitment to promoting gender equality in the workplace and is subject to specific regulatory measures under Article 16 of the Rixain Act:

Measurement, transparency and trajectory:

- **Annual publication of gendered data on the beneficiaries of its support measures** (entrepreneurship, business development, loans);
- **Setting targets for progress towards gender-balanced representation;**
- **Publication of the gender breakdown of investment committees;**
- **Obligation to respect a minimum quota of 30% women on investment committees and 40% from March 2026.**

Lever for action on companies with more than 50 employees:

Bpifrance makes the granting of loans or equity financing conditional on companies publishing their professional equality index.

In order to comply with the regulations, Bpifrance has **adapted** its rules, processes and procedures that form part of the **loan and investment granting process**.

Alongside **awareness-raising initiatives, training modules and a podcast** have been made available to employees to provide advice to company directors.

• Bpifrance gender data

In line with the requirement of the publication undertakings contained in the Rixain law of 24/12/2021 aimed at accelerating economic and professional equality between women and men, Bpifrance publishes, annually, data broken down by sex, on the beneficiaries of its actions:

- support for entrepreneurship;
- business development; and
- access to loans.

3.13.2. Supporting entrepreneurship

The aim of **Bpifrance Création** is to facilitate entrepreneurship for all by lifting the barriers to information, financing and growth.

Against a strong trend of business creation in France (over one million businesses created in 2022), 2023 was marked by the continuation of the Cap Créa collective, which brings together 26 support networks, Bpifrance partners, mobilised to promote the doubling of sustainable businesses, creating value and jobs, in 4 years.

In 2023, 78,000 women were assisted by these networks, supported by Bpifrance, **i.e., 51% of the total number of beneficiaries** (approx. 68,000 women had been assisted in 2022, i.e., 45% of the total number of beneficiaries). 23,000 have been financed (through loans, microcredit or guarantees) and 1,900 have benefited from the Égalité-Femmes guarantee.

Bpifrance is preparing and implementing the new framework agreement signed with the French State in favour of women's entrepreneurship (2025-2027), which aims to increase the financial resources allocated to the Regional Action Plans for Women's Entrepreneurship (PAREF) by maintaining the principle of coordination with the Regions, involving as many regions as possible in the programme, and coupling it with a training programme on gender bias and support for women. For the period 2021-2023, 10 RRAPs have been signed.

In particular, Bpifrance supports gender-neutral support and financing networks that take into account the challenges of entrepreneurship and 4 networks dedicated to women entrepreneurs: Les Premières, Femmes des territoires, Force Femmes and Action'elles.

Raising awareness among women from disadvantaged districts (PUA) and young people from all areas via dedicated schemes is also a major focus. More than 20,000 women (49% of beneficiaries) benefited from the "Entrepreneurship for All" schemes in 2023. With the help of associations working to raise awareness among young people, in particular the 100,000 entrepreneurs association, more than 35,000 young people in schools will have been made aware of women's entrepreneurship by 2023.

Bpifrance organises and participates in major entrepreneurship events, both in-person and online, highlighting women's entrepreneurship by organising conferences or dedicated workshops and featuring testimonials from women entrepreneurs. Information and testimonials are available at www.bpifrance-creation.fr. By mobilising support networks, Bpifrance raises awareness by organising events on female entrepreneurship and providing training.

In 2023:

- 13,100 women have created business passes via the Bpifrance Creation tool/site, i.e., 51% of the total;
- Women's entrepreneurship is highlighted in all events and dedicated workshops are organised;
- The "101 women at Matignon" competition was launched with the Ministry for Equality between Women and Men;
- The "Developing support for women entrepreneurs" training course for support and finance professionals has been developed.

Furthermore, under regional action plans promoting women's entrepreneurship, implemented in partnership with the State, the Regions and partner banks, Bpifrance supported 36 local actions dedicated to women entrepreneurs, which permitted awareness raising among or **support of over 19,000 women**.

Finally, Bpifrance deploys interest-free loans, administered by associated national financing networks, after examination by an approval committee comprised of business heads, bankers and other finance experts. These interest-free loans granted to entrepreneurs personally enable them to round off their financing for business creation or take-over projects. These loans are interest-free and unsecured.

In 2023, **9% of unsecured loans were granted to women**, a figure that was stable over 2021 and 2022.

3.13.3. Business development

In order to support business development, since 2015, Bpifrance has been offering *Accelerators*, intensive and tailor-made programmes of one to two years for cohorts of around thirty entrepreneurs. Their aim is to give in-depth structure to the businesses to unlock their potential. These programmes, which combine individual, tailored advice, group training and highlights for the entire cohort, are aimed at start-ups, VSEs, SMEs and MMEs.

Since the creation of these programmes, **10%** of mangers taking part in these *Accelerators* have been **women**, i.e., 310 managers from over 3,000 businesses.

In addition to these Accelerators, Bpifrance is developing an offering of advice tailored to managers' time and budget and, in this regard, has put together a pool of over 400 independent **experts** who act alone or in pairs, together with a Bpifrance Advice Manager. Gender equality within this pool of experts is growing. At the end of 2023, **women** accounted for over **31% of all external consultants**. This figure has been stable since 2022. 28% of consultants working on Expertise Conseil assignments (on an ad hoc basis or as part of Accelerators) are women: this figure has remained stable since June 2023 and has risen since 2015.

In 2023, nearly 1,000 business opted to take advantage of one or several of these Expertise and Advice Missions. **61%** (similar to 2022) of these businesses have a **mixed Management Board** ((i.e., having at least one woman) and 19% (18% in 2022) are equal (i.e., having at least 50% women)).

On average and in number, **women represent around 26%** (24% in 2022) **of these Management Boards** (or equivalent).

An average of **17% women** (16% in 2022) are found on the **management teams** (e.g.: company representatives, CEOs, Managing Directors, managers) of this sample.

3.13.4. Access to loans through the digital channel

In the context of digitalising its offer and to **support VSEs** in their transformation plans, Bpifrance has put a new platform online that makes it easier for them to access credit: Bpifrance Flash. Today, this platform brings together three offers (*Digital Transformation Loan, Climate Action Loan and Relaunch Loan*) and provides access to loans at preferential rates, without any security or personal guarantee, for between 5,000 and 75,000 euros, and to be repaid over 3 years to 7 years.

In 2023, **18% of business managers** who applied for one or more of these loans using this digital channel and were successful, were **women** (16% in 2022).

3.13.5. Financing

Bpifrance offers businesses a continuum of financing tailored to each stage in a business' life (creation, development, external growth, innovation, international, transmission, etc.). It acts in partnership with private banks, and where applicable the regions and the Banque des Territoires. This co-financing can be short-, medium- or long-term, unsecured loans, innovation loans, sector-based loans (ecological and energy transition, industry, tourism, etc.).

The gendered analysis of **businesses having benefitted from financing** (excluding grants, aid and lease-purchase) in **2022** focused on **company representatives**. It arises that **21% of businesses** with **natural person company representatives** have **at least one female legal representative**.

3.13.6. In investment

Bpifrance offers businesses a continuum of financing tailored to each stage in a business' life (creation, development, external growth, innovation, international, transmission, etc.).

The **Bpifrance Investissement direct investment teams** (Capital Innovation and Development Capital) **performed in the order of 450 operations per year these past years,** and directly manage, in total, a portfolio of over 1,000 holdings in all business sectors.

• Direct investment:

In 2023, the investment applications examined showed that **over 70% of businesses (57% in 2022) had a mixed team** (i.e., including at least one woman) and **2% had a 100% female management team**. As regards these same businesses, women represent around **40% of the total management team members (22% in 2022)**. These figures have risen slightly as compared to 2021, a year in which no business was managed by a 100% female tea .

In 2023, 46% of the Capital Innovation investment team were women.

Direct holdings portfolio:

Gender analysis of the portfolio (over 1,000 direct holdings) based on the annual ESG 2023 survey of holdings (60% response rate), reveals the following trends:

- On average, women account for more than 35% of the workforce of the respondent companies;
- On average, women represent 21% of the boards of directors of the respondent companies;
- On average, women represent 25% of the executive committees or boards of directors of the respondent companies;
- Over 65% of responding companies with more than 50 employees say they have calculated their professional equality index;
- 11% of the respondent companies are headed by women (Chief Executive Officer or most senior executive director).

The study on **corporate officers**. It reveals that **14%** of companies with **corporate officers who are natural persons** have at least one woman legal representative.

Within the portfolio monitored by the **Capital Innovation** division, which is essentially made up of French start-ups and scale-ups positioned in sectors of the future, in particular biotechnologies, eco-technologies, digital technology and the creative industries, this proportion **rises to 17%**.

• Indirect investment:

In 2023, €1.6bn was invested in 70 new partner funds.

The collection of **data on gender equality** for 2023 focuses on the indicators at the end of 2022 at its partners (at the level of management companies and investments made by the funds in investment period). It arises from this first analysis that:

- **Partner management teams are 41% female** (38% in 2022), of which 29% in Front Office (27% in 2022). The gender mix in the investment teams is infused by the base: 41% of account managers and analysts are women (38% in 2022);
- Across over 1,600 companies in the indirect portfolio, women account for 41% of the **workforce** (45% in 2022), of which 24% in **management teams** (23% in 2022) and 18% in **governance bodies** (18% in 2022).

3.13.7. Investment committees

proportion of women on investment committees as at 31/12/2023[48]

3.13.8. Other support schemes for women entrepreneurs

Bpifrance finances, invests in and supports growing companies, whether they are led by male or female managers. The criteria are based on the quality of the project, the company and the skills. Bpifrance makes no distinction between men and women who invest in companies.

In terms of its editorial communication strategy, Bpifrance's policy is not to single anyone out, but to maintain real parity in the presentation of the entrepreneur's portraits.

In addition, information and guidance activities and participation in major events continued. Numerous external events are organised by Bpifrance or supported via partnerships in order to involve women managers of companies of various sizes, to share and provide feedback, notably Bpifrance Inno Génération (BIG), such as:

- The 'women's entrepreneurship project' created in 2015;
- Studies by Lab Bpifrance: "Who are the women at the head of French SME/MMEs? A new representation of female entrepreneurship" (December 2022);
- Portraits of women entrepreneurs,
- Supporting events and programmes that promote women's entrepreneurship;
- Communication on events;
- The organisation of Midi Entrepreneures, a unique opportunity for unfiltered feedback.

3.13.9. Supporting the integration of young people

Since it was established in 2008, Bpifrance has managed the student loan guarantee scheme on behalf of the Ministry of Higher Education, Research and Innovation. This covers 70% of the risk of student loans, granted by partner banking networks, intended to finance all expenses related to the student's life. In return for this guarantee, the partner banks do not take personal sureties from parents. The scheme therefore makes students whose parents cannot provide a surety eligible for bank loans.

Under the Recovery Plan, the French government has entrusted Bpifrance with additional resources enabling it to significantly increase the potential volume of loans, bringing them to almost €650 million for the years 2021 and 2022 (i.e., a ratio of 1 to 5 compared with the previous situation).

This level of funding means that we can support around 54,000 students over the same period.

Bpifrance is committed to the integration of young people from underprivileged backgrounds; in this context Bpifrance:

- Is a partner of NQT (Nos Quartiers ont des Talents), which helps young graduates from priority districts or disadvantaged social backgrounds find employment;
- Is a partner of Frateli, which promotes equal opportunities;
- Its Entrepreneurship for All programme for creators and entrepreneurs in vulnerable regions acts through 3 axes: facilitating access to the offer, empowering communities and accelerating businesses
- Is establishing a skills donation scheme in conjunction with its partner associations;
- Mobilises part of the apprenticeship tax to support associations and participate in events they organise, for example, the Salon Jeunes d'Avenirs.

In addition to its involvement in schools, universities and forums, Bpifrance has also been involved since 2015 in supporting Démos (Dispositif d'éducation musicale et orchestrale à vocation sociale), a cultural democratisation project centred on music, the philosophy of which is to enable children to practice music in an orchestra and to encourage their access to the classical repertoire. The project is aimed at children from 'urban policy' districts or from rural areas far from the practice sites.

The 'Nos Quartiers ont du Talent' association, which aims to integrate young graduates into the labour market (Bac+3 and over, Bac+4 and over for the Île-de-France region, with a Bac+3 experiment in the PUA) aged under 30, from modest social backgrounds, some of whom live in deprived urban areas, thanks to a system of sponsorship by executives, or even experienced company directors (advice on job hunting, CVs, cover letters, interviews, help in building a network, etc.).

48 30.4% as at 31/12/2022.

3.13.10. Methodological note on the calculation of non-financial risk indicators

The non-financial performance statement in this chapter, which constitutes an integral part of Bpifrance's annual report, formally specifies the exclusions and includes the mandatory information required by law, with the exception of the description of Bpifrance's missions and business lines and its business model, which is included in Section 3.1.2 of the annual report.

Scope:

The scope of this Non-Financial Performance Statement is that of the activities and operational structures of Bpifrance SA, fully consolidated as at 31 December 2023:

- Bpifrance Participations, it being specified that the operational activities are carried out within its subsidiary Bpifrance Investissement;
- Bpifrance Régions and Bpifrance Courtage, it being specified on the one hand that the operational activities are carried out within Bpifrance;
- Bpifrance Assurance Export.

Certain issues have been excluded from the scope of the study because they are not relevant to the activities carried out by the group on the one hand, and on the other, because of the challenges involved in the way these activities are carried out. These include the fight against food insecurity and food waste, respect for animal welfare, actions to promote the connection between the French nation and its armed forces and support for commitment to the reserves, and responsible, fair and sustainable food.

Data collection:

The definition of each of the data points collected is specified in a reporting procedure and reviewed annually. Clarifications are made to the definition, where necessary, to facilitate understanding and reporting.

Collection process:

The data is collected by the Sustainable Development and CSR Department from the responsible departments (e.g., the Human Resources Department for HR data, the General Resources Department, particularly for data relating to facility locations and management, energy consumption and business travel, the Evaluation division of the Evaluation, Studies and Prospects Department, etc.).

The data are analysed and checked (variations, consistency tests), in order to validate their consistency and reliability, before being published and explained.

Collection limitations and reliability:

There may be limitations to accuracy and comparability, particularly in the case of unavailability; in such cases, appropriate explanations are provided.

The processes in place are designed to limit such inaccuracies in order to present information at a satisfactory level of reliability, verified by an independent third party.

Note that in 2023, the non-financial data reporting process was formalised in a 'reporting protocol'., reviewed in 2023.

3.14. INDICATORS

3.14.1. Indicators for monitoring non-financial risks

Business ethics: Bpifrance scope

Rate of employees trained in AML/CFT

Number of employees trained in anti-money laundering and countering the financing of terrorism measures (AML/CFT)/ Total number of employees at 31/12

Objective: take steps to combat money laundering and the financing of terrorism in order to contribute to economic stability and the prevention of threats

2023	2022	2021	2020
30%	13%	17%	82%

Rate of employees trained in anti-corruption measures

Number of employees trained in anti-corruption measures/Total number of employees at 31/12

Objective: ensure that steps are taken to combat corruption in order to contribute to economic stability and the prevention of threats

2023	2022	2021	2020
28%	14%	18%	27%

Regional economic development: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Weight of funding compared to the economic potential of the Region

Weight of Bpifrance financing in year N-1, compared to the economic potential of the Regions (Gross Regional Product compared to national GDP, based on the latest INSEE publications)

Objective: contribute to the economic development of the regions

NFPD for the financial year

2023	2022	2021	2020
See table Public interest missions [...] regional economic development	See table Public interest missions [...] regional economic development	See table Public interest missions [...] regional economic development	See table §3.1.7.1.d Public interest missions [...] regional economic development

Ecological and Energy Transition: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Bpifrance support for the Ecological and Energy Transition

Support for the EET *(in €m)*[49]:

Total amount intervention in €m in support of the EET across all Bpifrance actions (year N-1).

All Bpifrance EET interventions in:

- Capital investment
- Loans (including export loans)
- Innovation aid and loans
- Other (guarantee, other export support)
- **Objective:** engage companies in a process of ecological and energy transition through the Climate Bank

2023	2022	2021	2020
7,101	5,770	4,017	3,389

Digital Transition: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Weight of 'Numetic' financing in the activity

Weight of 'Numetic' activities in intervention amounts - excluding holding companies - in all Bpifrance actions - excluding holding companies - (year N-1).

'Numetic' covers Bpifrance's interventions in the fields of Digital, Microelectronics, Photonics, Nanotechnologies - Nanoelectronics, Innovative Materials, Systems, Software and Embedded Systems, Big data valorisation.

Objective: contribute to the development of solutions and players in the sectors of the future

2023	2022	2021	2020	2019
13.30%	13.37%	10.65%	10.6%	9.9%

49 *In previous years the 'Percentage of EET financing of Bpifrance's activities' was, until 2022, produced by the Evaluation Department, and was communicated in the context of the DPEE. The Climate Directorate produced in parallel 'Bpifrance support for EET' (in €m). It was decided that henceforth Bpifrance would use solely the indicator produced by the Climate Department.*

Carbon footprint of main holdings Bpifrance Investissement scope

Carbon footprint of Bpifrance's 24 largest holdings

CO_2 emissions (scopes 1 and 2) taken from the Carbon Disclosure Project (CDP)'s Climate Survey and annual reports published by companies, such as the Non-financial Performance Statement (NFPS), etc.

Objective: measure and monitor the carbon intensity of our activities

2022	2021
47,075,084 $TeqCO_2$	47,457,896 $TeqCO_2$
(footprint calculated in 2023 on data published for 2022 by 24 companies invested by Bpifrance)	*(footprint calculated in 2022 on data published by 26 companies invested in 2021 by Bpifrance)*

Amount of assets under direct management directly exposed to the thermal coal sector: Bpifrance Investissement scope

Gross amount invested directly in companies with direct exposure to the thermal coal sector *(€m)*

This outstanding amount corresponds to a holding in a renewable energy production company, partly substituted by coal in the seasonal absence of available biomass

Objective: measure and monitor our exposure to the thermal coal sector

2023	2022	2021	2020	2019
58.2	58.2	25.1	24.4	23.9

Customers, Offer quality: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

NPS

The Net Promoter Score is an indicator that measures the net recommendation, positive or negative, that customers give to Bpifrance. It is calculated by subtracting the percentage of detractors (scores between 0 and 6) from the percentage of promoters (scores between 9 and 10).

Objective: maintain and monitor the satisfaction of Bpifrance's customers

2023	2022	2021	2020	2019
41	52	42	48	27

Customer satisfaction rate

Satisfaction rate (or score) expressed by customers out of 10

Objective: maintain and monitor the satisfaction of Bpifrance's customers

2023	2022	2021	2020	2019
7.7	8	7.8	7.9	7.2

Number of grievances and complaints filed against the entity Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export

Number of grievances and complaints filed against the entity

Number of grievances and complaints filed against the entity regarding its environmental, social or human rights impacts during the year in question, brought to the attention of the Group Legal Department

Objective: maintain and monitor the satisfaction of Bpifrance's stakeholders with regard to environmental and social aspects

2023	2022	2021	2020	2019
0	0	0	0	0

QUALITY OF LIFE AT WORK: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Average number of days of absence due to illness, excluding long-term illness

Total number of days of absence due to illness, excluding long-term illness, in relation to the total number of staff on 31/12 of year N, excluding unpaid leave

Objective: maintain and monitor the quality of the working environment in order to ensure the development of Bpifrance's human capital

2023	2022	2021	2020
3.7	4.1	3.2	3.36

employees who responded to the annual 'committing to each other' survey carried out in year N by an external firm

2023	2022	2021	2020
71.2%	71.2%	72.2%	70.5%
(out of a population of 89% of employees responding to the satisfaction survey conducted in 2022). This survey is conducted every 2 years, which is why the 2022 results are included here.	*(out of a population of 89% of employees responding to the satisfaction survey conducted in 2022).*	*(out of a population of 82% of employees responding to the satisfaction survey conducted in 2020).*	*(out of a population of 88% of employees responding to the satisfaction survey conducted in 2019).*

DIVERSITY AND EQUAL OPPORTUNITIES: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Objective: to support the recruitment of women

Recruitment rate of women on permanent and fixed-term contracts

2023	2022	2021
51.89%	48.81%	44.19%

Objective: to integrate young people and keep older people in the job market

Percentage of young people under 30 years of age on their hire date on permanent contract

2023	2022	2021	2020
52%	57%	58%	47%

Percentage of older workers (over 55 years of age) on their hire date on permanent contract

2023	2022	2021	2020
1.3%	0.39%	0.40%	2%

LABOUR RELATIONS: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Objective: to ensure sustained social dialogue and quality of life at work as key success factors for a Bpifrance community that is competent and committed to the company and its values

Themes of the agreements and amendments signed during the year

2023	2022	2021	2020	2019
• NAO • PERCO PERECO PEE • Length and organisation of working time • Status of employee representatives • Health insurance • Exceptional pay rise for all employees • Substitution agreement • Teleworking • Electronic voting for the 2023 professional elections • Agreement on the GEPP • Integration of people with disabilities • Professional gender equality	• NAO • PERCO PERECO PEE • Duration and organisation of working time • Status of staff representatives • Health insurance • Exceptional implementation of a general increase measure • Substitution agreement	• Profit-sharing • PERCO PERECO PEE • NAO (mandatory annual negotiations) • Sustainable mobility package • Quality of Life at Work • FLJCP • Professional gender equality • Disability	• Profit-sharing and shareholding, PEE, PERCO • Vocational integration and employment of people with disabilities • Professional gender equality • Management of the social aspects of the merger	• Social construction of Bpifrance Courtage, employee savings plans, disability, special employment situations, gender equality (Financing), working time, health and welfare, SEC

Number of agreements and amendments signed during the year

2023	2022	2021	2020	2019
19	18	24	23	20

TALENT: Bpifrance, Bpifrance Investissement, Bpifrance Assurance Export scope

Training access rate

Number of employees (still in the workforce as at 31/12 of year N) who have taken one or more training courses during the year (permanent, fixed-term, work-study and trainees). Note that the value may exceed 100%, because the number of employees who have benefited from one or more training courses also includes employees who were no longer employed as at 31/12 of year N.

Objective: support and develop employees' skills.

2023	2022	2021	2020	2019
101.9%	105.55%	99.60%	97%	96.90%

Staff turnover rate

% of permanent employees who resigned in year N compared to the total number of permanent employees as at 31/12 of year N-1.

Objective: retain talent

2023	2022	2021	2020
4.4%	4.55%	3.02%	3%

3.14.2. Additional indicators

I. Human Resources

The Bpifrance Group's workforce

Change in the workforce as at 31 December

	2023	2022	Change 2023 vs. 2022
TOTAL HEADCOUNT BPIFRANCE GROUP[50]	**4,155**	**3,801**	**9.3%**
Of which permanent contracts Bpifrance	*3,162*	*2,920*	*8.3%*
Of which permanent contracts Bpifrance Investissement	*728*	*639*	*13.9%*
Of which permanent contracts Bpifrance Assurance Export	*268*	*241*	*11.2%*
Of which permanent contracts Bpifrance Courtage	*1*	*1*	*NS*
Total number of active employees, on permanent and fixed-term contracts, excluding work-study and trainee contracts[51]	**3,860**	**3,521**	**9.6%**

Change in the Managers and Women workforce as at 31 December

	2023	2022	Change 2023 vs. 2022
TOTAL HEADCOUNT BPIFRANCE GROUP	**4,155**	**3,801**	**9.3%**
Of which women	55.59%	56.17%	-1.03%
Of which managers	92.13%	91.18%	1.04%
Of which women managers	51.31%	51.10%	0.41%

Change in the average age

	2023		2022		2021	
	Average age permanent + fixed term contracts	Average age of all persons managed	Average age permanent + fixed term contracts	Average age of all persons managed	Average age permanent + fixed term contracts	Average age of all persons managed
Group	38.0	38.1	38.6	38.8	38.5	38.7

Hires and departures

HIRES

Hires on permanent contracts, of which transformation of other contracts into permanent contracts

	2023	Of which women	2022	*Of which women*	2021	*Of which women*
Bpifrance	522	268	357	*175*	363	*158*
Investissement	148	75	119	*56*	76	*37*
Assurance Export	63	*36*	30	*16*	39	*16*
Courtage	0	*0*	0	*0*	0	*0*
TOTAL HIRES	**733**	**379**	**506**	***247***	**478**	***211***

Hires via transformation of other contracts into permanent contracts

	2023	2022	2021
Bpifrance	17	21	18
Investissement	0	0	0
Assurance Export	4	3	3
Courtage	0	0	0
TOTAL	**21**	**24**	**21**

50 Number of permanent, fixed-term, and other staff and those on unpaid leave, excluding trainees, working full or part-time.
51 Number of employees on permanent and fixed-term contracts: excluding staff on unpaid leave and individual early retirement.

HIRES BY AGE

Hirings on permanent contracts, of which transition to permanent contracts from other forms of employment

< 30 years of age at the hire date	2023	2022	2021	Change 2023 vs. 2022
Bpifrance	292	203	210	43.84%
Investissement	66	66	45	0%
Assurance Export	26	19	24	36.84%
Courtage	0	0	0	0%
TOTAL	**384**	**288**	**279**	**33.33%**
> 55 years of age at the hire date				
Bpifrance	5	2	1	150%
Investissement	4	0	1	NS
Assurance Export	1	0	0	NS
Courtage	0	0	0	NS
TOTAL	**10**	**2**	**2**	**400%**

WORK-STUDY HIRES

Total	2023	2022	2021	Change 2023 vs. 2022
Bpifrance	240	235	212	2.13%
Investissement	1	1	1	0%
Assurance Export	10	12	9	-16.67%
Courtage	0	0	0	NS
TOTAL	**251**	**248**	**222**	**1.21%**
of which <30 years of age at the hire date	**2023**	**2022**	**2021**	**Change 2023 vs. 2022**
Bpifrance	232	229	209	1.31%
Investissement	1	1	1	0%
Assurance Export	8	12	9	-33.33%
Courtage	0	0	0	NS
TOTAL	**241**	**242**	**219**	**-0.41%**
of which > 55 years old at the hire date	**2023**	**2022**	**2021**	**Change 2023 vs. 2022**
Bpifrance	0	0	0	NS
Investissement	0	0	0	NS
Assurance Export	0	0	0	NS
Courtage	0	0	0	NS
TOTAL	**0**	**0**	**0**	**NS**
of which women	**2023**	**2022**	**2021**	**Change 2023 vs. 2022**
Bpifrance	124	119	98	4.2%
Investissement	0	0	0	NS
Assurance Export	8	6	6	33.33%
Courtage	0	0	0	NS
TOTAL	**132**	**125**	**104**	**5.6%**

DIVERSITY AND EQUAL OPPORTUNITIES: Bpifrance scope

Direct legal employment rate Disability

2023	2022	2021
2.32	2.27	2.55

DEPARTURES FROM PERMANENT CONTRACTS

Total	2023	2022	2021	Change 2023 vs. 2022
Bpifrance	288	273	191	5.49%
Investissement	63	76	66	-17.11%
Assurance Export	37	42	24	-11.9%
Courtage	0	0	1	NS
TOTAL	**388**	**391**	**282**	**-0.77%**
of which individual early retirement				
Bpifrance	14	11	13	-15.38%
Investissement	0	0	0	NS
Assurance Export	0	1	2	-50%
Courtage	0	0	0	NS
TOTAL	**14**	**12**	**15**	**-20%**

TURN OVER

Resignations permanent contracts N/headcount permanent contracts N-1

	2023	2022	2021
Bpifrance	4.4%	4.1%	7.32%
Investissement	4.4%	5.6%	-21.43%
Assurance Export	5.2%	7.1%	-26.76%
Courtage	0.0%	0.0%	N/A
TOTAL	**4.4%**	**4.5%**	**-2.22%**

Departures of work-study staff

	Total				of which conversion of work study & trainees into permanent contracts	
	2023	2022	2021	Change 2023 vs. 2022	2023	2022
Bpifrance	223	217	180	2.76%	17	19
Investissement	0	0	2	N/A	0	0
Assurance Export	13	13	10	0.0%	3	3
Courtage	0	0	0	N/A	0	0
TOTAL	**236**	**230**	**192**	**2.61%**	**20**	**22**

Organisation of working time

	2023	2022	2021
Workforce	**3,875**	**3531**	**3420**
Number of employees on salary contracts (permanent + fixed-term)	3,813	3,454	3,305
Of which Bpifrance	*2,893*	*2,607*	*2,492*
Percentage of employees on salary contracts	**98.4%**	**97.82%**	**96.64%**
Of which Bpifrance	*74.65%*	*73.83%*	*75.40%*
Number of part-time employees (fixed-term + permanent)	235	260	293
Of which Bpifrance	*216*	*238*	*268*
Number of employees who opted for partial remote work	*3,423*	*2,319*	*2,048*
Of which Bpifrance	*2,552*	*1,707*	*1,472*
Of which Bpifrance Investissement	*643*	*427*	*393*
Of which Bpifrance Assurance Export	*228*	*185*	*183*
Of which Bpifrance Courtage	*0*	*0*	*0*
Share of employees who opted for partial remote work	**88.33%**	**65.66%**	**59.88%**

LABOUR RELATIONS[52]

Number of meetings in the year

	SEC		EQCC		Trade unions and representatives		HSWCC	
	2023	2022	2023	2022	2023	2022	2023	2022
Bpifrance	12	14	11	11	15	19	5	4
Investissement	11	14	9	8	4	5	5	4
Assurance Export	11	14	9	11	15	19	5	4
Courtage[53]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Groupe	0	0	0	0	10	0	0	0
TOTAL	**34**	**42**	**29**	**30**	**44**	**43**	**15**	**12**

AGREEMENTS

Number of agreements and amendments concluded during the year*

	2023	2022	2021	2020
Bpifrance	6	7	4	6
Investissement	5	3	4	6
Assurance Export	7	6	6	6
Courtage	0	2	5	2
Groupe	1	1	5	3
TOTAL	**19**	**18**	**24**	**23**

52 *SEC: Social and Economic Committee; EQCC: Elected Questions and Complaints Committee; HSWCC: Health, safety and working conditions committee.*
53 *As of August 2020, there is no longer an SEC for Bpifrance Courtage, following the transfer of employees to Bpifrance (formerly Bpifrance Financement).*

Health and safety

	No. of occupational diseases			Number of reported accidents (with or without time off lost)					
				Workplace accident			Commuting accident		
	2023	2022	change	2023	2022	change	2023	2022	change
Bpifrance	1	1	N/A	14	11	-100%	24	21	-100%
Investissement	0	0	N/A	6	5	150%	2	3	100%
Assurance Export	0	0	N/A	2	3	300%	2	2	100%
Courtage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BPIFRANCE GROUP	**1**	**1**	**N/A**	**22**	**19**	**15.79%**	**28**	**26**	**7.69%**

	Frequency rate of accidents at work with lost time		Severity rate of accidents at work with lost time	
	2023	2022	2023	2022
Bpifrance	0.37	0.79	0.058	0.063
Investissement	2.35	0.86	0.016	0.007
Assurance Export	2.13	2.19	0.011	0.007
Courtage	N/A	N/A	N/A	N/A
BPIFRANCE GROUP	**0.84**	**0.9**	**0.048**	**0.049**

Compensation

	Total corporate gross payroll DADS 2023	Total corporate gross payroll DADS 2022	Total corporate gross payroll DADS 2021	Change 2023 vs. 2022
TOTAL GROUP	**279,249,504**	**249,409,363**	**233,690,108**	**11.96%**

II. Environmental responsibility

ENERGY[54] Bpifrance Group

ENERGY CONSUMPTIONS on the premises (in kWh)

ELECTRICITY+GAS *(kWh)*	2023	2022	2021	2020	Change 2023/2022
HEAD OFFICE	3,590,184	3,862,311	4,167,562	4,370,795	-7.05%
OTHER LOCATIONS	3,503,287	4,305,309	3,373,015	3,633,707	-18.63%
TOTAL	**7,093,471**	**8,175,890**	**7,540,577**	**8,004,502**	**-13.24%**
Of which RE	*6,110,161*	*4,931,980*	*809,972*	*N/A*	*23.89%*
Per active employee	1,707	2,151	2,052	2,322	-20.64%

54 *Energy consumption based on bills.*

Paper consumption Bpifrance Group

In kilograms	2023	2022	2021	Change 2023/2022
Bpifrance	11,238	21,306	21,152	-47.25%
Bpifrance Investissement	4,327	5,143	351	-15.87%
Bpifrance Assurance Export	784	82	632	856%
TOTAL	**16,349**	**26,531**	**22,135**	**-38.38%**
Consumption per person (active permanent + fixed-term contracts) (kg) (t)	4.2	7.5	6.5	-44%
Consumption per person (active permanent + fixed-term contracts + work-study) (t)	3.9	7	6	-44.3%

Waste (Head office)

(In tons)	2023	2022	2021	Change 2023 vs. 2022
Cardboard	10.56	12.57	11.12	-15.99
Cans	0.75	0.29	0.61	158.62
Glass	3.99	2.11	1.10	89.1%
Bulky goods (NHIW)	1.76	3.56	3.44	-50.56%
NHIW activity	9.21	16.26	N/C	-43.36%
Computer equipment	5.73	8.18	4.62	-29.95%
Non-food canteen waste	35.60	28.71	28.93	24%
Dehydrated food waste	2.37	2.37	2.37	0%
Plastic packaging film	0.61	0.86	N/C	-29.07%
TOTAL	**70.58**	**74.91**	**52.19**	**-5.78%**

Shareholder engagement: Bpifrance Investissement scope

2023

Number of companies that responded positively to the questions on the assessment of their activities with respect to physical climate change risks or to physical and transitional climate change risks compared to the number of companies responding to this question in the annual ESG campaign

88 out of 508 (17%)

2023

assessed their vulnerability to climate change (particularly with regard to regulatory changes, market risks, extreme weather events, global warming, rising sea levels, etc.)

2022 to 2020

Number of companies that responded positively to the questions on the assessment of their activities with respect to physical climate change risks compared to the number of companies responding to this question in the annual ESG campaign

46 out of 431 (11%)	101 out of 363 (28%)	67 out of 278 (24%)
2022	**2021**	**2020**
assessed the company's exposure to the physical risks of climate change or to the physical and transitional risks of climate change (extreme weather events, global warming, sea level rise, etc.)	assessed the company's exposure to the physical risks of climate change (extreme weather events, global warming, sea level rise, etc.)	assessed the company's exposure to the physical risks of climate change (extreme weather events, global warming, sea level rise, etc.)

2023

Number of companies that responded positively to the question on the sensitivity of their activities to climate/energy issues compared to the number of companies responding to the annual ESG campaign.

111 out of 508 (22%)

2023

assessed the company's exposure to the transitional risks of climate change or to the physical and transitional risks of climate change (extreme weather events, global warming, sea level rise, etc.)

2022 to 2020

Number of companies that responded positively to the questions on the assessment of their activities with respect to transitional climate change risks compared to the number of companies responding to this question in the annual ESG campaign

2022	2021	2020
69 out of 431 (16%)	**124 out of 366 (34%)**	**81 out of 279 (29%)**
assessed the company's exposure to climate change transition risks (regulatory changes, new market trends, technological issues, reputational issues)	assessed the company's exposure to climate change transition risks (regulatory changes, new market trends, technological issues, reputational issues)	assessed the company's exposure to climate change transition risks (regulatory changes, new market trends, technological issues, reputational issues)

3.14.3. Informational Note on BPIFRANCE's key performance indicators for sustainable economic activities, published pursuant to Article 8 of EU Regulation 2020/852 and subsequent texts.

Bpifrance is a public group dedicated to the financing and development of businesses. Bpifrance acts in support of the policies applied by the State and the Regions. Law No. 2012-1559 of 31 December 2012 assigns Bpifrance the task of promoting innovation, start-ups, and the development, internationalisation, transformation and transfer of businesses by contributing to their financing through loans and equity. It is specified that Bpifrance does not carry out any retail activity.

Bpifrance is a credit institution and a holding company which acts through its subsidiaries Bpifrance Régions (which operates the Financing activities in collaboration with the credit institution), Bpifrance Participations, Bpifrance Investissement and Bpifrance Assurance Export.

I. Regulatory framework

The regulations governing the non-financial performance statement were enhanced in 2022 following the publication of the "Taxonomy" regulation in 2020[55] (EU Regulation 2020/852). This provides a classification system for determining whether a company's activity can be considered "sustainable".

For financial companies, a gradual implementation of taxonomy reporting has been planned, with the publication of an annual report focusing on the eligibility of activities for the taxonomy in the 2022 and 2023 publications covering the 2021 and 2022 financial years, and a report extending to the alignment of activities with the taxonomy from the 2024 publication covering the 2023 financial year.

In accordance with the provisions of section 10.2 of the delegated regulation "Article 8", from January 2022 and for a period of 2 years, credit institutions have published specific indicators and contextual narrative information in their NFPS as part of eligibility reporting.

From the 2024 publication, covering the 2023 financial year, eligibility reporting will be supplemented by alignment reporting, which includes publication of the Green Asset Ratio (GAR), a key indicator reflecting the proportion of assets and investments financing activities aligned with the European taxonomy, out of all the assets covered.

55 *See details of the regulations concerned in Section 2.3.1 Applicable regulations.*

II. Scope covered and data sources

a) Financial scope and source of financial data

The financial scope covered is that of the social entities and funds under full consolidation as described in 'Note 4 - Scope of consolidation' of the accounting notes to the consolidated financial statements of Bpifrance, in the Bpifrance Universal Registration Document.

The quantitative data is taken from the FINREP financial statements as at 31 December 2023. Exposures are taken into account on the counterparty carrying the commitment.

b) Denominators

The calculations published were performed taking account of the total consolidated assets in the FINREP financial statements as at 31 December 2023.

The exposures excluded from the denominator are as follows (see diagram in section 3). Main developments):

- Exposure to central governments, central banks and supranational issuers;
- Trading portfolio.

c) Numerators for obligatory and voluntary indicators on taxonomy-aligned and non-aligned activities and exposures not subject to the NFRD.

The texts determine the numerator alignment of the obligatory indicators with regard to:

- the counterparty's obligation to publish non-financial information in accordance with EU Directive 2014/95, hereafter referred to as the NFRD, and Articles 19a and 29a of Directive 2013/34/EU. Entities subject to the NFRD requirements are large 'public interest enterprises governed by the law of a Member State, the securities of which are admitted to trading on a regulated market of a Member State', with a total balance sheet of more than €20m or a turnover of more than €40m and an average number of employees of more than 500 over the financial year;
- information published and/or provided by counterparties under the Taxonomy Regulation concerning the eligibility and alignment of their activities.

These entities' aligned activities are defined by Delegated Regulation EU 2021/2139, supplementing Regulation EU 2020/852. They are determined by the information from the entities.

In accordance with the definitions, the following exposures are excluded from the numerator:

- Derivatives;
- Cash and cash equivalents;
- Interbank demand loans;
- Exposure to companies not subject to the NFRD;
- Other assets excluded (tangible and intangible fixed assets, etc.).

1. Rules applied

In the context of the publication of the European Commission's draft FAQ (21 December 2023) and in accordance with the methodology for determining the GAR adopted by the Caisse des Dépôts et Consignations Group and followed by Bpifrance, Bpifrance has not incorporated all new methodological choices proposed in this notice as at 31 December 2023.

The FAQ rules transposed by the CDC Group in respect of 31 December 2023 do not apply to Bpifrance as they concern the treatment of exposures to local public authorities ("use of proceeds") to which Bpifrance is not exposed.

The other methodological elements introduced by the Commission's draft FAQ will be applied as at 31 December 2024, in accordance with the transposition of the rules adopted by the Caisse des Dépôts et Consignations Group.

As a result, the following calculation rules will apply at 31 December 2023:

- exposures to central governments, central banks and supranational issuers, and the trading book, which are excluded from the denominator and numerator;
- derivatives, interbank demand loans, cash and cash equivalents and other assets, which are excluded from the numerator but included in the denominator of the GAR;
- exposures to public interest entities such as:
  - public interest entities that also meet the criterion of large companies whose securities are listed on regulated markets in the EU,
  - banks (listed and unlisted),
  - insurance companies (both listed and unlisted),
  - any other undertaking designated by the Member States as an entity of public interest;
- for Bpifrance counterparties corresponding to this classification, data on headcount, balance sheet total and turnover published by these counterparties for their last financial year, in internal systems supplemented by data from external suppliers where appropriate, is collected and analysed to determine their NFRD liability;
- exposures to holding entities have been restated to take into account headcount, total assets and turnover of listed operating entities, where sufficient information was available. Holding entities have, where appropriate, been retained as subject to the NFRD;
- exposures to counterparties not subject to the NFRD correspond to exposures to all unlisted European counterparties, or listed counterparties that do not meet the thresholds of 500 employees, total assets or turnover of, respectively, 500 employees, €20m or €40m.

Limitations due to insufficient data:

- as average headcount data is not available, the headcount used is the headcount at the closing date of the last published financial year and collected from an external data provider;
- the available data did not allow the identification of the parent companies of a large group that exceeded the criterion of an average of 500 employees on a consolidated basis at the balance sheet date;;
- for investment activity, only funds managed by Bpifrance were treated transparently, while non-financial entities in which Bpifrance has invested were identified and their activities analysed; non-financial entities in which funds not managed by Bpifrance have invested could not be identified and analysed;
- the eligibility data collected in the annual reports corresponding to the declarations of 31/12/2022, given the frequency with which the annual reports of non-financial businesses are published.

Consequences of the identified limitations:

some entities may not have been included in the calculation of the numerator, such as those whose:

- headcount at the end of the financial year was less than 500, but the average number of employees over the year was greater than this number;
- headcount was less than 500, but greater on a consolidated basis, or received investment from funds not managed by Bpifrance.

Exposure to nuclear energy and fossil gas production activities

With regard to the Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022, and the publication of the information referred to in Article 8, paragraphs 6 and 7, Bpifrance declares that it has no financing or investments in activities related to fossil gas or nuclear energy to date.

Rules for calculating the Green Asset Ratio

The mandatory GAR is calculated in compliance with:

- the provisions of EU regulations in force, in particular:
  - Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment,
  - Delegated Regulation (EU) 2021/2139 (the so-called climate delegated act),
  - Delegated Regulation (EU) 2021/2178 supplementing Regulation (EU) 2020/852,
  - Delegated Regulation (EU) 2023/2486 (known as the environment delegated act) supplementing Regulation (EU) 2020/852;
- Caisse des Dépôts et Consignations Group rules comply with EU regulations and are confirmed in particular by market exchanges on the calculation of indicators.

2. Mandatory indicators published by Bpifrance

The methodology used to assess the alignment of Bpifrance's exposures consists of 3 key steps:

1. **Identification of NFRD counterparties** (criteria set out in Section 2.3.1 Applicable regulations, based on internal Bpifrance data and supplemented by external data where applicable).
2. **Collection of taxonomic information published by counterparties** and creation of a consolidated database:

- The information is collected manually on the basis of the annual reports of each of the counterparties identified in stage I. For the calculation of the mandatory GAR, only the information provided by the counterparties is taken into account for the calculation of the numerator. According to the regulatory texts, non-financial entities publish three taxonomic indicators depending on their category (turnover, CAPEX and OPEX), while financial entities are limited to two visions, turnover and CAPEX, which are calculated on the basis of the two types of indicators published by their counterparties;
- The data collected concerns eligibility and, from 2023, the alignment of activities with the taxonomy:
  - Share of CAPEX and turnover eligibility,
  - Share of CAPEX and turnover weighted on CCA and CCM objectives,
  - Associated sectors,
  - Clarification of the share of enabling and transitional activity;
- In this exercise, the **enabling and transitional concepts** are also added:
  - The notion of enabling activity is attached to the eligible activities under the Taxonomy and implies a mapping in this sense in the processing of the information analysed. As a reminder, the notion of an enabler makes it possible to consider turnover alignment with the adaptation objective; the notion of transitional activity is sometimes attached to an eligible activity, sometimes a "lighter" version of the alignment criteria met by an asset. This requires a robust analysis methodology, particularly in the case of the arrow.

3. **Consolidation of all the data in the mandatory tables and structuring of the KPIs** by taking into account FINREP exposures, including exposures of reporting NFRD counterparties (& Green bonds) to which the eligibility and alignment shares are applied (in turnover and CAPEX as communicated by the companies and for which the collection is explained in step 2).

3. Voluntary indicators published by Bpifrance

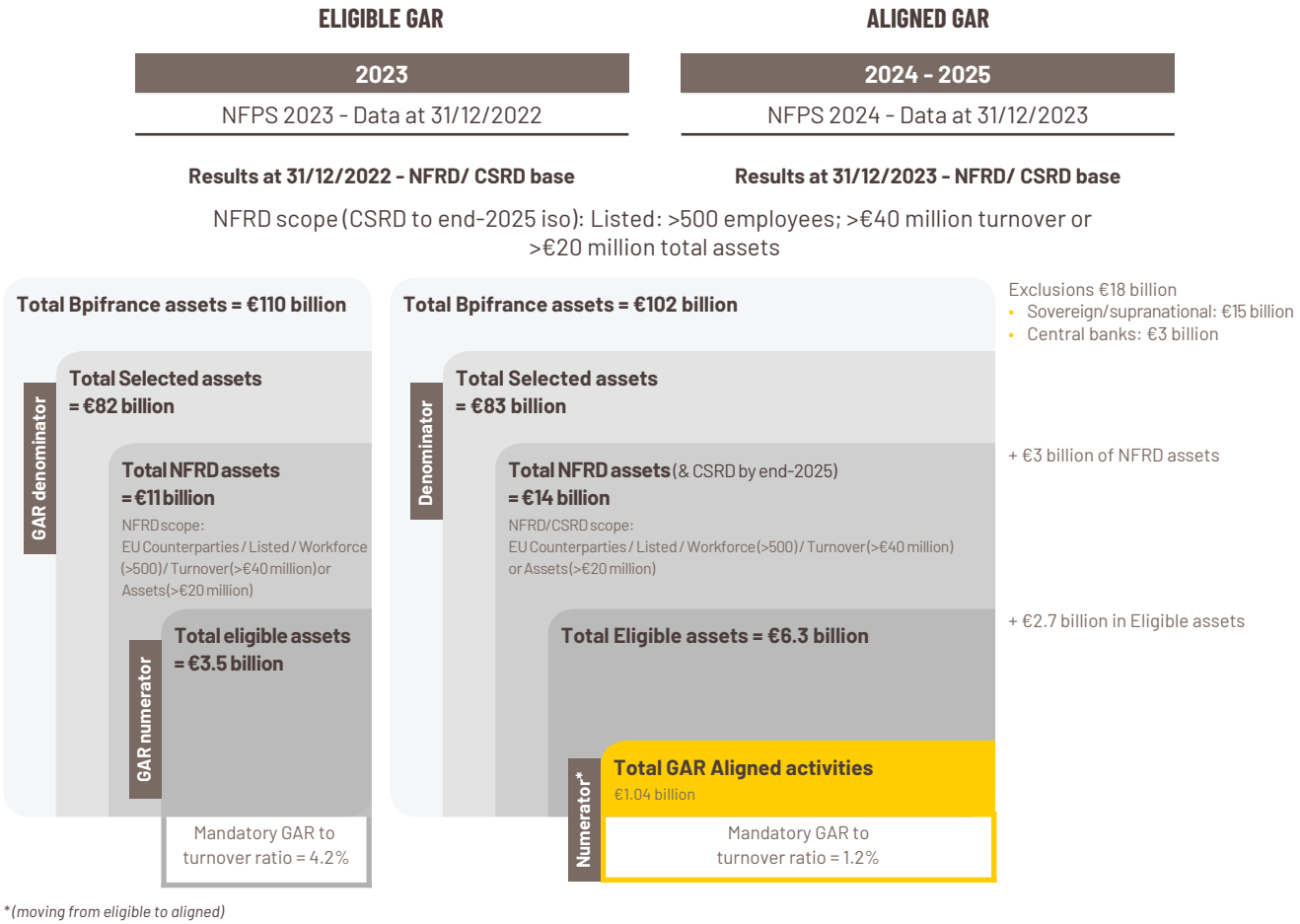
Bpifrance publishes a voluntary indicator by adding exposures to sustainable activities that are not taken into account in the voluntary GAR. These exhibitions meet the following criteria:

- Financing of renewable energy projects, with a view to supporting emerging sectors in addition to traditional technologies (methanization, offshore wind, floating solar power, agrivoltaics, heat networks, etc.) for which the activity codes have been pre-selected. In the absence of alignment data available, these exposures have been considered as 100% sustainable (and therefore 100% aligned) according to Bpifrance's internal classification applied in the calculation of the voluntary GAR;
- Complementary companies that are not subject to the NFRD but declare their alignment percentage based on the data collected on eligibility and, from the 2023 financial year, on the alignment of activities with the taxonomy.

III. Main changes

Voluntary GAR ratio:

- **Numerator**: Change from % eligible to % aligned published by counterparties in their annual reports at 31/12/2022, resulting in a lower ratio,
- **Denominator**: change primarily linked to the change in Bpifrance financing and investment activity & consideration of financial institutions.



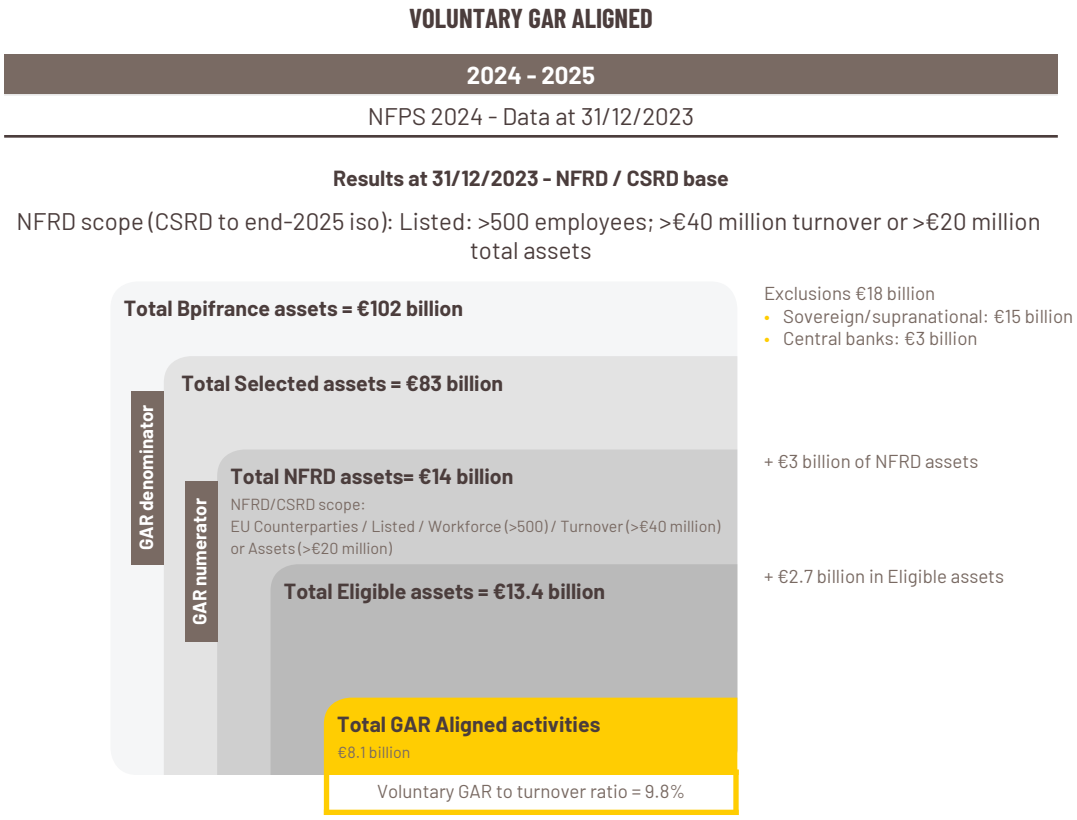
(moving from eligible to aligned)

For the sake of consistency, the data in the Pillar III report is based on COREP/FINREP regulatory reporting based on the regulatory deadline of D+42 and not on a final version of Bpifrance's consolidated financial statements.

The GAR in flow is estimated for 31/12/2023 taking into account the rules specified in Section 2.3.2, and only taking into account exposures on new transactions (level financing, acquisition of securities) in 2023 (see Table 4).

Voluntary GAR ratio:

- **Numerator**:
  - All aligned companies subject to the NFRD (numerator of mandatory GAR);
  - Taking into account specialised ENR and methanization financing under the Climate Plan for a total of **€7.1bn**;
  - Complementary companies declaring a Non NFRD alignment % for a total of **€8m** of aligned exposures.
- **Denominator**: same as the mandatory GAR.



IV. GAR results to be qualified given the specific nature of the Bpifrance business model:

The regulatory indicators for the taxonomy eligible and ineligible activities are relatively low given exposure to counterparties not subject to NFRD which reflects Bpifrance's positioning for unlisted companies and primarily French SMEs/VSEs/MMEs whose activities cannot consequently be taken into account in the activities, eligible or otherwise, whatever their nature, with climate change mitigation or adaptation goals.

The regulatory indicators for eligible and non-eligible activities, both aligned and non-aligned with the taxonomy, are relatively low given the exposure to counterparties not subject to the NFRD, which reflects Bpifrance's positioning on unlisted companies and VSE/SME/MMEs, mainly French, whose activities cannot therefore be taken into account in the activities, eligible/aligned or otherwise, whatever their nature, with climate change mitigation or adaptation objectives.

Bpifrance supports VSEs, SMEs and MMEs in their development and in particular in their energy transition in its role of Climate Bank.

The « Green Asset Ratio » GAR solely takes account of NFRD companies at this stage and de facto excludes €64bn of the Bpifrance portfolio (including funds, unlisted companies, etc.).

In this context, all the Climate Bank's activities are not reflected in the mandatory GAR indicator as it is currently defined, in particular:

- activities relating to the financing of renewable energy projects, with a view to supporting emerging sectors alongside traditional technologies (methanization, offshore wind, floating solar power, agrivoltaics, heating networks, etc.) for €7.2bn by end-2023;
- €2.5bn by the end of 2023 to finance the ecological and energy transition of all French VSEs, SMEs, and MMEs towards decarbonisation of their production processes and alignment with the objectives of the Paris Agreements.

Lastly, Bpifrance has very little exposure to companies that are excluded from the Paris Agreements or that could cause harm to the environment ("Do Not Significant Harm"):

- Less than 1% exposure to one of the world's 20 biggest polluters, the TOTAL ENERGIES Group, exposure concentrated exclusively on renewable financing activities for €336m and down by more than 40% over 6 months to end-2023;
- Only €4.8bn (or 6.5% of Bpifrance's total portfolio) represents counterparties operating in sectors excluded from the Paris Agreement benchmark;
- Only €4.1bn (or 5.4% of Bpifrance's total portfolio) represents counterparties that do not comply with the "DNSH" principle, down by half since 2022.

V. Bpifrance's economic strategy

Bpifrance is a public group providing business financing and development services, acting in support of public policies led by the State and the Regions, which 'focuses its action primarily on... very small businesses, small and medium-sized businesses and mid-market businesses' and 'provides support for the implementation of the ecological and energy transition'[56].

This support is a key element of Bpifrance's actions, which is one of the priorities of its corporate social responsibility charter.

Committed to the fight against climate change and aware of its urgency, in September 2020 Bpifrance launched and Banque des Territoires joined forces to launch an ambitious Climate Plan, which has led to an acceleration of all Bpifrance's business lines over 2021.

Bpifrance's Climate Plan has been deployed on three strategic axes:

1. Accelerate the transition of companies and regions with financial and support solutions;
2. Support the development of renewable energies (RE) and contribute to the growth of international champions;
3. On a large scale, Finance and support innovation by green tech companies as well as sustainable and resilient networks aimed at finding technological solutions for the EET.

Axes 2 and 3 address non-financial counterparties whose activities are eligible for the taxonomy by their nature; however, these counterparties are not, at this stage, eligible as the numerator of indicator a. or a.V., as they are mostly not subject to the NFRD (unlisted or listed but not meeting the size criteria).

With axis 1 of its Climate Plan, Bpifrance aims to bring all companies into transition, regardless of their activity, whether or not they are eligible for the taxonomy by their nature (excluding the NFRD criteria), in order to accelerate the decarbonisation of the economy. It should be noted that Bpifrance applies exclusion principles to the coal and oil and gas sectors, as well as commitment policies to the oil and gas sector.

Within the framework of the Climate Plan, new products have been created, such as Green Loans to finance targeted transition investments and a 'green' guarantee to encourage banks to finance transition projects; support products have been developed to help companies accelerate their transition, such as the Eco Flux Diag, the Decarbon'Action Diagnostic, accelerator programmes (Energy Transition, Decarbonisation), and free online training modules are available... Transition issues are increasingly taken into account in emitting sectors (transport, real estate, construction).

This deployment aims to engage all companies, regardless of size or sector, in decarbonising their operations, while providing large-scale funding to clean energy or solution providers. The integration of the taxonomy criteria is a further demanding step in this process, the details of which are currently being defined.

56 *Law 2012-1559 on the creation of the Public Investment Bank*

Tables showing GAR by turnover:

Summary of KPIs under Article 8 of the Taxonomy

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	1,035,831,636	1.24%	2.35%	14.12%	67.87%	18.01%

		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	10,222,631	0.11%	0.12%	9.84%	86.84%	3.32%
	Trading book*						
	Financial guarantees						
	Assets under management						
	Fees and commissions income**						

** For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR*

*** Fees and commissions income from services other than lending and AuM*

Institutions shall disclose forward-looking information for this KPI, including information in terms of targets, together with relevant explanations on the methodology applied.

**** % of assets covered by the KPI over banks´ total assets*

***** based on the Turnover KPI of the counterparty*

****** based on the Capex KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used*

Note 1: Across the reporting templates: cells shaded in black should not be reported.

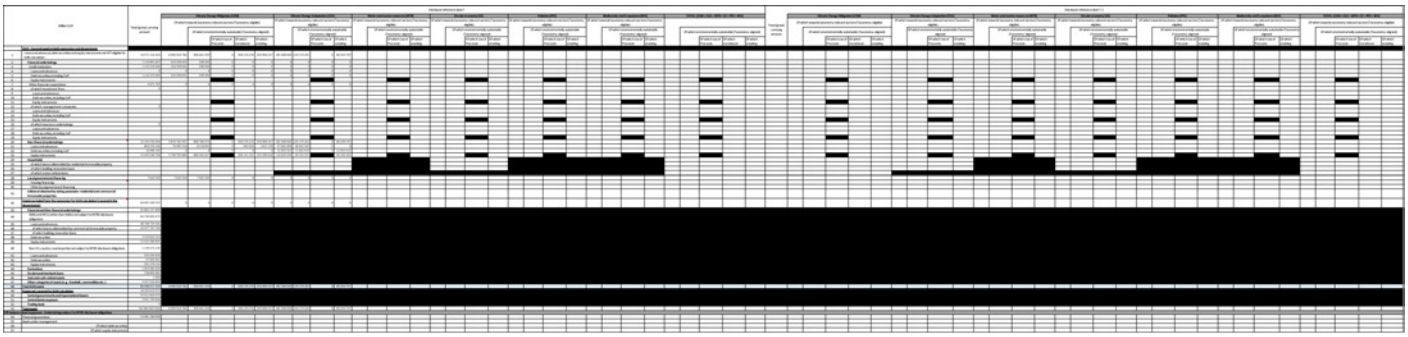
Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026. SMEs´ inclusion in these KPIs will only apply subject to a positive result of an impact assessment.

The fields for the additional KPIs, apart from the GAR KPIs in flow, are empty, which is justified by:

- The fact that fees and commissions are not required at 31 December 2023;
- No trading book or assets under management;
- The absence of taxonomic data on off-balance sheet financial guarantees (exposures concentrated on VSE/SME counterparties, for which it was not possible to collect the required key taxonomic information which would allow template 5 to be completed).

With the exception of the second table on page 148, the tables attached on pages 147 to 150 are also attached in the Appendix (see pages 416 to 429 of this Universal Registration Document), in a format that is easier to read.

Assets for GAR estimation

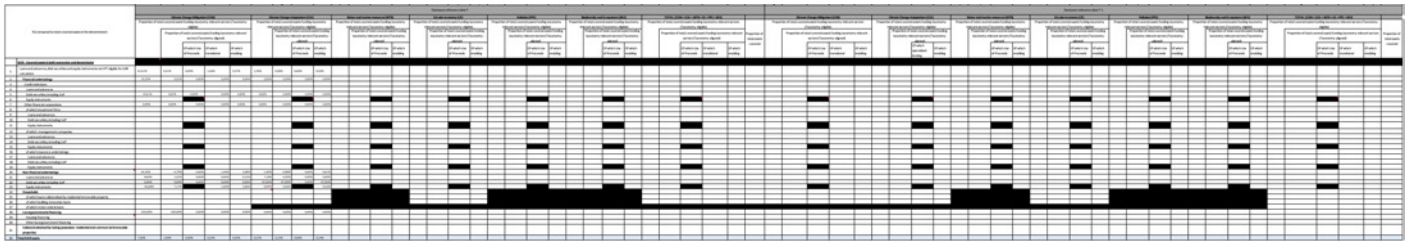


Information on eligibility for the 4 climate objectives "Water and marine resources", "Circular economy", "Pollution" and "Biodiversity and Ecosystems" is not published at 31/12/2023 by Bpifrance due to the first publication of these elements by the counterparties at 31/12/2023[57]. This information will be published from 31/12/2024.

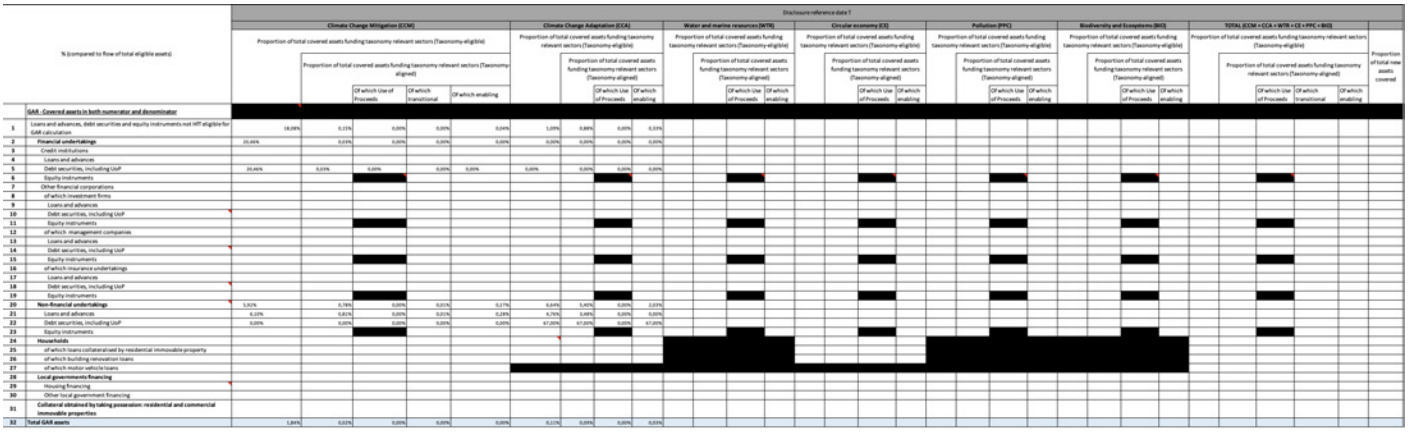
GAR: Information by sector



GAR KPIs in stock

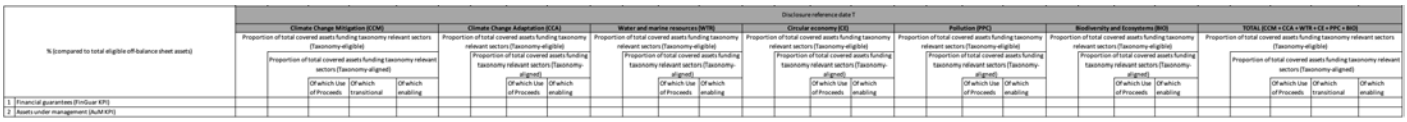


GAR KPIs in flows



57 *The non-publication of these 4 taxonomic objectives also concerns templates 2 to 5.*

KPIs for off-balance sheet exposures



The off-balance sheet financial guarantees disclosed in template 1 *(Gross Carrying Amount)* mainly represent VSE/SME counterparties, for which it has not been possible to collect the required key taxonomic information which would allow template 5 to be completed. As a result, the fields in this template are empty.

Tables showing GAR by CAPEX:

Summary of KPIs under Article 8 of the Taxonomy

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	1,962,192,307	1.24%	2.35%	14.12%	67.87%	18.01%

		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	12,007,515	0.11%	0.12%	9.84%	86.84%	3.32%
	Trading book*						
	Financial guarantees						
	Assets under management						
	Fees and commissions income**						

** For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR*

*** Fees and commissions income from services other than lending and AuM*

Institutions shall disclose forward-looking information for this KPI, including information in terms of targets, together with relevant explanations on the methodology applied.

**** % of assets covered by the KPI over banks' total assets*

***** based on the Turnover KPI of the counterparty*

****** based on the Capex KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used*

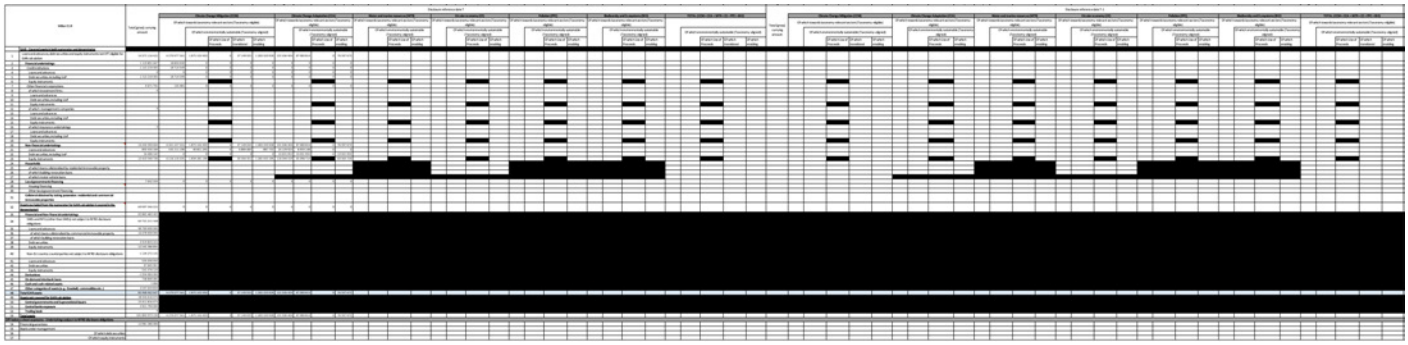
Note 1: Across the reporting templates: cells shaded in black should not be reported.

Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026. SMEs' inclusion in these KPIs will only apply subject to a positive result of an impact assessment.

The fields for the additional KPIs, apart from the GAR KPIs in flux, are empty, which is justified by:

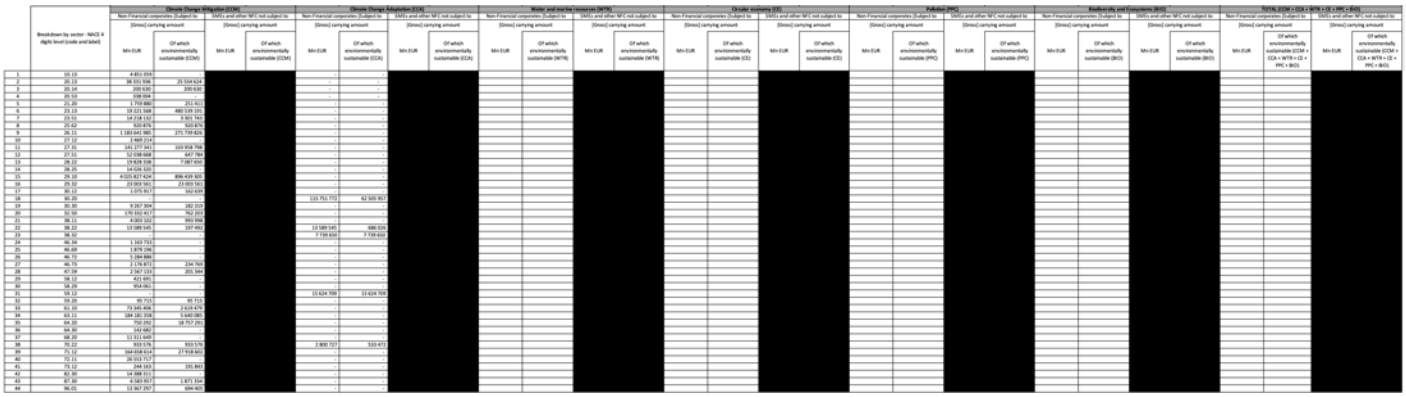
- The fact that fees and commissions are not required at 31 December 2023;
- No trading book or assets under management;
- The absence of taxonomic data on off-balance sheet financial guarantees (exposures concentrated on VSE/SME counterparties, for which it was not possible to collect the required key taxonomic information which would allow template 5 to be completed).

Assets for GAR estimation

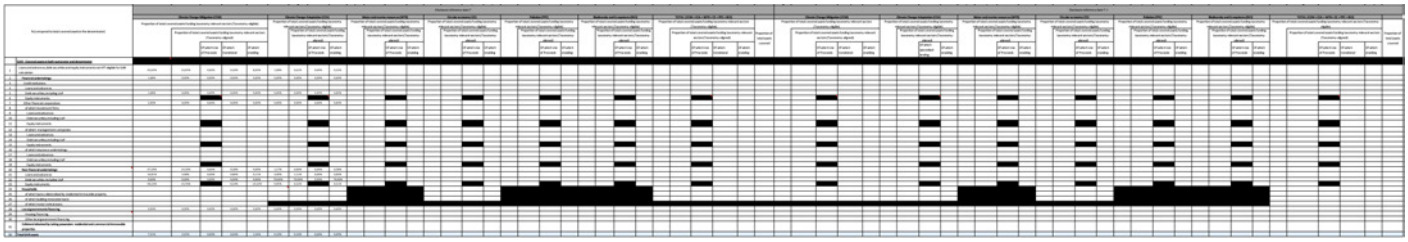


Information on eligibility for the 4 climate objectives "Water and marine resources", "Circular economy", "Pollution" and "Biodiversity and Ecosystems" is not published at 31/12/2023 by Bpifrance due to the first publication of these elements by the counterparties at 31/12/2023[58]. This information will be published from 31/12/2024.

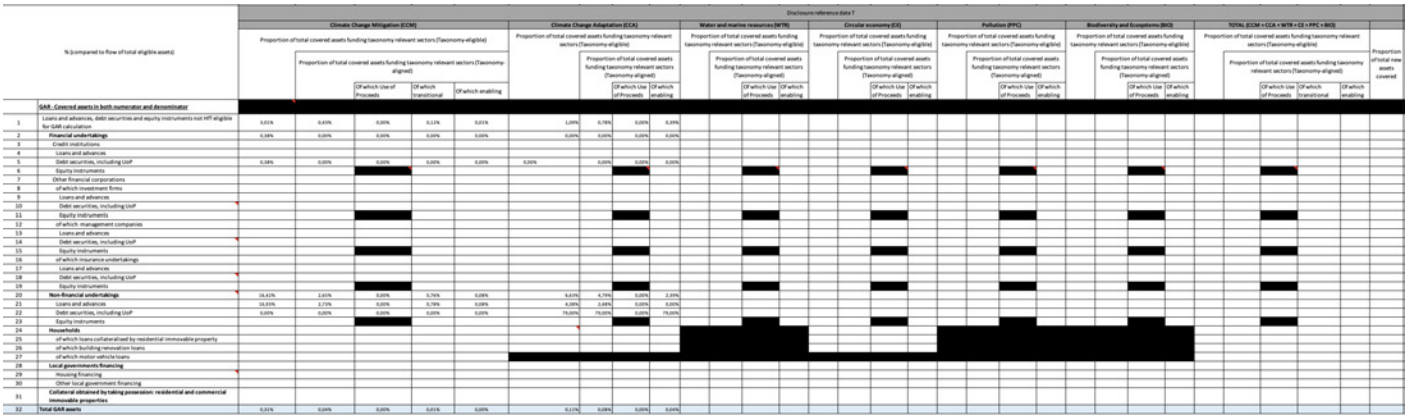
GAR: Information by sector



GAR KPIs in stock



GAR KPIs in flows



58 *The non-publication of these 4 taxonomic objectives also concerns templates 2 to 5.*

KPIs for off-balance sheet exposures

% (compared to total eligible off-balance sheet assets)	Disclosure reference date T																																	
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)					Circular economy (CE)					Pollution (PPC)					Biodiversity and Ecosystems (BIO)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling					Of which Use of Proceeds	Of which transitional	Of which enabling	
1 Financial guarantees (FinGuar KPI)																																		
2 Assets under management (AuM KPI)																																		

The off-balance sheet financial guarantees disclosed in template 1 *(Gross Carrying Amount*) mainly represent VSE/SME counterparties, for which it has not been possible to collect the required key taxonomic information which would allow template 5 to be completed. As a result, the fields in this template are empty.

3.15. COMMISSION DELEGATED REGULATION (EU) 2022/1214 OF 9 MARCH 2022

ANNEX XII Publication of the information referred to in Article 8(6) and (7)

At 31 December 2023, Bpifrance had an exposure of €3 million to two companies involved in heating networks combining electricity or biomass and fossil natural gas. Given the insignificance of the exposures, Bpifrance has not carried out eligibility and alignment analyses.

Template 1 - Nuclear and fossil gas related activities		
Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

3.16. REPORT OF THE INDEPENDANT THIRD-PARTY ORGANISATION ON THE NON-FINANCIAL PERFORMANCE STATEMENT

Report of one of the statutory auditors, appointed as an independent third party, on the verification of the consolidated non-financial performance statement

(Financial year ended on 31 December 2023)

Bpifrance

27-31 avenue du Général Leclerc

94700 Maisons Alfort

In our capacity as statutory auditors of Bpifrance (hereinafter referred to as the "entity"), we have been designated as an independent third-party body accredited by Cofrac (Accréditation Cofrac Inspection, no.°3-1862, scope available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated non-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Statement") for the financial year ended on 31 December 2023, (hereinafter respectively the "Information" and the "Statement") presented in the management report of the group, in application of the provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

Conclusion

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

Consequently, the Information must be read and understood with respect to the Reference Document, the significant elements of which are available on request from the company's registered office.

Restrictions due to the preparation of the Information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the Information and presented in the Statement.

Responsibility of the entity

Management is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing the Statement with reference to legal and regulatory requirements. including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also the Information required by Article 8 of Regulation (Eu) 2020/852 (Green Taxonomy);
- preparing the Statement in accordance with the entity's Guidelines as above-mentioned, as well as;
- implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or errors.

The Statement was drawn up by the Board of Directors.

Responsibility of the independent third-party organization

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R.225-105 of the French Commercial Code;
- the fairness of Information (observed or extrapolated) provided in accordance with article R.225-105 I, 3° and II of the commercial code, i.e., the outcomes of policies, including key performance indicators, and the measures implemented on the principal risks.

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy) of fight against corruption and tax evasion);
- the truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (Eu Taxonomy);
- the compliance of Products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of Articles 225-1 et seq. of the French Commercial Code, as well as the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this type of engagement, in particular the technical notice issued by the CNCC, Intervention du Commissaire aux Comptes – Intervention de l'OTI - Non-Financial Performance Statement in lieu of an audit programme, as well as the ISAE 3000 standard (revised) – *Assurance engagements other than audits or reviews of historical financial information.*

Independence and quality control

Our independence is defined by the requirements of article L.821-28 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements, and professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of 5 people between October 2023 and March 2024 during 6 weeks.

To assist us in our work, we called on our specialists in sustainable development and corporate social responsibility. We conducted some 19 interviews with the people responsible for preparing the Statement, representing the Sustainable Development and ESG Department, the Climate Department, the Evaluation, Studies and Prospects Department, the Creation and Entrepreneurship Department, the Legal Department and the Human Resources Department.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We estimate that the procedures we have carried out the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, when appropriate;
- we verified that the Statement covers each category of information provided for in III of Article L.225-102-1 relating to social and environmental matters, as well as the fight against corruption and tax evasion, and includes, where applicable, an explanation of the reasons for the absence of the information required by paragraph 2 of III of Article L.225-102-1;
- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code where relevant with respect to the principal risks;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including when relevant and proportionate the risks associated with their business relationships, their Products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
- assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix.
- we verified that the Statement covers the scope of consolidation i.e., all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code where applicable with the limits specified in the Statement;

- we obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix we implemented:
- analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
- tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work covers between 20% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities;

The procedures performed as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes; a higher level of assurance would have required more extensive verification work.

Neuilly-sur-Seine, 25 March 2024

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Pierre Clavié	Aurélie Castellino
Partner	Sustainable Development Partner

Appendix: List of the information we consider most important

Key performance indicators and other quantitative results:

- Rate of employees trained in AML/CFT;
- Rate of employees trained in anti-corruption measures;
- Amount allocated to support for the EET (in €m);
- Carbon footprint of Bpifrance's 24 largest holdings (TeqCO_2);
- Weight of funding compared to the economic potential of the Regions;
- Weight of 'Numetic' financing in the activity;
- Net Promoter Score (NPS);
- Customer satisfaction rate;
- Number of grievances and complaints filed against the entity;
- Average number of days of absence due to illness, excluding long-term illness;
- Employee satisfaction rate;
- Recruitment rate of women on permanent and fixed-term contracts;
- Percentage of young people under 30 recruited;
- Percentage of senior citizens aged 55 and over;
- Number of agreements and amendments signed during the year;
- Turnover rate of staff on permanent contracts;
- Training access rate;
- Amount of assets under direct management directly exposed to the thermal coal sector;
- Number of board members (qualified persons) in 2023;
- Percentage of companies having assessed their sensitivity to the physical risks of climate change;
- Number of Eco-Flux sobriety diagnostics carried out in 2023;
- Number of Entrepreneur Passes created by women;
- Number of support networks partnering with BPI France as part of the Cap Créa collective;
- Number of employees taking part in Quality of Life at Work workshops and forums;
- Number of workplace accidents (with or without lost time);
- Number of jobs adapted for disabled people in 2023;
- Number of CSE meetings in the year;
- Number events actions carried out in schools, in online/in-person/mixed format;
- Number of companies (direct investment in companies) that responded to the annual ESG survey.

Qualitative information (actions and results)

- Signing of the code of ethics by new arrivals;
- ISO 37001 certification (renewed in 2022 for a further 3 years);
- Increased support for entrepreneurs with tailored services to help them mature and make them cyber-resilient;
- Deployment of "Diag Perf'Immo" as part of the Climate Plan;
- Existence of the Entrepreneurship For All programme;
- Training courses are available online, free of charge, and constantly updated on the Bpifrance Université website;
- Organisation of the 9th Bpifrance Inno Generation;
- Support for the "Les Meneurs" [The Leaders] community (French team sport);
- Setting up a skills donation scheme
- Regular awareness-raising campaigns through Mission Handicap (Handitech Trophy) in 2023;
- Job advertisements for disabled people to be placed online on the Hello Handicap Forum website for the period 2023;
- Annual ESG survey of portfolio companies and fund managers in 2023.



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4.1. MAIN RISK FACTORS

The risks to which the Bpifrance Group is exposed arise from a number of factors related to changes in its macroeconomic and regulatory environment or to factors related to the implementation of its missions and its strategy. The risk management frameworks, systems and policies developed by Bpifrance take into account these changes in risk factors and strive to contain, mitigate or manage their adverse consequences.

The main risks specific to the Bpifrance Group's business are presented under the following categories:

(i) Credit risks;

(ii) Risks relating to investment activities;

(iii) Financial risks;

(iv) Operational and non-compliance risks; and

(v) Other risks.

Within each of the following four categories, the risk factors that the Bpifrance Group currently considers to be the most important are presented first.

The description of the risk factors below is not exhaustive. Other risk factors and uncertainties of which the Bpifrance Group is not currently aware or which does not consider material to date could also have a significant impact on its business, financial position, results or cash flows.

The prudential data in the risk factors section are derived from Corep/Finrep regulatory reporting based on the regulatory deadline of D+42 and do not constitute a final version of Bpifrance's consolidated financial statements[59].

4.1.1. Credit risks

4.1.1.1 • Through its financing activities, the Bpifrance Group could suffer losses in the event of the default of one or more counterparties, losses that could be amplified in the event of difficulty in exercising its recourse or depreciation of collateral

As a credit institution, Bpifrance is exposed to credit risk as part of its financing and guarantee activities. The Bpifrance Group could suffer losses if a counterparty is not able to honour its obligations.

Its outstanding loans are concentrated in French small and medium-sized enterprises (SMEs) and mid-tier companies. Bpifrance maximum credit risk exposure includes in particular financing activities (medium- and long-term loans, short-term financing, and finance lease operations) to corporate customers and commitments through guarantees and signature.

Bpifrance's portfolio also has a certain degree of concentration on some sectors as well as on the French economy in general. The overall exposure sum has increased by 9% between 2021 and 2023. The sectors with high growth in the past two years are: Energy and Environment (+20%) and Tourism and Leisure (+16%).

Despite the risk management measures implemented by the Bpifrance group to limit the effects of concentration of its portfolio of credit exposures, the interdependence of customers could amply customer defaults within a particular economic sector or geographical area. Some sectors were hit particularly hard by the Covid-19 crisis, while others could be particularly affected in the longer term by the measures introduced to promote the energy transition.

Default by one or more of the Bpifrance group's major counterparties could therefore have a material adverse effect on the Bpifrance group's cost of risk, net profit or loss and financial position.

For information, at 31 December 2023, the Bpifrance Group's cost of risk was €56.3m (see Section 1.2 of this document). At 31 December 2023, credit risks represented 95% of the weighted risks of the Bpifrance Group.

59 *The difference is mainly due to the decline in contribution to net profit or loss of holdings accounted for by the equity method (-€64.8m), and the increase in current and deferred tax assets of +€2.1m, resulting in a fall in assets (-€62.7m).*

4.1.1.2 • The financial strength and behaviour of other financial institutions and market players could have an adverse effect on the Bpifrance Group's business.

The ability of the Bpifrance Group to carry out financing or investment transactions or to conclude transactions involving derivatives could be adversely affected by the soundness of other financial institutions and market players.

Financial institutions are closely linked, in particular because of their trading, clearing, counterparty and financing activities. The default of a player in the sector or even simple rumours or questions about one or more financial institutions or loss of confidence in the financial industry more generally could lead to a general contraction of liquidity in the market and to losses or additional failures.

The Bpifrance Group is directly and indirectly exposed to numerous financial counterparties such as investment services providers, commercial or investment banks, and mutual funds, with which it enters into transactions under normal conditions. A large number of these transactions expose the Bpifrance Group to a credit risk in the event of default by the counterparties or customers concerned.

In addition, Bpifrance mainly deploys its financing activities in a systematic partnership approach with commercial banks in order to spread the risk. The difficulties of partner credit institutions could hinder this approach.

As at 31 December 2023, the credit risk exposure of the "Credit institutions" asset class represented €2.6bn after credit risk mitigation effects (CRM), i.e., 2% of the Bpifrance Group's exposure as at 31 December 2022 and only 0.94% of risk-weighted assets (RWA). In geographic terms, exposure in France accounts for nearly 92% of the bank's total exposure.

4.1.2. Risks relating to investment activities

As part of the investment activities of Bpifrance Participations, the Bpifrance Group is exposed to the risk of impairment of its listed and unlisted investments.

4.1.2.1 • The evolution and volatility of the financial markets may have a significant negative impact on Bpifrance's business and earnings.

Under Pillar 2, Bpifrance uses a "Value at Risk" (VaR) model to quantify its exposure to potential losses related to the risk of impairment of investments. As at 31 December 2023, Bpifrance's VaR amounted to €13,077m.

In addition, the structure of the Bpifrance Participations subsidiary's portfolio exposes it to the variability of the fair value of investments that could lead to a direct capital loss.

The value of the equity investments held by Bpifrance could decline, forcing the Bpifrance Group to recognise impairment charges in its consolidated financial statements, which could have a material adverse impact on its results and financial position.

The constitution of these portfolios is part of the implementation of the Group's investment policy, which favours minority shareholdings, operated in a prudent approach and with a "patient" capital approach.

No Group equity portfolio is dedicated to trading. Bpifrance does not invest more than the amount of its own funds and closely monitors the position risk related to the impairment of investments in direct or indirect shareholdings of the Group.

Bpifrance strives to contain, at all times, the risk of loss of market value in the event of severe stress.

Information on the management of risks relating to the investment business is presented in the notes to the consolidated financial statements the chapter entitled "NOTE 8 - RISK EXPOSURE, MANAGEMENT AND MEASUREMENT".

4.1.3. Financial risks

Financial risks correspond to the risk of loss in value of financial instruments, resulting from changes in market parameters, the volatility of these parameters and correlations between these parameters.

The financial risks affecting Bpifrance's activities are liquidity risk, interest rate risk, foreign exchange risk and investment risk.

4.1.3.1 • Bpifrance's access to financing and the costs of this financing could be adversely affected.

Liquidity risk is the risk that the Bpifrance Group will not be able to honour its commitments or unwind or offset a position due to the market situation or factors specific to it, within a specified time frame and at a reasonable cost. It reflects the risk of not being able to meet net cash outflows, including those related to collateral requirements, over all short- to long-term horizons.

As at 31 December 2023, Bpifrance's EMTN program amounted to €35.7bn, for information purposes, this represents 77% of customer loans. Unlike private banking establishments, Bpifrance does not have customer resources, the collection of deposits is very limited. The EMTN program thus represents a significant share of the resources of the Bpifrance banking establishment, around 64%. An increase in financing costs could therefore have a significant adverse impact on the results, financial situation and outlook of Bpifrance.

This risk can be apprehended in particular through the Short-term Liquidity Ratio (LCR-Liquidity Coverage Ratio, a prudential ratio aimed at ensuring the short-term resilience of the liquidity risk profile) analysing the coverage of net cash outflows at thirty days in a stress scenario. The objective of the Bpifrance Group in terms of liquidity management is to be in a position to be able to deal with any type of liquidity crisis situation over prolonged periods of time.

As at 31 December 2023, the Bpifrance Group posted an LCR ratio (Liquidity Coverage Ratio - prudential ratio intended to ensure the short-term resilience of the liquidity risk profile) of 368% above the regulatory floor of 100%.

In addition, the NSFR ratio, corresponding to the amount of stable refinancing divided by the amount of stable refinancing required, calculated on the basis of the asset mix, is 114%. This ratio is also higher than the regulatory minimum of 100%.

4.1.3.2 • Significant changes in interest rates could have an adverse effect on Bpifrance's revenues.

The interest rate risk consists of the risk that Bpifrance may suffer losses caused by an unfavourable change to the interest rates, notably in case of an imbalance between the interest rates generated by its assets and the interest rates owed on its liabilities.

Bpifrance generates a significant portion of its income in the form of a net interest margin and as such remains highly exposed to fluctuations in interest rates and changes in the yield curve, particularly in its Financing division.

In the event of a negative movement in the market yield curve in relation to the Bpifrance rate change profile (unmatched assets and liabilities at fixed and variable rates), Bpifrance may suffer a loss in terms of net interest margin and equity (Net Present Value, NPV). This type of situation could, therefore, have a significant negative impact on Bpifrance's earnings, financial position and outlook.

Bpifrance's exposure to risk rate is, in particular, measured by analysing the sensitivity of the interest margin and the net present value of the balance sheet. For information purposes, at 31 December 2023, if interest rates had risen by 200 base points, the interest margin would have decreased by €4.7m and the Economic Value of Equity would have fallen by €469m.

The results of the Bpifrance Group are therefore sensitive to changes in interest rates.

4.1.3.3 • Exchange rate fluctuations could significantly affect the results of the Bpifrance Group

Bpifrance is exposed to foreign exchange risk, which consists of the risk that changes in foreign exchange rates might have a negative impact on the value of instruments and so generate losses on capital borrowed or loaned in currencies other than the Euro.

Foreign exchange risk is sub-divided into two categories:

- Structural exchange rate risk is incurred on long-term investments in foreign currencies and/or equity consolidated in foreign currencies in shareholder's equity. At present, this concerns the activities of Bpifrance Participations.

As at 31 December 2023, the value exposed to foreign exchange risk was based on a basket of eight currencies with a very high concentration on the US dollar: 88% of total exposure.

The VaR 95% poses a risk of losses of €62m at three months and contributes to the overall risk of loss for the portfolio of 1.88%.

- Operational exchange rate risk: as an indication, on the basis of the accounting situation at 31 December 2023, a decrease of 15% in the USD/EUR and GBP/EUR conversion rates would have had an unfavourable impact of €0.09m on the income statement. Furthermore, Bpifrance, a long-term investor, may marginally hold company securities denominated in foreign currencies.

Bpifrance Participations' foreign currency exposures amount to €867m as at 31 December 2023.

4.1.4. Operational and non-compliance risks

The operational risk is the risk of loss resulting from faulty or inadequate internal processes (in particular those involving staff and IT systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks, etc...).

Operational risk covers fraud, risks related to human resources, legal and reputational risks, risks of non-compliance, risks related to information systems, the provision of inappropriate outsourced services as well as risks of failure of operational processes including credit processes, or the use of a model (model risk).

Weighted assets specific to operational risks amounted to €3,088m as at 31 December 2023.

4.1.4.1 • Bpifrance is exposed to risks related to the security and reliability of its information systems and those of third parties

The Bpifrance Group is faced with cyber risks, i.e., the risk caused by a deliberate act of sabotage by a third party affecting the integrity of the Group's information systems, with the aim of harming the company; a cyberattack by a third party on the Group's information systems with the aim of misappropriating Group securities or funds. Cyber risk constitutes one of Bpifrance's priorities in terms of operating risks. The Bpifrance Group's information assets are exposed to new, complex and changing threats that could have a significant impact on the Group in terms of both finances and reputation. The professionalisation of the criminal or state organisations behind cyberattacks has led the regulatory and supervisory authorities to invest in risk management in this field.

The Bpifrance Group relies heavily on its communication and information systems for carrying out all its business lines.

- Any failure, outage or breakdown of the security of these systems could cause failures or outages, in particular at the level of the management, general accounting, service and/or loan processing systems.
- If, for example, certain of the most critical applications became defective, even for a short period, Bpifrance could find itself unable to meet the needs of some of its customers within the periods stipulated and could thus miss commercial opportunities.
- Similarly, a temporary failure of the Bpifrance Group information systems, despite the back-up systems and emergency plans that might be deployed, could entail significant costs in terms of information recovery and verification.
- As zero risk does not exist, Bpifrance Group could, in the event of a major cyberattack, suffer impacts to its financial situation and performance.

The Bpifrance Group is also exposed to the risk of interruption or operational malfunction of a clearing agent, foreign exchange markets, clearing houses, custodian banks or any other financial intermediary or external service provider that it uses to execute or facilitate its financial instrument transactions.

- Due to its growing interconnection with its partners, the Bpifrance Group could also see an increase in its exposure to the risk of operational malfunction of its partners' information systems.
- The communication and information systems of the Bpifrance Group and those of its partners, service providers and counterparties could also be subject to malfunctions or interruptions as a result of a cybercrime or an act of cyberterrorism.

4.1.4.2 • Bpifrance is exposed to the risk of fraud

Like the majority of companies, all sectors combined, the Bpifrance Group is faced with the risk of fraud, which can be committed both internally and externally.

The risk of internal fraud includes unauthorized activities and acts of internal malice, such as the theft or misappropriation of property or valuables by an employee, as well as risks of corruption and fraud (collusion / bribes or bad competition with suppliers, inadequacy of the system for combating corruption and influence peddling, etc.).

In terms of external fraud, the Bpifrance Group is exposed to the risk of embezzlement, falsification or concealment of documents or identity theft by a third party, also including the risk of cyber-attack or breach of integrity of computer systems. In particular, the Bpifrance Group has to deal with new, more sophisticated operating methods in terms of cyberattacks, as well as loan applications accompanied by fraudulent documents.

Faced with these risks, the Bpifrance Group has a fraud risk monitoring system, in particular through control systems, awareness and governance relating to the fight against fraud.

4.1.4.3 • Bpifrance Group's business exposes it to non-compliance risks

Non-compliance risk is the risk of legal, administrative or disciplinary sanction, significant financial loss or reputational damage resulting from non-compliance with directly applicable national or European provisions appertaining to banking and financial activities, whether of a legislative or regulatory nature, whether covered by professional or ethical standards, or instructions in accordance with the Board's guidelines.

The Bpifrance Group is exposed to the risk of non-compliance, in particular because of the constant evolution of the regulations applicable to it, which could give rise to misinterpretation of new applicable laws or late application of certain measures. Such breaches could significantly affect the reputation of the Bpifrance Group and therefore its business. In addition, the incorrect application of internal rules by the business lines may also expose Bpifrance to this risk.

These include the following regulatory risks:

- Financial security:
  - Anti-money laundering and countering the financial of terrorism (customer knowledge and monitoring of transactions),
  - Sanctions and embargoes, particularly for international operations;
- Ethics: fight against corruption and trafficking of influence, management of conflicts of interest, financial ethics framework;
- Market manipulation and abuse (particularly in the context of transactions carried out on the equity markets by Bpifrance Investissement and Bpifrance Participations);
- Customer protection:
  - Information and duty to advise,
  - Complaints handling;
- Protection of personal data (implementation of the obligations arising from the GDPR in the context of the processing of personal data carried out by Bpifrance).

These non-compliance risks relate to the regulatory environment to which Bpifrance is subject. In the event of non-compliance with these regulations, Bpifrance is exposed to significant financial, administrative and criminal penalties.

4.1.5. Other Risks

In addition to the risk categories set out above, Bpifrance is also subject to other risks, which are inventoried and assessed annually, in particular strategic risks or risks related to its ecosystem which might prove to be significant.

Strategic risks are risks related to Bpifrance's strategic choices with the aim of adapting to its environment. The following strategic risks can be highlighted:

- Risks related to the income that would result from a drop in operating profits due to a change in Bpifrance's commercial and economic environment. A drop in operating profits could thus result from a drop in income coupled with insufficient elasticity in operating costs.
- Technological disruption risk related to the absence or poor choice of technological innovation or to processes that could entail a competition risk and a risk of disruption to Bpifrance's model.

Other risks are more specifically related to the ecosystem in which Bpifrance operates:

- Regulatory risk linked to change in regulations and laws, including taxation, which could entail additional costs and an impact on the bank's activities.

This risk description is not exhaustive. Other risk factors and uncertainties of which the Bpifrance Group is not currently aware or does not deem significant at present might also have significant repercussions for its activity, its financial situation, its profits or its cash flows. Thus, Bpifrance pays particular attention to anticipating and managing emerging risks given the constantly changing nature of its activities and its environment. The banking and financial environment in which Bpifrance operates exposes it to numerous vulnerabilities, and forces it to implement an ever more demanding and rigorous organisation and management policy for these risks. Each year, Bpifrance carries out a review of the emerging risks that could arise in a changing environment.

The current context of economic crisis, in particular as a consequence of the Russian war in Ukraine, entails a risk of an energy crisis for Bpifrance's activities, which Bpifrance has inventoried, assessed and monitors quarterly.

Information on the management of other risks is presented in the notes to the consolidated financial statements the chapter entitled "NOTE 8 - RISK EXPOSURE, MANAGEMENT AND MEASUREMENT".

4.2. MANAGEMENT OF PRINCIPAL RISKS

The methods used to learn about, and manage, each of the principal risks with which the Bpifrance Group is confronted, are described in this section.

4.2.1. Credit and financial risks

Information relating to the management of credit risk and financial risk is presented in the appendix to the consolidated financial statements, in the chapter "NOTE 8 - EXPOSURE, MANAGEMENT AND MEASUREMENT OF RISKS».

4.2.2. Operational and non-compliance risks

4.2.2.1 • General framework for managing operational and non-compliance risks

The system for measuring and monitoring operational and non-compliance risks applies to all activities carried out within the Bpifrance Group.

Bpifrance's appetite for operational and non-compliance risks is nil; thus, none of the activities carried out by the Group incorporates into its strategy or its models a voluntary exposure to operational or non-compliance risks. Nevertheless, Bpifrance has a tolerance for operational risks inherent in the nature of its activities, particularly when the action plans to be implemented would be more costly than the exposure to such risk.

The Bpifrance Group has a governance and operational risk management system, the main purpose of which is to ensure overall control of operational and non-compliance risks as well as to provide reasonable assurance that the objectives set by the Group are achieved. The framework linked to this system is defined in the Bpifrance Internal Control Charter, which constitutes the reference framework for internal control within the Group. Another essential pillar of Bpifrance's risk appetite framework, Bpifrance's Operational Risk Management Policy (PGRO) is an integral part of the Group's Risk Management Policy. The PGRO applies in strict compliance with regulatory obligations and is aligned with the classification of operational risks established by the Basel Committee (article 324 of regulation 575/2013 of the European Parliament). Bpifrance has set up indicators for managing operational, non-compliance, cybersecurity, legal and model risk (with alert thresholds and limits where applicable), defined in the Group Risk Management Policy.

These indicators are subject to an escalation process if alert thresholds or limits are exceeded.

In accordance with the Supervisor's requirements, the Bpifrance operating and non-compliance risks management mechanism has been progressively enhanced since 2021, with, in particular, a strict separation of the roles and responsibilities of the first two lines of defence in terms of operational risk management.

Thus, the Departments/Businesses constituting the first line of defence are primarily responsible for identifying, evaluating, managing and monitoring their operational and non-compliance risks. Each Department/Business Line has at least one correspondent in charge of coordinating work related to operational risk management. The latter ensures, in liaison with the Operational Risk Department (DRO), the implementation of the Group Policy in connection with operational risks. As such, the operational risk correspondent is responsible for identifying, evaluating and controlling the exposure to operational and non-compliance risks generated by his activity, in particular through:

- the operational and non-compliance risk mapping exercise (Risk Control and Self-Assessment – RCSA);
- the system for mandatory reporting of operational risk and non-compliance incidents;
- actions dedicated to improving the control of operational and non-compliance risks;
- The definition and maintenance of permanent first-level controls designed to reduce exposure to operational risks.

At the level of the second line of defence, the DCCP, and more particularly the Operational Risk Department (DRO) within it, is responsible for the organization and operation of the system for controlling operational risks and non-compliance. As such, the DRO has the role of:

- set the methodological framework relating to the operational risk and non-compliance management system;
- coordinate the definition and implementation of the permanent control system and the identification and management of operational risk within the Group, including its standards and methodologies, reports and related tools;
- provide a second look, independent of the first line of defence, via second-level controls relating to the Group's operational incidents and risks and the operation of the system;
- produce reports on operational and non-compliance risks and, if necessary, escalate related alerts.

In order to identify, monitor and manage the impact of operational risks, the Bpifrance Group has implemented the following mechanism:

- a procedural framework dedicated to managing operational and non-compliance risks, comprised of the Operational Risks Management Policy, as well as policies dedicated to the operational and non-compliance risks map, to the incident declaration and management mechanism, to monitoring inherent action plans and to governance in relation to operational risks;
- alert thresholds and limits for operational and non-compliance risk incidents;
- a Management information process in case of an event that is significant for the Bpifrance Group;
- an IT solution for operational risk management allowing first line of defence operational staff to enter their operational and non-compliance risk maps, declare their operational and non-compliance risk incidents, and monitor inherent action plans;
- an awareness-raising action plan for teams on the subject of operational risks, comprising training sessions on Business Line contact points, as well as an e-learning course on incident feedback (75% of employees present as at 31/12/2023 had taken this e-learning);
- permanent second-level controls for operational and non-compliance incidents and risks declared by the Business Lines and executed independently by the Operational Risks Department.

4.2.2.2 • Comitology

The operational and non-compliance risk management system is the subject of a dedicated committee procedure, reinforced since 2021. In addition to the boards of directors and umbrella committees, the governance dedicated to the management of operational and non-compliance risks compliance is structured around three dedicated committees:

- Operational Risk Management Committee (CGRO);
- Operational Risks Committee (CRO) of the Departments / Businesses;
- anti-fraud mechanism steering Committee.

The Operational Risk Management Committee (CGRO) meets quarterly and is responsible for, in particular to:

- share a consolidated vision of the operational and non-compliance risks of the Bpifrance Group, in particular through the mapping of operational and non-compliance risks as well as the incident collection database;
- present and discuss operational incidents considered significant for the period covered by the Committee and discuss the achievement of defined thresholds, if applicable (cumulative or individual incidents);
- provide a progress report on action plans relating to changes in the operational risk management and permanent control system, using a risk-based approach;
- explain the main operational or regulatory developments in Bpifrance's operational risk management system;
- decide on the implementation or monitoring of actions aimed at improving the prevention, detection and treatment of these risks.

Particular attention is paid to the identification, analysis and reduction of the impacts and/or frequency of operational risks.

Since 2021, Operational Risk Committees (CRO) have been progressively deployed at the Departments/Business Lines of the first line of defence. These bi-annual committee meetings feed the CGRO and consist of:

- setting out the consolidated view of operational and non-compliance risks for each scope;
- presenting indicators for the operational and non-compliance risks for each scope;
- providing an overview of current incidents in each Department;
- providing a report on active action plans;
- presenting a report on the results of second-level controls in connection with operational and non-compliance risk subjects;
- providing information on projects and deadlines for the coming period.

In 2023, for the first time, almost all divisions had their own CRO.

Note that the operation of CGROs and CROs is the subject of a dedicated policy.

Furthermore, the Group's dedicated Anti-Fraud Steering Committee generally meets monthly. Run by the DCCP, this committee has among its permanent members Executive Directors and members of the General Management Committee (CMG). In particular it enables the company to:

- define and monitor the implementation of the Group's anti-fraud forecast sheet;
- sharing Bpifrance's level of fraud risk with Group Management;
- validate the action plans and the associated budgets if necessary;
- prioritize the projects proposed during the committees;
- disseminate information / decisions with the operational teams;
- ensure the implementation of corrective actions.

The operation of this committee is described in the anti-fraud policy, which was updated in February 2022. This committee now meets quarterly.

4.2.2.3 • Operational risks

Internal fraud **External fraud**	In a context of rising external fraud attempts (82 fraud attempts intercepted out of 176 reported in 2023) and the growing complexity of their operating modes, in particular through cybercrime, since 2021, the Group has been deploying actions to strengthen its anti-fraud mechanism in order to protect the interests of Bpifrance and its customers. A number of actions were taken in this area in 2023, such as the adoption by the Financial Security Department of solutions to combat document fraud and bank fraud. Following a conclusive "*Proof of Concept*"in July, a draft tool[60] is currently being deployed (scheduled for the first quarter of 2024) for batch 1 (digital loans granted to VSE legal entities). The aim is to interface this tool, which to date consists of eighteen anti-fraud rules, with the customer's digital path, before the contract is signed and the loan disbursed. A comitology dedicated to managing anti-fraud actions at the Group was also introduced in 2021, providing Management with visibility as regards the Group's level of exposure to this risk, as well as for deciding on and implementing corrective actions. As the proactivity of these teams in the event of fraud is crucial for the Group, awareness-raising actions for employees on this subject have been rolled-out in 2022 and 2023, in particular through a compulsory e-learning course (87% of employees present at 31/12/2023 had taken this training) and in-person training for the teams most at risk. In addition, indicators have been implemented to monitor Bpifrance's exposure to the risk of fraud.
Outage or breakdown of information systems **Cybercrime risk**	Information Systems Security (ISS) is a major challenge for Bpifrance and a particular focus for the Group's CEO and Directors. As a result, since 2022, cyber risk has been a risk in its own right in the Group's risk mapping, and as such benefits from special guidance from governance bodies. The permanent objective is to continuously adapt and strengthen the system and to demonstrate that the actions undertaken make it possible to control exposure to the cybersecurity risks faced by Bpifrance, by moving from a 'defensive' to an 'offensive' security posture, in order to: • Protect the information systems and the data entrusted to them against any form of threat of accidental or intentional origin; • Anticipate threats with next-generation solutions; • Contribute to the overall performance of the information systems and to Bpifrance's reputation; • Contribute to the sustainability of Bpifrance's activities and services as well as the overall resilience of critical processes; • Enable Bpifrance to put in place the appropriate security arrangements. The management of the ISS is strengthened accordingly each year: a procedural body and comprehensive associated permanent controls, new tools integrating the latest technologies, reinforced security requirements, growing teams and resources. Security audits and penetration tests, both on Group and business line tools, were largely continued in 2022. Awareness-raising and training initiatives, as well as cyber exercises, have been stepped up, with the aim of making employees active players in the fight against cyber threats. Additional measures have long been deployed to ensure the security of funds entrusted to or received by Bpifrance, including: • A tool for managing authorisations to Bpifrance applications and systems; • Strict and traceable rules for separating payment requests and validations; • Secure access to premises and a total absence of cash on the sites; • An anti-corruption policy and training for employees; • A rigorous internal control system; • Audit and Risk Committees at the Bpifrance level and an Audit and Risk Committee at the Bpifrance Participations level.

60 *Created in collaboration with Flaminem (a regtech specialist), the tool for combating bank fraud includes (i) watch lists and rules for detecting fraudulent and atypical behaviour, (ii) a method for calculating fraud risk scoring based on weightings for each rule defined and (iii) a workflow for processing alerts on a daily basis.*

	The protection of personal data is organised at the Bpifrance group level, in a system that involves all business lines and employees and defines the roles and responsibilities of each Support Department in order to implement and continuously improve the processes, with the support of the data protection officer (DPO) assigned to the Group Compliance and Permanent Control Department. The policy relating to the management of personal data of clients and prospects is published on the Bpifrance website.
Outsourcing risk	In the context of their activities, the Bpifrance Group companies may need to entrust the execution of all or part of a process, a service or an activity to third parties. Depending on the issues entrusted to said third parties, this may constitute what is referred to as 'outsourcing' by the regulations, which must be supervised. In fact, it should be recalled that Bpifrance remains fully responsible for all outsourced services and activities, as well as for the resulting management decisions. Further, Bpifrance pays close attention to recourse to outsourcing for certain activities and services, in particular those pertaining to the roll-out, maintenance and support for its information systems, as well as those entailing the outsourcing of data. The roll-out of new products and distribution channels, in response to the Covid-19 pandemic has increased recourse to outsourcing, which exposes the Group to a certain number of diverse risks, including the risk of data leaks and dependency on certain service providers. In order to manage these risks and to apply the relevant regulations on outsourcing, Bpifrance has implemented a strict outsourcing policy. This mechanism allows the risks related to the outsourcing of processes and/or services and/or activities to be identified, measured and managed. It explains the various stages of the outsourcing process, and the roles, responsibilities and regulatory obligations arising therefrom.

4.2.2.4 • Risks of non-compliance

The risk of non-compliance corresponds to the risk of legal, administrative or disciplinary sanction, of significant financial loss or damage to reputation, which arises from non-compliance with provisions specific to banking and financial activities, whether of a legislative or regulatory, national or directly applicable European, or whether they are professional and ethical standards, or instructions taken in particular in application of the guidelines of the Board.

Bpifrance is exposed to the risk of non-compliance, in particular due to the constant changes in the regulations applicable to it and which could give rise to a misinterpretation of the new applicable texts or the late application of certain provisions. Such shortcomings could significantly affect the reputation of Bpifrance and therefore its business. In addition, the incorrect application of internal rules by the business lines may also expose Bpifrance to this risk.

Thus, Bpifrance takes care to (i) respect all the laws and regulations, in particular banking and financial, to which it is subject and to (ii) establish solid and effective relations with its supervisory authorities.

The Compliance and Permanent Control Department (DCCP) is responsible for supervising the system for managing non-compliance risks. To do this, the DCCP manages the procedures, systems and controls implemented by the companies of the group to guarantee the compliance of the operations of the Bpifrance Group with the laws, regulations and market rules, particularly in terms of banking and financial regulations.

In order to do this, the DCCP:

- deploys and regularly reviews systems relating to the management of non-compliance risks;
- provides all useful advice and assists the Group's management by providing advice and training on compliance;
- carries out second-level controls;
- is likely to interact with supervisory authorities.

More specifically, Bpifrance has deployed a system to fight against financial crime and thus prevent money laundering, terrorist financing and fraud.

Non-compliance with the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) regulations by one of the Bpifrance Group entities may entail a reputation and image risk, but also a risk of sanction, which may be of an administrative, disciplinary and/or criminal nature. Bpifrance managers and employees also run the same risks. The control authorities (ACPR in particular), which ensure compliance with AML/CFT regulations could thus sanction Bpifrance Group entities in the event that breaches are found. Further, the top level of governance of the Bpifrance Group is invested in issues of combatting financial crime. It should be noted that an ACPR check conducted in 2018 led to Bpifrance (formerly Bpifrance Financement) being formally notified to implement eight remedial measures. All the points identified by the ACPR have been remedied, and finalised in 2021 (formal notification closed by the ACPR in July 2021).

Procedures relating to anti-money laundering and countering the financing of terrorism have thus been put in place; in particular, they involve dedicated training for all employees (managers and operational staff) on these issues. A tool dedicated to AML/CFT makes it possible in particular to enter information relating to customers, to file documents relating to "know your customer" or "KYC" and to make the data and links between the different companies more reliable. clients. A supplier assessment system has also been put in place.

Compliance with these measures is subject to regular second-level controls.

The deployment of new products for new customers, the use of new, more diversified and internationalized sources of financing, particularly in response to the health crisis of 2020/2021, has increased the Group's exposure to the risk of non-compliance, particularly in matter of AML/CFT. To cope, due diligence adapted and specific to natural persons (new typology of customers for Bpifrance) has been defined and implemented

Lastly, Bpifrance regularly updates the tools it uses to increase the effectiveness of its AML-FT system.

The Bpifrance Group is also exposed to the risk of non-compliance with regard to the protection of personal data with regard to the obligations defined in the General Data Protection Regulations[61] GDPR), which provides in particular for financial penalties which may amount to up to 4% of the Worldwide Annual Turnover.

The protection of personal data is organised at the Bpifrance Group level, in a system that involves all business lines and employees and defines the roles and responsibilities of each support department in order to implement and continuously improve the processes, with the support of the data protection officer assigned to the Group Compliance and Permanent Control Department. The policy relating to the management of personal data of clients and prospects is published on the Bpifrance website.

Bpifrance is continuing its efforts to provide a framework for the processing of personal data, in particular through the participation of teams dedicated to the RGPD in the development of the Group's projects.

Since October 2020, Bpifrance has also been marketing funds over a digital distribution channel to a new clientele for the Group: private individuals wishing to invest a part of their savings in primarily French and unlisted SMEs and MMEs. This evolution has brought new non-compliance risks to light insofar as the requirements for 'natural person' customers are numerous, in particular given the obligations stemming from the MIF 2 regulations[62] to which Bpifrance Investissement is subject. The marketing of this type of product therefore gives rise to a "customer protection" risk.

Bpifrance's compliance system is also based on the deployment of systems in the fight against fraud, management of conflicts of interest, control[63], deployment of new offers or services, outsourcing, right to alert, reporting of incidents, operational and non-compliance risks, and handling of customer complaints.

Bpifrance also implements measures relating to the security of its information systems in order to control IT risk.

A regulatory monitoring committee is in charge of identifying new regulations to prevent the risk of non-compliance and to ensure that the work necessary for compliance resulting from the entry into force of new regulations is properly implemented.

In addition to the systems mentioned, Bpifrance structures and offers numerous awareness and training sessions for employees in order to allow the dissemination of standards and a good understanding of existing systems in terms of ethics and compliance among group employees.

However, despite all the measures deployed to control the risks of non-compliance, no guarantee can be given that, following a check by a regulator, the latter does not identify any areas aimed at improving the Bpifrance Group's compliance with applicable laws and regulations.

4.2.3. Cybersecurity risks

Bpifrance pays particular attention to digital risks in a context of strong growth in external, technological or physical threats that expose the bank to multiple cybercriminal threats and lead to an increased need for information system resilience.

In order to cope with these new challenges, Bpifrance has adopted a global approach to digital risk and has defined - thanks to its Information Systems Security Policy (PSSI) - a security, protection and resilience framework for the bank's information systems in order to ensure their availability, confidentiality, integrity and traceability.

61 See Section 5.3 "Regulatory environment"
62 See Section 5.3.6.2 "Regulatory framework for investment activities".
63 See Section 5.1.1 "Bpifrance internal control".

Cybersecurity risk cuts across all of the Group's activities.

The Information Systems Security (ISS) imperative is part of the Corporate Responsibility approach. Thus, the main ISS challenges for Bpifrance are to:

- Protect the information systems and the data entrusted to them against any form of accidental or intentional threat;
- Contribute to the overall performance of information systems and the reputation of Bpifrance;
- Contribute to the sustainability of Bpifrance's activities and services and contribute to the overall resilience of critical processes; and
- Allow Bpifrance to implement appropriate security measures integrating the best cost/benefit ratios.

4.2.3.1 • Cybersecurity risk management indicators

Bpifrance manages its cyber risks through various elements such as:

- The proper implementation of its control plan backed by its information systems risk mapping;
- The results of robustness and resilience tests of its information systems;
- Tools allowing in particular the identification of vulnerabilities on all of its information systems (servers, workstations, network equipment, applications exposed or not on the Internet);
- Monitoring and detection services to identify discrepancies between the security measures implemented and the state of the art; and
- Its 24/7 Security Operation Centre (SOC) and associated tools and services.

4.2.3.2 • Comitology

The governance dedicated to cybersecurity risk management is structured around several committees:

- the DSI Security Committees, on a monthly basis, for intra DSI monitoring of the security actions implemented;
- Group/Restricted Security Committees, on a quarterly basis (ISS governance committees, presentations and monitoring of cyber risk exposure indicators);
- The Operational Risk Management Committees (CGRO), on a quarterly basis, for the presentations and monitoring of cyber risk exposure indicators;
- The Group Risk Management Committee (CGRG), on a quarterly basis, for the presentation and monitoring of cyber risk exposure indicators.

4.2.4. Emergency and Business Continuity Plan

Bpifrance ensures its resilience in order to guarantee the continuity of its activities, in compliance with the regulations to which it is subject.

The emergency and activity continuity plan (PUPA), according to the terminology that appears in the decision of 3 November 2014, has the goal of providing emergency and continuity solutions in order to respond to major accident scenarios, the probability of which are very low, but the potential impacts of which are very great.

The PUPA sets out the organisation, procedures and resources put in place to ensure the maintenance, in full or in part, operating normally or at a lower level, of Bpifrance's activities.

This mechanism is triggered in the event of the non-availability of the information and telecommunications systems, of the premises and equipment, of employees and skills or of suppliers of essential outsourced services (PSEE).

The Risk Department manages the elaboration of the PUPA. The PUPA is defined for three years and is revisited annually by the update of the Four Business Lines Continuity Plans of the departments.

The Continuity Plans of the Support Departments (Human Resources Department, General Resources Department, Information Systems Department, Communications Department, Institutional and Media Relations Department) are integrated into the PUPA to assist Bpifrance in the event of crisis.

4.2.5. Climate risks

4.2.5.1 • Risks related to climate change

Climate-related risks are subdivided into two main families:

- Physical risk refers to the financial consequences that result from climate change through extreme and/or chronic hazards;
- The transition risk which corresponds to the risk of losses incurred, directly or indirectly, due to an inadequate adaptation process towards a low carbon economy.

With the acceleration of the transition to a more restrictive climate environment, the Bpifrance Group is adapting its activities appropriately in order to achieve its strategic objectives and avoid incurring losses. For example, through the Medium-Term Plan and its climate strategy, the Bpifrance Group is committed to accelerating the ecological and energy transition of companies and territories with support and financing solutions.

The Bpifrance Group has integrated climate-related risk management into its risk management system. The monitoring of climate risks is a particular challenge for Bpifrance in the context of its strategic objective of "Green Bank" and the Climate plan launched in 2020. This Climate plan is a joint plan with the Banque des Territoires to accelerate the ecological transition businesses, contribute to the recovery and make business activity compatible with the carbon neutrality objectives of the Paris Agreement.

This plan simultaneously targets the green transition projects of companies and public actors in the territories and is based on three pillars:

- Accelerate the ecological and energy transition of companies and territories with support and financing solutions;
- Double funding dedicated to renewable energies and to contribute to the growth of international champions;
- Massively finance innovation in "Greentechs" and sustainable and resilient networks to find technological solutions for the EET.

4.2.5.2 • Presentation of the climate risk management framework

Bpifrance, through the Climate plan, has set itself a strong ambition to support French companies in the face of the various challenges relating to the transition to a low-carbon economy.

Bpifrance has no appetite for climate risk. There is no voluntary exposure of the various Group business lines to climate-related risks, rather a tolerance brought on by the nature of Bpifrance's activities. Thus, Bpifrance, through the Climate Plan, has set itself a strong ambition to support French businesses in the face of the various issues pertaining to the transition to a low-carbon economy.

2022 saw the implementation of the climate risks management mechanism along five lines:

- appropriate governance and comitology;
- climate-related risk mapping;
- a system of risk indicators and monitoring, with regular reporting to management;
- an enhanced supervision system with a system of limits;
- Taking climate-related risks into account in the loan granting process;
- Taking climate-related risks into account in Bpifrance's strategy.

The climate risks management mechanism extends to all Bpifrance business lines.

In 2024, Bpifrance will continue to develop its climate risk management mechanism, in accordance with the action plan produced by the Group Risks Department.

The main axes for development will focus on:

- The increasing integration of climate-related risks into loan decisions;
- The strengthening of the quantification of climate risks and impact on the Group's risk profile and its assets;
- Developing steering indicators to support the Group's strategy;
- The integration of climate-related risks in the capital adequacy mechanism.

4.2.5.3 • Map of climate-related risks

Bpifrance has implemented a climate risk map aimed at (i) defining the risk factors, (ii) identifying the transmission channels, (iii) qualifying the risks affected, and (iv) assessing the degree of impact and materiality.

This map covers all the risks included in the Bpifrance balance sheet. The risk factors defined concern physical and transition risks, and can be broken down as follows:

Physical risk:

- Risks arising from acute climate hazards (i.e., extreme climate events);
- Risks arising from chronic climate hazards (i.e., progressive climate change).

Transition risk stems from four main channels:

- Climate policies and regulations;
- Technology;
- Market feelings and trends;
- Reputation and responsibility.

4.2.5.4 • Main indicators for measuring climate-related risks and framework

Bpifrance has developed a series of indicators to measure climate-related risks that meet a triple goal:

- Assessing the degree of exposure to risks by identifying the pockets or masses of outstanding sums presenting a high degree of exposure to climate-related risks;
- Quantifying the impact of climate-related risks and assessing the impact of these on the portfolio risk profile;
- Having a system for framing climate risk.

Assessment of the degree of exposure to climate-related risks

Transition risk

Bpifrance uses a number of measurement and monitoring tools to assess its exposure to risk. The indicators developed combine two complementary approaches: a sector-based approach and an individual approach ("single name"):

The sectoral approach is based on a composite score that qualifies the degree of exposure of each business sector to transition risk. It measures the weight of the sectors most exposed to risk in the Bpifrance portfolio. Bpifrance uses the sectoral approach to manage transition risk.

The *single name* approach is based on a *heat map* to identify and monitor the at-risk assets of counterparties that have both a deteriorated risk profile and represent sectors exposed to transition risk.

Physical risk

Bpifrance has implemented a physical risk score for each counterparty based on a list of the climate hazards deemed to be the most relevant. This score combines two elements:

- The degree of intensity of a climate hazard in a geographic area;
- The degree of vulnerability of the counterparty's activity sector to a climate hazard.

This score is assessed a five-point scale and is stated in a prospective and scenario-based aspect.

Thus, the populations of outstanding sums exposed to physical risks at different degrees of exposure are monitored periodically.

Quantification of climate-related risks

Transition risk

Bpifrance periodically quantifies the transition risk across its portfolio. This quantification measures the impact of a theoretical transition cost on the risk profile of each counterparty. This risk profile is assessed using the probability of default for the Financing business line and using valorisation for the Investment business line.

The transition cost conveys, in a systematic approach, the transition effort and the theoretical investments needed to be made by each counterparty to comply with the Paris Agreement. This effort is calculated based on a normative decarbonation trajectory and is valued using a carbon price.

This approach has a forward-looking dimension and is based on various carbon price-based scenarios. It also allows for:

- A description of the material nature of the climate-related risks by quantifying the impact of these factors on the mitigation and valorisation risks;
- An identification of the masses/population of outstanding sums at risk by different degrees of criticality.

Physical risk

Bpifrance measures the exposure of its portfolio to physical risks by identifying the assets at risk for each climate hazard, i.e., those with a high or very high degree of exposure to physical risk. Bpifrance has chosen to use these pockets of risk as a basis for managing physical risk.

4.2.5.5 • Comitology

In addition to the committees described in the chapter entitled "NOTE 8 - RISK EXPOSURE, MANAGEMENT AND MEASUREMENT" in the Annex to the consolidated financial statements, and in particular the CGRG, Bpifrance has a Climate and Environmental Risks Committee. This meets bi-annually and is presided by the Group Risk Director.

The Committee is comprised of the CEO, the Deputy CEO, the Financing and Network Director, the Deputy CEO of Bpifrance Investissement, the International, Strategy, Study and Development Director, the Group Risk Director, the Sustainable Development and ESG Director, members of the management committee of the Group Risks Department, the Climate and Country Risks Director, the General Inspector, the Internal Control and Compliance Director, the Finance Director, the Climate Director, and the Financing Director of Bpifrance Investissement.

The key missions of this committee relate, in particular, to:

- Risk monitoring by, in particular (i) monitoring the Group's exposure to climate-related risks, (ii) approving changes to the methodology for measuring risks and indicators, and (iii) monitoring the climate-related risks framework;
- Presenting regulatory changes and the impacts thereof on the Bpifrance balance sheet;
- Presenting and updating the map of climate risk factors and assessing the associated materiality;
- Approving internal scenarios to test balance sheet resilience.
- And, more broadly, to the development of the climate-related risk management system.

The minutes of the committee meetings are circulated to its members.

4.2.6. Capital management and capital adequacy

As at 31 December 2023, the main key indicators of the Bpifrance Group are:

€24,910m	€24,910m	€84,372m	29.52%	29.52%	29.52%
Core Tier 1 equity (CET1, Common Equity Tier 1)	Total equity	Total amount of exposure to risk	Core Tier 1 equity ratio	Tier 1 equity ratio	Total equity ratio

The change in the overall solvency ratio between 31 December 2022 (27.55%) and 31 December 2023 (29.52%) results:

- from an increase in equity on the one hand (€1.6bn);
- from an increase in risk-weighted assets (RWA) on the other hand (€76m).

4.2.6.1 • Scope of application

The scope of the prudential scope as defined in Regulation (EU) 2019/876 on capital requirements is different from that of the scope of accounting consolidation, the composition of which falls under the application of IFRS standards, as adopted by the European Union.

In accordance with the regulations, a prudential scope is defined by the Bpifrance Group for the exercise of supervision on a consolidated basis of the capital ratios.

4.2.6.2 • Composition of regulatory capital

Own funds are determined and divided into three categories in accordance with EU Regulation No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions (CRR):

- Common Equity Tier 1 capital;
- Additional Tier 1 capital; and
- Tier 2 capital, made up of equity and debt instruments, on which regulatory adjustments are made.

Common Equity Tier 1 (CET 1) capital corresponds to share capital instruments and associated issue premiums, reserves (including those on accumulated other comprehensive income) and non-financial results. distributed. Total payment flexibility is required and the instruments must be perpetual.

Additional Tier 1 capital ("AT1") corresponds to perpetual debt instruments, free of any incentive or obligation to repay.

LAT1 instruments are subject to a loss absorption mechanism which is triggered when the CET1 ratio is below a threshold which must at least be set at 5.125%. The instruments can be converted into shares or undergo a reduction in their nominal value.

Tier 2 capital corresponds to subordinated debt instruments with a minimum duration of 5 years. Early redemption inducements are prohibited.

Bpifrance's capital is made up entirely of Common Equity Tier 1 capital.

4.2.6.3 • Minimum capital requirements

The minimum capital requirements are set by European regulation 2019/876.

The calculation of weighted outstanding loans for credit risk and operational risk is carried out respectively according to the standard approach and the elementary approach within Bpifrance. The standard approach to credit risk is based on weighting coefficients determined by the regulations.

The table below summarizes the minimum requirements under Pillar 1:

In €m	Weighted assets (RWEA)	Total capital requirements
Credit risk (excluding CCR)	**80,361**	**6,429**
Including standard approach	80,361	6,429
Including simple NI approach (F-IRB)	0	0
Including approach by referencing	0	0
Including equities using the simple weighting method	0	0
Including advanced NI approach (A-IRB)	0	0
Counterparty credit risk - CCR	**21**	**1**
Including standard approach	3	0
Including internal model method (IMM)	0	0
Including exposures to a CCP	12	1
Including credit valuation adjustment — CVA	3	0
Including other CCRs	3	0
Settlement risk	0	0
Securitization exposures in the non-trading book (after the cap)	**88**	**7**
Including SEC-IRBA approach	0	0
Including SEC-ERBA (including IAA)	88	7
Including SEC-SA approach	0	0
Including 1,250%/ deduction	0	0
Position, currency and commodity risks	**814**	**65**
Including standard approach	814	65
Including approach based on internal models	0	0
Major risks	0	0
Operational risk	**3,088**	**247**
Including elementary approach	3,088	247
Including standard approach	0	0
Including advanced measurement approach	0	0
Amounts below the deduction thresholds (subject to 250%weighting)	**0**	**0**
TOTAL	**84,372**	**6,750**

4.2.6.4 • Leverage ratio

European regulations introduce a leverage ratio among the prudential indicators, calculated as the ratio between Tier 1 capital and exposure to leverage, i.e., assets and off-balance sheet items after certain restatements on derivatives, intra-group transactions, securities financing transactions, items deducted from the numerator and off-balance sheet items.

The Group manages its leverage effect according to the CRR leverage ratio benchmark. The leverage ratio is not currently part of the indicators of the Group Risk Management Policy or of the Group Risk Appetite metrics. The leverage ratio is an indicator of the Preventive Recovery Plan.

If the minimum regulatory thresholds are exceeded, an escalation process and specific corrective actions are planned to remedy the situation.

As of 31 December 2023, the level of the leverage ratio in the group is set at 21.15%. The increase in the level of leverage ratio (19.09% in 2022) is mainly due to the increase in Tier 1 capital.

4.2.6.5 • Capital assessment process

The internal capital assessment process (ICAAP: Internal Capital Adequacy Assessment Process) is defined in line with Bpifrance's Risk Appetite, based on risk indicators and whose thresholds and limits are set at tolerable levels allowing the maintenance of the Group's activities.

The Bpifrance Group ICAAP framework is built on a dual approach to assess capital adequacy:

- A normative approach which concerns the permanent compliance with regulatory requirements in terms of capital through a stress test approach over a 4-year horizon. It is based on the definition of economic scenarios, the projection of the various solvency-related metrics in order to demonstrate the compliance of solvency ratios with regulatory requirements,
- An economic approach which consists of an internal assessment of economic capital needs over a 1-year horizon, put into perspective of available resources. This approach is based on the identification of significant risks which are quantified prospectively with methodologies and models internal to Bpifrance.

The two approaches are complementary and are based on the same basis, namely the analysis of the bank's business model as well as the associated risk profile.

4.2.6.6 • Comitology

The Solvency Committee, chaired by the Deputy Chief Executive Officer, meets quarterly.

The management of the solvency of the Bpifrance Group relies heavily on the coexistence of two approaches, one regulatory and the other economic. During the solvency Committee, these two approaches are the subject of a quarterly presentation.

The internal capital adequacy assessment process requires verifying that the capital requirements calculated under Pillar 1 adequately cover the residual risks.

4.2.6.7 • Supervisory review and evaluation process

In the framework of its Supervisory Review and Evaluation Process (SREP) carried out in 2022, the European Central Bank set the total requirement for SREP capital that the Bpifrance Group must meet on a consolidated basis in 2023 at 9.75%, of which 1.75% for the Pillar 2 Requirements (for comparison, in 2021 the P2R was 1.88%).

The overall solvency requirement (Total Capital) is set at 12.79% of which:

- 2.50% capital conservation buffer;
- 0.52% counter-cyclical buffer.

As of 31 December 2023, the overall phased-in solvency ratio of the Bpifrance Group stood at 29.52%, i.e., a level well above the minimum requirement set by the European Central Bank.



INTERNAL CONTROL

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5.1. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Approved by the French Prudential Supervision and Resolution Authority (ACPR) as a credit establishment, Bpifrance is subject to all the provisions of the Monetary and Financial Code, as well as to the ruling of 3 November 2014, amended by the ruling of 25 February 2021 on the internal control of businesses in the banking, payment services and investment services sector subject to control by the French Prudential Supervision and Resolution Authority.

It should also be stipulated that having been approved by the French Financial Markets Authority (AMF) as a portfolio management company, Bpifrance Investissement, a second-tier subsidiary of Bpifrance, is subject to all the provisions of the Monetary and Financial Code governing management companies. In particular, the company is approved under directive 2011/61/EU, the so-called AIFM Directive.

In addition, the Single Supervisory Mechanism (SSM) system by the European Central Bank (ECB) has applied to the Bpifrance Group, and in particular to Bpifrance since 4 November 2014. Thus, since that date, Bpifrance has been directly supervised by the ECB, in coordination with the ACPR, which retains its sovereign role in issuing regulatory approvals and in the anti-money laundering and countering the financing of terrorism.

The regulatory environment in which Bpifrance operates is detailed in section 5.3 of this universal registration document.

5.1.1. Bpifrance's internal control

The Bpifrance Group's internal control system is based on a set of means, procedures, functions and actions adapted to the characteristics of the group and each of its subsidiaries.

This system, which contributes to the control of activities, the effectiveness of processing and the efficient use of Bpifrance's resources, makes it possible to appropriately take into account the significant risks that the institution must face, whether they whether credit, market, operational, financial or non-compliance.

Its definition, implementation and monitoring are the responsibility of General Management, under the supervision of the Board of Directors.

Bpifrance's internal control system relies in particular on three Departments:

Periodic audit, as provided for in Article 17 of the decree of 3 November 2014, is carried out by the **General Inspection - Audit of Bpifrance** (IGA). The IGA covers all the activities and companies of the Bpifrance Group.

- **The Compliance and Permanent Control Department (DCCP)**, in charge of the second-level compliance and permanent control system. Its director is also the Head of Compliance and Internal Control (RCCI) of the management company Bpifrance Investissement.

This department steers the procedures, systems and controls implemented by Bpifrance to guarantee the compliance of its operations with the laws, regulations and market rules in terms of banking and financial regulations. She is in particular in charge of the implementation of anti-money laundering and countering the financing of terrorism (AML/CFT) measures, the fight against corruption and the fight against fraud.

Reporting directly to the Chief Executive Officer of Bpifrance, the Director of the DCCP reports quarterly to the Board of Directors particularly via the Bpifrance Risk Committee.

Participating in the internal Risk Management Committee, the DCCP also reports to the General Management of Bpifrance by leading the group internal control committee dedicated to exchanges on internal control (permanent control and periodic control) and compliance.

- **The Risk Department**, responsible for implementing the group's strategy in terms of risk monitoring and management. It ensures that the risk system is effective and that the level of risks taken is consistent with the group's orientations[64].
- Periodic audit, as provided for in Article 17 of the decree of 3 November 2014, is carried out by the **General Inspection - Audit of Bpifrance** (IGA). The IGA covers all the activities and companies of the Bpifrance Group.

Falling under the Audit Charter, the IGA is the third line of defence, responsible for evaluating risks and monitoring the first-level internal control mechanism (executed by operational activities) and the second-level control mechanism (provided by the DCCP and the Risk Department). Through its missions that are part of the annual audit plans, it puts forward recommendations, monitors their implementation and initiates action plans.

The IGA is also a privileged interlocutor of external controllers and supervisors and monitors the action plans relating to the recommendations issued by the latter.

64 *See Note 8 for a full presentation of the Group Risk Department and Bpifrance's risk management system.*

Permanent Control

First-level permanent control refers to all of the operational controls carried out by all of Bpifrance's operational departments. First-level permanent control is the indispensable and essential foundation of the control system. Thus, each employee, within the framework of "self-control", participates in Bpifrance's first-level permanent control system, based on controls integrated into operational procedures and on automated controls in the continuous processing of transactions.

Each line manager, responsible for all the risks related to the scope for which he is responsible, must ensure that his employees comply with the procedures. Depending on the evolution of the activity, regulations, professional standards or processing processes, it develops these procedures by integrating new appropriate controls. If necessary and as much as necessary, these first-level controls are defined in collaboration with the DCCP, which supports the businesses in defining these essential controls.

First-level controls make it possible in particular to ensure:

- compliance with processing procedures for all transactions and, where applicable, fund regulations for all transactions and their compliance;
- the justification of the transactions recorded in the management systems and ultimately in Bpifrance's accounts.

These controls are defined in the operational processes as mandatory points in the normal course of operations.

Second-level permanent control is exercised by a function independent of the operational functions, the DCCP.

Thus, the DCCP carries out second-level controls (a posteriori) which cover all of Bpifrance's key business processes in order to ensure, in particular, correct compliance with the applicable internal procedures and instructions (on the basis of samples of operations).

All of the permanent controls implemented by the DCCP are defined in an annual control plan. This control plan, articulated around the various key business processes of Bpifrance, defines, according to a risk-based approach, the various controls to be carried out over the year and their frequency. It is drawn up in collaboration with the operational departments controlled and is validated by the General Management of Bpifrance in the group internal control committee as well as by the Risk Committee (emanation of the Board of Directors) then implemented by the DCCP.

It is subject to formal quarterly monitoring. This monitoring highlights the evolution of the results of the regular assessments carried out by the permanent control teams and, if necessary, makes it possible to alert governance to the areas of risk identified and the action plans defined to remedy them.

The DCCP is in charge of the compliance function.

As such, it establishes and manages the compliance policy, the founding document in this area. It thus plays a real advisory role with operational staff, generally upstream of transactions: it is consulted on the management of conflicts of interest, on the sharing of information, on transactions eligible or not in the funds, etc.; it also issues compliance notices for new products, services or activities; plays a key role in terms of the right to alert, protection of personal data or when so-called essential activities are outsourced.

It is the guarantor of the implementation of internal rules relating to ethics and professional conduct. It oversees the AML/CFT system, the fight against fraud, against corruption and ensures compliance with the rules on embargoes. In this regard, it is involved in defining mechanisms and in analysing operations/situations on a case-by-case basis.

The DCCP also steers the production and updating by the business lines of the operational risk and non-compliance risk maps inherent in all of the Bpifrance Group's activities; it is also in charge of the reporting and monitoring system for operational risk and non-compliance incidents.

It should also be noted that the Data Protection Officer (DPO), who drives GDPR compliance, is part of the DCCP.

Finally, the DCCP is the privileged interlocutor of the AMF as well as other regulators when it comes to (i) the fight against corruption, (ii) anti-money laundering and countering the financing of terrorism, (iii) operational risks and (iv) protection of personal data.

• The Group Risk Department is in charge of the risk management function[65]

• The Periodic Audit

The General Inspection – Audit (IGA) is responsible for periodic control for the entirety of the Bpifrance Group.

The whole team, comprised on 31 December 2023, of the General Inspector (Director of the IGA), her deputy, an assistant, 14 auditors, 9 mission heads and 2 supervisors, is located at the Bpifrance head office in Maisons-Alfort. Depending on the subject of a mission, the team travels to the Regional Departments and other Parisian offices.

In 2023, IGA engaged EY to assist with the valuation of its holdings, AVA & Associés to assist with GDPR compliance, Protiviti to assist with ICAAP/ILAAP and Deloitte to assist with cybersecurity.

The General Inspector reports to the CEO of Bpifrance.

The operation of the IGA is part of an audit charter, validated on 19 March 2021 by the Bpifrance Board of Directors. This charter describes the purpose, powers, responsibilities and organization of the IGA as well as the general rules applicable to periodic control. It is established by reference to the decree of 3 November 2014 and to the professional standards of internal audit as defined by the French Institute of Audit and Internal Control (IFACI). It is still in application, without modification in 2023, but it should be updated in 2024.

The Charter is supplemented by an audit operational procedures manual covering, in particular, the detailed methodology for missions and recommendation monitoring; this manual was updated in 2023.

The recommendations portfolio is managed using a dedicated tool which allows, via a Workflow integrating audited subjects, the monitoring of action plans and the generation of reports. This monitoring, carried out as and when by the audit teams and based on recommendations, enables the portfolio volume to be managed.

The IGA is also in charge of monitoring recommendations issued by external control bodies, based on the same dedicated tool.

• The annual summary of the development of the system

The report on Bpifrance's internal control, risk measurement and monitoring is submitted each year to the Risk Committee and the Board of Directors for validation. It is then transmitted to the ACPR as required by the regulations.

The main changes in the internal control system are traced there, whether in terms of credit risk, market risk, those relating to the preparation of accounts or operational risks (including with regard to the security of information).

Since 2019, the Anti-Money Laundering and Terrorist Financing (LCB-FT) system has been the subject of a report dedicated to the subject, a report also validated by the Board of Directors and transmitted to the ACPR and to the AMF.

In 2023, the DCCP continued to work to strengthen the system in the fight against money laundering and terrorist financing, in particular following the ACPR's inspection in 2018. Thus, all the points that had been identified by the ACPR were the subject of a remediation which was finalized in 2021 (formal notice closed by the ACPR in July 2021). The digitisation of AML-FT tools continued in 2023:

- Flaminem, an internal solution for collecting and scoring AML risk classifications and monitoring KYC data, has been further developed (connection with Conformitee, automated sending of documents such as articles of association and business registration documents, etc.);
- Conformitee, a solution for sharing KYC data among banks, has been implemented for all network operational staff (at the national level);
- APSCAN, a tool for monitoring the customer base and filtering SEPA flows, went live in summer 2023 (replacing Netreveal);
- AML Factory, a tool for monitoring and processing alerts on atypical customer transactions, went live in September 2023;
- customer base monitoring has been migrated to APSCAN.

The strengthening of the AML-FT system has also led to the implementation of Flaminem at Bpifrance Assurance Export (following implementation at Investissement, Business Support and Financement).

Furthermore, in the context of its actions to promote a culture of compliance, the DCCP implemented, in 2022, several training sessions via e-learning (GDPR awareness, insider information).

In terms of compliance, the DCCP continued to support the launch and/or deployment of several digital platforms, in particular allowing the distribution of loans, or even offering business customers the possibility of having a personalized customer space. As such, the DCCP intervenes on subjects relating to the fight against fraud, the processing of personal data, and remote identification in the context of KYC.

65 *See Note 8 for a full presentation of the Group Risk Department and Bpifrance's risk management system.*

Among the structuring projects in progress, it can be highlighted that the DCCP has contributed to the project (currently being rolled out) to ensure the compliance of the Bpifrance Group with the requirements arising from the existing regulations on sustainable finance[66] (in particular with the entry into force of Article 29 of the Energy and Climate law and certain provisions of the European Disclosure and Taxonomy regulations); (ii) continued to work on managing outsourced services, in accordance with the regulatory requirements and in particular the EBA guidelines; (iii) undertaken a self-assessment of the GDPR mechanism and sought to ensure compliance with this.

Among the highlights, it should be noted that Bpifrance obtained the renewal of the certification to the ISO 37001 standard concerning its anti-corruption system, a system piloted by the DCCP.

Continuing from 2022, 2023 saw the consolidation of Bpifrance's new operational risk management and monitoring system, which was thoroughly overhauled in 2021. First line of defence teams are given greater responsibility for reporting incidents, mapping operational and non-compliance risks and implementing their 1st level control plans.

On the other hand, as part of its second-level permanent control function, the DCCP continued to strengthen its actions, reflecting the desire for better risk management and more complete coverage of activities and operational processes. Thus, the second-level permanent controls focused in particular on compliance with procedures (eligibility, instruction, powers, delegations, formalization of 1st level permanent controls, etc.), the management and compliance of credit operations, investment or accounting records, data quality, security or confidentiality of several management or computer processing processes.

As far as the IGA is concerned, the operational organisation within the IGA Department is still based on 3 levels: supervisors, mission leaders and auditors.

The structure of the internal audit system continues to be developed:

- in 2023, the mission leaders and auditors reported to the 2 supervisors as of September. The operational organisation within the IGA Department is still based on 3 levels: supervisors, mission leaders and auditors;
- By 2023, the IGA had achieved its recruitment target and stabilised its team in terms of FTEs, while significantly increasing the number of senior staff. At 31/12/2023, the IGA will have: 9 mission leaders and 14 auditors (including 2 IT and Regulatory experts), supplemented by 2 interns and alternates. The total number of IGA staff at 31/12/2023 (excluding interns and alternates) is 28, compared to a target of 27.8 FTEs;
- in total, the 2024 budget in terms of average FTE for the IGA is 29.8; i.e., an increase of 32% over three years. This upward trend should continue over the coming years;
- finally, following its certification by the IFACI (the French Institute of Audit and Internal Control) in 2022, the IGA continued to strengthen its audit methodology and organisation in 2023, taking into account the observations made by IFACI.

The 2023 audit plan called for 32 missions. After arbitration, the number of missions was reduced to 26. In fact, 4 missions were arbitrated by IGAu (CDC audit): Tourism support, ESG policy and risks, Construction of the MTP and Insurance coverage for subsidiaries. 2 missions were also postponed and regrouped into one mission for 2024: Innovation – International co-financing and European Structural Funds.

All the missions had been completed on the date of this universal registration document, giving rise to 25 reports[67].

66 See Section 5.3.5 Other significant regulations.
67 2 missions were merged into one report.

The missions carried out for the Bpifrance Group scope covered:

Financing activity	Investment	Export Insurance	Transverse
Short-Term Financing	Bpifrance Entreprises 2	Bpifrance Assurance Export – Guarantee for international projects	PSEE Younited
Equipment financing	Averroes fund		Remuneration policy
Relance bonds	Valuation of Investments		Management of models
Monitoring of outstandings			ICAAP – Adequacy of capital planning and stress tests
Definition of default (NDOD)			ILAAP – Adequacy of capital planning and stress tests
			Management of Fraud risk
			Security of cash flows
			Travel and expense reports
			Management of Cyberattack risk
			GDPR
			BIG
			Dedicated follow-up
			ECB recommendations
			Operational risks
			Steering Committee AML-FT

Note that the Alsabail, specialised credit establishment, Sogama, Crédit Associatif, financial association credit guarantee company, and Mémo Bank, a Fintech in the banking sector holdings are audited each year by the IGA under periodic control agreements updated in December 2022 for Alsabail, signed in 2014 for Sogama and in 2020 for Memo Bank with Bpifrance.

5.1.2. Outlook for 2024

• Compliance and Permanent Audit Department

In 2024, the main structural subjects in terms of compliance will be:

- continuing to support projects aiming at digitalising Bpifrance processes and business lines, taking into account the democratisation of Generative Artificial Intelligence solutions, which require greater supervision and control;
- continuing work in the field of anti-fraud, as fraudsters are ever more inventive and ingenious;
- continuing work on the management of outsourced services, in accordance with the regulatory requirements, in particular given the issues pertaining to the outsourcing of data, operational resilience and IT/cyber risk;
- continuing the compliance works initiated for the existing regulations in terms of sustainable finance[68] (in particular with the entry into force of Article 29 of the Energy and Climate law and certain provisions of the European Disclosure and Taxonomy regulations), and a special effort to meet the obligations of the *Corporate Sustainability Reporting Directive* (CSRD);
- continuing to support the development of the Fund of funds activity for individuals through monitoring of the existing Bpifrance Enterprises funds and the project to launch, in 2024, a new fund aimed at individuals;
- continuing to roll-out the compliance plan for the General Data Protection Regulation[69] the implementation of which remains complex, particularly given the multiplicity of our information systems.

Impact analyses will be drawn up in the framework of draft amendments to several regulations, including the draft AIFM2 regulation (which will replace the AIFM Directive[70]), as well as for the draft regulation aimed at strengthening the European anti-fraud and countering the financing of terrorism system.

In terms of operational risks, 2024 will be an opportunity to update the system in all its components:

- Risk mapping: review of the taxonomy of operational and non-compliance risks, identification of departments 'responsible' for operational risks, more reliable assessment of risk management systems by business line, etc.;
- Operational risk incidents: extension of the incident impact types to non-financial elements (human impact, image, etc.) and increased support from the Operational Risk Department to help business lines identify the causes of incidents;
- 1st level controls: making 1st level control plans more reliable with the business lines following the assessment carried out in 2021 and 2022 and harmonisation work on formalising these controls.

All affected procedures will therefore be updated accordingly.

Finally, the activities aimed at promoting a culture of internal control and compliance will be continued in 2024 through the creation of training modules on new topics.

68 See Section 5.3.5 Other significant regulations
69 See Section 5.3.5 Other significant regulations
70 See Section 5.3.6.2 Regulatory framework for investment activities.

Risk Management Department

The Group Risk Management Department regularly reviews its risk profile in relation to the Set Appetite, refines its hedging strategy for risks that have increased significantly and anticipates the increase or materialisation of certain risks.

General Inspection – Audit

The 2024 audit plan, approved by the Board of Directors on 15 December 2023 was drawn up using a risk-based approach and hinges on the four major axes constituting the audit universe:

- Process mapping, drawn up by the Compliance and Permanent Control Department;
- The Group risks map drawn up by the Risk Department;
- The products and services map;
- The Bpifrance strategy transversal plans.

Within this audit universe, priorities have been defined on the basis of three axes:

- Coverage requirements, based on a three-year rotation plan;
- The mandatory missions, as required by the regulations and requested by external control bodies, under the DGAu audit plan, or in the framework of our contractual audits;
- The priorities identified by Governance and in line with the strategic approaches.

While 2022 was marked by a significant enhancement of audit activities, in particular through the integration of new priorities, 2023 saw the audit approach evolve even further, taking this ecosystem more fully into account.

On this basis, the 2024 audit plan sets out 36 missions, of which 4 relate to Financing business lines, 3 to Investment business lines, 1 to the Bpifrance Export Insurance business lines, 4 to transversal business lines and 21 to transversal topics, in addition to the 3 missions carried out under contractual audits.

5.2. DEVELOPMENT AND PROCESSING OF ACCOUNTING INFORMATION

5.2.1. General framework of accounting and financial information

The Bpifrance financial statements are prepared in accordance with the accounting regulations applicable to lending institutions.

Bpifrance draws up company accounts according to French accounting standards and consolidated accounts according to the international accounting framework IFRS.

• The financial statements to be published

The balance sheet, results and off-balance sheet that describe the separate financial statements are produced each month. These documents are disseminated to the Finance Department and the Management Control Department.

The consolidated financial statements are produced quarterly.

The financial statements drawn up at the end of June include a simplified appendix and are accompanied by a half-year activity report. These documents are subject to a limited review by the Statutory Auditors.

The financial statements for the year to 31 December include a full set of notes to the financial statements and are verified by the Statutory Auditors. The Audit Committee examines the financial information and the accounting internal control. The annual financial statements are drawn up by the Board of Directors and submitted to the General Meeting of Shareholders for approval. They are then deposited with the Clerk of the Commercial Court and published in the BALO. These financial statements serve as the basis for the Universal Registration Document submitted to the French Financial Markets Authority (AMF).

• Accounting scoreboards

On a quarterly basis, accounting tables are prepared on the basis of these consolidated and individual statements.

On these 'scoreboards', the structure of the balance sheets, off-balance sheet and income defined by regulations are respected. Certain particularly significant headings are detailed in order to cast a more analytical light on the activity.

The interim financial statements are presented to the Audit Committee and the Board of Directors. They are completed by an analytical presentation of the formulation of the income.

• Analysis of the calculation of the operating results [profit or loss]

This analysis is carried out at the consolidated level by the Purchasing Support and Management Control Department, the Bpifrance Investissement Finance Department and the Finance Department.

For the "financing" sector, it is based on the allocation to each commercial use of a conventional rate of resources based on market rates. This analysis system makes it possible to know the contribution to NBI of each commercial activity in this loans, leasing and short-term financing sector. This work is supplemented by a half-yearly analysis of the cost of risk and management expenses for the past period.

The results of the Bpifrance Participations sub-group are also analysed by business line and business segment (Development Capital: Large, Mid & Small Cap, Funds of Funds and Innovation). A summary of the activity carried out by business line during the period under review is also attached. This work is supplemented by an analysis of the financial portfolio, the balance sheet and the change in value from a shareholder perspective. With the application of IFRS 9, this indicator summarises the financial performance achieved over a given financial year. Its calculation is based on the annual result, the revaluation of instruments whose change in fair value is reflected in equity and the stock market performance of investments accounted for using the equity method (change in the difference between the equity value and the market value).

Annual financial statements of the main entities are presented to the governance of Bpifrance on a half-yearly basis;

A budget, a forecast and an annual result are drawn up in advance of each annual closing. Detailed presentations are prepared for the Group's governance.

All of these figures are presented to the Board of Directors and Audit Committee. The presentation includes a commentary on the main charges and divergences from forecasts.

• Other reports

In addition, within the framework of the SURFI (Unified Financial Reporting System) and of FINREP statements, an accounting report is submitted to the Prudential Control and Resolution Authority, in accordance with the banking regulation in force.

Bpifrance is consolidated by the equity method in the financial statements of EPIC Bpifrance and Caisse des Dépôts. It therefore completes quarterly consolidation packages which are approved every six months by its Statutory Auditors.

Since November 2014, the Bpifrance Group is under the supervision of the European Central Bank as part of the Single Supervision Mechanism.

5.2.2. Accounting architecture and organisation

Bpifrance accounting is integrated within the Bpifrance Accounting Department. The Accounting Department includes:

- A Financial Reporting Department with:
  - a Consolidation domain in charge of the consolidated financial statements of EPIC Bpifrance and Bpifrance,
  - a section in charge of accounting for holding companies,
  - a unit in charge of accounting for the management companies,
  - a section responsible for the accounting of financial companies: this division handles the accounting of Bpifrance and its subsidiary Bpifrance Régions,
  - a unit in charge of IT procedures;
- A Financial Accounting Department, in charge of accounting for the lending, leasing, innovation, guarantee, and market transactions businesses. It is responsible for the accuracy of the accounting entries transferred to the general ledger. Entries are generated via an interpreter which captures reports of events from the management systems;
- A Tax Department;
- A cross-functional section in charge of accounting standards, that notably has cross-functional competence with regard to harmonisation and the definition of the accounting standards and procedures applied.

The section in charge of the accounting and payment of overheads and capital costs of the main Group companies reports to the Purchasing and Management Control Department.

All accounting services are located at the Maisons-Alfort Head Office. Depending on the concerned products, certain inputs into management systems may be made by regional offices. However, accounting controls and processing operations are reunited at the head office.

In addition, the accounting of certain Group entities (FCPR, FPCI FPS and other investment vehicles, real estate companies, Bpifrance Courtage and Bpifrance International Capital) is carried out by accounting service providers.

Through its participation in the Finance division's Management Committees, ALM Committees, the Group Risk Management Committee and the Marketing Committees, the Accounting Department is informed of the policy adopted in the areas of financial management and new products.

The Finance division's permanent control service is in charge of the second-level accounting controls.

5.3. REGULATORY ENVIRONMENT

The purpose of this section is to describe the regulatory environment in which Bpifrance operates and which may have a significant impact on its activities.

As a reminder, the creation of the Bpifrance Group, a public group to serve the financing and development of companies, acting in support of public policies conducted by the French State and the Regions, is based in particular on:

- Law No. 2012-1559 of 31 December 2012[71] giving Bpifrance the task of promoting innovation, start-ups, development, internationalisation, transfer and buy-out of companies, by contributing to their financing through loans and equity;
- Law No. 2015-990 of 6 August 2015[72] for growth, activity and equal economic opportunities.

The Bpifrance Group operates in the following areas through Bpifrance, the head of the Group, and its subsidiaries[73]:

- Financing via Bpifrance and its subsidiary Bpifrance Régions;
- Investment via Bpifrance Participations (a subsidiary of Bpifrance) and Bpifrance Investissement, the management company of the Bpifrance Group, owned by Bpifrance Participations;
- Export Insurance via Bpifrance Assurance Export (subsidiary of Bpifrance);
- Insurance brokerage via Bpifrance Courtage (subsidiary of Bpifrance).

Given the diversity of its activities, the Bpifrance Group operates in a dense and evolving regulatory environment, based on French and European laws and regulations.

5.3.1. Regulatory requirements imposed on the Bpifrance Group in terms of financial security and ethics

• Anti-money laundering and countering the financing of terrorism (AML/CFT)

The main companies making up the Bpifrance Group are regulated entities, which carry out banking and financial activities subject to obligations defined by a set of regulations, including in particular anti-money laundering and countering the financing of terrorism obligations.

These obligations are described in particular in the following texts:

- Monetary and Financial Code, Book V, Title VI: "Obligations relating to anti-money laundering, countering the financing of terrorism, prohibited lotteries, games and bets and tax evasion and fraud, Articles L. 561 -1 and following";
- The "5th Directive" Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes money laundering or terrorist financing as well as Directives 2009/138/EC and 2013/36/EU (Text with EEA relevance)[74];

As such, the Bpifrance Group has thus equipped itself with an **anti-money laundering and countering the financing of terrorism** mechanism;

With regard to the anti-money laundering and countering the financing of terrorism, the system is based on the following elements:

- Risk assessment;
- Identifying and verifying the identity of customers and their beneficial owners;
- Due diligence measures at the start and throughout the business relationship;
- The obligation to report to TRACFIN;
- Internal control and reporting;
- Implementation of asset freezing measures.

71 *Law No. 2012-1559 of 31 December 2012 amending Ordinance No. 2005-722 of 29 June 2005 relating to the creation of the public establishment OSEO, which became EPIC BPI-Groupe, and OSEO SA.*

72 *Law No. 2015-990 of 6 August 2015 for growth, activity and equal economic opportunity, having amended Ordinance No. 2005-722 of 29 June 2005 relating to the Public Investment Bank.*

73 *See section 1.5 "Capitalistic structure of the Bpifrance group".*

74 *This directive having been transposed into French law by Ordinance No. 2020-115 of 12 February 2020 supplemented by two implementing decrees No. 2020-118 and No. 2020-119 which entered into force on 14 February 2020. Other specific texts have also been adopted such as Ordinance No. 2020-1342 of 4 November 2020 strengthening the mechanism for freezing assets and prohibiting the making available or Law No. 2020-1508 of 3 December 2020 laying down various provisions for adaptation to European Union law in economic and financial matters dealing in particular with the circulation of cash and Ordinance No. 2020-1544 of 9 December 2020 strengthening the framework for the anti-money laundering and countering the financing of terrorism applicable to digital assets.*

• Compliance with applicable economic sanctions and export control regulations

The Bpifrance Group undertakes to comply with all legislative and regulatory provisions relating to **economic sanctions and export controls** in the countries and territories where it carries out its activities, in particular those of France, the European Union, the United Nations and, insofar as these are applicable, the United States or other countries Thus, Bpifrance has set up a system allowing compliance with the applicable economic sanctions and export control regulations.

• Fight against corruption

The Bpifrance Group is subject to the applicable requirements in the fight against corruption, resulting in particular from Article 17 of Law No. 2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernization of economic life, known as the "Sapin 2 Law".

Also, the Bpifrance Group has implemented measures intended to prevent and detect the commission or attempted commission, in France or abroad, of acts of corruption, favouritism or influence peddling.

Bpifrance has in particular set up an anti-corruption system that covers the 8 pillars of the Sapin II Law:

- A map of the risks of corruption and influence peddling covering all of its activities, validated by the risk committees;
- An anti-corruption policy, including a code of conduct;
- A complete dedicated training system in this area intended for all Bpifrance employees;
- A third-party assessment system covering Bpifrance customers and suppliers;
- An extensive alert system;
- Reinforced accounting controls to identify the risks of corruption and influence peddling;
- A specific disciplinary regime relating to the fight against corruption and influence peddling;
- A second and third level control system specific to the anti-corruption system.

Bpifrance Group wanted to obtain ISO 37001 anti-corruption certification. Thus, on 6 December 2019, the Bpifrance anti-corruption management system obtained standard 37001 certification, without reservations. This certification has since been the object of annual re-assessment. Following the control audit conducted at the end of 2021, the certification was upheld without deviation from the ISO standard. The Bpifrance Group reached the end of the certification cycle (three years) and was re-certified on 22 December 2022. A surveillance audit was carried out in September 2023, resulting in the renewal of the certification.

• Management of conflict-of-interest situations

Article 38 of the decree of 3 November 2014 provides for the obligation for players such as Bpifrance Group companies to define "procedures to guarantee the separation of tasks and prevent conflicts of interest [...]".

The applicable regulations therefore require all entities of the Bpifrance Group to set up an appropriate and proportionate mechanism for the detection, prevention and management of conflicts of interest.

Thus, in accordance with the regulations, the Bpifrance Group ensures the identification of conflicts of interest, their prevention and their management. The system implemented within the Group requires the involvement and commitment of everyone, regardless of their position in the hierarchy of the Bpifrance Group. Indeed, it is up to each employee to identify situations potentially generating conflicts of interest encountered in the performance of their duties, to report them in complete transparency to the Compliance and Permanent Control Department ("DCCP") so that the necessary and effective systems are put in place to prevent and/or manage such situations.

5.3.2. Regulatory requirements in terms of Internal control

The Order of 3 November 2014 relating to the internal control of companies in the banking, payment services and investment services sector subject to the supervision of the ACPR and the ECB (the "Order") obliges companies of the Bpifrance Group to set up a special function: the "internal control"[75] function. The purpose of this "control" is broad: to verify the compliance of the operations of Group companies with laws and regulations, ethics, professional practices and the guidelines defined by Bpifrance's General Management.

75 *See Section 5.1 "internal control and risk management system".*

Thus, Bpifrance has set up and deployed an internal control and compliance system[76] which aims to secure the activities of the Bpifrance Group. Securing activities is based on controlling the risks arising from Bpifrance's activities. Also, it should be noted that the internal control system is closely linked with the risk management system. In any event, the internal control system:

- contributes to the control of activities, the effectiveness of processing and the efficient use of Bpifrance's resources;
- makes it possible to appropriately take into account the significant risks that the institution must face, whether credit, market, operational, financial or non-compliance.

Pursuant to the provisions resulting from the Order, Bpifrance has put in place a certain number of systems and in particular:

- a system for describing the key steps relating to the creation, launch or modification of an activity, product or service offered by any entity of the Bpifrance Group (hereinafter the "Offers") in order to guarantee the overall consistency of the Bpifrance Group's portfolio of Offers as well as compliance with regulatory requirements;
- a system intended to regulate outsourced services and provide governance in this area. Indeed, within the framework of their activities, the companies of the Bpifrance Group may entrust third parties with the performance of all or part of a process, a service or an activity. Bpifrance remains fully responsible for all outsourced services and activities, as well as the resulting management decisions. Consequently, Bpifrance's outsourcing policy provides for a process that makes it possible to identify, measure and manage the risks associated with the outsourcing of processes and/or services and/or activities;
- a system relating to the fight against internal and external fraud. The prevention of fraud within the Bpifrance Group is based in particular on shared principles and values, appropriate organizational measures, a mapping of operational and non-compliance risks including the risks of fraud, awareness-raising actions and training, communication actions, automation and traceability of processes as well as the securing of tangible and intangible assets.

5.3.3. Regulatory requirements imposed on Bpifrance Group in terms of prudential and resolution

Bpifrance is also subject to the European framework defining the prudential requirements applicable to banks and certain investment firms. These obligations are defined in particular by the CRD Directive[77] and the CRR Regulation[78] of 26 June 2013, which require compliance with minimum capital requirements and regulatory ratios.

These European texts have also been amended by the CRD V Directive and the CRR 2 Regulation[79] of which most of the new requirements are applicable since June 2021. This reform mainly concerns the level of the leverage ratio set at 3%, the provisions relating to interest rate risk (IRRBB), the stable funding ratio (NSFR), the treatment of UCIs, and the new counterparty risk calculation method (SA-CCR) and large exposures.

Bpifrance operates under the control and supervision of the French Prudential Supervisory Authority (ACPR) and the direct prudential supervision of the European Central Bank (ECB)[80].

In addition, as a significant bank, Bpifrance is part of the sample of European banks taking part in the stress test exercise organised by the European Banking Authority (EBA) and the ECB.

The CRD Directive also requires the subject institutions to publish quantitative and qualitative information relating to their risk management activity. The Bpifrance Group thus draws up a specific report describing the risk management system and the level of the Group's risk exposure under Pillar 3[81].

76 See Section 5.1 "internal control and risk management system".

77 Directive 2013/36/UE of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

78 Regulation (EU) 575/2013 of 26 June 2013 on the prudential requirements applicable to credit institutions and investment firms and amending Regulation (EU) No. 648/2012. These Regulations have been supplemented by delegated acts and implementing acts.

79 Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures and Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No.575/2013 with regard to the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012.

80 In accordance with the list published by the ECB in the context of the application of Article 49, paragraph 1 of EU Regulation No. 468/2014 known as the "Single Supervisory Mechanism / SSM Regulation".

81 The Pillar 3 report on market discipline consists of supplementing the minimum capital requirements (Pillar 1) and the prudential supervision process (Pillar 2) with a set of data to supplement financial communication. In particular, it provides the necessary information on capital requirements, the composition of capital, description and level of exposure to credit risks, financial risks and operational risks.

The CRR Regulation and the CRD Directive also impose rules on compensation and governance.

The Bpifrance Group also falls within the scope of the European provisions relating to the **resolution mechanism**, and in particular of the Bank Recovery and Resolution Directive (BRRD) of 15 May 2014, as amended by Directive (EU) 2019/878[82].

These regulations specify the conditions under which a bank that is systemic or whose failure would have a significant impact on the economy may be subject to a resolution mechanism. This system is based on plans previously defined by the establishments and approved by the authorities.

Within the framework of these regulations, the guarantee granted by EPIC Bpifrance in favour of the holders of debt securities of the Issuer retains its full effect in the event of recovery or resolution proceedings and this, for all the sums due by the 'Issuer and before any conversion of receivables. Thus, the beneficiaries of the EPIC Guarantee are compensated in the event of a call on the guarantee, up to the amount due by the Issuer for the amount of the principal remaining due and all accrued and unpaid interest on these securities until the effective date of redemption

5.3.4. Regulatory framework in terms of taxation

Full compliance with tax obligations is part of the Bpifrance Group's commitments in terms of economic, social, civic and environmental responsibility.

To this end, in their relations with the French tax administration, the companies of the Bpifrance Group ensure that they strictly comply with tax procedures as well as all the reporting obligations imposed on companies. Bpifrance also ensures that it pays all contributions due to the French Treasury.

Bpifrance has also entered as of 2019 into a Tax Partnership with the General Directorate of Public Finances with the aim of increased cooperation with the tax administration. During the 2023 financial year, the Bpifrance group continued its dialogue with the tax authorities on the treatment of transactions relating to both corporation tax and VAT. Thanks to this constructive dialogue, the Group's tax positions are increasingly secure.

With regard to tax policy, the Bpifrance Group complies with tax regulations and in particular those relating to tax transparency obligations. The FATCA regulations (Foreign Account Tax Compliance Act - US extraterritorial regulations in force since 1 July 2014), CRS (Common Reporting Standard - standard developed by the OECD in 2014 for the purpose of automatic exchange of information between partner countries at for the purpose of combating tax evasion), and DAC 6 ("Administrative Cooperation Directive 6" which targets European Directive (EU) 2018/822 of the Council of 25 May 2018 which aims in particular to strengthen cooperation between tax administrations of EU countries with regard to potentially aggressive tax planning arrangements) have the common objective of combating fraud and tax evasion; this is why the Bpifrance Group has implemented procedures to ensure, over time, continuous compliance with these regulations.

Finally, the Bpifrance tax department participates in the compliance process organized by the DCCP.

5.3.5. Other significant regulations

The Bpifrance Group is also subject in all of its activities to the **General Data Protection Regulations (GDPR)**[83] and the "Data Processing and Individuals Liberties"[84] law, law, defining a European framework in this area. The "GDPR" regulation provides in particular for obligations when processing personal data in order to ensure more effective protection of this data and strengthens the sanctioning power of the national authorities competent in the matter.

82 *Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures and Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No.575/2013 with regard to the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012.*

83 *Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of this data, and repealing Directive 95/46/EC.*

84 *"Data Processing and Individual Liberties" Law 38 No. 78-17 of 6 January 1978 as amended relating to information, files and liberties.*

As part of its GDPR compliance process, Bpifrance has appointed a Data Protection Officer (hereinafter "DPO") within the meaning of this Regulation, and this appointment has been notified to the CNIL. The DPO who heads the GDPR compliance department is hierarchically placed within the Compliance and Permanent Control Department. The missions of the GDPR compliance department include:

- ensuring the compliance of the personal data processing carried out by the various Bpifrance operational departments with the national, European, and where applicable international, provisions on personal data protection,
- rolling out and implementing the GDPR compliance plan and the associated actions plan,
- raising the awareness of all employees on personal data protection,
- monitoring requests to exercise rights from data subjects,
- monitoring associated regulations.

While non-financial companies must publish a full report in 2023 covering data for the 2022 financial year, financial institutions will continue to produce a "light" report detailing certain specific indicators, before a full report presenting indicators aligned with the European Taxonomy starting in 2024. The European regulatory framework for sustainable finance is evolving very rapidly and Bpifrance continues to make every effort to comply with all requirements of this complex body of regulations.

Particular effort is currently being made to meet the obligations of the *Corporate Sustainability Reporting Directive* (CSRD). Published in the Official Journal of the European Union on 16 December 2022, this directive updates the current *Non-Financial Reporting Directive* (NFRD), which in 2014 created sustainability reporting and transparency obligations for certain European companies.

Strengthening corporate sustainability reporting requirements is a key element of the European Green Deal, and the main objective of the CSRD is to harmonise corporate sustainability reporting and improve the quality and availability of published ESG data, in particular by requiring the adoption of *European Sustainability Reporting Standards* (ESRS).

It also expands the range of companies subject to these obligations and requires them to comply with Article 8 of the Taxonomy Regulation of June 2020 (transparency in non-financial statements).

Ordinance No. 2023-1142 of 6 December 2023 transposed the CSRD into French law and provides a number of clarifications, in particular on the scope of the entities covered, the dates of application, the certification of the sustainability report and the role of statutory auditors.

This ordinance was supplemented by Decree No. 2023-1394 of 30 December 2023, itself supplemented by two orders. The CSRD will be phased in from 1 January 2024, depending on the category of company concerned. As a major European public interest company that already meets the NFRD thresholds, Bpifrance will have to submit its first sustainability report in 2025, for the 2024 financial year.

Given the gradual application schedule and the complexity of elaborating certain quantitative and qualitative data, Bpifrance continues to work towards the gradual design of alignment indicators and the additional qualitative information stipulated in the full DPEF report for 2024 by getting to grips with indicator calculation methods and the technical criteria for alignment, as well as by adapting its data collection and production systems.

- "Disclosure" European Regulation

The "Disclosure / SFDR" Regulation (Sustainable Finance Disclosure Regulation – (EU) Regulation 2019/2088), which came into force in March 2021, imposes on market participants and financial advisers harmonized rules of transparency on:

- The integration of sustainability risks and the consideration of negative impacts (Principal Adverse Impacts) on sustainability in their processes,
- Provision of sustainability information regarding financial products.

While the level 1 requirements have been applicable since 10 March 2021, the level 2 texts (regulatory technical standards – RTS) enter into force on 1 January 2023. A certain number of questions and answers (Q&A) were published in 2022: Q&A on the interpretation of the level 1 texts by the European Commission in May 2022 or Q&A applicable to the level 2 texts by the ESMA in June and November 2022.

The "SFDR" Regulation also introduces a classification of financial products into three main categories. Depending on this classification, the requirements for updating the information provided by the pre-contractual documentation of the products, the publication of institutional information on the websites of the obliged entities and the addition of information to the periodic reports if apply since the entry into force of the Regulation, from 1 January 2022 or from 2023.

For the level 1 requirements (applicable since 10 March 2021) and the level 2 requirements (applicable from 1 January 2023), Bpifrance Investissement has, in particular, implemented a sustainability risk policy, as well as a due diligence policy for negative incidences, has classified all its funds and, consequently, has updated all the pre-contractual documentation for its funds in order to incorporate sustainability risks.

Currently, Bpifrance Investissement is continuing its work to comply with the requirements introduced by the Regulation and applicable at the end of 2022 and for 2023, in particular as regards the structure of the periodic reports for products having environmental or social characteristics with the collection of relevant indicators.

- Article 29 – Energy-Climate Law

While the "Disclosure – SFDR" Regulation is the cornerstone of the European non-financial transparency system for investors in climate-related matters, it allows national systems to be maintained when they include more stringent provisions than the European framework.

This is the case of article 29 of the Energy-Climate Law (LEC) No.2019-1147 of 8 November 2019, which retains, clarifies and reinforces the provisions resulting from article 173-VI of Law No. 2015 -992 of 17 August 2015 relating to the Energy Transition for Green Growth of 2015 (LTECV), a law which itself strongly inspired the European system and the "Disclosure – SFDR" Regulation".

The decree implementing article 29 of the LEC published on 27 May 2021[85], thus aims to articulate the requirements of European law, the national specificities resulting from the device art. 173-VI LTECV and the new reinforced requirements of article 29 of the LEC, and finally, to apply the recommendations of the Task force on Climate-related Financial Disclosures (TCFD).

Market participants must publish on their website a dedicated annual report (and a periodic report for funds over €500m), in conjunction with the European mandatory formats. This report must be sent to the competent authorities (banking and financial supervisors) and to the ADEME Climate Transparency Hub.

In 2022, Bpifrance Investissement submitted its first report and is presently working on the 2023 reports (entity and product level), in accordance with the formats and models that have just been approved by the Financial Markets Authority last 24 January.

5.3.6. Regulatory framework specific to the various entities of the Bpifrance Group

Each entity of the Bpifrance Group is also subject to regulatory constraints specific to its activity.

5.3.6.1 • Regulatory framework for banking and insurance activities

Bpifrance, a credit institution approved by the ACPR, as well as its subsidiary Bpifrance Régions, a finance company also approved by the ACPR, work to support the financing of companies.

Bpifrance is active in three main business lines that have a common objective of working with entrepreneurs during the riskiest phases of their projects, from the company's creation through to its transfer/buy-out, and including its innovation and international expansion:

- support for innovation, accompaniment and financing of innovative projects, with proven and concrete prospects for placing on the market;
- the financing of investments and the operating cycle alongside banking establishments;
- the guarantee of bank financing and the interventions of equity organizations.

Bpifrance is therefore **subject to European and French banking regulations relating to these activities.**

In terms of French law, reference should, in particular, be made to the decision of 3 November 2014,[86] amended by the decision of 25 February 2021, as well as to the provisions of the Monetary and Financial Code.

As a public group dedicated to the financing and development of businesses, Bpifrance acts in support of the policies applied by the French State and the Regions. In addition, Bpifrance is subject to European regulations on state aid[87] in the context of certain of its financing schemes. In accordance with the applicable regulations, Bpifrance has (i) defined the conditions under which some of its activities may constitute state aid and (ii) specified the possible[88] auxiliary operations that would ensure that these activities comply with European rules on state aid.

The Bpifrance Group's insurance brokerage firm, Bpifrance Courtage, which operates an insurance distribution business, is subject to the provisions of the French Insurance Code and falls within the scope of the **Insurance Distribution Directive ("IDD")**[89]**.**

The aims of this Directive are to strengthen the protection of consumers of insurance products and to harmonise the rules applicable to all insurance distributors, whatever their status. It recasts the provisions of Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation, extending its application to all sales of insurance products.

85 *Decree No. 2021-663 of 27 May 2021 pursuant to Article L. 533-22-1 of the Monetary and Financial Code.*
86 *Order of 3 November 2014 on the internal control of enterprises in the banking, payment services and investment services sector subject to the control of the French Prudential Supervision and Resolution Authority.*
87 *Articles 107 to 109 of the Treaty on the Functioning of the European Union.*
88 *EU Regulation 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union and Commission Regulation (EU) 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.*
89 *Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution, this directive having been transposed into French law by Ordinance No. 2018-361 of 16 May 2018 and Decree 2018-431 of 1 June 2018.*

The DDA, which impacts Bpifrance Courtage, is structured around 5 major axes:

- Professional capacity, reputation and continuous training of distributors;
- Duty to advise and pre-contractual information;
- Product oversight and governance requirements;
- Distributor compensation policy and methods;
- Conflict of interest prevention and management policy.

Furthermore, Bpifrance Courtage, in its capacity of insurance intermediary, and Bpifrance, as Agent of an Insurance Intermediary, adhered, on 23 November 2022 and 22 December 2022 respectively, to ENDYA, the Brokerage professionals' association (ACPR approved), which is responsible for carrying out verifications at its members of the formalities necessary to ensure compliance with the obligations imposed by the provisions of law No. 2021-402 of 8 April 2021 on the reform of brokerage.

5.3.6.2 • Regulatory framework for investment activities

The Bpifrance Group also invests in equity, in particular through investments made directly by **Bpifrance Participations**, or through funds managed by **Bpifrance Investissement**, a management company of the Bpifrance Group approved by the Financial Markets Authority (AMF).

Bpifrance Investissement carries out investment fund management activities in the form of Alternative Investment Funds in collective management, portfolio management on behalf of third parties (discretionary management) and investment advice, governed under national law by the French Monetary and Financial Code and the AMF GR.

In particular, Bpifrance Investissement is authorised under **Directive 2011/61/EU known as the "AIFM Directive"**[90] and is therefore subject to all provisions of the AMF General Regulation related to the management of alternative investment funds (AIFs) (FIA).

In this respect, Bpifrance Investissement is notably subject to organisational rules (obligation to have a complaints management system or to check the level of knowledge of some of its employees, for example), as well as rules of good conduct. (overriding the interests of the AIF and its unitholders, compensation requirements, etc.).

Bpifrance Investissement's business is also governed by the AMF doctrine, which has been subject to numerous changes due to the entry into force of the French Financial Markets Authority **"MiF 2" Regulation**[91] in 2018. This European regulation, which aims to increase market transparency and investor protection, has led to numerous amendments to the provisions of the French Monetary and Financial Code as well as the AMF RG. However, its entry into force and its transposition did not lead to significant changes in the regulations applicable to the activities of Bpifrance Investissement.

In terms of European regulations, it is also worth mentioning the **"MAR" Regulation**[92] **on market abuse**. Bpifrance Investissement has set up a system to combat market abuse and oversees the circulation of privileged information in the course of its activities.

It should also be noted that Bpifrance Investissement is impacted by several regulations in terms of sustainable finance mentioned above[93] (in particular the European Disclosure Regulation "SFDR", the European Taxonomy Regulation, the Energy-Climate Law). In this regards, Bpifrance Investissement has introduced a sustainability policy, as well as a due diligence policy for adverse impacts.

Finally, pursuant to decree No. 2019-1235[94] arising from the "SRD 2" shareholder rights directive, the management company has adopted a shareholder engagement policy.

5.3.6.3 • Regulatory framework for export insurance activities

Bpifrance Assurance Export, a subsidiary of Bpifrance, in the name, on behalf of and under the control of the State, manages public export guarantees **under Article L. 432-2 of the Insurance Code** and in strict compliance with **the rules of the European Union** and the OECD, through a range of solutions aimed at:

- Supporting business development in foreign markets;
- Facilitating the issuance of guarantees and the granting of pre-financing by banks;
- Guaranteeing exports and investments abroad;
- Making the financing offered to foreign customers competitive, to protect against currency fluctuations.

90 *Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060 /2009 and (EU) No. 1095/2010.*

91 *The aforementioned "MiFiD 2" Directive as well as Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No. 648/2012.*

92 *Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.*

93 *See §3.6.4.*

94 *Decree No. 2019-1235 of 27 November 2019 transposing Directive (EU) 2017/828 of 17 May 2017 amending Directive 2007/36/EC with a view to promoting long-term shareholder engagement.*



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The information contained in this report complies with the provisions of Article L. 225-37 of the French Commercial Code.

Bpifrance does not refer to any corporate governance code prepared by companies' representative organisations, but rather to the Decree of 3 November 2014 regarding internal control of companies in the banking, payment services and investment services sector.

The Company is therefore subject to an annual audit by the French Financial Markets Authority (AMF), which examines the Universal Registration Document and verifies its compliance with regulations.

6.1. GOVERNANCE

• Directors

Bpifrance's Board of Directors includes a maximum of 16 Directors.

The composition of the Bpifrance Board of Directors is governed by Article 7 of Ordinance No. 2005-722 of 29 June 2005 relating to the Public Investment Bank.

• Non-voting board members

Up to 7 non-voting board members may attend the Board meetings. Of these, two non-voting members represent the French State and 2 non-voting members represent Caisse des Dépôts.

6.1.1. Board of Directors' meeting of 31 December 2023

6.1.1.1 • Chairman of the Board of Directors and director representing Caisse des Dépôts

Éric Lombard

Chief Executive Officer of Caisse des Dépôts

Date of birth: 16 May 1958

Business address: Caisse des Dépôts, 56, rue de Lille, 75356 Paris 07 SP

First appointed: 18 December 2020

Current term expires: Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2026

6.1.1.2 • Chief executive officer and Director

Nicolas Dufourcq

Chief Executive Officer of Bpifrance

Date of birth: 18 July 1963

Business address: Bpifrance, 27-31, avenue du Général Leclerc, 94710Maisons-Alfort Cedex

First appointed: 11 June 2013[95]

Current term expires: 20 February 2028

95 First appointment as Chief Executive Officer of Bpifrance Financement. He was appointed Chief Executive Office of Bpifrance Group on 7 February 2013.

6.1.1.3 • Directors representing Caisse des Dépôts, other than the Chairman of the Board of Directors

Antoine Saintoyant

Director of Strategic Investments at Caisse des Dépôts

Date of birth: 28 August 1977

Business address: Caisse des Dépôts, 56, rue de Lille, 75356 Paris 07 SP

First appointed: 18 December 2020

Current term expires: Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2026

Nathalie Tubiana

Finance and Sustainable Policy Director, Caisse des Dépôts Group

Date of birth: 24 October 1967

Business address: Caisse des Dépôts, 56, rue de Lille, 75356 Paris 07 SP

First appointed: 1 February 2023

Current term expires: Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2027

Marion Cabrol

Investments Director at the Strategic Investments Management Unit, Caisse des Dépôts

Date of birth: 23 November 1976

Business address: Caisse des Dépôts, 56, rue de Lille, 75356 Paris 07 SP

First appointed: 6 November 2023

Current term expires: Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2027

6.1.1.4 • Board members representing the State

Alexis Zajdenweber

Commissioner for State Holdings – Agence des Participations de l'Etat (APE)

Date of birth: 18 May 1976

Business address: Direction générale du Trésor,139 rue de Bercy, 75572 Paris Cedex 12

First appointed: 28 September 2022

Current term expires: 27 September 2027

Thomas Lesueur

General Commissioner for Sustainable Development, Ministry of Ecological Transition and Territorial Cohesion

Date of birth: 3 November 1971

Business address: Commissariat général au développement durable, Tour Sequoia, 92055 Paris La Défense

First appointed: 16 December 2023

Current term expires: 15 December 2028

Anne Laurent

Executive Director, École nationale supérieure des mines de Paris
Deputy to the Head of Department, General Counsel for the Economy

Date of birth: 15 December 1980

Business address: École nationale supérieure des mines de Paris, 60, boulevard Saint Michel, 75006 Paris

First appointed: 3 October 2023

Current term expires: 2 October 2028

Claire Cheremetinski

Advisor to the Director General of the Treasury

Date of birth: 2 May 1976

Business address: Direction générale du Trésor,139 rue de Bercy, 75572 Paris Cedex 12

First appointed: 30 November 2023

Current term expires: 29 November 2028

6.1.1.5 • Ninth director representing the shareholders

Claire Dumas

CFO of Groupe Société Générale

Date of birth: 23 April 1969

Business address: Société Générale, 17 Cours Valmy, 92800 Puteaux

First appointed: 17 December 2015

Current term expires: Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2024

6.1.1.6 • Board members representing the Regions

Stéphanie Pernod

Vice-Chair of the Auvergne-Rhône-Alpes Region

Date of birth: 13 October 1978

Business address: Conseil Régional Auvergne Rhône Alpes, 101 cours Charlemagne, CS 20033, 69269 Lyon Cedex 02

First appointed: 30 December 2022

Current term expires: 29 December 2027

Harold Huwart

Vice-Chairman of the Centre-Val-de-Loire Regional Council, in charge of economy, tourism and Europe

Date of birth: 3 January 1982

Business address: Conseil Régional du Centre-Val de Loire, 9 Rue Saint-Pierre Lentin, 45041 Orléans

First appointed: 18 December 2020

Current term expires: 18 August 2024

6.1.1.7 • Qualified directors, chosen for their expertise in economic and financial matters, as well as sustainable development

Sophie Stabile

Group Financial Director - Lagardère

Date of birth: 19 March 1970

Business address: Lagardère, 4, rue de Presbourg – 75116 Paris

First appointed: 25 June 2021

Current term expires: 24 June 2026

Pierre-André de Chalendar

Chair of the Board of Directors, Saint-Gobain

Date of birth: 12 April 1958

Business address: Compagnie de Saint-Gobain, Tour Saint-Gobain, 12 place de l'Iris, 92096 La Défense Cedex

First appointed: 1 February 2023

Current term expires: 31 January 2028

6.1.1.8 • Directors representing the employees of Bpifrance and its subsidiaries

Marie Deleage

Head of the IT user support department in the Information Systems Department of Bpifrance

Date of birth: 30 January 1980

Business address: Bpifrance, 27-31, avenue du Général Leclerc, 94710 Maisons-Alfort Cedex

First appointed: 18 December 2020[96]

Current term expires: 7 March 2029

Marie Deleage was reappointed following the professional elections that ended on 8 March 2024.

Philippe Bayeux

Organization project manager in the Financing Department of Bpifrance

Date of birth: 27 August 1966

Business address: Bpifrance, 27-31, avenue du Général Leclerc, 94710 Maisons-Alfort Cedex

First appointed: 18 December 2020

Current term expires: 7 March 2029

Philippe Bayeux was reappointed following the professional elections that ended on 8 March 2024.

96 Appointed non-voting member of Bpifrance Financement on 26 September 2018 then Director on 17 December 2020.

6.1.1.9 • Non-voting directors

Catherine Halberstadt

Member of the BPCE Senior Management Committee,

CEO of the Financial Solutions and Expert Assessments Unit

Date of birth: 9 October 1958

Business address: BPCE, 50 avenue Pierre Mendès-France, 75201 Paris Cedex 13

First appointed: 18 December 2020[97]

Current term expires: Board of Directors for the approval of the financial statements for the 2025 financial year

Jean-Luc Petithuguenin

Chairman and Chief Executive of the PAPREC Group

Date of birth: 16 October 1957

Business address: BPCE, 50 avenue Pierre Mendès-France, 75201 Paris Cedex 13

First appointed: 18 December 2020[98]

Current term expires: Board of Directors for the approval of the financial statements for the 2025 financial year

Pierre Prieux

Chairman of ALCEN

Date of birth: 30 March 1952

Business address: ALCEN, 6 rue Paul Baudry, 75008 Paris

First appointed: 18 December 2020[99]

Current term expires: Board of Directors for the approval of the financial statements for the 2025 financial year

97 Appointed member of the Supervisory Board of Oséo Financement on 7 December 2010.
98 Appointed member of the Supervisory Board of BDPME on 8 March 2005 then non-voting Director of Oséo Financement on 7 December 2010.
99 Appointed non-voting Director of Bpifrance Financement on 27 September 2013.

Armel Castets

Interim Deputy Director for Business Financing and the Financial Market, General Directorate of the Treasury

Date of birth: 23 May 1986

Business address: Direction Générale du Trésor, 139 rue de Bercy, 75572 Paris Cedex 12

First appointed: 29 September 2023

Current term expires: Board of Directors for the approval of the financial statements for the 2025 financial year

Sandrine Ménard was appointed as a non-voting director on 15 February 2024, with effect from 1 March 2024, replacing Armel Castets, for a term of 3 years, i.e., until the end of the Board of Directors' meeting called to approve the accounts for financial year 2026. Ménard is Deputy Director for Corporate Financing and the Financial Market at the French Treasury.

Mélanie Joder

Budget Director at the Budget Department

Date of birth: 29 May 1979

Business address: Direction du Budget, 139 rue de Bercy, 75572 Paris Cedex 12

First appointed: 24 September 2021

Current term expires: Board of Directors for the approval of the financial statements for the 2026 financial year

6.1.1.10 • Government commissioners

Emmanuel Charron

Head of the Economic and financial control service and Bpifrance Government Commissioner

Bernard Zakia

Economic and Financial Controller General & Deputy Government Commissioner at Bpifrance

6.1.2. Mode of exercise of the General Management of Bpifrance

The Board of Directors, in its meeting of 26 September 2018, decided to opt for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer.

As at 31 December 2023, the Chairmanship of the Board of Directors is assumed by Eric Lombard and the General Management by Nicolas Dufourcq.

6.1.3. Directorate General

Nicolas Dufourcq

CEO

Current term expires: 20 February 2028

6.1.4. Information about board members i) whose mandate ended during the past financial year or ii) who were appointed in 2024

6.1.4.1 • Mandate ended on 31 January 2023

Virginie Chapron du Jeu, board member representing Caisse des Dépôts

Chief Financial Officer of the Caisse des Dépôts Group

Date of birth: 13 October 1961

First appointed: 18 December 2020

Business address: Caisse des Dépôts, 56, rue de Lille, 75356 Paris 07 SP

6.1.4.2 • Mandate ended on 1 September 2023

Catherine Lagneau, board member representing the State

Executive Director of Mines ParisTech,

Deputy Head of the Department of the General Economic Council

Date of birth: 24 May 1982

First appointed: 18 December 2020

Business address: École nationale supérieure des mines de Paris, 60, boulevard Saint Michel, 75006 Paris

6.1.4.3 • Mandate ended on 18 September 2023

Diane Simiu, board members representing the State

Deputy Commissioner General for Sustainable Development at the Ministry for the Economic and Inclusive Transition

Date of birth: 8 March 1981

First appointed: 18 December 2020

Business address: Commissariat général au développement durable, Tour Sequoia, 92055 Paris La Défense

6.1.4.4 • Mandate ended on 20 October 2023

Sébastien Raspiller, board members representing the State

Head of the Economic Financing Department – General Directorate of the Treasury

Date of birth: 1 January 1978

First appointed: 27 May 2021

Business address: Direction générale du Trésor, 139 rue de Bercy, 75572 Paris Cedex 12

6.1.4.5 • Mandate ended on 6 November 2023

Carole Abbey, board members representing Caisse des Dépôts

Director of the Strategic Holdings Management Department at Caisse des Dépôts

Date of birth: 4 January 1976

First appointed: 11 March 2020

Business address: Caisse des Dépôts, 56, rue de Lille, 75356 Paris 07 SP

The table below provides a summary of the changes that have taken place during the past financial year:

Board members	Departure	Appointment	Renewal
Virginie Chapron du Jeu	31 January 2023		
Nathalie Tubiana		1 February 2023	16 May 2023
Pierre-André de Chalendar		1 February 2023	
Nicolas Dufourcq			21 February 2023
Catherine Lagneau	1 September 2023		
Diane Simiu	18 September 2023		
Anne Laurent		3 October 2023	
Sébastien Raspiller	20 October 2023		
Claire Cheremetinski		30 November 2023	
Carole Abbey	6 November 2023		
Marion Cabrol		6 November 2023	
Thomas Lesueur		16 November 2023	

6.2. NO CONVICTIONS OF CORPORATE OFFICERS

To the Issuer's knowledge, over the past five years, none of the corporate officers has been convicted of fraud, has been associated with a bankruptcy, sequestration or liquidation, has been the subject of an incrimination or official public sanction pronounced by statutory or regulatory authorities (including designated professional bodies), nor has he been prevented by a court from acting as a member of a body of administration, management or supervision of an issuer or to intervene in the management or conduct of the affairs of an issuer.

6.3. INFORMATION ON CORPORATE OFFICERS AND NON-VOTING MEMBERS

• Chairman of the Board of Directors and director representing Caisse des Dépôts:

Éric Lombard

Chief Executive Officer of Caisse des Dépôts

Biography

Born on 16 May 1958, a graduate of the Ecole des Hautes Etudes Commerciales (HEC), Eric Lombard began his career in 1981 at Banque Paribas, where he held various positions within the International Trade and Financial Management departments until 1989. From 1989 to 1993, he worked for the State as a technical adviser in the office of Louis Le Pensec, government spokesman (1989-1991). He was then adviser to Michel Sapin in his functions as Minister Delegate for Justice (1991-1992), then adviser to the Minister of Economy and Finance (1992-1993).

In April 1993, he returned to Banque Paribas where he was responsible for Mergers & Acquisitions in the banking and insurance sector. When BNP Paribas was created in September 1999, he was appointed head of the Financial Institutions Group and member of the Corporate and Investment Banking General Management Committee, before taking responsibility for Corporate and Institutional Relations in September 2002.

In 2004, he became Chief Executive Officer of BNP Paribas Cardif, then in 2006 Chairman and Chief Executive Officer. He joined the Executive Committee of BNP Paribas in 2011. In October 2013, Eric Lombard joined the Generali group. He is a member of the Group Management Committee of Generali S.p.A. and, at the same time, Chief Executive Officer then Chairman and Chief Executive Officer of Generali France until May 2017.

On 8 December 2017, he was appointed Chief Executive Officer of Caisse des Dépôts.

On 11 January 2023, Eric Lombard had his mandate of Chief Executive Officer of Caisse des Dépôts renewed.

Current offices:	Offices held that expired in the last five years:
• Chairman of the Management Board of the Fonds de Réserve pour les Retraites • Permanent representative of Caisse des Dépôts on the Supervisory Board of the Marguerite Fund – European Fund • Permanent representative of Caisse des Dépôts on the Board of Directors, member of the Governance and Compensation Committee of La Poste • Member of the Board of Directors, Musée du Louvre public institution (since February 2023) • Chair of the Board of Directors of Société du Grand Théâtre des Champs-Elysées • Member of the Board of Directors of Euroclear Holding SA/NV and of Euroclear SA/NV	• Member of the Board of Directors of the Public Establishment of the Musée d'Orsay and the Musée de l'Orangerie (2020-2023) • Chairman of the Supervisory Board of CDC Habitat (2018-2020) • Permanent representative of Caisse des Dépôts on the Board of Directors of CNP Assurances (2018-2020) • Chairman of the Board of Directors of Bpifrance SA (entity taken over) (2017-2020)

• General Manager:

Nicolas Dufourcq

CEO of Bpifrance

Biography

Nicolas Dufourcq has been Chief Executive Officer of Bpifrance, the public investment bank, since February 2013.

A graduate of HEC and ENA, Nicolas Dufourcq began his career at the Ministry of Economy and Finance then at the Ministry of Health and Social Affairs in 1992. In 1994, he joined France Telecom, where he created the multimedia, before presiding over Wanadoo, a subsidiary of France Telecom for the Internet and Digital services.

In 2003, he joined Capgemini, where he initially managed the Central Europe & Southern Europe region, successfully leading its recovery plan. In September 2004, he was appointed Group Chief Financial Officer and member of the Executive Committee.

In 2005, he became Deputy Managing Director in charge of finance, risk management, information systems, delivery and purchasing and, from 2007, monitoring of the Group's major accounts.

Nicolas Dufourcq is also Vice-Chairman of the supervisory board of STMicroelectronics (non-executive), and member of the Board of Directors of Stellantis.

Current offices:	Offices held that expired in the last five years:
• Chairman and Chief Executive Officer of Bpifrance Participations • Chairman of Bpifrance Investissement • Chairman of Bpifrance Assurance Export • Non-Executive Chairman of the Supervisory Board of STMicroelectronics (since May 2023) • Member of the Supervisory Board of STMicroelectronics • Director of Stellantis	• Non-Executive Vice-Chairman of the Supervisory Board of STMicroelectronics (2020 – 2023) • Member of the Doctolib supervisory committee (2020 – January 2023) • Member of the strategic advisory board of Euler Hermes (2018 – 2021) • Permanent representative of Bpifrance Participations on the Orange Board of Directors (2017 -2021). • Director and Chief Executive Officer of Bpifrance SA (2013 - 2020) • CEO of Bpifrance SA (entity taken over) (2013-2020) • Non-executive Chairman of the Supervisory Board of STMicroelectronics (2017 – 2020) • Chairman and CEO of FT1CI (2015 – 2019)

• Directors representing Caisse des Dépôts, other than the Chairman of the Board of Directors:

Antoine Saintoyant

Strategic Investments Director, Caisse des Dépôts

Biography

A graduate of the École Nationale d'Administration and the Institut d'Études Politiques de Paris, Antoine Saintoyant began his career in 2003 at the Ministry of Economy and Finance at the General Directorate of the Treasury. From 2007 to 2009, he was advisor in charge of financial services at the Permanent Representation of France to the European Union (Brussels). He then returned to the General Directorate of the Treasury as Head of the Banking Affairs Office then Deputy Director of Banks and General Interest Financing. Between 2012 and 2016, Antoine Saintoyant also held the position of Investment Director at the State Investment Agency, in charge of services (Orange, La Poste, Bpifrance, FDJ). From May 2017 to July 2020, Antoine Saintoyant was adviser and head of the Economy, Finance, Industry division in the cabinet of the Prime Minister, Edouard Philippe. He joined Caisse des Dépôts et Consignations in September 2020 as Director of Strategic Investments and member of the group Executive Committee.

Current offices:	Offices held that expired in the last five years:
• Director, member of the Appointments and Compensation Committees of Compagnie des Alpes • Director of Icade • Director of Egis • Director of La Poste • Director of Suez • Member of the Supervisory Board, member of the Appointments and Remuneration Committees of CDC Habitat • Member of the Supervisory Board, member of the Appointments and Governance Committee, and member of the Risk Committee of La Banque Postale	• Director of Bpifrance Participations (2020-2022) • Director of Bpifrance Investissement (2020-2022) • Director of Bpifrance SA (entity taken over) (2020)

Nathalie Tubiana

Finance Director, Caisse des Dépôts Group

Biography

Nathalie Tubiana graduated from the Ecole supérieure de Gestion Paris, she holds a Master of Business Administration from HEC and is certified by the French Institute of Board Members at Science Po Paris. From 1991 to 1997 she held various roles at the Finance Department of a precious metals manufacturer.

Nathalie Tubiana joined the Caisse des Dépôts Group in 1998 at CNP Assurances where she was responsible for supervising partnership management, and later the insured parties services centres, based in Arcueil and Angers. In 2005, she became performance and strategic planning manager of the CNP Assurances Group.

Nathalie Tubiana joined the public body in 2009 at the General Secretariat where she created the establishment's Social and Environmental Responsibility Programme. She joined the Savings Fund Department in 2010 as Secretary General, and then took on the role of deputy to the Caisse des Dépôts Group Secretary General. In 2015, she was appointed Budget and Economic and Real Estate Performance Director at the group's General Secretariat. In 2018, she became Finance Director of Banque des Territoires (Caisse des Dépôts) and a member of its executive committee.

In 2020, she was appointed Risk Director at the Caisse des Dépôts Group and member of the Executive Committee. Since 1 February 2023, Nathalie Tubiana has been Finance and Sustainable Policy Director at Caisse des Dépôts.

Current offices:	Offices held that expired in the last five years:
• Chair, CDC Développement Solidaire • Chair, Novethic (since February 2023) • Director, La Poste (since February 2023) • Director, I4CE (since February 2023)	• Director, Agence Française de Développement, representative of the CDC (2018-2020) • Director, CDC Habitat (2018-2020) • Director, SCET (2018-2020) • Director, FTSI (2017-2020)

Marion Cabrol

Investments Director at the Strategic Investments Management Unit, Caisse des Dépôts

Biography

Marion Cabrol has been Investments Director at the Strategic Investments Management Unit of the Caisse des Dépôts since June 2021. In this regard, she ensures the contribution of subsidiaries and a part of this portfolio's holdings to the strategic, financial and non-financial goals of the CDC Group. She contributes to the validation of strategic approaches and investment decisions, and explains the CDC's position at the governance instances of these companies.

She was previously responsible for the cross-cutting management of risks at the Caisse des Dépôts Risk Department; she took part in developing the prudential system (implementation of the model validation activity, the group's cross-cutting risk management activity and the risk appetite mechanism) for around a decade. She was formerly a manager at the Assets for Own Account Management Unit at the Caisse des Dépôts for a decade (listed shares under direct and multi-management). She holds a degree in Statistics and Economics from ENSAE.

Current offices:	Offices held that expired in the last five years:
• Director, Bpifrance Participations and Bpifrance Investissement • Permanent representative of Caisse des Dépôts to the CDC Habitat Monitoring Council • Permanent representative of Caisse des Dépôts to the Arpavie Board of Directors • Permanent representative of Caisse des Dépôts to the Qualium Board of Directors	• Director of the TCE operating company (SEGTCE) (September 2023-January 2024) • Director of the TCE property management company (SITCE) (2022-December 2023) • Permanent representative of Caisse des Dépôts to the Compagnie des Alpes Board of Directors (2021-December 2023)

• Board Members representing the State:

Alexis Zajdenweber

Commissioner for State Investments - State Investments Agency (APE)

Biography

A graduate of the IEP in Paris and alumnus of the Ecole nationale d'administration (René Cassin cohort). Following his studies at the ENA in April 2003, Alexis Zajdenweber was posted to the Ministry for the Economy, Finance and Industry as assistant to the head of the savings and financial markets office of the Treasury Directorate. He became assistant to the head of the enterprises financing and development office of the Treasury Directorate and of economic policy in July 2006. From September 2007 he was seconded as advisor (State assistance and aids, company law and enterprise governance) to the Economic, Financial and Monetary Affairs Department of the Permanent Representation of France to the European Union in Brussels. He returned to the General Directorate of the Treasury in September 2009 as head of the banking services and means of payment office, then held the role of investments, anti-financial crime and sanctions office head (2011-2012). In July 2012, he was appointed financial sector advisor at the office of the Minister for the Economy and Finance. He joined Agence des participations de l'Etat in November 2014 as Deputy Director for managing Energy shareholdings. In May 2017 he joined the presidency of the Republic as economy, finance and industry advisor. He was appointed Commissioner for State Investments at the State Investments Agency (APE) in September 2022.

Current offices:	Offices held that expired in the last five years:
• Member of the EDF Board of Directors, as representative of the State • Member of the Board of Directors of Groupe Renault as representative of the State • Member of the Board of Directors of SNCF, as representative of the State	None

Thomas Lesueur

General Commissioner for Sustainable Development, Ministry of Ecological Transition and Territorial Cohesion

Biography

Appointed on 30 April 2019, as General Commissioner and Interministerial Delegate for Sustainable Development, Thomas Lesueur is a Master at the Court of Auditors. For the past ten years, he has successively held positions at the interministerial directorate for information systems and communications, then at the legal services directorate of the Ministry of Justice and, from 2017 to 2019, at the Ministry for Ecological and Inclusive Transition in the capacity of assistant director of the Office of the Minister of State.

Current offices:	Offices held that expired in the last five years:
• Director, CEREMA (since April 2023) • Director, Météo-France • Director, Universcience • Director, ADEME • Chair, Patronage du Bon Conseil • Endowment Fund Chair, Patronage du Bon Conseil	• None

Anne Laurent

Executive Director, École des mines de Paris

Biography

A graduate of the École Polytechnique et de Télécom ParisTech, Anne Laurent started her career in 2005 in the role of Telecoms and Audiovisual project manager at the Directorate General for Enterprise where, in 2008, she became manager of the Digital Technologies office. From 2010 to 2012 she held the role of technical advisor to the Minister for Energy and Climate.

From 2012 to 2018, Anne Laurent successively held the roles of Head of the Office of the Director General, then Europe and International Sub-Director at the Directorate General for Enterprise.

In 2018, she joined the Autorité de régulation des communications électroniques, des postes et de la distribution de la Presse (Arcep) in the capacity of Mobile and Innovation Director, and later Director and advisor to the Arcep CEO.

In 2023, Anne Laurent because Deputy Head of Department of the General Council for the Economy and Executive Director at the École des Mines de Paris.

Current offices:	Offices held that expired in the last five years:
• Assistant to the Head of Department, General Counsel for the Economy • Council Member, école de Télécom Paris	• Director, ANFR (2018-2021)

Claire Cheremetinski

Advisor to the Director General of the Treasury

Biography

A graduate of the Institut d'études politiques de Paris, of Université Paris IX Dauphine and of the École nationale supérieure des postes et télécommunications (ENSPT). Since 2001, Claire Cheremetinski has held various roles at the General Directorate of the Treasury. Since 2023, she has been Advisor to the Director General of the Treasury.

From 2011 to 2014, she held the role of Investments Director at the State Investments Agency, and then of Deputy Director responsible for commercial policy and combating financial crime at the General Directorate of the Treasury until 2017. From 2017 to 2020, Claire Cheremetinski was Head of the department responsible for the internationalisation of businesses at the General Directorate of the Treasury before becoming Head of the Economic, Financial and Commercial Department, and Permanent Representative of France to the European Union from September 2020 to August 2023.

Current offices:	Offices held that expired in the last five years:
• No other office	• Director, Bpifrance SA (entity taken over) (2017-2020) • Director, Dexia (2019- 2020) • Director, Business France (2017-2020)

• Ninth director representing the shareholders:

Claire Dumas

CFO of Groupe Société Générale

Biography

Claire Dumas began her career in 1992 in the Banking and Financial Institutions department of Deloitte. In 1998, she joined the Société Générale group, where she held various positions within investment banking support. In 2009, she joined the Risk Department, as Deputy and then Director of Group Operational Risks. In 2011, she also took charge of the group's ERM (Enterprise Risk Management) program, on behalf of the General Management. In October 2014, Claire Dumas was appointed Chief Financial Officer of Retail Banking in France, then in December 2017 she was appointed Deputy Chief Financial Officer of the Group, in charge of supervising retail banking, insurance and specialized financial services activities. In December 2021, she was appointed Group Chief Financial Officer.

Current offices:	Offices held that expired in the last five years:
No other office	• Director of Boursorama (2014-2021) • Director of Bpifrance SA (entity taken over) (2017-2020)

• Directors representing the Regions:

Stéphanie Pernod

Vice-Chair of the Auvergne-Rhône-Alpes Region

Biography

Holding a Bachelor's in Philosophy from Jean Moulin University, Lyon 3, Stéphanie Pernod began her career as Main Education Advisor and later became a professor of Modern Languages and Philosophy. She became a local councillor for her municipality, Hauteville Lompnes in 2001 and was re-elected in 2008.

In 2013, Etienne Blanc, Mayor of Divonne-les-Bains engaged her as parliamentary assistant. She succeeded him as a Deputy in June 2016. The same year, Stéphanie Pernod became the 12th Vice-Chair of the Auvergne-Rhône-Alpes Regional Council appointed to professional training and apprenticeship, chaired by Laurent Wauquiez. In 2020, she became first deputy to the Mayor of the municipality of Hauteville Lompnes and at the regional elections in 2021, 1st Vice-Chair of the Region appointed to Economy, Resettlement, Regional Preference and Digital Technology.

Current offices:	Offices held that expired in the last five years:
No other office	None

Harold Huwart

Vice-Chairman of the Centre-Val-de-Loire Regional Council, in charge of Economy, Tourism and Europe

Biography

Harold Huwart, born 3 January 1982 in Chartres, has been Vice-President of the Centre-Val de Loire region since 2015, Mayor of Nogent-le-Rotrou and President of the Community of Municipalities of Perche since 2020. A graduate of ENS and ENA, civil administrator at the Ministry of the Budget, Harold Huwart first worked as a civil service adviser in a ministerial cabinet. In August 2013, he joined the Prime Minister's Office where he held the position of Advisor to the strategy, media and communication division. A year later, he was social adviser to the Minister of Finance, then adviser in charge of communication to the Minister.

In August 2019, he became a member of the Board of Directors of Bpifrance, as a director representing the regions.

Current offices:	Offices held that expired in the last five years:
No other office	• Director of Bpifrance SA (entity taken over) (2019-2020)

• Qualified directors chosen for the expertise in economic and financial matters, as well as sustainable development:

Sophie Stabile

Group Chief Financial Officer - Lagardère

Biography

Sophie Stabile is Group Chief Financial Officer of Lagardère Group since 2020.

A graduate of the Ecole Supérieure de Gestion et Finances, she began her career with Deloitte, before holding various management positions within the Accor group until 2018. In particular, she was Chief Executive Officer of Hotels Services France and Switzerland and Chief Financial Officer and member of Accor's Executive Committee.

Sophie Stabile is a non-executive member of Bpifrance's Board of Directors and an independent director at Ovhcloud, a member and chair of the Audit Committee and a member of the Nominations, Remuneration and Governance Committee.

She is also an independent director and member of the Audit Committee of Groupe Lucien Barrière, as well as treasurer and director of the IFA. In November 2023, Stabile completed a Governance & Climate course at Paris Dauphine.

Current offices:	Offices held that expired in the last five years:
• Independent Director, Chair of the Audit Committee and member of the Governance, Appointments and Remuneration Committee of OVH • Director and member of the Audit Committee of Lucien Barrière Group	• Manager of Reverence (2018 - 2022) • Independent Director and Chair of the Audit Committee of Sodexo (2018 - 2022) • Non-executive Director and chair of the audit committee of Ingenico (end of term September 2022) • Director of Bpifrance Investissement and Bpifrance Participations (2018- 2021) • Member of the CS of Altamir and of the audit committee (2019) • Member of the Unibail-Rodamco Westfield Supervisory Board (2015 - 2020) • Member of the Board of Directors of Spie, of the Audit Committee and of the Remuneration Committee (2014 - 2021)

Pierre-André de Chalendar

Chair of the Board of Directors, Saint-Gobain

Biography

A graduate of the ESSEC and an alumnus of the Ecole Nationale d'Administration, a former Finance Inspector, he was the deputy to the Director General for Energy and Raw Materials at the Ministry for Industry.

Pierre-André de Chalendar joined Compagnie de Saint-Gobain in 1989 as Plan Director. Subsequently, he held the posts of Vice-Chair of Abrasives Europe between 1992 and 1996, Chair of the Abrasives branch from 1996 to 2000, General Delegate for the United Kingdom and the Republic of Ireland from 2000 to 2002, and in 2003, he was appointed Deputy Managing Director of Compagnie de Saint-Gobain responsible for the Construction Distribution Unit.

He was appointed Deputy Managing Director of Compagnie de Saint-Gobain in May 2005, then elected as a Board Member in June 2006. He was appointed Managing Director of Compagnie de Saint-Gobain in June 2007, and subsequently CEO in June 2010, a role which he held until June 2021. Since July 2021, Pierre-André de Chalendar has been Chair of the Board of Directors of Compagnie de Saint-Gobain.

Pierre-André de Chalendar is furthermore a board member of BNP Paribas, Veolia and Bpifrance.

Since July 2017, he has been co-chair of La Fabrique de l'industrie and Chair of the Supervisory Board of ESSEC since February 2019. Since 1 January 2023, he has been the Chair of the Institut de l'Entreprise.

Current offices:	Offices held that expired in the last five years:
• Chair of the Board of Directors, Saint-Gobain • Director, BNP Paribas • Director, Veolia Environnement • Chair of the Supervisory Board, ESSEC • Director, Saint-Gobain Corporation • Member of the French Association of Private Enterprises • Co-chair, La Fabrique de l'Industrie • Chair, Institut de l'Entreprise (since January 2023)	• Managing Director, Saint-Gobain (2010-2021) • Director, GIE SGPM Recherches (2007-2021)

• Directors representing the employees of Bpifrance and its subsidiaries

Marie Deleage

Head of the collaborative tools department at the Bpifrance Information Systems Department

Biography

After studying engineering at the Polytechnic Institute of Grenoble, Marie Deleage held the positions of project manager and IT manager in various service companies from July 2002 until April 2015 when she joined Bpifrance as head of IT support service to the information systems department while taking on the role of change facilitator in her field.

Since 2021, she has held the role of Product Manager for Employee Tools at the Information Systems Directorate.

Current offices:	Offices held that expired in the last five years:
No other office	• Director of Bpifrance SA (entity taken over) (2019- 2020) • Non-voting Director of Bpifrance Financement, now Bpifrance (2019-2020)

Philippe Bayeux

Organization project manager in the Financing Department of Bpifrance

Biography

Philippe Bayeux has held the position of change facilitator since 2018, more specifically in charge of capitalization within the Bpifrance Financing Department.

After engineering studies and a first experience in the automotive industry, he was recruited in 1991 into the company's sales network as a business manager. He then moved on to the positions of Deputy Regional Director and Regional Director, in the Hauts-de-France, Grand Est and Ile-de-France regions.

After an experience in 2014 in the permanent financing control department, he joined the credit risk department to take responsibility for the MLT loans and short-term financing team for the Industry, Construction and Services sectors.

Current offices:	Offices held that expired in the last five years:
No other office	• Director of Bpifrance SA (entity taken over) (2019-2020)

• Non-voting board members representing neither the State nor Caisse des Dépôts

Catherine Halberstadt

Managing Director in charge of the Financial Solutions and Expertise Division

Biography

A graduate of a DECS and a DESCAF from the Ecole Supérieure de Commerce de Clermont-Ferrand, Catherine Halberstadt joined the Banque Populaire du Massif Central in 1982, where she successively held the responsibilities of Human Resources Director, Financial Director, then Chief Operating Officer and, from 2000, Deputy Chief Executive Officer. In 2008, Catherine Halberstadt became CEO of Natixis Factor.

From 1 September 2010 to 25 March 2016, Catherine Halberstadt served as Chief Executive Officer of Banque Populaire du Massif Central.

From January 2016 to March 2021, Catherine Halberstadt served as a member of the BPCE Management Board in charge of Human Resources.

In March 2021, Catherine Halberstadt was appointed Managing Director in charge of the Financial Solutions and Expertise Division.

Current offices:	Offices held that expired in the last five years:
• Member of the Management Board of BPCE SA • Permanent representative of BPCE SA on the Board of Directors of Natixis • Chairwoman of the Board of Directors of BPCE Solutions Immobilières and BPCE Lease • Chairwoman of the Board of Directors of BPCE Financement, CEGC, BPCE Factor and Pramex International • Chairwoman of the Supervisory Board of SOCFIM • Permanent representative of BPCE SA on the Board of Directors of BPCE Solutions Informatiques • Director of La Montagne	• Director of Oney Bank (2021-2022) • Director of Bpifrance Financement, now Bpifrance (2013-2020) • Director of Crédit Foncier (2012 – 2020)

Jean-Luc Petithuguenin

Chairman, Chairman of the Supervisory Board of Paprec Group

Biography

A graduate of ESSEC in 1979, Jean-Luc Petithuguenin was a management controller, Financial Director of a chemical group and then Managing Director of a construction company. In 1990, he became project manager at Générale des Eaux then Managing Director of the recycling and industrial cleaning branches within the same group. He took over the Paprec company in 1994, which at the time represented 40 people in La Courneuve (93). In 25 years, Paprec has grown to 15,000 employees spread over more than 300 sites in France and in 10 countries. Its turnover reaches €3bn in 2023. French leader in recycling, Paprec is now establishing itself as a specialist in global waste management, and as the future leader in waste treatment in France. Jean-Luc Petithuguenin is recognized for his commitment to diversity, secularism and the fight against all forms of discrimination in the company. He was chosen twice for the Entrepreneur of the Year award, by Ernst and Young and by BFM Business. In 2020, he was named Industrialist of the Year by the editorial staff of Usine Nouvelle.

Current offices:	Offices held that expired in the last five years:
• Chairman of the Board of Directors of Paprec Holding and Foncière Verte • Chairman of PH Finance, JLPP Invest and JLPP Entrepreneur • Manager of MSH and CEO of Helios • Chairman of Terralia and Chairman of PH Finances	• General Director of Paprec Holding (2018-2019)

Pierre Prieux

Chairman of ALCEN

Biography

A graduate of Ecole Polytechnique (1971) and Insead (1975), Pierre Prieux began his career as Chairman of the companies Tabur Marine (1978-1981) and Dufour (1976-1981). He then joined the Matra Group (1981-1990) where, after managing one of their watchmaking divisions, he held the position of "Senior Vice President" responsible for 4 divisions (automotive electronics, robotics, computer-aided design and watchmaking). In 1990 he took responsibility for the diversification of the SAE group, then 2 years later, decided to become an entrepreneur.

At the same time, with the creation of the family group Alcen, he founded and managed a telecommunications operator, Kaptech (1998-2001) and an equipment manufacturer Cirpack (2000-2005).

Since 2001, he has held the position of Chairman of the Alcen Group, made up of high-tech companies active in the fields of Defence & Security, Energy, Medical & Health, Aeronautics & Space, Large Scientific Instruments. He also presides over the media Conférencedesenergies.org.

Current offices:	Offices held that expired in the last five years:
• Chairman of Cenal, Connaissance des Énergies, HF, ITHPP Holding, Khimod, Tronico and Tronico Holding • Chairman of Skillcell • Chairman, member of the Supervisory Board of Alsolen • Deputy CEO of Alseamar, Alsymex and PMB • Manager of Hagalife, Alcediag Holding and Ney • Member of the Board of Directors of Midparc SA	• Chairman of Khimod (2022-2023) • Deputy CEO of Alsyom (2019-2021), Atmostat (2019-2021, Champalle (2019-2021), SEIV (2019-2021) • Manager of Flash-Knife (2017-2021) • Chairman of Alsolentech (2009-2021), Axfil (2008 – 2021) and CLANE (2012-2019), • Co-President of the ALCEN Foundation for Energy Knowledge (2009-2020) • Manager of EOLE HOLDING (2013-2018), Neo-28 (2014-2022), Neo-35 (2021-2022) and NEO-34 (2018-2023) • Deputy Chief Executive Officer of ALSENAM (2019)

6.4. COMPENSATION OF CORPORATE OFFICERS

6.4.1. Compensation of Directors, the Chairman of the Board and Chief Executive Officer

• Compensation of the directors of Bpifrance and the chairmen of the Innovation, Financing-Guarantee and Climate committees

In accordance with Article L. 225-45 of the French Commercial Code, the directors of Bpifrance receive compensation for their directorships and as committee members.

On 18 December 2020, the general meeting of Bpifrance shareholders decided to allocate, for financial years after financial year 2020, a fixed sum of 287,500 euros to compensate for the activity of the directors of Bpifrance.

The amount of the compensation package is distributed by the Board of Directors based on attendance at meetings of the Board of Directors or of the committees to which the directors and non-voting directors concerned belong, on the basis of the following distribution key (the " Distribution Key"):

- €10,000 per director (excluding the Chief Executive Officer and directors representing employees);
- an additional €12,500 for the chairman of the audit committee and for the chairman of the risk committee;
- €7,500 in addition for the other members of the audit committee and for the other members of the risk committee;
- an additional €6,250 for the chairman of the appointments committee and for the chairman of the compensation committee;
- €3,750 in addition for the other members of the appointments committee and for the other members of the compensation committee;
- €7,500 for non-voting board members exercising the functions of chairman of the Innovation, Financing-Guarantee and Climate committees;

The compensation of directors representing the State and the compensation of directors representing Caisse des Dépôts are paid directly to their respective employers.

An attendance coefficient (number of attendances/number of meetings) is applied both for the Board of Directors and for the committees.

Compensation allocated for the year 2023 (to be received in 2024):

The amount of compensation allocated for 2023 to the directors of Bpifrance and to the non-voting board members chairing the Innovation, Financing-Guarantee and Climate committees was set on 15 March 2024 by the Board of Directors, on the basis of the Distribution Key.

Compensation allocated for the year 2022:

The compensation allocated for 2022 to the Issuer's board members and to the censors chairing the Innovation, Financing-Guarantee and Climate committees was approved upon on 17 March 2023 and paid out on 11 and 13 July 2023. For a total sum of 196,973.79 euros, it was distributed as indicated below, on the basis of the Allocation Key. The Chair of the Climate Committee was not compensated for the exercise of these functions in 2022.

Table 3 of the AMF nomenclature – Table on the compensation received by non-executive corporate officers and by not-voting board members exercising the functions of Chairman of the Innovation, Financing-Guarantee and Climate Committees

Table regarding compensation received by non-executive administrators				
in euros, gross amounts	Amounts paid in financial year 2022		Amounts paid in financial year 2023	
Non-executive administrators	Compensation for attendance	Other compensations	Compensation for attendance	Other compensations
Directors representing Caisse des Dépôts				
Mr Eric Lombard	8,888.89	-	6,363.64	-
Mrs Virginie Chapron du Jeu	20,942.46	-	20,909.09	-
Mrs Carole Abbey	20,674.60	-	20,568.18	-
Mr Antoine Saintoyant	16,388.89	-	16,590.91	-
Directors appointed on the proposal of the State				
Mr Martin Vial[1]	21,527.78	-	8,016.44	-
Mr Charles Sarrazin[1][2]			3,599.32	
Mr Alexis Zajdenweber[2]			8,253.42	
Mrs Catherine Lagneau	7,777.78	-	6,363.64	-
Mrs Diane Simiu	13,229.17	-	12,272.73	-
Mr Sébastien Raspiller[3]	5,000.00	-	9,090.91	-
Directors representing the Regions				
Mrs Annabel André[1]	7,743.06	-	513.70	-
Mrs Stéphanie Pernod[2]			-	
Mr Harold Huwart	15,892.86	-	20,000.00	-
Independent directors				
Mrs Claire Dumas	22,500.00	-	22,500.00	-
Mrs Barbara Lavernos[4]	602.74	-	-	-
Mr Bernard Delpit[4]	25,856.16	-	-	-
Mrs Sophie Stabile[3]	6,818.49	-	26,931.82	-
Directors representing employees				
Mrs Marie Deleage	-	-	-	-
Mr Philippe Bayeux	-	-	-	-
TOTAL DIRECTORS' FEES	**193,842.87**	**/**	**181,973.79**	**/**

[1] *resigned during the financial year 2022.*
[2] *appointed during the financial year 2022.*
[3] *appointed during the financial year 2021.*
[4] *resigned during the financial year 2021.*

Table on the compensation received by non-voting directors exercising the functions of Chairman of the Innovation, Financing-Guarantee and Climate Committees				
in euros, gross amounts	Amounts paid in financial year 2022		Amounts paid in financial year 2023	
Non-voting directors exercising the functions of Chairman of the Business Line Committees and the Climate Committee	Compensation for attendance	Other compensations	Compensation for attendance	Other compensations
Mr Pierre Prieux	/	7,500.00	/	7,500.00
Mrs Catherine Halberstadt	/	7,500.00	/	7,500.00
Mr Jean-Luc Petithuguenin	/	7,500.00	/	0.00
TOTAL DES RÉMUNÉRATIONS	**/**	**22,500.00**	**/**	**15,000.00**

Compensation of the Chairman of the Board of Directors, non-executive corporate officer

In addition to the compensation allocated for his participation in the meetings of the Board of Directors, the Chair of the Board of Directors does not receive any compensation (fixed and/or variable) from Bpifrance, nor any benefits in kind, or options or free shares for his role of Chair of the Board of Directors.

Eric Lombard has chaired the Board of Directors since 18 December 2020.

Other information relating to Eric Lombard, Chairman of the Board of Directors

Non-executive corporate officer	Employment contract		Supplementary pension scheme		Compensation or benefits due or likely to be due as a result of termination or change of duties		Compensation under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Eric LOMBARD Chairman of the Board of Directors Since 18/12/2020		X		X		X		X

Compensation of the CEO

Nicolas Dufourcq is the sole executive corporate officer of Bpifrance. He does not receive any compensation for the mandates he exercises within companies of the Bpifrance Group other than Bpifrance. In particular, he does not receive any compensation for his participation in meetings of the Board of Directors.

Table 1 of the AMF nomenclature – Summary of compensation due and options and shares granted to Nicolas Dufourcq (gross compensation and in euros)

This table summarizes the total amount of Nicolas Dufourcq's compensation due for the financial year ended 31 December 2023 and the previous financial year.

Summary table of compensation and the options and shares granted to each executive director		
Nicolas Dufourcq, Chief Executive Officer	**Financial year 2022**	**Financial year 2023**
Compensation allocated for the financial year	450,000	450,000
Value of multi-year variable compensation awarded during the financial year	-	-
Value of stock options granted during the year	-	-
Value of shares awarded freely	-	-
Value of other long-term compensation plans	-	-
TOTAL	**450,000**	**450,000**

The compensation of Nicolas Dufourcq as Chief Executive Officer of Bpifrance is set by the Board of Directors of Bpifrance on the advice and recommendation of the Compensation Committee and after approval by the Minister of the Economy[100]. It generally falls under the ceiling relating to the compensation of public company executives and is exclusively composed of fixed compensation and a variable bonus based on objectives (PVO).

Regarding the variable portion of this compensation, its amount is capped at €50,000 gross and its allocation is based on quantitative or qualitative criteria reviewed each year by the Board of Directors after consultation with the Compensation Committee, depending on the strategy and group annual objectives. Although clearly identified, the criteria used are not detailed, for confidentiality reasons.

100 *Pursuant to Article 3 of decree No. 53-707 of 9 August 1953 on State control of national public enterprises and certain bodies having an economic or social purpose and to decree No. 2013-635 of 12 July 2013 on the Banque publique d'investissement. This same Article caps compensation at 450,000 euros gross.*

Table 2 of the AMF nomenclature – Summary of the compensation (gross and in Euro) of Nicolas Dufourcq

Summary table of the compensation of each executive director				
	Financial year 2022		Financial year 2023	
Nicolas Dufourcq, Chief Executive Officer	Amounts allocated	Amounts paid	Amounts allocated	Amounts paid
Fixed compensation	400,000	400,000	400,000	400,000
Annual variable compensation	50,000	50,000	50,000	50,000
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation allocated on the basis of directorial mandate	-	-	-	-
Benefits in kind	-	-	-	-
TOTAL	**450,000**	**450,000**	**450,000**	**450,000**

Table 4 of the AMF nomenclature – Options to subscribe or purchase shares granted during the financial year to Nicolas Dufourcq by Bpifrance or by a company of the Bpifrance Group.

N/A

Table 5 of the AMF nomenclature – Stock subscription or purchase options exercised during the financial year by Nicolas Dufourcq

N/A

Table 6 of the AMF nomenclature – Performance shares allocated during the financial year to Nicolas Dufourcq by Bpifrance or by a company of the Bpifrance Group

N/A

Table 7 of the AMF nomenclature – Performance shares that became available during the year

N/A

Table 8 of the AMF nomenclature – History of allocations of stock subscription or purchase options

N/A

Table 9 of the AMF nomenclature – Stock subscription or purchase options granted during the year to the top ten employees who are not corporate officers or exercised by them

N/A

Table 10 of the AMF nomenclature – History of free share allocations

N/A

• Other information

Non-executive corporate officer	Employment contract		Supplementary pension scheme		Compensation or benefits due or likely to be due as a result of termination or change of duties		Compensation under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Nicolas Dufourcq, CEO		X		X		X		X

• Compensation of managers and persons referred to in Article L.511-71 of the Monetary and Financial Code

The Issuer's General Meeting will be consulted on the total package of compensation paid by the Issuer during the 2023 financial year, in respect of the managers and persons referred to at the end of 2023 by Article L.511-71 of the Monetary and Financial Code.

The amount of this compensation for the year 2023 is €9,250,469.04 gross (58.29 FTE).

6.5. BOARD OF DIRECTORS

The conditions for preparing and organizing the work of the Board of Directors are defined by the Company's Articles of Association (last updated on 16 May 2023) and by the Internal Regulations of the Board of Directors, the last amendment of which dates from 16 December 2022. These Internal Rules refer in its appendix 1 to the charter relating to the role and prerogatives of the director and in its appendix 3 to the policy on good repute, conflicts of interest and diversity applicable to members of the Advice.

6.5.1. Composition of the Board of Directors and rules relating to the appointment and replacement of members of the Board of Directors

• Composition of the Board of Directors

In accordance with Article 7 of Ordinance No. 2005-722 of 29 June 2005 (amended by Ordinance No. 2020-739 of 17 June 2020), the Board of Directors of Bpifrance is made up of the Chief Executive Officer of Bpifrance, 9 directors representing the shareholders (including 4 directors representing the State and 5 directors appointed by the general meeting of shareholders, including 4 on the proposal of Caisse des Dépôts), 2 directors representing the regions (appointed on the proposal of the association of the Regions of France), 2 qualified directors, chosen for their expertise in economic and financial matters, as well as sustainable development and 2 directors elected by the employees of the Bpifrance Group.

As many women as men are appointed (i.e., 8 women and 8 men if the Board of Directors is full) and strict parity is observed within the following categories of directors:

(i) qualified Directors;

(ii) directors representing the Regions;

(iii) directors representing the employees of the Bpifrance Group.

Under the terms of the diversity policy adopted by the Board on 18 December 2020, the Board of Directors delegates to the Appointments Committee (see page 220 of this universal registration document) the task of setting objectives to be achieved with regard to diversity in terms of age, qualifications and professional experience among the directors in order to ensure that at all times they have the necessary skills to understand the risks, the issues, including social and environmental issues, and potential changes in the company.

In the event that the Board of Directors does not have a particular skill, an appointment may be studied to remedy this, in the event of a vacancy of a director position within the framework of the categories referred to above.

On 15 February 2024, the Bpifrance Board of Directors approved an aptitude policy based on the positive opinion of the Appointments Committee. This document, called "the Aptitude and Governance Mechanisms Policy", consolidates the rules and processes applicable in particular to Bpifrance board members, with the aim of guaranteeing their aptitude.

As of 31 December 2023, 8 women and 8 men sit as directors.

In addition to the board members, 7 censors, the external auditor, the government commissioner (or their deputy) and the Secretaries of the Bpifrance and Bpifrance Investissement works councils may participate in Board meetings.

• Rules on the appointment and replacement of members of the Board of Directors

The board members representing the State (4 board members) and the regions (2 board members), as well as the qualified individuals (2 board members) and the Bpifrance CEO are appointed by decree.

The board members representing the employees are elected by the employees of the company and its subsidiaries, under the same conditions as those stipulated in chapter II of title II of law No. 83-675 of 26 July 1983 on the democratisation of the public sector.

The other directors (namely the 4 directors representing Caisse des Dépôts and the ninth director representing the shareholders of Bpifrance) are appointed in accordance with the provisions of Articles L. 225-18 and L. 225-24 of the French Commercial Code. The mandate of directors appointed by decree may be terminated at any time by decree.

In accordance with article 25 of the aforementioned law No. 83-675 of 26 July 1983, the directors elected by the employees may only be dismissed for serious misconduct in the exercise of their mandate, by decision of the president of the judicial court ruling according to the expedited procedure on the merits, at the request of the majority of the members of the Board of Directors.

In addition, the term of office of employee representatives on the Board of Directors ends automatically when these representatives no longer meet the eligibility conditions provided for in Article 15 of Law No. 83-675 of 26 July 1983 mentioned above.

In accordance with the second paragraph of Article L. 225-18 of the French Commercial Code, the other directors (i.e., the 4 directors representing Caisse des Dépôts and the ninth director representing the shareholders of Bpifrance) may be dismissed at any time by the ordinary general meeting of the company.

6.5.2. Functioning of the Board of Directors

The Board of Directors meets at least once per quarter.

The majority of Board meetings are preceded by meetings of the committees constituted by the Board. In this regard, the Board of Directors has constituted seven committees: the Audit Committee, the Risk Committee, the Appointments Committee, the Compensation Committee, the Innovation Committee, the Financing-Guarantee Committee and the Climate Committee.

With the exception of the Appointments Committee and the Compensation Committee, a summary of the conclusions of the meetings of these committees is sent to board members for their information. Furthermore, an oral report is given by the Committee chairs at the Board meeting following the meeting of the Committees.

At least eight days before each Board meeting, the directors receive a notice from the Chairman mentioning the agenda. Except in exceptional cases, the documents and information necessary to fully exercise their duties within the Board and the Committees are communicated to them at least five days before the date of the meeting.

The Chairman of the Board of Directors chairs the meetings of the Board, organizes and directs the discussions and ensures compliance with the legal, regulatory and statutory provisions and the provisions of the internal regulations.

In the majority of cases, the Board of Directors rules by a majority of the members present and represented.

However, decisions relating directly or indirectly to the implementation of financial assistance from the State cannot be adopted by the Board without the favourable vote of the directors representing the State.

Board meeting minutes are sent to Board members prior to the meeting during which the Board is called upon to approve these minutes.

6.5.3. Activities of the Board of Directors in 2023

The Board of Directors has held nine meetings in 2023 (including one in the context of a written consultation).

The meetings held in March, April, July, September and December 2023 were the subject of an updated presentation of the activity, the risks and the evolution of the company's products.

In 2023, the Board of Directors authorized the conclusion of two regulated agreements, the details of which appear in the special report of the Statutory Auditors on regulated agreements.

On 27 January 2023, the Board of Directors approved the risk map, the risk appetite reference document, the Group risk management policy for 2023 and the 2022 policy for the disclosure of prudential information under Pillar 3. It approved the Company's policy in terms of professional and pay equality. It also noted the appointment by decree of a board member representing the Regions (Stéphanie Pernod) and proceeded to appoint this board member to committees.

On 7 February 2023, the Board of Directors noted the appointment by decree of qualified individual board member (Pierre-André de Chalendar) and authorised the appointment of two executive directors. It also proceeded to make one appointment to the compensation committee.

On 17 March 2023, the Board of Directors noted the renewal by decree of the CEO. It approved the company's accounts for 2022, approved the report on internal control for 2022 and the report on anti-money laundering and countering the financing of terrorism, approved the management report for 2022 and convened the annual general assembly for the purposes of approving the 2022 accounts. It examined the company's regulatory conventions concluded prior to 2022 which continued into this financial year and approved the sum of the compensation due to the members of the Board of Directors for the 2022 financial year. It also held discussions with the JST (joint supervisory team) comprised of representatives of the French Prudential Supervision and Resolution Authority (ACPR) and the ECB, and approved the publication policy for prudential information and the Pillar 3 report for 2022. Furthermore, the Board of Directors renewed the term of office of four censors. It also examined the results of the annual satisfaction survey of Bpifrance clients and partners. It was presented the 2023 training plan for board members. Finally, the Board approved one transfer of shares in the context of an internal restructuring operation affecting one Company shareholder.

On 21 April 2023, the Board of Directors approved the 2023 capital allocation mechanism and approved the CEO's compensation. It supplemented the text of draft resolutions submitted to the annual general meeting and examined the reinstatement of the work to evaluate the board of directors. It was also presented the plan for guaranteeing long-term electricity supply contracts and a focus on the Export Insurance business.

On 9 June 2023, the Board of Directors authorised the appointment of an executive director. It further authorised the payment under subscription of unpaid capital of €700m in Bpifrance Participations.

On 28 July 2023, the Board of Directors authorised the business to guarantee long-term electricity supply contracts and approved the emergency and business continuity plan (PUPA) 2023-2025. It also appointed committee members. The Board updated the board member training plan.

On 29 September 2023, the Board of Directors approved the consolidated bi-annual accounts and approved Bpifrance's updated strategic plan. It approved the half-yearly Pillar III report, the remuneration policy and the information systems security policy. The Board of Directors appointed a non-voting director and committee members. It noted the resignation of two directors (Catherine Lagneau and Diane Simiu).

In the context of the written consultation closed on 6 November 2023, the Board of Directors co-opted one board member (Marion Cabrol).

On 15 December 2023, the Board of Directors authorised Bpifrance Participations to invest in an investment fund. It approved the distribution of an interim dividend, set the multiplier coefficients for 2024, and adopted the company's budget and financing plan for 2024. It validated the 2023 recovery preventative plan and the 2024 internal audit plan, and approved the terms for the implementation of Recommendation 58 of the European Banking Authority (EBA): guidelines on sound remuneration policies. It was informed of the integration of the interest recognised for 2023 into the reserve fund. It further approved a disposal of shares between two Bpifrance shareholders. The Board of Directors noted the appointment by decree of two members (Anne Laurent and Claire Cheremetinski) and appointed committee members.

6.5.4. Committees under the responsibility of the Board of Directors

The operation of the Committees placed under the responsibility of the Board of Directors is defined by the Internal Regulations of the Board of Directors. The composition of the various Committees is presented below.

• The Audit Committee

In 2023

6 members

7 meetings

The Audit Committee comprises no more than six members appointed from among the directors. On the date of this universal registration document, this committee is made up of Sophie Stabile (qualified personality director chosen because of her skills in economic and financial matters), who is its Chairman, Harold Huwart (director representing the regions), Nathalie Tubiana and Carole Abbey (directors representing Caisse des Dépôts), Alexis Zajdenweber and Sébastien Raspiller (directors representing the State).

Information on the members of this committee is provided in point 5.3 of this universal registration document.

A censor representing the State (Sandrine Menard) and a censor representing Caisse des Dépôts can attend the meetings of this Committee (in an advisory capacity).

The members of the audit committee are qualified in the financial, accounting and banking fields.

In accordance with Article L.823-19 of the French Commercial Code, the Audit Committee does not include any members exercising management functions in the company; the committee is chaired by an independent board member within the meaning of the Afep Medef Code, who has specific skills in the fields of finance and accounting.

In accordance with Article L.823-19 of the French Commercial Code, the Audit Committee does not include any members exercising management functions in the company and at least one of them has specific skills in financial matters. or accountant and is independent with regard to the criterion specified in Article 6.2.1 of the Internal Regulations (meeting the independence criteria of the Afep Medef Code).

In 2023, the Audit Committee met seven times in the presence of the Statutory Auditors and the Government Commissioner. The following also participate in these meetings: The Deputy Chief Executive Officer, the Chief Financial Officer, the General Inspector, the Accounting Director, the Compliance and Permanent Control Director and the Risk Director.

The Audit Committee notably examined the company's financial statements as at 31 December 2022 and 30 June 2023, the prospects for landing at the end of 2023 and the 2024 budget. It was informed each quarter of the evolution of the financial situation.

It gave a favourable opinion on the company's 2023 audit plan. Thematic issues were also presented to the Audit Committee: The financial trajectory of the Support business line, the financial trajectory of the Creation business line, the credit risk provisioning policy, the key features of the CSR policy and of green financing, a review of the guarantee funds, the auditing of accounting processes and IT authorisations.

The Risk Committee

In 2023

6 members

11 meetings

The Risk Committee comprises no more than six members appointed from among the directors. As at the date of this universal registration document, this committee is made up of Claire Dumas (qualified personality director appointed for economic and financial matters), who is its Chairman, Nathalie Tubiana and Marion Cabrol (directors representing Caisse des Dépôts), Claire Cheremetinski (director representing the State) and Stéphanie Pernod (director representing the regions). One appointment of a board member representing the State is forthcoming.

Information on the members of this committee is provided in point 6.3 of this universal registration document.

A censor representing the State (Sandrine Menard) and a censor representing Caisse des Dépôts can attend the meetings of this Committee (in an advisory capacity).

The members of the Risk Committee are qualified in finance, accounting and banking.

In 2023, the Risk Committee met on eleven occasions, with board members and the Government Commissioner present. The following, in particular, also took part in these meetings: The Deputy CEO, the Risk Director, the General Inspector, the Compliance and Permanent Control Director, and the Finance Director.

On a quarterly basis, the Risk Committee looked at the change in the company's risks and risk profile (risks related to credit, investment, counterparties, climate, cybersecurity, etc.).

It took note of the monitoring of internal and external audit missions, and of the set of recommendations issued in the context of these audits.

It was informed of the work carried out on Permanent Control and Conformity, and of the monitoring and oversight of operating risks. It was also informed of the outcome of the Emergency and Business Continuity Plan test carried out in 2022 and the schedule for the 2023 test.

Furthermore, it gave a positive opinion on the risk map, the Group risk appetite, the Group risk management policy, the Pillar 3 report disclosure policy, the recovery preventative plan, the Internal Capital Adequacy Assessment Process (ICAAP), the capital allocation mechanism, the Internal Liquidity Adequacy Assessment Process (ILAAP) and the Refinancing Plan.

The Risk Committee also examined the 2022 report on internal control, the 2023 control plan, the 2023 model validation plan and the 2023 audit plan.

Finally, it was informed, on a quarterly basis, of the points for attention resulting from ECB supervision.

The Appointments Committee

In 2023

4 members

The mission of the Appointments Committee is to issue opinions to the Board of Directors, in particular on all proposals concerning the appointment of Deputy Chief Executive Officers and Effective Managers within Bpifrance, the appointment or recruitment of members of the Executive Committee, the appointment of qualified directors chosen for their skills in economic and financial matters as well as sustainable development and the appointment of independent directors to the boards of directors of Bpifrance Participations and Bpifrance Investissement.

As of the date of this universal registration document, this committee was comprised of four board members: Sophie Stabile (board member qualified individual appointed for competence in the field of economics and finance, as well as sustainable development), Antoine Saintoyant (board member representing Caisse des Dépôts), Alexis Zajdenweber (board member representing the State) and Stéphanie Pernod (board member representing the regions). Sophie Stabile chairs the meetings of this Committee.

Information on the members of this committee can be found in point 6.3 of this universal registration document.

The Compensation Committee

In 2023

4
members

The Compensation Committee's mission is to issue opinions to the Board of Directors on all proposals concerning the remuneration, in all its components, of the Chief Executive Officer and the Deputy Chief Executive Officers and the remuneration of the managers in charge of risk management and compliance functions. It is also informed annually of the career and compensation situation of the employees who are members of the Executive Committee.

As of the date of this universal registration document, this committee was comprised of four directors: Pierre-André de Chalendar (board member qualified individual appointed for competence in the field of economics and finance, as well as sustainable development), Antoine Saintoyant (board member representing Caisse des Dépôts), Alexis Zajdenweber (board member representing the State) and Harold Huwart (board member representing the regions). Pierre-André de Chalendar chairs the meetings of this Committee.

Information on the members of this committee can be found in point 6.3 of this universal registration document.

Other Committees

The Innovation Committee

In 2023

10
members

As of the date of this universal registration document, the Innovation Committee is made up of two categories of members.

Firstly, it comprises three members appointed from among the directors and non-voting directors: Pierre Prieux (non-voting director meeting the independence criteria within the meaning of the Afep Medef Code), Anne Laurent (director representing the State) and Marion Cabrol (director representing the Caisse des Deposits). Pierre Prieux chairs the meetings of the Innovation Committee.

The Innovation Committee also includes a college of experts:

(i) Estelle Dhont-Peltrault (Minister for Higher Education, Research and Innovation), David Helm (Directorate General for Businesses), Thomas Caltagirone (Budget Department) and Chloé Bremme (Treasury Directorate General), appointed at the proposal of the State;

(ii) Pascale Fargnier (Holdings and asset manager in the Strategic Holdings Management Department at Caisse des Dépôts), appointed at the proposal of Caisse des Dépôts;

(iii) Benoist Grossmann (Managing Partner of Idinvest Partners and of Eurazeo Growth) and Judith Greciet (independent member), appointed at the proposal of the Chair of the Board of Directors.

The Innovation Committee is a consultative body that meets ahead of meetings of the Board of Directors and formulates opinions on technical subjects related to the business of Innovation (determination of multiplier coefficients, budget forecasts in particular).

• The Financing-Guarantee Committee

The Financing-Guarantee Committee

In 2023

11 members

As of the date of this universal registration document, the Financing-Guarantee Committee is made up of two categories of members.

It primarily comprises three members appointed from among the directors and censors: Sandrine Menard (censor representing the State), Marion Cabrol (board member representing Caisse des Dépôts) and Catherine Halberstadt (independent non-voting board member). Catherine Halberstadt chairs the meetings of the Financing-Guarantee Committee.

The Financing-Guarantee Committee also includes a college of experts:

(i) Guillaume Chomette-Bender (Budget Department), Adèle Chartouny (General Treasury Department), Olivier Deschildre (General Business Department), appointed on the proposal of the State;

(ii) Eric Beyrath (Head of the Balance Sheet and Financial Management Department of the Caisse des Dépôts Group) and Pascale Fargnier (Holdings and asset manager in the Strategic Holdings Management Department at Caisse des Dépôts), appointed on the proposal of Caisse des Dépôts and

(iii) the French Banking Federation, Crédit Agricole and Thierry Sauvage (BNP Paribas), appointed on the proposal of the Chairman of the Board of Directors.

The Financing-Guarantee Committee is a consultative body that meets ahead of meetings of the Board of Directors and formulates opinions on technical subjects related to the financing and guarantee businesses (determination of multiplier coefficients, budget forecasts, etc.).

The Climate Committee

In 2023

8 members

As of the date of this universal registration document, the Climate Committee is made up of two categories of members.

In the first place, this is comprised of three members appointed from the board members: Thomas Lesueur (Board Member representing the State), Nathalie Tubiana (Board Member representing Caisse des Dépôts) and Pierre-André de Chalendar (Board Member qualified individual appointed for competences in the fields of economics and finance, as well as in sustainable development). Pierre-André de Chalendar chairs the meetings of the Climate Committee.

The Climate Committee also has a board of experts: Benjamin Dartevelle (Office Head, Sustainable Finance, Corporate Law, Accounting and Governance, General Directorate of the Treasury - appointed at the proposal of the State), Benoit Leguet, (CEO, I4CE, appointed at the proposal of Caisse des Dépôts), Carine de Boissezon (Impact Director, EDF), Pierre Abadie (Climate Director, Tikehau Capital Group and Co-head of the Private Equity strategy for decarbonisation), Antoine de Salins (Associate Director for the financial sector, I Care & Consult).

The Climate Committee is a consultative body that meets ahead of meetings of the Board of Directors and formulates opinions on the strategic orientations, the intervention doctrine and the procedures for the exercise by the company of its missions of general interest and on the implementation of the ecological and energy transition.

6.5.5. Limitations on the powers of the Chief Executive Officer

The CEO of the company is vested with the broadest powers to act in all circumstances on behalf of the company. He exercises these powers within the limits of the corporate purpose and subject to (i) those expressly attributed by law to shareholders' meetings and (ii) those expressly attributed by law and the articles of association to the Board of Directors.

He represents the company in its relations with third parties.

6.6. OTHER INFORMATION

• Agreements falling within the scope of Article L. 225-38 of the French Commercial Code

In accordance with the provisions of Article R. 225-30 of the French Commercial Code, the Company's Statutory Auditors have been sent a summary statement of the agreements falling within the scope of Articles L. 225-38 et seq. of the French Commercial Code, duly authorized by the Board of Directors of the Issuer during the financial year ended 31 December 2023 or concluded previously to that financial year, but whose effects continued during the said financial year.

• Review of agreements signed and approved during previous financial years and the execution of which continued during the 2023 financial year

The Issuer's Board of Directors examined, during its meeting of 15 March 2024, the agreements entered into and authorized during previous financial years and whose execution continued during the 2023 financial year.

• Agreements covered in paragraph 2 of Article L. 225-37-4 of the French Commercial Code

The Issuer has put in place adequate inventory procedures to identify the agreements referred to in paragraph 2 of Article L 225-37-4 of the French Commercial Code[101]. No agreement of this type has been entered into in 2022.

• Delegations relating to capital increases

No delegation, granted by the general meeting of shareholders of the Company to the Board of Directors in the field of capital increases, by application of Articles L. 225-129-1 and L. 225-129-2 of the Commercial Code, is currently valid.

• Rules applicable to amendments to the Company's Articles of Association

There are no stricter conditions in the company's articles of association than those laid down by law for amending the articles of association.

101 The agreements covered by paragraph 2 of Article L 225-37-4 of the French Commercial Code are agreements entered into between a manager or one of the shareholders holding a fraction of the voting rights greater than 10%, a company and, on the other hand, another company controlled by the former in the meaning of Article L. 233-3 of the Commercial Code, with the exception of agreements pertaining to day-to-day operations concluded on normal terms.



FINANCIAL AND ACCOUNTING INFORMATION

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7.1. FINANCIAL RESULTS FOR THE PAST FIVE FINANCIAL YEARS

	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023
I - Capital at financial year-end					
a) Capital (in euro counter-value)	839,907,320	5,440,000,000	5,440,000,000	5,440,000,000	5,440,000,000
b) Number of shares issued	104,988,415	680,000,000	680,000,000	680,000,000	680,000,000
II - Operations and results for the financial year (in € thousands)					
a) Pre-tax revenue	2,530,506	2,776,349	3,018,067	3,186,664	4,194,629
b) income before taxes, shareholding or employee incentives, depreciation on assets and provisions	552,240	296,886	715,458	826,816	850,776
c) Income tax	132,987	80,502	39,207	44,936	16,332
d) Employee profit-sharing or incentives due for the financial year	16,540	17,415	17,976	20,183	22,709
(e) Net income after taxes, profit-sharing or employee incentives, depreciation on assets and provisions	246,928	-47,918	494,532	554,770	723,551
f) Distributed earnings	0	0	0	0	0
III - Earnings per share (in €)					
(a) Net income after tax, profit-sharing or employee incentives but before depreciation and amortisation allowances and provisions	3.84	0.53	1.05	1.22	1.25
(b) Net income after tax, profit-sharing or employee incentives and depreciation on assets and provisions	2.35	-0.07	0.73	0.82	1.06
(c) Dividend allocated to each share	0.00	0.00	1.28	0.78	0.58
IV - Personnel					
a) Number of employees as at 31 December	2,405	2,556	2,755	2,891	3,080
b) Total Payroll (in thousands of euros)	148,186	158,461	173,003	175,088	209,528
(c) Amount paid with respect to social benefits (Social security, social work, etc.) (in thousands of euros)	66,958	73,278	81,809	86,815	94,791

7.2. CONSOLIDATED FINANCIAL STATEMENTS

Bpifrance Publishable Consolidated Results

ASSETS *(in €m)*	Notes	31/12/23	31/12/22
Cash, central banks	6.1	2,921.8	9,575.7
Financial assets at faired value per result	6.2	7,544.8	6,986.4
Hedging Derivatives	6.3	60.9	58.1
Financial assets at faired value per equity	6.4	17,100.2	15,227.5
Securities at amortised cost	6.5	9,430.2	9,616.2
Loans/credits on credit institutions and similar at amortised cost	6.6	1,601.4	1,257.6
Loans/credits on clients at amortised cost	6.7	49,185.6	47,887.9
Financial lease operations and similar at amortised cost	6.8	6,283.0	6,095.5
Innovation financing aid	6.9	866.0	971.1
Re-evaluation discrepancies in interest rate hedged portfolios		-1,115.6	-2,249.2
Current and deferred tax assets	6.10	331.8	372.7
Regularisation accounts and misc. assets	6.11	1,421.0	1,383.1
Non-current assets held for sale		0.0	0.0
Investments in companies accounted for using the equity method	6.12	4,170.7	3,895.7
Investment properties		0.0	0.0
Tangible assets	6.13	233.4	247.1
Intangible assets	6.13	330.0	281.7
Acquisition discrepancies		2.1	2.1
TOTAL ASSETS		100,367.2	101,609.2

Bpifrance Publishable Consolidated Results

LIABILITIES *(in €m)*	Notes	31/12/23	31/12/22
Central Banks	**6.1**	**0.0**	**0.0**
Financial liabilities at faired value per result	**6.2**	**0.0**	**2.3**
Hedging Derivatives	**6.3**	**14.5**	**10.9**
Credit institution debts and similar	**6.14**	**13,532.9**	**20,672.2**
Client debts	**6.15**	**1,996.4**	**2,389.6**
Debts represented by securities	**6.16**	**42,210.1**	**39,749.0**
Re-evaluation discrepancies in interest rate hedge portfolios		**-869.0**	**-2,027.3**
Current and deferred tax liabilities	**6.10**	**93.1**	**32.6**
Regularisation accounts and misc. liabilities	**6.11**	**3,602.0**	**3,910.8**
Rental debts		**127.3**	**129.2**
Debts associated with non-current assets to be sold		**0.0**	**0.0**
Provisions	**6.17**	**99.7**	**123.5**
Net intervention to innovation resources	**6.18**	**2,508.8**	**2,311.6**
• *Assigned to commitments*		*1,198.1*	*1,186.1*
• *Not Assigned*		*1,310.6*	*1,125.5*
Public Guaranteed Funds	**6.19**	**6,983.8**	**6,794.9**
• *Assigned to commitments*		*2,195.4*	*2,080.3*
• *Not Assigned*		*4,788.4*	*4,714.6*
Subordinated debts		**7.2**	**7.2**
Equity Capital		**30,060.5**	**27,502.7**
Equity Capital - Group		**29,997.4**	**27,430.5**
• *Capital and associated reserves*		*21,122.4*	*21,122.4*
• *Consolidated reserves*		*5,722.3*	*4,351.7*
• *Gains/losses directly accounted in equity capital*		*2,038.1*	*453.2*
• *Result*		*1,114.6*	*1,503.2*
Minority Interest		**63.1**	**72.2**
• *Reserves*		*63.5*	*72.3*
• *Result*		*-0.4*	*-0.1*
TOTAL LIABILITIES		**100,367.2**	**101,609.2**

Bpifrance Publishable Consolidated Results

(in €m)	Notes	31/12/23	31/12/22
Interest and similar profits	7.1	3,356.8	1,825.6
Interest and similar expenses	7.1	-2,483.9	-938.5
Net gains/losses resulting from net position coverage		0.0	0.0
Commissions (profits)		116.9	107.8
Commissions (expenses)		-3.0	-1.8
Net gains/losses of financial instruments at fair value per result	7.2	231.5	404.6
Net gains/losses of financial instruments at fair value per equity	7.3	586.9	569.4
Net gains/losses resulting from derecognition of financial assets at amortised cost		0.0	0.0
Net gains/losses resulting from reclassification of financial assets at amortised cost in financial assets at fair value per result		0.0	0.0
Net gains/losses resulting from reclassification of financial assets at amortised cost in financial assets at fair value per equity		0.0	0.0
Profits from other activities	7.4	344.9	291.2
Expenses from other activities	7.4	-136.2	-127.1
NET BANKING INCOME		**2,013.8**	**2,131.2**
General Operational Expenses	7.5	-950.6	-811.5
Contributions to amortisations and depreciations of tangible and intangible assets	7.6	-102.4	-88.7
GROSS OPERATING INCOME		**960.7**	**1,231.0**
Credit Risk Costs	7.7	-56.3	-163.2
OPERATING INCOME		**904.4**	**1,067.8**
Share of net income of companies accounted for using the equity method	7.8	475.3	495.4
Net gains/losses on other assets		-169.8	-0.7
Variations in value of acquisition deviations		9.7	3.8
INCOME BEFORE TAXES		**1,219.5**	**1,566.3**
Taxes on profits	7.9	-105.3	-63.2
Net result of taxes on discontinued activities		0.0	0.0
NET INCOME		**1,114.2**	**1,503.1**
Minority Interest		-0.4	-0.1
NET INCOME - GROUP		**1,114.6**	**1,503.2**
Income per share *(in euros)*		1.64	2.22
Diluted income per share *(in euros)*		1.64	2.22

Net income and gains and losses recorded directly as equity of Bpifrance

(in €m)	31/12/23	31/12/22
NET PROFIT	**1,114.2**	**1,503.1**
Items that can be reclassified (transferable) as net income		
Conversion differences	*0.0*	*0.0*
Revaluation of financial assets at fair value through transferable equity	*34.3*	*-213.8*
Revaluation of hedging derivatives of transferable items	*0.0*	*0.0*
Share of gains and losses recognised directly in the equity of equity-consolidated companies	*-68.1*	*65.8*
Other transferable items recognised though equity	*0.0*	*0.0*
Related taxes	*-8.9*	*55.2*
Items that cannot be reclassified (non-transferable) as net income		
Revaluation of fixed assets	*0.0*	*0.0*
Revaluation (or actuarial gains & losses) under defined benefit plans	*-1.4*	*10.3*
Revaluation of equity risk of financial liabilities that have been recognised at fair value through profit or loss	*0.0*	*0.0*
Revaluation of equity instruments recognised at fair value by non-transferable equity	*2,036.3*	*-1,833.9*
Share of gains and losses directly recognised in equity on non-transferable equity enterprises	*63.0*	*-130.9*
Other items recognised as non-transferable equity	*0.0*	*0.0*
Related taxes	*26.6*	*54.5*
TOTAL GAINS AND LOSSES DIRECTLY RECOGNISED IN EQUITY	**2,081.9**	**-1,992.8**
NET INCOME AND GAINS AND LOSSES DIRECTLY RECOGNISED IN EQUITY	**3,196.1**	**-489.7**
Of which Group shares	3,191.3	-495.9
Of which minority interests	4.8	6.2
AMOUNT OF TRANSFER IN RESERVES OF NON-TRANSFERABLE ITEMS	**467.7**	**-298.5**

Table of change in shareholders' equity

(in €m)	Capital and related reserves	Consolidated reserves	Gains and losses recognised directly in shareholders' equity	Net income group share	Total equity, group share	Equity, minority interests	Total consolidated equity
SITUATION AS AT 31/12/2021	**21,122.4**	**3,235.2**	**2,154.3**	**1,828.6**	**28,340.5**	**26.1**	**28,366.6**
Income allocated to reserves	0.0	1,828.6	0.0	-1,828.6	0.0	-0.1	-0.1
Change in gains and losses accounted for directly in equity	0.0	-298.5	-1,790.9	0.0	-2,089.4	6.2	-2,083.2
Change in value of financial instruments affecting non-recyclable equity	*0.0*	*0.0*	*-1,924.7*	*0.0*	*-1,924.7*	*6.2*	*-1,918.5*
Change in value of financial instruments affecting recyclable equity	*0.0*	*0.0*	*-164.7*	*0.0*	*-164.7*	*0.0*	*-164.7*
Disposal of financial instruments recognised at fair value through non-recyclable equity	*0.0*	*-298.5*	*298.5*	*0.0*	*0.0*	*0.0*	*0.0*
Profit or loss for the financial year	0.0	0.0	0.0	1,503.2	1,503.2	-0.1	1,503.1
Actuarial gains and losses on defined benefit plans	0.0	0.0	18.4	0.0	18.4	0.0	18.4
Conversion differences	0.0	0.0	72.0	0.0	72.0	0.0	72.0
Distribution of dividends	0.0	-562.8	0.0	0.0	-562.8	-3.7	-566.5
Elimination of treasury shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in scope	0.0	148.9	-0.5	0.0	148.4	43.8	192.2
Miscellaneous	0.0	0.3	0.0	0.0	0.3	0.0	0.3
SITUATION AS AT 31/12/2022	**21,122.4**	**4,351.7**	**453.2**	**1,503.2**	**27,430.5**	**72.2**	**27,502.7**
Income allocated to reserves	0.0	1,503.2	0.0	-1,503.2	0.0	0.0	0.0
Change in gains and losses accounted for directly in equity	0.0	467.7	1,675.8	0.0	2,143.5	5.2	2,148.7
Change in value of financial instruments affecting non-recyclable equity	*0.0*	*0.0*	*2,110.6*	*0.0*	*2,110.6*	*5.2*	*2,115.9*
Change in value of financial instruments affecting recyclable equity	*0.0*	*0.0*	*32.9*	*0.0*	*32.9*	*0.0*	*32.9*
Disposal of financial instruments recognised at fair value through non-recyclable equity	*0.0*	*467.7*	*-467.7*	*0.0*	*0.0*	*0.0*	*0.0*
Profit or loss for the financial year	0.0	0.0	0.0	1,114.6	1,114.6	-0.4	1,114.2
Actuarial gains and losses on defined benefit plans	0.0	0.0	8.7	0.0	8.7	0.0	8.7
Conversion differences	0.0	0.0	-75.5	0.0	-75.5	0.0	-75.5
Distribution of dividends	0.0	-528.9	0.0	0.0	-528.9	-4.1	-533.0
Elimination of treasury shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in scope	0.0	-55.4	-24.1	0.0	-79.5	-9.9	-89.4
Miscellaneous	0.0	-16.0	0.0	0.0	-16.0	0.0	-16.0
SITUATION AS AT 31/12/2023	**21,122.4**	**5,722.3**	**2,038.1**	**1,114.6**	**29,997.4**	**63.1**	**30,060.5**

Cash flow table

The cash flow statement is presented using the indirect method model.

The **operational activities** are representative of the group's revenue-generating activities, including the assets listed in the "Securities at amortized cost" portfolio.

Tax flows are presented in full with the operational activities.

The **investment activities** represent cash flows for the acquisition and disposal of interests in consolidated and non-consolidated companies, tangible and intangible fixed assets and investment properties. The strategic equity securities listed in the "Financial assets at fair value through equity" portfolio are included in this compartment.

The **financing activities** result from changes related to financial structure operations concerning shareholders' equity and long-term borrowings.

The concept of **net cash** includes cash, liabilities and debts with central banks as well as demand accounts (assets and liabilities) and demand loans with lending institutions.

Bpifrance Group Cash Flow Statement

(in €m)	31/12/23	31/12/22
Profit before taxes	**1.219.5**	**1,566.3**
Net amortisation of tangible and intangible assets	102.4	88.7
Impairment of goodwill and other fixed assets	-9.6	-3.8
Net provision allocations	55.4	155.6
Share of net income from equity-consolidated companies	-304.3	-495.4
Net loss/gain from investing activities	-570.1	-489.7
Other movements	282.1	745.6
Other movements (specific to guarantee funds)	118.6	104.1
Total non-cash items included in net income before taxes and other adjustments	**-325.5**	**105.1**
Flows related to operations with credit institutions	-7,807.2	-711.5
Flows related to customer transactions	-1,607.9	-2,136.3
Flows related to other transactions affecting financial assets or liabilities	784.3	-1,517.9
Flows related to other transactions affecting non-financial assets or liabilities	-31.9	-204.5
Flows related to other operations affecting innovation activity	302.2	373.5
Taxes paid	-24.3	-33.2
Net decrease/(increase) in assets and liabilities from operational activities	**-8,384.8**	**-4,229.9**
Total net cash flow generated by the operating activity (A)	**-7,490.8**	**-2,558.5**
Flows related to financial assets and shareholding (**)	222.0	1.8
Flows related to investment properties	0.0	0.0
Flows related to tangible and intangible fixed assets	-130.9	-118.2
Total net cash flow from investment operations (B)	**91.1**	**-116.4**
Cash flows to or from shareholders	-587.6	-573.5
Other net cash flows from financing activities	1,376.2	4,012.0
Total net cash flow from financing operations (C)	**788.6**	**3,438.5**
impact of exchange rate variations on cash and cash equivalent (D)	0.0	0.0
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**-6,611.1**	**763.6**
Net cash flow generated by operational activity (A)	-7,490.8	-2,558.5
Net cash flow from investment operations (B)	91.1	-116.4
Net cash flow from financing operations (C)	788.6	3,438.5
impact of exchange rate variations on cash and cash equivalent (D)	0.0	0.0
Cash and cash equivalents at opening	**10,652.0**	**9,888.4**
Cash, central banks (assets & liabilities)	9,575.7	8,600.4
Financial statements (assets and liabilities) and loans/borrowings from credit institutions	1,076.3	1,288.0
Cash and cash equivalents at closing	**4,040.8**	**10,652.0**
Cash, central banks (assets & liabilities)	2,921.7	9,575.7
Financial statements (assets and liabilities) and loans/borrowings from credit institutions	1,119.1	1,076.3
Change in net cash	**-6,611.2**	**763.6**

Notes to the financial statements

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Note 1 - Significant events during the financial year and post-balance sheet events

1.1. Significant events during the financial year

No material event has taken place during the financial year.

1.2. Events subsequent to closing date

No material event has taken place subsequent to the closure of the accounts.

Note 2 - Applicable accounting standards

2.1. Applicable accounting standards as at 31 December 2023

The 2023 consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union and applicable as at 31 December 2023.

The new standards, amendments or interpretations (including IFRS 17 - Insurance Contracts) that have been mandatory since 1 January 2023, have not had a significant impact on the financial statements as at 31 December 2023.

The Group has not applied standards, amendments and interpretations that were optional as at 31 December 2023.

2.2. Accounting standards that the Group will apply in the future

The European Union has adopted new texts that will become mandatory from 1 January 2024.

The application of these new provisions should not have a material impact on the group's consolidated financial statements.

Bpifrance should be excluded from the scope of application of Directive EU/2022/2523 of 15 December 2022 (the Pillar 2 Directive), transposed into French law by Article 33 of the 2024 Finance Law (Law 2023-1322 of 29/12/2023). Nevertheless, should this regulation apply, Bpifrance would not have to pay additional taxes.

Note 3 - Group consolidation principles and methods

Pursuant to EC Regulation No. 1606/2002, the group's consolidated financial statements are prepared in accordance with the IAS/IFRS international accounting standards in force within the European Union as at 31 December 2023.

3.1. Consolidation principles

General principle

Bpifrance's consolidated financial statements include all companies that the group controls or over which it exercises significant influence, except for those whose consolidation would have very little effect on the group's consolidated accounts. In application of this general principle, the material nature of this effect can in particular be assessed in various ways such as the size of a company's profit or loss or of its equity as a share of the group total.

The concept of control

The concept of Bpifrance's control over a company in which Bpifrance invests is independent of the nature of the link between the group and the company. Control means that the group is exposed or is entitled to variable returns and is able to influence such returns thanks to its power.

Consequently, the group controls a subsidiary if and only if all of the following factors apply:

- The group exerts power when it has the actual right to manage the subsidiary's business;
- The group is exposed or is entitled to variable returns when its returns depend on the subsidiary's profit;
- The group is able to exercise its power so as to influence the amount of its variable returns.

Joint control means sharing control pursuant to contract over a joint enterprise, which may be either a joint operation or a joint venture. Such joint control only exists if management decisions must be unanimous.

Significant influence is the power to participate in decisions on the associated firm's financial and operating policies, without however exercising control or joint control over them. Significant influence is presumed when the group holds, directly or indirectly, 20% or more of voting rights. It may also exist when Bpifrance is represented on the Board of Directors or the like, or if it participates in making policy or does a large amount of business with the associated firm, swaps managers with it or supplies it with vital technical information.

3.2. Consolidation methods

Consolidation methods depend on the nature of Bpifrance's control over the firms that might be consolidated entities, regardless of their line of business.

The accounts of companies subject to sole control, even if they use different accounting methods, are consolidated using the overall incorporation method.

Equity holdings that the group controls jointly through a joint venture and holdings subject to significant influence by the group are accounted for using the equity method.

Entities accounted for using the equity method are deemed to be operational in nature as an extension of the group's activity. Consequently, the share of the net income of companies accounted for using the equity method is shown after operating income, in accordance with recommendation No. 2022-01 of 8 April 2022 of the Accounting Standards Authority (ANC) relating to the format of consolidated accounts of banks drawn up in accordance with international accounting standards.

3.3. Special cases

Venture capital operations

When a holding in an associated firm (significant influence) or a joint venture (joint control) is held via a venture capital firm, the group has decided to evaluate this holding at fair value through profit or loss, in the "Financial assets at fair value through profit or loss" category, in accordance with the IFRS 9 standard on recognition and assessment of financial instruments.

Converting the financial statements of foreign subsidiaries

The group's consolidated financial statements are shown in euros. If a firm uses a different currency, amounts are converted at the exchange rate on the closing date. This implies that all assets and liabilities, whether monetary or not, are converted at the exchange rate in effect on the closing date of the financial year. Income and expenses are converted at the average exchange rate for the period. All exchange differences ensuing from the conversion are accounted for as a separate component of equity.

Equity holdings in companies accounted for using the equity method

The equity method consists in replacing the value of the securities with the share of total equity held by the group and its share in total earnings of the firms in question. The income statement reflects the group's share of the profit or loss of the companies accounted for using the equity method.

The entire holding accounted for using the equity method (including goodwill) is subject to a depreciation test under IAS 36 relating to the depreciation of assets, if an objective indication exists of depreciation resulting from one or more events occurring after the initial recognition of the investment and these events affected the holding's estimated future cash flows in a way that can be reliably estimated.

The book value of the holding accounted for using the equity method is then compared to its recoverable value, namely whichever is greater of its use value calculated according to the discounted future cash flow method or multi-criteria methods, or its fair value minus the transaction cost of selling it.

When a depreciation is recorded, it is allocated to the investment accounted for using the equity method in the balance sheet, which authorises the subsequent reversal of the depreciation if the investment's use value or market value improves.

3.4. Consolidation rules

Restatements and eliminations

Restatements needed in order to harmonise the methods of evaluating consolidated companies are done whenever the restatement involves a substantial amount.

Reciprocal receivables, payables and commitments as well as reciprocal charges and income are completely eliminated for fully consolidated companies. Intra-group dividends, provisions on consolidated securities, capital gains from internal disposal transactions and depreciation allowances are neutralised in full for fully consolidated companies and up to the share held for companies accounted for using the equity method.

Acquisition discrepancies

Acquisition cost is equal to the sum of fair values on the acquisition date, of the assets delivered, net of any liabilities incurred or assumed and of the equity instruments issued in order to secure control of the company purchased. Costs directly incurred through the transaction are recognised as expenses, except for the costs of issuing equity instruments, which are deducted from shareholders' equity, as well as the direct transaction costs related to the financial debts contracted as part of the operation, which are deducted from the matching financial debts.

Identifiable assets, liabilities, contingent liabilities and off-balance sheet items of acquired firms are recognised at their fair value on the purchase date. This initial assessment can be fine-tuned within twelve months of the acquisition date.

The positive difference between the acquisition cost of the entity and the share of net assets acquired and thus revaluated is entered in the assets column of the consolidated balance sheet under the "Goodwill" heading when the firm acquired is fully consolidated under the heading “Investments in companies accounted for using the equity method” when the acquired company is accounted for using the equity method. If the difference is negative, it is recorded in profit and loss at once.

If the group’s holding in an already controlled firm grows the difference between the acquisition price and the added share of equity should be recognised in equity.

When recoverable value is less than book value, an irreversible depreciation of goodwill is recorded in profit or loss. The recoverable amount is usually assessed using the discounted cash flow method.

3.5. Presentation of financial statements and closing date

Presentation of consolidated accounts

The presentation of the summary statements used complies with that proposed by ANC recommendation No. 2022-01 of 8 April 2022 on the format of the consolidated financial statements of institutions in the banking industry drawn up in accordance with international accounting standards.

Closing Date

The companies included in the scope of consolidation close their annual accounts on 31 December unless otherwise stated in Note 9.

Note 4 - Scope of consolidation

The Bpifrance Group scope of consolidation changed during the 2023 financial year:

- Full consolidation of the funds: FIC DETTE PRIVEE III (January 2023), France Investissement Énergie Environnement 2 (July 2023) and France Investissement Tourisme 3 (September 2023);
- Departure of the Avenir Entreprise Développement C4 (liquidation in March 2023) and Avenir Entreprise Investissement (liquidation in October 2023) funds;
- Consolidation using the equity method of Mecadev, insofar as the sums invested in the latter exceed, from now on, the consolidation thresholds and Bpifrance exerts significant influence over it.

The table beneath identifies the consolidated companies, the fraction of their respective capital held directly and indirectly, as well as their method of consolidation

Name	Method of consolidation	31/12/2023 % of interest	31/12/2023 % of right to vote	31/12/2022 % of right to vote
Bpifrance - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Régions - MAISONS-ALFORT	Full	99.99%	99.99%	99.99%
Auxi-Finances - MAISONS-ALFORT	Full	100%	100%	100%
SCI Bpifrance - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Courtage - MAISONS-ALFORT	Full	100%	100%	100%
FCT Bpifrance SME 2019-01 - SAINT-DENIS	Full	100%	100%	100%
FCT Bpifrance TPE Digital - SAINT DENIS	Full	100%	100%	100%
FCT Bpifrance SME 2020-01 - SAINT-DENIS	Full	100%	100%	100%
FCT Prêts d'Honneur - SAINT-DENIS	Full	100%	100%	100%
Bpifrance Assurance Export - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Participations - MAISONS-ALFORT	Full	100%	100%	100%
FSI PME Portefeuille - MAISONS-ALFORT	Full	100%	100%	100%
FFI parts A - MAISONS-ALFORT	Full	100%	100%	100%
FFI Parts B - MAISONS-ALFORT	Full	100%	100%	100%
FONDS de FONDS PME - MAISONS-ALFORT	Full	100%	100%	100%
FFI 2 - MAISONS-ALFORT	Full	100%	100%	100%
FFI 3 - MAISONS-ALFORT	Full	100%	100%	100%
FFI 4 - MAISONS-ALFORT	Full	100%	100%	100%
FFI 5 - MAISONS-ALFORT	Full	100%	100%	100%
FFI 6 - MAISONS-ALFORT	Full	100%	100%	100%
FPMEI - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Croissance 1 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Croissance 2 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Croissance 3 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Croissance 4 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Croissance 5 - MAISONS-ALFORT	Full	100%	100%	100%
FIC DETTE PRIVEE - MAISONS-ALFORT	Full	100%	100%	100%
FIC DETTE PRIVEE II - MAISONS-ALFORT	Full	100%	100%	100%
FIC DETTE PRIVEE III - MAISONS-ALFORT	Full	100%	100%	-
France Investissement Régions 1 - MAISONS-ALFORT	Full	94.00%	94.00%	94.00%
France Investissement Régions 2 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Régions 3 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Régions 4 - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Tourisme - MAISONS-ALFORT	Full	100%	100%	100%
France Investissement Tourisme 3 - MAISONS-ALFORT	Full	100%	100%	-
France Investissement Énergie Environnement 2 - MAISONS-ALFORT	Full	88.17%	88.17%	-
Avenir Entreprise Développement C1 - MAISONS-ALFORT	Full	-	-	100%
Avenir Entreprise Développement C2 - MAISONS-ALFORT	Full	100%	100%	100%
Avenir Entreprise Développement C4 - MAISONS-ALFORT	Full	-	-	100%
Avenir Entreprise Mezzanine - MAISONS-ALFORT	Full	-	-	66.84%
Avenir Entreprise Investissement - MAISONS-ALFORT	Full	-	-	100%
Avenir Tourisme - MAISONS-ALFORT	Full	100%	100%	100%
ETI2020 - MAISONS-ALFORT	Full	100%	100%	100%
ETI22 - MAISONS-ALFORT	Full	94.00%	94.00%	94.00%
CDC Entreprises Capital Investissement - PARIS	Full	100%	100%	100%
FSN Ambition Numérique - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Innovation 1 Venture - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Innovation 1 Large Venture II - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Capital 1 - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Capital 2 - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Mezzanine 1 - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance International Capital - MAISONS-ALFORT	Full	100%	100%	100%
FEF Capital - MAISONS-ALFORT	Full	100%	100%	100%
Bpifrance Investissement - MAISONS-ALFORT	Full	100%	100%	100%
Alsabail - STRASBOURG	Equity	40.69%	40.69%	40.69%
Tyrol Acquisition (Groupe TDF) - Luxembourg	Equity	23.99%	23.99%	23.99%
Eutelsat Communications - PARIS	Equity	13.59%	13.59%	25.97%
STConso (Landing with STM Consolidated for 27.71%) - GENEVE	Equity	50.00%	50.00%	50.00%
Future French Champion - MAISONS-ALFORT	Equity	50.00%	50.00%	50.00%
Fonds Lac I - MAISONS-ALFORT	Equity	32.95%	32.95%	33.16%
Soitec - BERNIN	Equity	11.47%	16.80%	16.80%
Mecadev - BLAGNAC	Equity	35.73%	35.73%	-

Note 5 - Accounting principles and valuation methods

5.1. Determining fair value

IFRS 13 sets the rules for determining fair value and provides guidance on how to measure the fair value of assets and liabilities, both financial and non-financial. Fair value is the price that can be fetched when selling an asset or that must be paid for the assignment of a liability in the course of a regular transaction between market participants on the date of valuation. Consequently, fair value is based on the disposal price.

On initial recognition, a financial instrument's value as a rule is its trading price (to wit the value of the consideration paid or received).

On subsequent valuations, the fair value of assets and liabilities must primarily be estimated and determined by using observable market data, while ensuring that all the parameters that make up this fair value converge with the price that "market participants" would apply in a transaction.

5.1.1 • Hierarchy of fair values

The three levels of fair value

The standard defines three levels of fair value for both financial and non-financial instruments:

Level 1: valuation using market quotes on a liquid market. These are instruments for which fair value is determined on the basis of prices quoted on brisk markets.

Level 2: Valuation relying on observable market data. This fair value level applies to instruments quoted on a sluggish market and to instruments valued relying either on directly observable parameters (prices) or indirectly observable ones (namely those inferred from price).

Level 3: Valuation using unobservable market data. This level includes instruments valued using unrecognised valuation models and/or those based on parameters not observable on the market, provided such parameters are likely to affect the valuation substantially

Transfers from one fair value level to another

Transfers between fair value levels may be made when the instruments fulfil the criteria for classification in the new level. Such criteria depend on market conditions and the merchandise involved. Changes in observability, the passage of time and events affecting the life of the instrument are the main factors triggering transfers. Transfers are deemed to have been made at the end of the period in question.

5.1.2 • Assessment techniques

General framework

The best estimate matches the market price of the instrument when traded on a brisk market (prices quoted and disclosed). The group treats the price tendered as the fair value of a long position (asset) and the asking price for a short position (debt).

In the absence of a market or of reliable data, fair value is determined by whichever means conforms to the valuation methods customary on the financial markets: reference to the market value of a comparable instrument, valuation models, and more generally by discounting estimated future cash flows.

The fair value amounts of financial assets and liabilities are the estimates made on the closing date. Fair value is subject to change in different periods due to changing market conditions or other factors. Calculations are made relying on a number of assumptions. In practice, and assuming that a firm will remain in business, all of these financial instruments are not expected be realised at once for whatever value has been estimated.

Consideration of non-realisation risk for derivative liabilities (Debit Value Adjustment) and the assessment of the counterparty risk for derivative assets (Credit Value Adjustment) have no material impact on the assessment of the fair value of the group's derivatives.

Special case of unlisted shares

The market value of unlisted shares is determined by comparison with recent transactions involving the capital of the company that issued the shares, conducted at arm's length and under normal market conditions. If there is no such benchmark, the shares are valued either using standard techniques (multiples of EBIT or EBITDA, DCF), or on the basis of the share of net assets attributable to the group according to the most recent information available.

Special case of financial assets and liabilities recognised at cost

Furthermore, market values are compared to the book value for variable-rate financial assets and liabilities for which the change in yield curve has no significant impact on fair value, as the interest rates for these instruments are frequently adjusted to market rates.

5.2. Initial recognition of financial assets and liabilities

All financial assets and liabilities within the scope of IFRS 9, except for those measured at fair value depending on profit or loss, are initially recognised at their fair value plus/minus the transaction costs of purchasing them. Transaction costs for financial assets and liabilities at fair value according to profit or loss are recognised directly in profit or loss on the date of their initial recognition.

The group recognises securities, loans and borrowings on the balance sheet on the settlement date. All derivatives are recognised on the balance sheet on the date they are traded.

5.3. Classification and measurement of financial assets

Debt instruments

Loans and receivables as well as fixed-income securities are debt instruments that are evaluated at their depreciated or fair value depending on the business model and on the nature of the contractual cash flows. More specifically:

- Debt instruments held in a business model whose purpose is to collect contractual cash flows and for which the cash flows merely yield payment of principal and interest on the remaining principal falling due on specified dates (hereinafter "SPPI criterion" defined in the paragraph "Assessing the nature of contractual cash flows") are recognised at their discounted value. These debt instruments are subject to depreciation as set forth in Note 5.5 Depreciation of financial assets. Interest is calculated using the effective interest rate method, as set forth in Note 5.20 Interest income and expense.
- Debt instruments held in a business model whose purpose is both to collect and to sell the contractual cash flows and whose cash flows meet the SPPI criterion are recognised at fair value by equity. Changes in fair value are recognised in equity, except for the effects of credit risk, interest and foreign exchange gains or losses on monetary assets in foreign currency, which are recognised in profit or loss. In the event of derecognition, unrealised gains or losses previously recognised in equity are shifted to the income statement under the heading "Net gains or losses from instruments at fair value through equity".

Depreciation of such financial assets is calculated using the methods set forth in Note 5.5 Depreciation of financial assets. Interest is calculated using the effective interest rate method, as set forth in Note 5.20 Interest income and expense.

- Other debt instruments are recognised at fair value through profit or loss. They are either assets that do not meet the SPPI criterion, in particular investment (non-consolidated) fund units or bonds convertible into the issuer's shares, or assets that do not meet the two management models described above (cash flow collection or cash flow collection and disposal).

Furthermore, from the time when they are initially recognised, the group may also irrevocably designate at fair value according to profit or loss a debt instrument that fulfils the conditions required for assessment at depreciated cost or at fair value through equity, if this designation eliminates or significantly reduces discrepancies between certain financial assets and liabilities depend on their accounting treatment.

Changes in the fair value of these instruments are recorded under "Gains and losses on financial instruments at fair value through profit or loss".

Assessment of the traits of contractual cash flows

For the purposes of assessing the SPPI (Solely Payments of Principal and Interests) criterion, principal constitutes the fair value on the date of initial recognition; it can change during the lifetime of the financial asset, for example through depreciation of the principal. Interest consists primarily of consideration for the time value of money, the credit risk incurred by the group or any other kind of risk and costs associated with holding the financial asset for a certain time. Interest can also include a margin, as is customary in conventional loan agreements.

The time value of money is the component of interest that compensates the lender only for the passage of time.

Contractual conditions that expose contractual cash flows to changes in share prices, commodity prices or exchange rates, or to a leverage effect are not deemed to fulfil the SPPI criterion.

Contractual terms that allow extending the maturity of a financial asset or else its premature redemption do not impair the SPPI criterion, provided that the compensation that the group receives is reasonable.

The SPPI nature of financial assets that include embedded derivatives is analysed as a whole (host contract and embedded derivative) in order to infer its IFRS 9 classification.

Assessment of the business model

The business model reflects the way the group manages its financial assets in order to generate cash flows: by collecting cash flows only, collecting cash flows and disposing of financial assets or some other approach. The factors determining how the business model is assessed are:

- The criteria used for assessing the performance of portfolio assets and explaining performance to top management;
- Risks influencing the performance of portfolio assets and how such risks are monitored and handled;
- How managers are paid;
- The frequency and volume of previous disposals made in the past.

In its character as a public investment bank, Bpifrance assists firms of all sizes (mainly very small to middling firms) throughout all stages of their development, from start-up to listing on the stock exchange. In view of its social aims, Bpifrance's financing consequently attuned to keeping in touch with its customer and collecting contractual flows.

The debt instruments that make up Bpifrance's liquidity portfolio are managed according to two distinct management models: a model for collecting contractual flows, matching the accounting classification of investment securities under French standards and no disposals, as well as a collection and resale management model for covered bonds.

With regard to the consolidated funds, a portfolio of financial assets is managed relying on fair value, which is also the basis for assessing performance. This justifies an "alternative strategy" model that leads to recognition at fair value through profit or loss of the debt instruments held, whether or not they fulfil the SPPI criterion.

Reclassification

Financial assets are reclassified when the business model under which they are held changes as a result of a strategic decision by management, responding to major changes in the group's operations. Reclassifications are prospective. They do not entail restatement of any profits or losses recognised before the date on which the financial assets concerned were reclassified.

During the reporting period the group has not changed its management model for financial assets. Consequently, no reclassification of financial assets has occurred until now.

Equity instruments

By default, equity investments are recognised at fair value through profit or loss both on the date of their initial recognition and hereafter. Changes in fair value, dividends, gains or losses on disposals are recorded under "Net gains or losses on financial instruments at fair value through profit or loss".

However, upon initial recognition, the group may irrevocably designate at fair value through equity investments in equity instruments that are not held for trading or as part of a business combination. This option is exercised performing transactions one at a time, and the group has decided to apply it to its entire equity portfolio, since the Bpifrance Group takes minority interests in growing companies (very small to huge companies, as well as start-ups) or acquires holdings in private investment funds in order to foster their development. The group also makes strategic investments in large companies.

Changes in the fair value of these instruments are presented in equity, without subsequent recycling in profit or loss in the event of disposal. These financial assets are not subject to depreciation. Dividends from these investments are recorded in the income statement under "Net gains or losses on financial assets at fair value through equity".

5.4. Financing commitments given and received

Financing commitments are not shown on the balance sheet.

Over the commitment period, financing commitments given are subject to depreciation according to the methods set forth in note 5.5 Depreciation of financial assets. These depreciations are shown in the "Provisions" section.

5.5. Depreciation of financial assets

Debt instruments measured at depreciated cost or at fair value through equity, financing commitments given and financial lease receivables are systematically subject to depreciation for expected credit losses.

When they are first recognised, financial assets, including financing commitments but not financial assets depreciated when acquired or created, are subject to depreciation resulting from default events expected within the next 12 months (expected credit losses within 12 months). In the event of a significant increase in credit risk since the date of initial recognition, depreciations are amended to reflect the events of default expected over the instrument's entire life (expected credit losses at maturity).

Financial assets are initially allocated to "bucket 1". If they have not undergone any significant increase in credit risk since the beginning, they stay in "bucket 1". Depreciations are recognised in the amount of credit losses expected at 12 months.

If the credit risk of a financial asset rises substantially, it is transferred to "bucket 2"; depreciations are determined relying on expected losses at maturity.

Assets for which one or more objective indicators of depreciation exist related to events that have occurred since their initial recognition and affected the expected cash flows are allocated to "bucket 3". Losses expected at maturity are calculated for such assets.

Loan portfolio

Significant increase in credit risk

A significant increase in credit risk is assessed by comparing the risk of default on the financial instrument on its initial recognition with the risk on the closing date. This impairment must be noticed before any objective indicator of loss appears (bucket 3).

This assessment is based on both qualitative and quantitative criteria. It is routinely assumed that the credit risk of an outstanding debt has risen substantially if one of the following conditions is fulfilled:

- The counterparty is on the watch list. Performance grounds that the Bpifrance Group associates with watch list status include unpaid amounts between 30 and 90 days inclusive, as well as restructured outstanding amounts on probation (two-year period);
- The annualised probability of the counterparty's default at maturity on the calculation date exceeds 20%;
- The annualised probability of the counterparty's default at maturity on the calculation date rises by more than 2% compared to the probability of default on the date of the award decision, and the increase in the annualised probability of default exceeds 95% of the probability of default on the date of the award decision.

The model is applied symmetrically. Thus, if the reasons motivating its classification in bucket 2 no longer apply, the Bpifrance Group acknowledges the improvement in the situation of the counterparty by returning it to bucket 1.

Financial assets that show objective indications of loss

These are financial assets that the group has classified as non-performing, to wit any asset for which the institution is unlikely to collect all or part of the amount due of the commitments entered into by the counterparty as a result of financial difficulties.

Non-performing counterparties are in particular those for which (amicable or contentious) insolvency proceedings are in progress, an impairment in credit quality has been noted, those whose receivables are more than 90 days in arrears, or who have been declared in default, or for which Bpifrance's surety has been invoked.

Any restructured or moratorium loan in arrears of payment for more than 30 days during a probationary period automatically leads to reclassification in the category of non-performing assets. The probationary period is one year before any possibility of placement on the watch list.

The Bpifrance Group has aligned the Basel definitions of default and non-performance with those of doubtful accounting and bucket 3 IFRS 9.

The Bpifrance Group writes off any asset once its rights as a creditor expire.

Measurement of credit losses

For assets classified in buckets 1 and 2, expected credit losses are equal to the product of three parameters, to wit likelihood of default, loss rate in the event of default, and the exposure at the date of default. Expected credit losses are discounted at the effective interest rate of the asset in question.

The likelihood of default at 12 months and at maturity are respectively the risk of default of the counterparty in the next 12 months and the risk of default throughout the life of the instrument.

The rate of loss in the event of default is estimated using the available internal historical data. It is calculated taking account of the characteristics specific to each loan, in particular the breakdown of the sureties attached to it, as well as the characteristics of the borrower.

The group relies on the systems used for setting regulatory provisions. In this context, the likelihood of default and the rate of loss in the event of default, observed throughout the cycle (for regulatory purposes, are adjusted so they can be measured at the date of default (point-in-time).

Furthermore, the likelihood of default and the rate of loss also take account of the expected economic situation over the projection horizon (forward-looking). In general, the Group uses four scenarios deemed to be baseline, optimistic and two adverse scenarios. The simulation horizon used is six years. These scenarios are based on the French GDP growth rate, the consumer price index, the unemployment rate and the difference between the interest rates on 2-year and 10-year government bonds.

Exposure at the date of default takes into account amounts disburses and commitments given. The outstanding amount at risk on the outstanding number of commitments given is estimated based on historical disbursement rates. Exposure takes into account the depreciation and the potential repayment of the outstanding amount.

The calculation of the loss expected for secured loans is only made for the unsecured part of the loans.

The depreciation of bucket 3 assets is estimated case by case. It equals the difference between the book value of the asset and its discounted value at the initial effective interest rate of estimated recoverable future cash flows, bearing in mind the effect of collateral, when they are included in the contract, unless they are recognised as separate assets.

Securities portfolio

The simplified approach known as low-credit risk has been adopted for the group's securities portfolio, given the low-risk profile of a portfolio consisting mainly of sovereign securities.

The credit risk of a financial asset is considered low when:

- The risk of default is low;
- The borrower has ability to fulfil its contractual obligations is sound;
- This ability is not necessarily affected by adverse changes in longer-term economic and business conditions.

The group considers credit risk low when the counterparty is classified as “Investment Grade” and the securities of such counterparty are classified as “bucket 1”. The downgrading of a title to "Speculative Grade" entails its reclassification into "bucket 2". A downgrade of two ratings during the six months preceding the closing date may be an additional factor for identifying a significant impairment of credit risk. In such cases, the group carries out a case-by-case analysis.

Within this framework, credit losses are measured according to the following rules:

- Buckets 1 and 2: the likelihood of default is calculated on the basis of data from rating agencies, the loss rates used are those of the Basel benchmark and the exposure at the date of default is equal to gross book value;
- Bucket 3: losses are estimated on an individual basis taking into account the counterparty’s situation and, if applicable, the value of the collateral.

5.6. Distinction between debt and equity

Pursuant to IAS 32 on the presentation of financial instruments, financial instruments issued are qualified as debt or equity instruments depending on whether or not the contract binds the issuer to deliver to the holders of the securities cash or some other financial asset, or else to exchange instruments under potentially unfavourable conditions.

Bpifrance reserve fund

The reserve fund was set up by the shareholders of the former OSEO Garantie; this advance is intended to cover outstanding loans secured by it. The Bpifrance reserve fund is classed as an equity instrument since paying interest to bearers is discretionary, and its reimbursement depends on the shareholder’s decision.

5.7. Debts

Debts issued by the group that are not valued at fair value through profit or loss are initially recorded at cost, which equals the fair value of the amounts borrowed net of transaction costs. These debts are valued on the closing date at their depreciated cost using the effective interest rate method and are recorded on the balance sheet under "Debts to credit institutions", "Debts to customers" and "Debts represented by a security" or "Subordinated debt".

Debts owed to credit institutions and debts owed to customers

Debts to credit institutions and to customers are itemised depending to their initial term or the nature of these debts: sight debts (day-to-day loans, regular accounts) and term loans for credit institutions; term loans, surety bonds and regular accounts for customers.

Interest accrued on these debts is posted to the related debts account against the income statement.

Debts in the form of a security

Debts in the form of a security are broken down by medium: interbank market securities, negotiable debt securities and bond issues, excluding subordinated securities, which are classified as "Subordinated debt".

Accrued interest attached to these securities is recorded in a related debt account offsetting the income statement. Issue or redemption premiums for bond loans are depreciated using the effective interest rate method over the lifetime of the loans in question. The matching charge is recorded under "Interest and charges" in the income statement.

Subordinated debt

This item includes debts in the form of securities or otherwise, with a term or an indefinite duration, whose reimbursement in the event of liquidation of the debtor is only possible after other creditors have been paid.

These debts are valued on the closing date at their depreciated cost using the effective interest rate method. Where applicable, accrued interest attached to subordinated debts is recorded in a related debts account offsetting the income statement.

This item also includes mutual guarantee deposits.

5.8. Financial liabilities designated at fair value through profit or loss on option

These are debts that the group irrevocably designated from the outset at fair value through profit or loss. This option is applied only in the following cases:

- The elimination or significant reduction of discrepancies in accounting treatment between certain financial assets and liabilities;
- The alignment of the accounting treatment with management and measurement of performance, provided that this condition is based on an established risk management or investment policy and that internal reporting is based on a measurement of fair value;
- Measurement at fair value through profit or loss of certain hybrid financial liabilities without separation of embedded derivatives;
- An embedded derivative is the component of a "hybrid" contract, whether financial or not, which meets the definition of a derivative product. It must be extracted from the host contract and recognised separately when the hybrid instrument is not measured at fair value through profit or loss and the economic traits and associated risks of the embedded derivative are not closely linked to the host contract.

Changes in fair value during the period and interest on financial liabilities are recorded under "Net gains or losses on financial instruments at fair value through profit or loss", except for changes in fair value attributable to changes in the own credit risk which are recorded under "Gains and losses recognised directly in equity". In the event of derecognition of the liability before its maturity, the gain or loss in fair value realised, attributable to the own credit risk, is transferred directly to the heading consolidated reserves in equity, without affecting the result for the period.

5.9. Repo Transactions

Securities sold temporarily in the case of a repurchase agreement remain recognised on the group's balance sheet in their original portfolio. The matching liability is recorded under the appropriate "Debts" heading ("Debts to Credit Institutions" or "Debts to Customers").

Securities acquired temporarily in the case of a reverse repurchase agreement are not recognised in the group's balance sheet. The matching receivable is recorded under the heading "Loans and Receivables with credit institutions and the like, at depreciated cost".

5.10. Derecognition of financial assets and liabilities

The group derecognises a financial asset when the contractual rights to collect the cash flows linked to the financial asset have expired, or when these contractual rights as well as almost all the risks and rewards inherent to ownership of the asset have been transferred. The rights and obligations created or retained during the transfer are, where applicable, recognised separately as assets or liabilities.

When derecognising a financial asset in its entirety, a gain or loss on disposal is recorded in the income statement for an amount equal to the difference between the book value of this asset and the value of the consideration received, and any unrealised profit or loss that would have been previously recognised directly in equity is corrected if applicable.

The group derecognises a financial liability only when this financial liability is extinguished, i.e., when the obligation specified in the contract is extinguished, is cancelled or has expired.

5.11. Derivative financial instruments and hedge accounting

A derivative is a financial instrument characterised by the following three traits:

- Its value depends on an interest rate, or on the price of a financial instrument, or on the price of a commodity, or on an exchange rate, or on a price index, a credit rating or a credit index;
- Its initial investment is zero or very small;
- It must be paid sometime in the future.

Derivative instruments are accounted for at fair value. At each closing date, regardless of the purpose for which they are being held (transaction or hedging), they are valued at their fair value. Except for derivatives that for accounting purpose are considered cash flow hedges, changes in fair value are recognised in the income statement for the period in question.

There are two kinds of derivative financial instruments:

Trading derivatives

Trading derivatives Trading derivatives are entered in the balance sheet under the heading: Financial assets or liabilities at fair value through profit or loss. The realised and unrealised gains and losses are entered in the income statement under the heading: Net gains or losses on financial instruments at fair value through profit or loss. Derivative financial instruments are classified, by default, as trading derivatives unless they can be classed as hedging derivatives.

Hedging derivatives

The group has chosen the option offered by IFRS 9 not to include them in its hedge accounting, and instead continues to treat them for accounting purposes under the IAS 39 standard adopted by the European Union.

For a derivative instrument to qualify as a hedging instrument for accounting purposes, it must be recorded as a hedging instrument from the very beginning (i.e., hedging strategy, nature of the risk being hedged, name and nature both of the hedged item and of the hedge instrument). Furthermore, the hedge's effectiveness must be proved at the outset and verified retrospectively at each closing date.

Derivatives purchased as a hedge are designated according to the goal pursued. Until now the group has only applied fair value hedge accounting. Changes in the fair value of hedging instruments and hedged items are recognised under "Net gains or losses on financial instruments at fair value through profit or loss".

Fair value hedge

The purpose of fair value hedging is to reduce the risk of change in the fair value of an asset or liability on the balance sheet or of an inflexible commitment (especially hedging the interest rate risk of fixed-rate assets and liabilities).

Any revaluation of the hedged item is recorded in income symmetrically to the revaluation of the derivative. Thus, if the hedge turns out to be ineffective, it appears directly in the income statement.

Interest that accrues on the hedging derivative is recognised in the income statement symmetrically to interest accrued on the hedged item.

In the case of hedging an identified asset or liability, revaluation of the hedged component is added to the balance sheet by type the hedged item.

If the hedge is discontinued (for instance because it becomes ineffective or the derivative or the hedged item is sold before maturity), the hedging derivative is shifted to the trading portfolio. The amount of the hedged item's revaluation recorded in the balance sheet is depreciated over the time span remaining before the hedge would have expired, as long as the entry for the formerly hedged item stays in the balance sheet.

Hived-off global hedging

The Group's preference is for the application of the provisions of the IAS 39 standard adopted by the European Union (known as the "carve-out") for macro-hedge operations carried out within the framework of asset-liability management.

These provisions make it possible to hedge the interest rate risk associated with loans with the clientele, debt security portfolios acquired or issued, or with borrowing portfolios. Macro-hedge instruments are primarily rate swaps designated as fair value hedges of the Group's fixed-rate assets or resources.

The accounting treatment for hived-off global hedge derivatives uses the same principles as the ones previously described as part of the fair value hedge. However, the overall revaluation of the hedged component is included under the heading "Revaluation discrepancies of the rate-hedged portfolios". The efficiency of the hedges is ensured prospectively by the fact that all derivatives, on their set-up date, must serve to reduce the rate risk of the underlying portfolio of hedged securities.

5.12. Balance sheet offsetting of financial assets and liabilities

In accordance with IAS 32, the Group offsets a financial asset and a financial liability and a net balance is presented in the balance sheet when there is a legally binding right to offset the recognised amounts and an intention, either to settle the net amount, or to generate the asset and settle the liability simultaneously.

The fair value of derivative instruments treated with clearing houses and the associated margin calls, and for which the functioning principles meet the previous criteria, is offset in the balance sheet.

5.13. Currency transactions

The accounting registration rules depend on the monetary or non-monetary nature of the elements contributing to the foreign currency operations carried out by the Group.

Monetary assets and liabilities denominated in foreign currencies

Monetary assets and liabilities denominated in foreign currencies are converted; using the closing price, into the Group's operating currency, the Euro. Exchange discrepancies are recognised through profit or loss.

Non-monetary assets expressed in foreign currencies

Non-monetary assets recognised at historical cost are assessed at the exchange rate on the transaction date. Non-monetary assets recognised at fair value are assessed at the exchange rate on the closing date. Exchange discrepancies on non-monetary elements are recognised through profit and loss if the gain or loss on the non-monetary element is recognised through profit or loss, in the gains and losses directly recognised in the shareholders' equity if monetary element is recognised in the equity capital.

5.14. Leases

Lessor

In accordance with IFRS 16 "Leases", leases granted by the Group are analysed as either finance leases or operating leases. Leasing operations are qualified as finance lease operations when they result in the de facto transfer to the lessee of the risks and benefits related to the ownership of the leased asset. Failing that, they are qualified as an operating lease.

Finance lease receivables are included in the balance sheet under the item "Finance leases and similar operations, at amortised cost" and represent the Group's net investment in the lease, which is equal to the discounted value at the lease's implicit rate of the minimum payments that are to be received from the lessee, plus any non-guaranteed residual value.

Finance lease operations are recorded in the balance sheet on the settlement/delivery date.

The interest included in the lease payments is recorded in the "Interest profit and loss statement" such as to be able to determine a constant periodic profitability rate for the net investment.

Finance lease receivables are subject to impairment according to the modalities described in Note 5.5 "Impairment of financial assets".

The Assets Temporarily Not Leased (ATNL) resulting from finance lease operations are likened to stocks and are recorded as balance sheet assets under the heading "Accruals and miscellaneous assets". They are assessed at their net financial value on the termination date, net of possible impairment booked when the recovery value is lower than the financial net value on the termination date.

Lessee

In accordance with IFRS 16 "Leases", the Group records a lease liability and a right to use the leased asset at the inception of the lease contract.

The lease liability is equal to the discounted value of the future payments over the term of the lease. These future payments include fixed rents and variable rents based on an index (consumer price index or construction cost index, etc.) as well as, where applicable, amounts that the Group expects to pay to the lessor under residual value guarantees or options whose exercise is reasonably certain. However, variable payments not based on an index or rate and taxes such as housing tax are excluded from the future payments taken into account to determine the lease liability.

The right of use is equal to the initial value of the lease liability, increased, where applicable, by the initial direct costs. It is adjusted, where applicable, for payments made to the lessor before or on that date, less any rental benefits received.

The present value of future payments is recorded as a liability under "Lease liabilities", while the right of use is recorded as an asset under "Property, plant and equipment". The lease liability is depreciated on an actuarial basis and the right of use is depreciated on a straight-line basis over the term of the lease. In the income statement, depreciation charges are recognised under operating expenses and charges relating to the lease liability under "Interest and similar expenses".

Where applicable, a provision to cover the costs of restoring the leased asset that will be incurred at the end of the lease is recorded as a liability in the balance sheet.

Net timing differences resulting from subsequent changes in the lease liability and the right of use will give rise to the recognition of deferred tax.

The main assumptions used to value lease liabilities and rights of use are as follows:

- The lease term is the non-cancellable period during which the lessee has the right to use the underlying asset, extended where applicable by renewal options that the lessee is reasonably certain to exercise and termination options that the lessee is reasonably certain not to exercise. In addition, for property leases, the original term is nine years. However, the tacit extension, inherent in these contracts, is taken into account in determining the initial term of the lease if Bpifrance anticipates an interest in using this provision;
- The discount rate used to determine the right of use and the lease liability is the incremental borrowing rate, defined on the basis of internal transfer rates calculated by the Group's Finance Department.

Pursuant to exemptions proposed by the standard, leases corresponding to low-value assets or a term of less than or equal to one year are recognised directly as expenses.

5.15. Tangible and intangible assets

In compliance with the IAS 16 standard relative to tangible fixed assets and IAS 38 standard relative to intangible fixed assets, a tangible or intangible fixed asset is posted as an asset if:

- it is probable that the future economic benefits associated with this asset will go to the company;
- this asset's cost can be reliably assessed.

Fixed assets are recorded at their acquisition cost, possibly increased by the acquisition expenses that are directly attributable to them.

The Group applies the asset recognition method by component to all of its tangible and intangible fixed assets.

After initial recognition, the fixed assets are assessed at their cost, less the total of the amortisations/depreciations and impairment losses.

Fixed assets are amortised/depreciated according to the consumption duration of the expected economic benefits, which generally corresponds with the asset's lifespan. When one or more of a fixed asset's components have a different operational life or provide different economic benefits, these components are depreciated/amortised according to their own operational lives.

The following amortisation/depreciation durations have been adopted:

- software: from 1 to 5 years;
- buildings: from 25 to 55 years;
- fittings, furnishings and office equipment: from 4 to 10 years;
- IT hardware: 4 years.

Fixed assets are the subject of an impairment test when signs of possible impairment losses are identified on the closing date. If affirmative, the asset's new recoverable value is compared with the fixed asset's net book value. In case of a loss in value, impairment is noted through profit or loss.

This impairment is written back in case of modification of the recoverable value or the disappearance of the signs of impairment loss.

5.16. Investment buildings

In compliance with IAS 40 standard relative to investment buildings, a real estate asset is recognised in "Investment buildings" if it is held in order to obtain rental payments or develop the capital.

5.17. Employee benefits

The Bpifrance Group provides its employees with various types of benefits, falling into four categories:

Short-term benefits

They primarily include salaries, holidays, mandatory and voluntary profit sharing, and bonuses payable within 12 months of the closing of the financial year to which they pertain. They are recognised in the expenses for the financial year, including the amounts still owed at the time of the closing.

Post-employment benefits

They include the retirement lump sum payments, the banking sector retirement supplements and health expenses after employment.

These benefits fall under two categories: the defined contribution plans (not representative of a commitment to be provisioned by the company) and the defined benefit plans (representative of a commitment at the company's expense and resulting in an assessment and provisioning).

Defined contribution plan

A defined contribution plan is a plan for post-employment benefits according to which an entity pays defined contributions (as an expense) to a separate entity and will have no legal obligation to pay additional contributions if the fund does not have sufficient assets to provide all of the benefits corresponding with the services provided by the staff during the periods in question.

Defined benefits plan

The obligations are assessed using an actuarial method that considers demographic and financial assumptions such as age, seniority, the probability of presence on the date of the awarding of the benefit, and the discounting rate (rate of return from the market for the bonds of high-quality companies).

This calculation includes a distribution of the expense over time on the basis of the activity period of the staff members (projected credit units method). The recognition of the obligations takes into account the value of the assets established in order to hedge the obligations and actuarial elements.

The expenses relative to defined benefit plans consist of the cost of the benefits rendered during the year, the interest on the liabilities or net assets relative to the defined benefits (at the market rate of return of the bonds of high-quality companies), the contributions to the employer's plans, and the benefits paid.

The possible actuarial gains and losses (revaluations), the yields of the plan's assets (excluding interest) and the consequences of the reductions and possible liquidations of plans are booked in other elements of the overall earnings.

Other long-term benefits

The long-term benefits are generally related to seniority, paid to employees who are still active, but more than 12 months after the financial year's closing. This primarily involves the bonuses for labour medals.

These commitments are the subject of a provision that corresponds with the value of the commitments at the time of the closing. They are assessed using the same actuarial method as the one applied to the post-employment benefits.

For other long-term benefits, the cost of the benefits, the net interest on the liabilities (the assets) and the revaluations of the liabilities (or assets) are booked in net income.

Termination of employment compensation

This involves compensation paid to employees at the time of the termination of their employment contract, prior to retirement, whether in case of dismissal or acceptance of a voluntary departure plan. The end of employment contract allowances is provisioned.

5.18. Provisions

A provision is established when it is likely that a resource outflow representing economic benefits will be necessary in order to fulfil an obligation resulting from a past event and when the obligation's amount can be reliably estimated. The amount of such obligations is discounted in order to determine the provision amount, when the impact of this discounting is material.

5.19. Current and deferred taxes and tax position

Current taxation

The payable tax on profits is determined on the basis of the rules and rates applicable in France, as the Group companies are exclusively located in France.

Deferred tax

Deferred taxes are recognised when temporary differences are noted between the book value and the tax value of an asset or liability.

The overall calculation method, which involves determining all of the temporary gaps irrespective of the date when the tax will become payable or recoverable, has been adopted for the calculation of the deferred tax.

The tax rate and rules used in the calculation of the deferred taxation are the ones resulting from the applicable fiscal texts, which will be applicable when the tax becomes recoverable and payable.

Deferred taxes are compensated with one another on the level of each tax entity of the consolidated group. Deferred tax debits are only taken into account if it is probable that the entity in question has a recovery prospect over a determined horizon.

Deferred taxes are recognised as a tax income or expense in the income statement, except for those relating to unrealised gains or losses on assets at fair value through equity and to the value changes of derivatives designated as cash flow hedges, for which the corresponding deferred taxes are charged against shareholders' equity.

Tax uncertainty

When it is probable that a tax position of the Group will not be accepted by the tax authorities, this position is reflected in the financial statements when current tax (current or recoverable) and deferred tax (asset or liability) are recognised.

Tax situation

Bpifrance is the parent company of a tax consolidation group comprising the companies Bpifrance Investissement, Bpifrance Assurance Export, Bpifrance Participations, Bpifrance Courtage, Auxifinances, FSI PME Portefeuille, Bpifrance International Capital and FEF Capital.

5.20. Interest income and expenses

Interest relating to the debt instruments recognised at amortised cost is recorded under "Interest and similar income" or "Interest and similar expenses" according to the effective interest rate method.

The effective interest rate is the rate that discounts the disbursements or collections of the future cash flows over the anticipated lifespan of a financial asset or financial liability in order to exactly obtain the gross book value of the financial asset or the amortised cost of the financial liability. The calculation of this rate takes into account the transaction costs and premiums and discounts as well as the commissions received or paid, such as the commissions for financing commitments given or the commissions for the granting of loans, which by nature are an integral part of the contract's effective interest rate.

Where applicable, Bpifrance estimates the expected cash flows taking into account all the contractual terms and conditions of the financial instrument, in particular early repayment options, extension options, etc.

The items "Interest and similar income" or "Interest and similar expenses" also record the guarantee commissions established on a prorata temporis basis and the interest for hedging instruments designated at fair value.

5.21. Commissions and income from other activities

Pursuant to IFRS 15, the recognition of income resulting from contracts with customers (outside of leases, guarantee contracts and financial instruments that are treated by other IFRS standards) reflects the transfer of ownership over a good or service for an amount corresponding to the amount to which the seller expects to have the right in exchange for this good or service. The applied approach comprises five stages which enable the different performance obligations of a contract to be identified and to allocate a transaction price to each one, with this price being recognised when these obligations are met, i.e., when the transfer of ownership of the good or service has taken place.

In the case of compensation including a variable portion, the latter is only recognised in profit or loss if it is highly probable that its estimated amount will not suffer a significant decrease or when it is certain (e.g., networking agreements).

Commissions remunerating an immediate service are recorded in the income as soon as the service is completed.

Commissions collected as part of a continuing service, such as guarantee commissions, are staggered over the duration of the service on a prorata temporis basis (examples: commissions received by fund management companies, commissions received by Bpifrance Assurance Export under the agreement signed with the French State).

The services provided by the Business support activity are recognised as income from other activities, either progressively (for example: running the programme) or when the service is provided (for example: training days, meetings of strategic committees, etc.).

5.22. Net gains or losses on financial instruments at fair value through profit or loss

This item mainly records:

- The dividends and changes in fair value of investments in equity instruments, that the Group has not designated at fair value through non-recyclable shareholders' equity;
- The changes in fair value of debt instruments (including interest) recognised at fair value through profit or loss, with the exception of changes in fair value relating to the own credit risk resulting from the financial liabilities designated at fair value through profit or loss by option;
- Changes in fair value (including interest) of derivative instruments not used for hedging;
- Changes in fair value (excluding interest) of derivative instruments used for fair value hedging.

The ineffectiveness of hedging relationships is also recognised in this item.

5.23. Net gains or losses on financial instruments at fair value through shareholders' equity

Net gains or losses on financial instruments at fair value through shareholders' equity includes the following elements:

- The dividends of equity instruments designated at fair value through non-recyclable shareholders' equity;
- The results, net of hedging effects, of the derecognition of debt instruments recognised at fair value through shareholders' equity.

5.24. Net gains or losses resulting from the de-recognition of financial assets at amortised cost

This item includes the gains and losses resulting from the derecognition of debt securities or loans and receivables classified as financial assets at amortised cost, including the indemnities for early repayment and hedging effects.

5.25. Personnel costs

The personnel costs include the wages and salaries, as well as the personnel benefits. They include social security charges as well as taxes on wages.

5.26. Cost of credit risk

The net allowances of write-backs for impairment and provisions, receivables written off as losses during the financial year, recoveries on receivables previously transferred to losses comprise the risk expense on credit operations on financial assets recognised at amortised cost and debt instruments classified under "Financial assets at fair value through shareholders' equity".

5.27. Guarantee activity

• Guarantee commitments

The Group's guarantee commitments are mainly carried by Bpifrance and Bpifrance Régions. They involve backing guarantee funds.

Two types of guarantees are granted by the Group:

- Guarantees in respect of venture capital interventions (SME shares) against capital losses incurred by the venture capital institutions. These contracts contain a clause on the participation in capital gains and losses from the disposal of the underlying securities;
- Guarantees granted to credit institutions for the loans granted to their customers, in order to hedge against payment defaults for an identified debtor. The Group is compensated by guarantee commissions. The guarantees not called upon, declared in default by the partner bank without other information about the deterioration of the counterparty's credit risk are classified as performing loans under watch (watch list) and are subject to impairment on the basis of an expected loss model. If the guarantee is called upon (expiry of the loan term or occurrence of collective proceedings) and/or in the event of information about a deterioration in the counterparty's credit risk, the guarantees are subject to impairment for proven risk.

Venture capital guarantee contracts meet the definition of derivative instruments. Consequently, they are assessed at fair value at the date of initial recognition or subsequently. The fair value is assessed based on a maximum indemnity rate.

Commitments to provide guarantee Guarantees to credit institutions meet the definition of financial guarantee contracts, i.e., a contract that requires the issuer to make specific payments in order to repay the holder for a loss that it incurs due to the default of a specified debtor. Under the option provided by IFRS, the Group has chosen to process these contracts according to the provisions of IFRS 9 and consequently not to apply IFRS 4 on insurance contracts.

• Guarantee fund

The guarantee funds correspond to the amounts paid by the State, the CDC, private lessors or local authorities designed to hedge the future risks generated by Bpifrance's guarantee grant activity.

The guarantee funds are equivalent to term deposits repayable to donors which include a component of reinsurance contracts. The guarantee funds, therefore, meet the definition of a financial liability according to IAS 32.

• Accounting treatment and presentation of guarantees to credit institutions and guarantee funds

The Group has irrevocably designated at fair value through profit or loss the guarantee commitments and the guarantee funds that back them. The performance of the guarantee fund is managed and communicated to donors based on a fair value model.

Guarantee commitments are assessed at fair value at the date of initial recognition. This fair value comprises discounted commissions receivable and discounted expected losses. It is determined from internal claims models. These internal models take into account the potential recovery based on statistical observations (assessment of future and non-proven disputes and the provision for proven losses) and the time effect, as well as the proven losses and any recoveries on files for which the Group's guarantee has been called upon. The fair value of the guarantee commitments is recognised in liabilities under the specific heading "Public guarantee funds allocated to commitments".

In addition to the allocations received from public partners, the assessment of the guarantee fund takes into account the share of commissions received that are paid to the guarantee funds and the share of net income from the placement of the allocations received going to the guarantee funds. The fair value of the guarantee fund is recognised in liabilities under the specific heading "Unallocated Public Guarantee Funds".

All flows associated with the guarantee funds are recognised as income and expenses, though with no impact on the Group's income as long as the guarantee funds have not been used up, as future losses are charged against the guarantee funds.

5.28. Innovation activity

The innovation activity involves allocating subsidies, advances repayable in the event of successful completion of the project or loans (zero-rate or with interest) repayable without conditions on behalf of the State or of public partners.

The subsidies granted by Bpifrance meet the conditions specified by IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance" as they are transfers of cash made available by the State and the public partners via their allocations, after the beneficiary entity has demonstrated that it complies with all the conditions allowing it to benefit from the subsidy.

Subsidies disbursed are recognised directly in expenses, under the "Expense on other activities" item. Subsidies granted to companies but not yet disbursed are shown on the liability side of the balance sheet in the "Accrued expenses and other liabilities" item, or are recognised as commitments given until their granting has been formalised.

Repayable advances disbursed are recognised at fair value at their initial recognition, which corresponds to the amount disbursed, and at subsequent closing dates. They are included on the balance sheet under the specific item "Innovation financing aid" and those not disbursed are indicated under commitments given.

The loans granted under the innovation activity are basic loan instruments that meet the SPPI criterion. These are zero-rated loans or variable or fixed-rate loans that may be subject to early repayment against the payment of a reasonable early repayment indemnity. These assets are held in a flow collection business model. These loans are, therefore, assessed at amortised cost, according to the modalities described in section 5.3. "Classification and measurement of financial assets".

The loans granted under the innovation activity are recorded in "Loans and receivables due from customers".

The innovation activity is entirely financed by:

- An allocation known as the State's "intervention allocation", structured as the Intervention guarantee fund;
- Allocations from the local authorities.

These allocations are recognised under the specific "Unallocated net innovation intervention resources" item once the French State or the other partners have signed the agreements. They are used to finance the subsidies and repayable advances and are written back through profit or loss in keeping with the granting of subsidies to the beneficiaries and the occurrence of findings of failures or of the recognition of the depreciation and losses of repayable advances, on zero-rate loans or variable or fixed-rate loans.

These unallocated funds are representative of the fair value of the fund.

Allocations to be received from the State and public partners are recorded under "Other assets – Receivables with State and Innovation Partners".

Impairment on sound outstanding amounts is calculated on the production of repayable advances; zero-rate loans and variable and fixed-rate loans financed by the State's intervention allocations. They correspond to a financial indicator that enables the number of advances and loans that may be transferred to expenses in future income statements to be assessed.

When there is a recognised risk of non-recovery of all or part of the commitments assumed by the counterparty, individual impairments are recognised and the impairment on sound outstanding amounts is reversed.

These impairments are recorded under liabilities in the specific "Net innovation intervention resources allocated to commitments" item.

The impact of this impairment is neutral for Bpifrance's profit and loss statement. Impairment on sound outstanding amounts and individual impairments constituted are recognised as expenses in the profit and loss statement ("Income/expense on other activities"). Symmetrically, the allocation consisting of the State's intervention and the partner financing is booked as a counterparty of this item.

Write-backs of impairment take place:

- When the impaired repayable advances finally become irretrievable and are recognised as expenses;
- When the impairment reversal results from a repayment of the advance.

In the case of an impairment reversal, the liabilities are replenished accordingly.

The income and expenses allocated to the Innovation Guarantee Fund are offset within the profit and loss statement under "expenses on other activities". The amount of expenses and income concerned is indicated in Notes 6.18 and 7.5.

5.29. Use of estimates in the preparation of the financial statements

The preparation of the financial statements requires the formulation of assumptions and estimates that include uncertainties with regard to their future realisation. Using information available on the closing date, these estimates require the managers to make use of their judgement. Future realisations depend on many factors: fluctuation of interest and exchange rates, economic situation, changes to regulations or legislation, etc.

Among others, the following assessments require the formulation of assumptions and estimates:

- The fair value of the financial instruments, notably the value relating to shares not listed on an active market and that relating to over-the-counter instruments classified under "Financial assets or liabilities assessed at fair value through profit or loss" (notably rate swaps), as well as more generally the value relative to the financial instruments for which this information must be included in the notes to the financial statements;
- The amount of expected credit losses on loans and receivables and fixed-revenue securities is assessed at amortised cost or fair value through shareholders' equity, financing and guarantee commitments;
- The valuations of investments accounted for using the equity method and any goodwill;
- The calculations related to the charges for retirement services and future social benefits have been established on the basis of assumptions regarding the discount rate, staff turnover rate and the change in salaries and social charges;
- By their nature, the provisions are also the subject of estimates, consisting of liabilities for which the maturity or amount are not precisely fixed;
- Lease liabilities and rights of use from the Group's leases are valued according to the estimated term of the lease and discount rate assumptions;
- The amount of the deferred taxes, as a deferred tax asset is only recognised if it is felt that there is a probable future availability of a taxable profit against which the deferred tax debits can be charged.

Note 6 - Notes to the balance sheet

6.1. Cash and central banks (assets and liabilities)

(in €m)	31/12/23	31/12/22
Assets		
Cash, Central banks	2,921.8	9 575,7
TOTAL ASSETS	**2,921.8**	**9 575,7**
Liabilities		
Central banks	0.0	0,0
TOTAL LIABILITIES	**0.0**	**0,0**

6.2. Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss

(in €m)	31/12/23	31/12/22
Bonds and fixed-income securities	1,462.0	1347,2
UCITS units	679.6	662,5
Other assets at fair value through profit or loss	5,403.2	4 976,7
Trading derivative financial instruments	0.0	0,0
• *Interest rate derivatives*	*0.0*	*0,0*
• *Foreign exchange derivatives*	*0.0*	*0,0*
• *Equity and index derivatives*	*0.0*	*0,0*
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**7,544.8**	**6,986.4**

No financial assets are recorded at fair value on option

Financial liabilities at fair value through profit or loss

(in €m)	31/12/23	31/12/22
Borrowings and term deposits	0.0	0.0
Debt represented by a title	0.0	0.0
Debt securities	0.0	0.0
Other liabilities at fair value through profit or loss	0.0	0.0
Trading derivative financial instruments	0.0	2.3
• *Interest rate derivatives*	*0.0*	*0.0*
• *Foreign exchange derivatives*	*0.0*	*2.3*
• *Equity and index derivatives*	*0.0*	*0.0*
TOTAL FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**0.0**	**2.3**

The only financial liabilities recorded at fair value on option are guarantee funds and net innovation intervention resources (see notes 6.18 and 6.19)

6.3. Derivative hedge instruments (assets and liabilities)

Asset hedging derivatives

	31/12/23		31/12/22	
	Fair value		Fair value	
(in €m)	Assets	Liabilities	Assets	Liabilities
Fair value hedge (including macro hedge)	60.9	14.5	58.1	10.9
Cash flow hedge	0.0	0.0	0.0	0.0
Hedge of net investments in foreign currencies	0.0	0.0	0.0	0.0
TOTAL HEDGING DERIVATIVES	**60.9**	**14.5**	**58.1**	**10.9**

Fair value hedge: breakdown of hedging derivatives

	31/12/23				
		Fair value		Change in fair value recorded for the period (*)	Ineffectiveness recognised in profit or loss for the period
(in €m)	Notional	Assets	Liabilities		
Interest rate risk hedge	**72,720.4**	**1,294.6**	**879.7**	**414.9**	**0.0**
Futures	71,045.4	1,294.6	869.0	425.7	0.0
• *Hedging asset portfolios (macro hedge)*	*31,266.8*	*1,294.6*	*0.0*	*1,294.6*	*0.0*
• *Hedging liability portfolios (macro hedge)*	*39,778.6*	*0.0*	*869.0*	*-869.0*	*0.0*
Options	1,675.0	0.0	10.7	-10.7	0.0
• *Hedging asset portfolios (macro hedge)*	*1,675.0*	*0.0*	*10.7*	*-10.7*	*0.0*
Foreign currency hedge	**689.9**	**10.6**	**0.0**	**10.6**	**0.5**
Futures	689.9	10.6	0.0	10.6	0.5
• *Hedging liabilities*	*689.9*	*10.6*	*0.0*	*10.6*	*0.5*
Options	0.0	0.0	0.0	0.0	0.0
TOTAL	**73,410.3**	**1,305.2**	**879.7**	**425.6**	**0.5**

(*) Used to calculate ineffectiveness.

	31/12/22				
		Fair value		Change in fair value recorded for the period (*)	Ineffectiveness recognised in profit or loss for the period
(in €m)	Notional	Assets	Liabilities		
Interest rate risk hedge	**63,381.0**	**2,687.9**	**2,110.1**	**577.8**	**0.0**
Futures	61,676.0	2,687.9	2,102.5	585.4	0.0
• *Hedging asset portfolios (macro hedge)*	*29,907.0*	*2,638.3*	*42.2*	*2,596.1*	*0.0*
• *Hedging liability portfolios (macro hedge)*	*31,769.0*	*49.7*	*2,060.3*	*-2,010.7*	*0.0*
Options	1,705.0	0.0	7.6	-7.6	0.0
• *Hedging asset portfolios (macro hedge)*	*1,705.0*	*0.0*	*7.6*	*-7.6*	*0.0*
Foreign currency hedge	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Futures	0.0	0.0	0.0	0.0	0.0
Options	0.0	0.0	0.0	0.0	0.0
TOTAL	**63,381.0**	**2,687.9**	**2,110.1**	**577.8**	**0.0**

(*) Used to calculate ineffectiveness.

Fair value hedge: breakdown of items hedged

	31/12/23			
(in €m)	Book value (*)	Cumulative change in fair value	Hedge value still to be deferred (**)	Change in fair value recorded for the period (***)
Interest rate risk hedge				
Assets hedged	40,855.5	-1,315.5	2.1	-1,315.5
• *Customer loans and receivables at amortised cost macro hedged*	*37,294.3*	*-1,064.7*	*0.0*	*-1,064.7*
• *Financial assets at fair value through equity macro hedged*	*1,632.1*	*-199.9*	*2.1*	*-199.9*
• *Securities at amortised cost macro hedged*	*1,929.1*	*-50.9*	*0.0*	*-50.9*
Liabilities hedged	47,427.0	-869.0	-1.1	-869.0
Financial liabilities macro hedged (****)	*47,427.0*	*-869.0*	*-1.1*	*-869.0*
Foreign currency hedge				
Assets hedged	0.0	0.0	0.0	0.0
Liabilities hedged	681.0	-9.4	0.0	-9.4
• *Debts represented by a security*	*681.0*	*-9.4*	*0.0*	*-9.4*

(*) For macro hedge relationships, the book value represents the outstanding sum hedged and the Revaluation difference of portfolios hedged against interest rate risks.

(**) De-designation, end of the hedging relationship

(***) Used to calculate ineffectiveness.

(****) Debts owed to credit establishments and similar, Debts represented by a security

	31/12/22			
(in €m)	Book value (*)	Cumulative change in fair value	Hedge value still to be deferred (**)	Change in fair value recorded for the period (***)
Interest rate risk hedge				
Assets hedged	39,121.7	-2,610.3	2.8	-2,610.3
• *Customer loans and receivables at amortised cost macro hedged*	*35,260.8*	*-2,249.2*	*0.6*	*-2,249.2*
• *Financial assets at fair value through equity macro hedged*	*1,574.7*	*-268.3*	*2.2*	*-268.3*
Securities at amortised cost macro hedged	*2,286.2*	*-92.8*	*0.0*	*-92.8*
Liabilities hedged	39,473.7	-2,027.3	-2.4	-2,027.3
Financial liabilities macro hedged (****)	*39,473.7*	*-2,027.3*	*-2.4*	*-2,027.3*
Foreign currency hedge				
Assets hedged	0.0	0.0	0.0	0.0
Liabilities hedged	0.0	0.0	0.0	0.0

(*) For macro hedge relationships, the book value represents the outstanding sum hedged and the Revaluation difference of portfolios hedged against interest rate risks.

(**) De-designation, end of the hedging relationship

(***) Used to calculate ineffectiveness.

(****) Debts owed to credit establishments and similar, Debts represented by a security

Schedule of hedging derivative notional amounts

	31/12/23					
(in €m)	Under 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Fair value hedge (including macro hedge)	**803.6**	**4,049.6**	**12,095.3**	**37,827.2**	**18,634.6**	**73,410.3**
Interest rate derivatives	803.6	4,049.6	12,095.3	37,137.3	18,634.6	72,720.4
Foreign exchange derivatives	0.0	0.0	0.0	689.9	0.0	689.9
Cash flow hedge	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Hedge of net investments in foreign currencies	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL	**803.6**	**4,049.6**	**12,095.3**	**37,827.2**	**18,634.6**	**73,410.3**

	31/12/22					
(in €m)	Under 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
Fair value hedge (including macro hedge)	**411.0**	**2,093.5**	**13,217.2**	**29,215.2**	**18,443.1**	**63,380.0**
Interest rate derivatives	411.0	2,093.5	13,217.2	29,215.2	18,443.1	63,380.0
Foreign exchange derivatives	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow hedge	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Hedge of net investments in foreign currencies	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL	**411.0**	**2,093.5**	**13,217.2**	**29,215.2**	**18,443.1**	**63,380.0**

6.4. Financial assets at fair value through equity

	31/12/23		31/12/22	
(in €m)	Fair value	Of which unrealised	Fair value	Of which unrealised
Bonds and fixed-income securities	1,664.0	-377.1	1,576.2	-479.8
Stocks and other variable income securities	15,436.2	1,935.9	13,651.3	379.3
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**17,100.2**	**1,558.8**	**15,227.5**	**-100.5**

The dividends received during the 2023 financial year from the shares held in the portfolio as at 31 December 2023 amount to €585.1m.

The dividends received during the 2023 financial year on shares disposed of during the financial year amounted to €1.8m. These disposals were executed for a fair value of €1,095.2m and resulted in reclassifying a net gain of €467.7m in the consolidated reserves.

Bpifrance has selected the simplified so-called low credit risk approach for the Group's securities portfolio.

Breakdown of gross book values (including related receivables) of financial assets at fair value through equity

(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**1,576.2**	**0.0**	**0.0**	**1,576.2**
CLOSING	**1,664.0**	**0.0**	**0.0**	**1,664.0**

Breakdown of expected credit losses (ECL) on financial assets at fair value through equity

(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**0.2**			**0.2**
Allowances on acquisitions for the year				0.0
Other allowances				0.0
Write-off reversals				0.0
Reversals related to asset outflows				0.0
Other reversals not used				0.0
Transfer between levels				0.0
Other movements				0.0
CLOSING	**0.2**	**0.0**	**0.0**	**0.2**

6.5. Securities at amortised cost

(in €m)	31/12/23	31/12/22
Government bonds	7,173.4	7,505.3
Other bonds	1,051.7	633.5
Negotiable debt securities	1,114.4	1,412.6
Related receivables	91.9	65.6
Impairments on securities at amortised cost	-1.2	-0.8
TOTAL SECURITIES AT AMORTISED COST	**9,430.2**	**9,616.2**

Bpifrance has selected the simplified so-called low credit risk approach for the Group's securities portfolio.

Breakdown of gross book values (including related receivables) of securities at amortised cost

(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**9,617.0**	**0.0**	**0.0**	**9,617.0**
CLOSING	**9,426.2**	**5.2**	**0.0**	**9,431.4**

Breakdown of expected credit losses (ECL) on securities at amortised cost

(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
Opening	**0.8**	**0.0**	**0.0**	**0.8**
Allowances on acquisitions for the year				0.0
Other allowances	0.8			0.8
Write-off reversals				0.0
Reversals related to asset outflows	-0.4			-0.4
Other reversals not used				0.0
Transfer between levels				0.0
Other movements				0.0
CLOSING	**1.2**	**0.0**	**0.0**	**1.2**

6.6. Loans and advances to credit institutions and related entities, at amortised cost

(in €m)	31/12/23	31/12/22
Overdrafts	738.4	699.4
Overnight loans	0.0	0.0
Term loans	341.2	320.8
Securities received under repurchase agreements	42.0	0.0
Guarantee deposits and margin calls	476.6	235.8
Credit risk related impairments	0.0	0.0
Related receivables	3.3	1.5
TOTAL LOANS AND RECEIVABLES FROM CREDIT INSTITUTIONS AND SIMILAR, AT AMORTISED COST	**1,601.4**	**1,257.6**

These outstanding amounts are all classified in bucket 1.

6.7. Loans and advances to customers, at amortised cost

(in €m)	31/12/23	31/12/22
Overdrafts	0.4	0.2
Accounts opened with the French State - Agence France Trésor	7,019.9	6,998.9
Trade receivables	13.4	84.6
Export loans	867.0	765.3
Cash loans	1,506.7	1,695.0
Equipment loans	21,366.2	20,607.7
Subordinated loans	485.9	600.6
Other loans	18,841.2	18,146.3
Credit risk impairments (*)	-1,149.7	-1,153.8
Related receivables	234.5	143.1
TOTAL LOANS AND RECEIVABLES DUE FROM CUSTOMERS, AT AMORTISED COST	**49,185.6**	**47,887.9**

(*) See Note 6.18.

Breakdown of gross book values (including related receivables) of loans and receivables from customers, at amortised cost

	MLTL (Co-financing activity on Medium and Long-term Loans)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**25,188.4**	**12,830.0**	**2,209.0**	**40,227.4**
Change of method				0.0
Reclassifications				0.0
Restatements				0.0
Acquisitions	7,626.3	1,550.8	615.9	9,793.0
Repayments, when due	-4,016.3	-3,277.9	-1,153.9	-8,448.2
Disposals and restructurings				0.0
Transfer between levels	880.7	-1,760.2	879.5	0.0
Merger/Contribution				0.0
Other movements				0.0
Changes in consolidation scope				0.0
CLOSING	**29,679.1**	**9,342.7**	**2,550.4**	**41,572.2**

Breakdown of expected credit losses (ECL) on loans and receivables from customers, at amortised cost

	MLTL (Co-financing activity on Medium and Long-term Loans)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**115.8**	**409.0**	**565.5**	**1,090.3**
Reclassifications				0.0
Allowances on acquisitions for the year	20.9	43.2	244.9	309.0
Other allowances				0.0
Write-off reversals			-48.5	-48.5
Reversals related to asset outflows	-2.8	-13.0		-15.8
Other reversals not used	-24.6	-34.6	-96.9	-156.1
Transfer between levels	-3.6	-81.7		-85.3
Other movements			-0.3	-0.3
CLOSING	**105.7**	**322.9**	**664.7**	**1,093.3**

Breakdown of gross book values (including related receivables) of loans and receivables from customers, at amortised cost

	STFA (Short-Term Financing Activity)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**844.4**	**657.5**	**216.6**	**1,718.5**
Change of method				0.0
Reclassifications				0.0
Restatements				0.0
Acquisitions	40.2			40.2
Repayments, when due	-5.0	-128.1	-96.3	-229.4
Disposals and restructurings				0.0
Transfer between levels	33.8	-96.1	62.3	0.0
Merger/Contribution				0.0
Other movements				0.0
Changes in consolidation scope				0.0
CLOSING	**913.4**	**433.3**	**182.6**	**1,529.3**

Breakdown of expected credit losses (ECL) on loans and receivables from customers, at amortised cost

	STFA (Short-Term Financing Activity)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**1.3**	**5.4**	**56.5**	**63.2**
Reclassifications				0.0
Allowances on acquisitions for the year	1.6	2.0	11.3	14.9
Other allowances				0.0
Write-off reversals			-6.0	-6.0
Reversals related to asset outflows	-1.0	-4.9		-5.9
Other reversals not used	-0.2	-0.2	-13.3	-13.7
Transfer between levels	-0.1	-0.3		-0.4
Other movements				0.0
CLOSING	**1.6**	**2.0**	**48.5**	**52.1**

Breakdown of gross book values (including related receivables) of loans and receivables from customers, at amortised cost

(in €m)	OTHER			TOTAL
	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	
OPENING	**7,094.5**	**0.0**	**1.3**	**7,095.8**
Change of method				0.0
Reclassifications				0.0
Restatements				0.0
Acquisitions	169.7			169.7
Repayments, when due	-31.7			-31.7
Disposals and restructurings				0.0
Transfer between levels				0.0
Merger/Contribution				0.0
Other movements				0.0
Changes in consolidation scope				0.0
CLOSING	**7,232.5**	**0.0**	**1.3**	**7,233.8**

Breakdown of expected credit losses (ECL) on loans and receivables from customers, at amortised cost

(in €m)	OTHER			TOTAL
	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	
OPENING	**0.2**	**0.0**	**0.0**	**0.2**
Allowances on acquisitions for the year	4.1			4.1
Other allowances				0.0
Write-off reversals				0.0
Reversals related to asset outflows				0.0
Other reversals not used				0.0
Transfer between levels				0.0
Other movements				0.0
CLOSING	**4.3**	**0.0**	**0.0**	**4.3**

6.8. Finance leases and similar operations, at amortised cost

(in €m)	31/12/23	31/12/22
Real estate leasing (CBI) and similar operations	4,078.0	4,037.5
Equipment leasing (CBM) and similar operations	2,157.6	1,956.7
Related receivables	157.8	204.5
Credit risk impairments (*)	-110.4	-103.3
TOTAL FINANCING AND SIMILAR LEASING OPERATIONS, AT AMORTISED COST	**6,283.0**	**6,095.4**

(*) See Note 6.18.

Breakdown of gross book values (including related receivables) of finance lease and similar transactions, at amortised cost

	REL (Real estate leasing)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**2,167.0**	**1,764.2**	**233.9**	**4,165.1**
Change of method				0.0
Reclassifications				0.0
Restatements				0.0
Acquisitions	864.3		64.3	928.6
Repayments, when due	-656.4	-168.1	-78.8	-903.3
Disposals and restructurings				0.0
Transfer between levels	158.9	-188.7	29.8	0.0
Merger/Contribution				0.0
Other movements				0.0
Changes in consolidation scope				0.0
CLOSING	**2,533.8**	**1,407.4**	**249.2**	**4,190.4**

Breakdown of expected credit losses (ECL) on finance lease and similar transactions, at amortised cost

	REL (Real estate leasing)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**4.5**	**29.6**	**48.3**	**82.4**
Reclassifications				0.0
Allowances on acquisitions for the year	2.7	12.3	32.1	47.1
Other allowances				0.0
Write-off reversals				0.0
Reversals related to asset outflows	-0.9	-6.2		-7.1
Other reversals not used	-0.9	-5.8	-23.4	-30.1
Transfer between levels	-0.1	-2.8		-2.9
Other movements			-2.8	-2.8
CLOSING	**5.3**	**27.1**	**54.2**	**86.6**

Breakdown of gross book values (including related receivables) of finance lease and similar transactions, at amortised cost

	CBM (Equipment Leasing)			
(in €m)	Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**1,288.1**	**697.2**	**48.3**	**2,033.6**
Change of method				0.0
Reclassifications				0.0
Recalculations				0.0
Acquisitions	776.8			776.8
Repayments, when due	-339.8	-253.5	-14.1	-607.4
Disposals and restructurings				0.0
Transfer between levels	-128.2	115.2	13.0	0.0
Merger/Contribution				0.0
Other movements				0.0
Changes in scope				0.0
CLOSING	**1,596.9**	**558.9**	**47.2**	**2,203.0**

Breakdown of expected credit losses (ECL) on finance lease and similar transactions, at amortised cost

(in €m)	CBM (Equipment Leasing) Bucket 1 - Expected losses at 12 months	Bucket 2 - Expected losses at maturity	Bucket 3 - Expected losses in impaired credit	TOTAL
OPENING	**2.4**	**7.1**	**11.5**	**21.0**
Reclassifications				0.0
Allowances on acquisitions for the year	0.5	1.5	9.3	11.3
Other allowances				0.0
Write-off reversals			-0.4	-0.4
Reversals related to asset outflows	-0.1	-0.3		-0.4
Other reversals not used	-1.0	-1.8	-4.7	-7.5
Transfer between levels	-0.1	-1.5		-1.6
Other movements			1,4	1.4
CLOSING	**1.7**	**5.0**	**17.1**	**23.8**

Other products on leasing operations

(in €m)	CBI	CBM
Profit or loss realised on sales	5.1	0.3
Financial income from net investment relating to the lease agreement	148.0	38.8

Maturity of lease receivables

(in €m)	Book value	Sum of undiscounted rents	<= 1 year	> 1 - <= 2 years	> 2 - <= 3 years	> 3 - <= 4 years	> 4 - <= 5 years	> 5 years
CBI	4,103.8	4,815.8	444.1	579.5	557.4	541.3	444.3	2,249.2
CBM	2,179.2	2,209.8	668.4	528.3	403.8	280.5	168.3	160.5
	6,283.0	**7,025.5**	**1,112.5**	**1,107.8**	**961.1**	**821.8**	**612.6**	**2,409.7**

6.9. Innovation financing aid

(in €m)	31/12/23	31/12/22
Innovation aid - ISI (*) - PMII - ISI 2008 (*)	507.3	704.6
FRGI (*)	19.0	22.8
Aid on financing partners	58.1	65.8
State PIA (*)	166.9	82.4
FII AI (*)	114.5	93.7
Other State (*)	0.2	1.7
TOTAL INNOVATION FINANCING AID	**866.0**	**971.1**

(*) ISI: Industrial Strategy for Innovation.

PMII: Program for the Mobilisation of Industrial Innovation initiated by the former AII, Agency for Industrial Innovation.

FRGI: Regional Fund for the Guarantee of Innovation.

FGI PIA4 AGI: Intervention guarantee fund - Innovation Assistance Window.

FII AI: Fund for Innovation and Industry - Innovation Assistance - DEEP TECH.

Other State: National Innovation Fund - Social Innovation Fund.

6.10. Current and deferred tax assets and liabilities

(in €m)	31/12/23	31/12/22
Current taxes	128.9	197.4
Deferred taxes	203.0	175.4
TOTAL CURRENT AND DEFERRED TAX ASSETS	**331.8**	**372.7**
Current taxes	93.1	25.0
Deferred taxes	0.0	7.5
TOTAL CURRENT AND DEFERRED TAX LIABILITIES	**93.1**	**32.6**

(in €m)	31/12/23	31/12/22
Assets and liabilities recognised at fair value through non-transferable equity	48.5	18.8
Assets and liabilities recognised at fair value through transferable equity	108.3	121.1
Other time offset	46.1	28.0
TOTAL DEFERRED TAXES RECOGNISED (*)	**203.0**	**167.8**

(*) Tax assets are shown as positive, tax liabilities are shown as negative

6.11. Accruals, and other assets/liabilities

Accrual account assets

(in €m)	31/12/23	31/12/22
Deferred expenses	202.7	198.2
Accrued income	11.1	57.1
Pending withdrawals from medium- and long-term loans	27.3	123.5
Other	23.2	16.6
TOTAL OF ACCRUALS AND DEFERRED INCOME	**264.4**	**395.4**

Miscellaneous assets

(in €m)	31/12/23	31/12/22
Receivables with State and Innovation Partners	602.2	325.4
Allowances receivable from guarantee funds	128.8	74.8
Other miscellaneous accounts receivable (*)	422.3	577.6
Inventory accounts and miscellaneous assets	3.4	9.9
TOTAL OTHER ASSETS	**1,156.6**	**987.7**

(*) Including €20.2m cash deposit securing the irrevocable payment commitment under the Single Resolution Fund as at 31 December 2023 (€17.5m as at 31 December 2022).

Accrual and prepayments

(in €m)	31/12/23	31/12/22
Subsidies to be paid (innovation)	103.9	100.2
Guarantee fees recognised in advance	539.2	512.4
Other income recognised in advance	72.7	43.0
Other tax and social security charges payable	102.3	91.0
Other accrued expenses	76.4	66.9
Cash on behalf of third parties	1,265.3	1,232.9
Receipt and transfer accounts	483.9	657.2
Other	20.8	19.5
TOTAL ACCRUALS AND PREPAYMENTS	**2,664.5**	**2,723.1**

Miscellaneous liabilities

(in €m)	31/12/23	31/12/22
Outstanding payments on not-paid-up securities	551.3	824.2
Invoices payable on leasing transactions	72.1	52.8
Other tax and social security debts	140.1	132.8
Miscellaneous accounts payable	173.9	178.0
TOTAL OTHER LIABILITIES	**937.4**	**1,187.8**

6.12. Holdings in equity-consolidated companies

	2023	
(in €m)	Equity method value	Including goodwill of value adjustment
STMicroelectronics	2,162.0	0.0
Lac 1	1,325.0	0.0
Eutelsat	247.0	0.0
Soitec	251.9	93.8
Future French Champions	113.3	0.0
Mecadev	57.1	43.0
Alsabail	14.3	0.0
TOTAL SHAREHOLDINGS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD	**4,170.6**	**136.8**

	2022	
(in €m)	Equity method value	Including goodwill of value adjustment
STMicroelectronics	1,734.5	0.0
Lac 1	1,317.8	0.0
Eutelsat	516.7	0.0
Soitec	222.9	90.9
Future French Champions	90.3	0.0
Alsabail	13.5	0.0
TOTAL SHAREHOLDINGS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD	**3,895.7**	**90.9**

6.13. Tangible and intangible assets

(in €m)	31/12/23	31/12/22
1 - Tangible fixed assets		
1.1 - Land and buildings	400.0	384.1
including right-to-use	*181.0*	*172.3*
Depreciation and amortisation	-188.6	-158.0
including right-to-use	*-72.4*	*-46.2*
Net amount	**211.3**	**226.0**
1.2 - Other tangible fixed assets	65.4	67.7
Depreciation and amortisation	-43.4	-46.6
Net amount	**22.0**	**21.1**
TOTAL TANGIBLE FIXED ASSETS	**233.4**	**247.1**
2 - Tangible fixed assets		
2.1 - Software	571.3	629.4
Depreciation and amortisation	-278.4	-384.9
Net amount	**292.8**	**244.5**
2.2 - Other intangible assets	37.2	37.2
Depreciation and amortisation	0.0	0.0
Net amount	**37.2**	**37.2**
TOTAL INTANGIBLE ASSETS	**330.0**	**281.7**

	Tangible fixed assets		Intangible assets	
(in €m)	Land and buildings	Other tangible fixed assets	Software	Other intangible assets
Gross amount as at 31/12/2022	**384.1**	**67.7**	**629.4**	**37.2**
Acquisitions	11.8	11.3	217.3	0.0
Output	-4.9	-13.3	-275.5	0.0
Other movements (including rights of use)	9.0	-0.3	0.0	0.0
Gross amount as at 31/12/2023	**400.0**	**65.4**	**571.2**	**37.2**
Accumulated amortisation as at 31/12/2023	-188.6	-43.4	-278.4	0.0
Net amount as at 31/12/2023	**211.3**	**22.0**	**292.8**	**37.2**

Details of expenses on leasing operations and sublease income

(in €m)	31/12/23
Interest expense on rental liabilities	-2.8
Expenses related to short-term leases (exclusion)	-0.6
Expenses related to leases with low-value underlying assets (exclusion)	-3.6
Expenses related to variable rent payments not taken into account in the measurement of rental liabilities	N/A
Income from the sublease of assets recognised under the right of use	1.6
Total cash outflows related to leases	-34.0
Gains or losses from sale-leaseback transactions	N/A
Book value of assets recognised under the right of use as of 01/01/2023	**126.1**
Inflows of assets recognised under the right of use	8.7
Provision for depreciation on assets recognised under the right of use	-26.2
Book value of assets recognised under the right of use as of 31/12/2023	**108.6**

6.14. Debts due to credit institutions

(in €m)	31/12/23	31/12/22
Demand and overnight debts	**167.2**	**0.0**
Deposits and current accounts	0.0	0.0
Overnight borrowings and accounts	0.0	0.0
Security deposits and margin calls	167.2	0.0
Term debts	**13,152.3**	**20,906.3**
Borrowings and term accounts	6,030.4	19,141.9
• *including Sustainable Development Booklet resources*	*0.0*	*300.0*
• *including KfW and BDCE resources*	*10.0*	*20.0*
• *including refinancing from the European Central Bank(**)*	*6,000.0*	*18,800.0*
Securities repurchased at maturity	7,121.9	1,764.4
Related debts	**213.3**	**-234.2**
TOTAL DEBTS TO CREDIT INSTITUTIONS AND SIMILAR (*)	**13,532.9**	**20,672.2**

(*) Debts to credit institutions and the like are recorded at amortised cost.

(**) Bpifrance repaid €12.8bn under TLTRO III over the 2023 financial year.

6.15. Debts due to customers

(in €m)	31/12/23	31/12/22
Demand and overnight debts	**185.9**	**211.7**
Deposits and current accounts	185.9	211.7
• *including EPIC Bpifrance accounts*	*0.0*	*1.1*
Overnight accounts and borrowings	0.0	0.0
Term debts	**1,810.0**	**2,177.4**
Borrowings and term accounts	1,607.4	1,974.8
• *including EPIC Bpifrance loans*	*330.0*	*711.6*
Capital-preserved guarantee fund	202.6	202.6
Securities repurchased at maturity	0.0	0.0
Related debts	**0.6**	**0.5**
TOTAL DEBTS OWED TO CUSTOMERS (*)	**1,996.4**	**2,389.6**

(*) Debts owed to customers are recorded at amortised cost.

6.16. Debts represented by a security

(in €m)	31/12/23	31/12/22
Bond issues	35,632.6	34,247.0
EMTN 2011	*0.0*	*1,200.0*
EMTN 2012	*214.0*	*214.0*
EMTN 2013	*2,100.0*	*2,100.0*
EMTN 2015	*1,600.0*	*1,600.0*
EMTN 2016	*2,017.0*	*2,217.0*
EMTN 2017	*4,180.0*	*4,680.0*
EMTN 2018	*1,175.0*	*2,275.0*
EMTN 2019	*2,450.0*	*3,950.0*
EMTN 2020	*6,670.0*	*6,670.0*
EMTN 2021	*2,750.0*	*2,750.0*
EMTN 2022	6,500.0	6,500.0
EMTN 2023	*6,107.8*	*0.0*
Issue premiums remaining to be amortised	*-131.2*	*91.0*
Negotiable debt securities	6,311.1	5,366.1
Related debts	266.4	135.9
TOTAL DEBTS REPRESENTED BY A SECURITY (*)	**42,210.1**	**39,749.0**

(*) Debts represented by a security are recorded at amortised cost.

6.17. Impairments and provisions

Provisions

(in €m)	31/12/23	31/12/22
Provisions for credit risk on signed commitments	0.6	3.2
Provisions for restructuring	3.5	3.2
Provisions for other employee benefit commitments	32.3	40.4
Provisions for credit risk on financing commitments given	35.1	43.3
Other	28.2	33.4
TOTAL PROVISIONS	**99.7**	**123.5**

Table of impairment and provision flows

(in €m)	Depreciation and provisions as at 31/12/22	Allowances for depreciation and provisions and transfers between levels	Reversals of available depreciation and provisions	Reversals of depreciation and provisions used [1]	Other changes [2]	Depreciation and provisions as at 31/12/23	Irrecoverable receivables not covered by provisions	Recovery on amortised receivables	Impact on income [3]
Impairment and provisions for credit risk	1.304.5	298.1	248.7	54.9	-1.7	1.297.2	13.3	6.3	-56.3
• **Depreciations in bucket 1**	125.2	26.8	31.9	0.0	0.0	120.0	0.0	0.0	5.2
◦ **Interbank Loans**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
◦ **Customer credits**	117.3	23.0	28.6	0.0	0.0	111.6	0.0	0.0	5.7
◦ **Leasing operations (excluding interest)**	6.9	3.0	2.9	0.0	0.0	7.0	0.0	0.0	-0.1
◦ **Securities at amortised cost**	0.8	0.8	0.4	0.0	0.0	1.2	0.0	0.0	-0.4
◦ **Financial assets at fair value through equity**	0.2	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0
• **Depreciations in bucket 2**	451.0	-27.2	66.8	0.0	0.0	357.0	0.0	0.0	94.0
◦ **Interbank Loans**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
◦ **Customer credits**	414.4	-36.8	52.7	0.0	0.0	324.9	0.0	0.0	89.5
◦ **Leasing operations (excluding interest)**	36.6	9.6	14.1	0.0	0.0	32.1	0.0	0.0	4.5
◦ **Securities at amortised cost**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
◦ **Financial assets at fair value through equity**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Depreciations in bucket 3**	681.8	297.6	138.3	54.9	-1.7	784.5	13.3	6.3	-166.3
◦ **Interbank Loans**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
◦ **Customer credits**	622.0	256.2	110.2	54.5	-0.3	713.2	12.2	3.4	-154.8
◦ **Leasing operations (excluding interest)**	59.8	41.4	28.1	0.4	-1.4	71.3	1.1	2.9	-11.5
◦ **Securities at amortised cost**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
◦ **Financial assets at fair value through equity**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Provisions for credit risks on financing commitments given**	43.3	0.7	8.9	0.0	0.0	35.1	0.0	0.0	8.2
◦ **Bucket 1**	15.4	-0.3	2.9	0.0	0.0	12.2	0.0	0.0	3.2
◦ **Bucket 2**	27.9	1.0	6.0	0.0	0.0	22.9	0.0	0.0	5.0
◦ **Bucket 3**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Provisions for credit risks on commitment by signature**	3.2	0.2	2.8	0.0	0.0	0.6	0.0	0.0	2.6
Provisions for miscellaneous operating risks and expenses	33.4	7.1	10.4	2.9	0.9	28.1			
Other provisions	43.6	5.2	4.2	8.3	-0.5	35.8			
• **Provisions for restructuring**	3.2	2.0	0.0	1.7	0.0	3.5			
• **Provisions for employee benefit commitments**	40.4	3.2	4.2	6.6	-0.5	32.3			

[1] *Reversals correspond to write-offs as losses.*

[2] *Changes in scope, exchange rates and reclassifications of provisions.*

[3] *-/+ Net additions or reversals.*

+ Risks attributed to guarantee funds

- Unrecoverable receivables

+ Recoveries on amortised receivables

6.18. Net resources for innovation-related activity

	31/12/23		31/12/22	
(in €m)	Allocated to commitments	Not allocated	Allocated to commitments	Not allocated
Innovation aid - ISI(*)- PMII(*) - ISI 2008	740.3	438.1	907.0	417.3
FRGI (Regional Innovation Guarantee Fund)	15.6	105.7	14.0	108.9
Aid on financing partners	0.0	245.8	0.0	254.9
State PIA(*)	315.1	464.9	168.9	264.7
FII AI(*)	126.9	21.8	96.0	68.4
Other State(*)	0.2	34.3	0.2	11.3
TOTAL NET RESOURCES FOR INNOVATION-RELATED ACTIVITY	**1,198.1**	**1,310.6**	**1,186.1**	**1,125.5**

(*) ISI: Industrial Strategy Innovation.

PMII: Recruitment Campaign for Industrial Innovation initiated by the former AII, Agency for Industrial Innovation.

State PIA: Intervention Guarantee Fund - Innovation Assistance Window.

FII AI: Fund for Innovation and Industry - Innovation subsidies - DEEP TECH.

Other State: National Innovation Fund - Social Innovation Fund.

Net resources for innovation-related activity

(in €m)	Allocated to commitments	Not allocated
NET RESOURCES FOR INNOVATION-RELATED ACTIVITY AS AT 31/12/2022	**1,186.1**	**1,125.5**
Change in fair value		0.0
2023 allowances (net balance)		517.4
Subsidies		-141.2
Reimbursements and redeployments		0.0
Provisions, losses and recognised failures	12.0	-184.3
Financial income and expenses		4.6
Miscellaneous products		1.0
Appraisal and various charges		-12.4
NET RESOURCES FOR INNOVATION-RELATED ACTIVITY AS AT 31/12/2023	**1,198.1**	**1,310.6**

6.19. Public guarantee funds

	31/12/23		31/12/22	
(in €m)	Allocated to commitments	Not allocated	Allocated to commitments	Not allocated
Reserve and mutual funds	0.0	898.8	0.0	882.4
AFT (Agence France Trésor)	1,837.0	3,169.3	1,714.7	3,137.3
CDC	148.8	192.1	159.2	165.0
Other funds	45.5	143.1	45.4	141.5
Bpifrance Regions Fund	164.1	385.2	161.0	388.4
TOTAL PUBLIC GUARANTEE FUNDS	**2,195.4**	**4,788.4**	**2,080.3**	**4,714.6**

Public guarantee funds

(in €m)	Allocated to commitments	Not allocated
PUBLIC GUARANTEE FUNDS AS OF 31/12/2022	**2,080.3**	**4,714.6**
Change in fair value		-38.6
Allocations to guarantee funds 2022 (net balance)		104.1
Reimbursements of guarantee funds		-14.9
Guarantee commissions	-23.2	168.6
Financial income and recoveries		166.7
Cost of risk	138.4	-312.2
Updating of provisions		0.0
PUBLIC GUARANTEE FUNDS AS OF 31/12/2023	**2,195.5**	**4,788.4**

The guarantee funds hedge customer outstanding loans (loans and finance leases) in Bpifrance's balance sheet assets for €9,590.5m. The funds allocated to hedging these outstanding amounts stood at €1,224.2m. This fund also hedges the financing granted to customers by bank partners for €13,365.2m.

6.20. Fair value of assets and liabilities

(in €m)	31/12/23 Level 1	Level 2	Level 3	Total
ASSETS				
Financial assets at fair value through profit or loss	**215.1**	**85.1**	**7,244.5**	**7,544.8**
• *Bonds and fixed-income securities*	*0.0*	*0.0*	*1,462.0*	*1,462.0*
• *UCITS units*	*215.1*	*85.1*	*379.3*	*679.6*
• *Other assets at fair value through profit or loss*	*0.0*	*0.0*	*5,403.2*	*5,403.2*
• *Trading derivative financial instruments*	*0.0*	*0.0*	*0.0*	*0.0*
including exchange rate derivatives	*0.0*	*0.0*	*0.0*	*0.0*
Hedging derivatives	**0.0**	**60.9**	**0.0**	**60.9**
• *Fair value hedging (including macro-hedge)*	*0.0*	*60.9*	*0.0*	*60.9*
• *Cash flow hedging*	*0.0*	*0.0*	*0.0*	*0.0*
• *Net investments in foreign currency hedging*	*0.0*	*0.0*	*0.0*	*0.0*
Financial assets at fair value through equity	**9,467.0**	**895.4**	**6,737.8**	**17,100.2**
• *Fixed-income bonds and securities*	*1,011.6*	*652.4*	*0.0*	*1,664.0*
• *Stocks and other variable income securities*	*8,455.4*	*243.0*	*6,737.8*	*15,436.2*
Securities at amortised cost	**7,130.2**	**2,249.1**	**0.0**	**9,379.3**
• *Government Bonds*	*7,130.2*	*76.8*	*0.0*	*7,207.0*
• *Other bonds*	*0.0*	*1,032.6*	*0.0*	*1,032.6*
• *Negotiable debt securities*	*0.0*	*1,139.7*	*0.0*	*1,139.7*
Loans and receivables from credit institutions and similar entities, at amortised cost	**995.9**	**605.6**	**0.0**	**1,601.4**
Loans and receivables from customers, at amortised cost	**0.0**	**48,227.1**	**0.0**	**48,227.1**
Financing and similar leasing operations, at amortised cost	**0.0**	**6,133.9**	**0.0**	**6,133.9**
LIABILITIES				
Financial liabilities at fair value through profit or loss	**0.0**	**0.0**	**0.0**	**0.0**
• *Loans and term accounts*	*0.0*	*0.0*	*0.0*	*0.0*
• *Debt represented by a title*	*0.0*	*0.0*	*0.0*	*0.0*
• *Debt securities*	*0.0*	*0.0*	*0.0*	*0.0*
• *Other liabilities at fair value through profit or loss*	*0.0*	*0.0*	*0.0*	*0.0*
• *Trading derivative financial instruments*	*0.0*	*0.0*	*0.0*	*0.0*
including exchange rate derivatives	*0.0*	*0.0*	*0.0*	*0.0*
Hedging derivatives	**0.0**	**14.5**	**0.0**	**14.5**
• *Fair value hedging (including macro-hedge)*	*0.0*	*14.5*	*0.0*	*14.5*
• *Cash flow hedging*	*0.0*	*0.0*	*0.0*	*0.0*
• *Net investments in foreign currency hedging*	*0.0*	*0.0*	*0.0*	*0.0*
Debts to credit institutions and similar	**0.0**	**13,548.3**	**0.0**	**13,548.3**
Debts to customers	**0.0**	**1,911.8**	**0.0**	**1,911.8**
Debt represented by a title	**41,359.2**	**0.0**	**0.0**	**41,359.2**

(in €m)	31/12/22 Level 1	Level 2	Level 3	Total
ASSETS				
Financial assets at fair value through profit or loss	**226.1**	**59.3**	**6,701.1**	**6,986.5**
• *Bonds and fixed-income securities*	*0.0*	*0.0*	*1,347.2*	*1,347.2*
• *UCITS units*	*226.1*	*59.3*	*377.2*	*662.6*
• *Other assets at fair value through profit or loss*	*0.0*	*0.0*	*4,976.7*	*4,976.7*
• *Trading derivative financial instruments*	*0.0*	*0.0*	*0.0*	*0.0*
including exchange rate derivatives	*0.0*	*0.0*	*0.0*	*0.0*
Hedging derivatives	**0.0**	**58.1**	**0.0**	**58.1**
• *Fair value hedging (including macro-hedge)*	*0.0*	*58.1*	*0.0*	*58.1*
• *Cash flow hedging*	*0.0*	*0.0*	*0.0*	*0.0*
• *Net investments in foreign currency hedging*	*0.0*	*0.0*	*0.0*	*0.0*
Financial assets at fair value through equity	**7,814.6**	**804.1**	**6,608.8**	**15,227.5**
• *Fixed-income bonds and securities*	*944.2*	*632.0*	*0.0*	*1,576.2*
• *Stocks and other variable income securities*	*6,870.4*	*172.1*	*6,608.8*	*13,651.3*
Securities at amortised cost	***7,391.3***	***2,132.0***	***0.0***	**9,523.4**
• *Government Bonds*	*7,391.3*	*75.4*	*0.0*	*7,466.8*
• *Other bonds*	*0.0*	*637.1*	*0.0*	*637.1*
• *Negotiable debt securities*	*0.0*	*1,419.5*	*0.0*	*1,419.5*
Loans and receivables from credit institutions and similar entities, at amortised cost	**935.3**	**322.4**	**0.0**	**1,257.6**
Loans and receivables from customers, at amortised cost	**0.0**	**45,736.9**	**0.0**	**45,736.9**
Financing and similar leasing operations, at amortised cost	**0.0**	**5,770.1**	**0.0**	**5,770.1**
LIABILITIES				
Financial liabilities at fair value through profit or loss	**0.0**	**2.3**	**0.0**	**2.3**
• *Loans and term accounts*	*0.0*	*0.0*	*0.0*	*0.0*
• *Debt represented by a title*	*0.0*	*0.0*	*0.0*	*0.0*
• *Debt securities*	*0.0*	*0.0*	*0.0*	*0.0*
• *Other liabilities at fair value through profit or loss*	*0.0*	*0.0*	*0.0*	*0.0*
• *Trading derivative financial instruments*	*0.0*	*2.3*	*0.0*	*2.3*
including exchange rate derivatives	*0.0*	*0.0*	*0.0*	*0.0*
Hedging derivatives	**0.0**	**10.9**	**0.0**	**10.9**
• *Fair value hedging (including macro-hedge)*	*0.0*	*10.9*	*0.0*	*10.9*
• *Cash flow hedging*	*0.0*	*0.0*	*0.0*	*0.0*
• *Net investments in foreign currency hedging*	*0.0*	*0.0*	*0.0*	*0.0*
Debts to credit institutions and similar	**0.0**	**20,614.9**	**0.0**	**20,614.9**
Debts to customers	**0.0**	**2,263.3**	**0.0**	**2,263.3**
Debt represented by a title	**37,806.1**	**0.0**	**0.0**	**37,806.1**

Quantitative information on unobservable data in 2022 (fair value level 3)

Instruments concerned	Valuation techniques used	Main unobservable data	Unobservable data intervals
Unlisted shares	• Discounting cash flow (DCF) • Stock multiples • Transaction multiples • Input multiples • Fundraising • Investment costs	1. Budget and business plan 2. Company accounts and outcomes 3. Discount rate 4. Perpetual growth rate 5. Investment costs	1. Absence of interval 2. Absence of interval 3. 5% to 20% 4. 0% to 5% 5. Absence of interval
FCPR	Valuation by fair value, therefore: • for listed securities: spot price or weighted average price on the day of valuation with possible application of a trading/liquidity discount • for unlisted securities: cost of investment; multiples (stock market and/or transaction) with possible application of trading, size and comparability discounts	1. Investment costs 2. Marketability discount 3. Size discount 4. Comparability discount 5. Cash flow at fund level	1. Absence of interval 2. 0 to 20% 3. 0 to 30% 4. 0 to 30% 5. Absence of interval
Bonds convertible into shares	• Same valuation techniques as "Unlisted shares" • Contractual clauses (ex: shares)	1. Nominal value 2. Cash interest 3. Capitalized Interest (PIK) 4. Non-conversion Premium (PNC) 5. Shares	1. Absence of interval 2. 0% to 10% 3. 0% to 15% 4. Target SORTING from 0 to 20% 5. 0% to 100%
Subscription warrants (BSA)	• Same valuation techniques as "Unlisted shares" • Contractual clauses (ex: shares)	1. Budget and business plan 2. Company accounts and outcomes 3. Discount rate 4. Perpetual growth rate 5. Shares	1. Absence of interval 2. Absence of interval 3. 5% to 20% 4. 0% to 5% 5. 0% to 100%

Change in the balance of financial instruments valued at fair value according to Level 3

	2023		
(in €m)	Financial assets at fair value through profit or loss	Financial assets at fair value through equity	Total
BALANCE AS AT 1 JANUARY	**6,701.1**	**6,608.8**	**13,309.9**
Gains/losses for the period	-77.1	-115.1	-192.2
Recorded in profit or loss (*)	*-77.1*	*0.0*	*-77.1*
Recorded in equity		*-115.1*	*-115.1*
Newly Consolidated	0.0	0.0	0.0
Purchases during the period	1,181.1	872.1	2,053.2
Sales during the period	-558.6	-519.9	-1,078.5
Emissions during the period	0.0	0.0	0.0
Settlements during the period	0.0	0.0	0.0
Reclassifications during the period	-2.1	-108.1	-110.2
Transfers	0.0	0.0	0.0
To level 3	*0.0*	*0.0*	*0.0*
Excluding of level 3	*0.0*	*0.0*	*0.0*
BALANCE AS AT 31 DECEMBER	**7,244.5**	**6,737.8**	**13,982.3**

(*) Gains and losses from financial assets held on the balance sheet at the reporting date amount to -€77.1m recorded in "Net gains or losses on financial instruments at fair value per profit" of which -€79.3m on the revaluation of bonds and fixed-income securities and +€1.9m on equity-based financial instruments.

(in €m)	2022 Financial assets at fair value through profit or loss	2022 Financial assets at fair value through equity	2022 Total
BALANCE AS AT 1 JANUARY	**6,087.0**	**6,051.9**	**12,139.0**
Gains/losses for the period	77.4	-138.3	-60.9
Recorded in profit or loss (*)	*77.4*	*0.0*	*77.4*
Recorded in equity		*-138.3*	*-138.3*
Newly Consolidated	0.0	0.0	0.0
Purchases during the period	1,720.7	1,074.7	2,795.4
Sales during the period	-1,120.7	-379.5	-1,500.2
Emissions during the period	0.0	0.0	0.0
Settlements during the period	0.0	0.0	0.0
Reclassifications during the period	-0.6	-0.0	-0.6
Transfers	-62.8	0.0	-62.8
To level 3	*-62.8*	*0.0*	*-62.8*
Excluding of level 3	*0.0*	*0.0*	*0.0*
BALANCE AS AT 31 DECEMBER	**6,701.1**	**6,608.8**	**13,309.9**

(*) Gains and losses from financial assets held on the balance sheet at the reporting date amount to €77.4m recorded in "Net gains or losses on financial instruments at fair value per profit" of which €0.2m on the revaluation of bonds and fixed-income securities and €77.2m on equity-based financial instruments.

Fair value sensitivity of Level 3 financial instruments

Since the estimation of the fair value of Level 3 financial instruments requires judgement, a change in the assumptions of unobservable inputs would result in a significant change in this fair value.

At 31 December 2023, an upward change of 1% in the valuation of the portfolios of assets measured at fair value through profit or loss and of assets measured at fair value through equity would have an impact on the profit and loss statement and on shareholders' equity of respectively €53.7m and €65.3m. A downward change of 1% would have an impact on the profit and loss statement and on shareholders' equity of -€53.7m and -€67.4m respectively.

6.21. Euro equivalent of foreign currency transactions

(in €m)	31/12/23	31/12/22
Assets	442.1	350.2
Liabilities	704.1	344.1

Assets denominated in foreign currencies are composed of variable income securities amounting to €427.8m.

Foreign currency liabilities are debts represented by a security. They are hedged by over-the-counter financial instruments.

Note 7 - Notes relative to the profit and loss statement

7.1. Interest income and expenses

Interest and related income

(in €m)	31/12/23	31/12/22
TRANSACTIONS WITH CREDIT INSTITUTIONS	**377.1**	**113.5**
CUSTOMER TRANSACTIONS		
Overdrafts	193.4	42.8
Cash credit	75.7	34.9
Investment loans	746.7	445.0
Miscellaneous loans	707.3	593.2
Subordinated loans	11.1	13.8
Change in future discounted guarantee fees	23.2	41.0
SUBTOTAL CUSTOMER TRANSACTIONS	**1,757.5**	**1,170.7**
FINANCE LEASE TRANSACTIONS	**201.1**	**122.6**
FINANCIAL INSTRUMENT TRANSACTIONS		
Financial assets measured at fair value by equity	0.1	-0.9
Securities at amortised cost	177.1	109.4
Hedging derivatives	771.1	219.9
SUBTOTAL FINANCIAL INSTRUMENT TRANSACTIONS	**948.3**	**328.4**
OTHER INTERESTS AND RELATED INCOME	**72.8**	**90.4**
TOTAL INTEREST AND RELATED INCOME (*)	**3,356.8**	**1,825.6**

(*) Including negative interest on liabilities of €0.3m in 2023 (€139.7m in 2022).

Interest and related expenses

(in €m)	31/12/23	31/12/22
OPERATIONS WITH CREDIT INSTITUTIONS (*)	**-643.7**	**-56.5**
Customer transactions	-327.6	-321.1
including allocation of commission income to guarantee funds	*-180.3*	*-192.1*
FINANCIAL TRANSACTIONS		
Debt represented by a title	-669.2	-347.1
Subordinated debts	0.0	0.0
Hedging derivatives	-671.0	-172.9
SUBTOTAL FINANCIAL TRANSACTIONS	**-1,340.2**	**-520.0**
OTHER INTEREST AND SIMILAR CHARGES	**-172.4**	**-40.9**
including financial proceeds allocated to guarantee funds	*-169.2*	*-39.1*
including accrued interest on lease liabilities	*-2.8*	*-0.1*
TOTAL INTEREST AND RELATED EXPENSES (**)	**-2,483.9**	**-938.5**

(*) In 2023, interest accrued and falling due recognised in profit or loss under the TLTRO III amounted to -€359.43m (+€65.5m in 2022).

(**) Including negative interest on assets for €84.7m in 2022 (no negative interest on assets in 2023).

7.2. Net gains or losses on financial instruments at fair value through profit or loss

(in €m)	31/12/23	31/12/22
Bonds and fixed income securities	55.3	138.0
Shares and other variable income securities	177.6	292.0
Derivative financial instruments held for trading(*)	2.3	-49.1
Fair value hedging instruments (including macro hedge)	-124.0	440.3
of which ineffectiveness	*2.6*	*2.6*
Revaluation of fair value hedged items (including macro hedge)	126.6	-437.8
Net profit or loss on foreign exchange operations(*)	-6.3	21.1
TOTAL NET GAINS OR LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS	**231.5**	**404.6**

(*) Bpifrance has set up economic hedges for financial liabilities in sterling through Fx swaps and Fx forwards: the revaluation of Fx swaps and Fx forwards is presented under the line Derivative financial instruments held for trading, while the revaluation of liabilities is presented under the line "Net profit or loss on foreign exchange operations".

7.3. Net gains or losses on financial assets at fair value through equity

(in €m)	31/12/23	31/12/22
Gains or losses on disposal of debt instruments	0.0	-14.9
Dividends on equity instruments	586.9	584.4
TOTAL NET GAINS OR LOSSES ON FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**586.9**	**569.4**

7.4. Income and expenses from other activities

(in €m)	31/12/23	31/12/22
Income		
Miscellaneous products related to innovative activity	42.9	54.3
Chargebacks	2.5	2.8
Chargeback property taxes Real estate leasing	81.8	77.8
Commission on recoveries and on insurance sold	36.0	16.3
Other products	181.7	139.9
TOTAL INCOME FROM OTHER ACTIVITIES	**344.9**	**291.1**
Expenses		
Property taxes activity Real Estate Leasing	-81.8	-77.8
Other expenses	-54.4	-49.3
TOTAL EXPENSES FROM OTHER ACTIVITIES	**-136.2**	**-127.1**

7.5. General operating expenses

(in €m)	31/12/23	31/12/22
Personnel expenses	-533.5	-476.1
Taxes and duties	-27.0	-30.9
Other operating expenses	-388.1	-303.2
Restructuring costs	-2.1	-1.3
TOTAL GENERAL OPERATING EXPENSES	**-950.7**	**-811.5**

7.6. Amortisation & depreciation and impairment of tangible & intangible fixed assets

(in €m)	31/12/23	31/12/22
Depreciation	-74.9	-61.8
Depreciation allowances for the right-of-use asset	-27.5	-26.9
Impairment allowances	0.0	0.0
Reversal of provision	0.0	0.0
TOTAL AMORTISATION AND DEPRECIATION ALLOWANCES ON TANGIBLE AND INTANGIBLE FIXED ASSETS	**-102.4**	**-88.7**

7.7. Cost of credit risk

	31/12/23					31/12/22				
(in €m)	Bucket 1	Bucket 2	Bucket 3	Other Liabilities	Total	Bucket 1	Bucket 2	Bucket 3	Other Liabilities	Total
Net allocations or reversals of impairments and provisions	5.2	94.0	-159.3	10.8	-49.3	13.2	3.3	-178.3	-1.4	-163.2
Non-provisioned losses	0.0	0.0	-13.3	0.0	-13.3	0.0	0.0	-8.9	0.0	-8.9
Recoveries on impaired receivables	0.0	0.0	6.3	0.0	6.3	0.0	0.0	8.9	0.0	8.9
TOTAL COST OF CREDIT RISK	**5.2**	**94.0**	**-166.3**	**10.8**	**-56.3**	**13.2**	**3.3**	**-178.3**	**-1.4**	**-163.2**

7.8. Share of net income of companies accounted for using the equity method

	2023	
(in €m)	**Share of net income of companies accounted for by the equity method**	**Including correction for goodwill impairment**
STMicroelectronics	519.6	0.0
Lac 1	-0.2	0.0
Eutelsat	-61.7	0.0
Soitec	25.0	0.0
Future French Champions	-0.1	0.0
Mecadev	-8.4	0.0
Alsabail	1.0	0.0
TOTAL SHARES OF COMPANIES' NET INCOME UNDER THE EQUITY METHOD	**475.3**	**0.0**

	2022	
(in €m)	**Share of net incomeof companies accounted for by the equity method**	**Including correction for goodwill impairment**
STMicroelectronics	570.4	0.0
Lac 1	3.5	0.0
Eutelsat	-90.0	0.0
Future French Champions	-1.2	0.0
Alsabail	1.2	0.0
Tyrol acquisition - Groupe TDF	11.5	11.5
TOTAL SHARES OF COMPANIES' NET INCOME UNDER THE EQUITY METHOD	**495.4**	**11.5**

7.9. Taxes

Tax on profits

(in €m)	31/12/23	31/12/22
Corporate income tax	-119.6	-10.3
Deferred taxes	14.3	-53.0
TOTAL INCOME TAX	**-105.3**	**-63.2**

Analysis of the tax burden

	31/12/23	31/12/22
Net income group share	1,114.6	1,503.2
Net income minority share	-0.4	-0.1
Recognised net income tax expense	105.3	63.2
INCOME BEFORE TAX (A)	**1,219.5**	**1,566.3**
French common law tax rates **(B)**	25.83%	25.83%
TOTAL THEORETICAL TAX EXPENSE (C) = (A*B)	**315.0**	**404.6**
Reconciling items:		
Effect related to changes in tax rates	-15.5	-79.2
Other permanent differences	-95.6	-113.1
Changes in the value of goodwill	-2.5	-1.0
Earnings from companies accounted for using the equity method	-78.9	-128.0
Other items	-17.2	-20.1
TOTAL ITEMS RECONCILED (D)	**-209.7**	**-341.3**
RECOGNISED NET INCOME TAX BURDEN (C) + (D)	**105.3**	**63.2**

Note 8 - Exposure, management and measurement of risks

8.1. General risk management organisation

The Bpifrance Group is a credit institution directly supervised by the European Central Bank (ECB). Prudential supervision of the parent company is carried out on the basis of the consolidated accounts of Bpifrance.

The Bpifrance Group Risk Management Department is responsible for implementing the Group's risk monitoring and management strategy. It ensures that the risk management system is effective and that the level of risk taken is consistent with the Group's policies.

The Group Risk Management Department is placed under the control of an Executive Risk Director, who reports to the Chief Executive Officer and the Deputy Chief Executive Officer of Bpifrance.

This department is independent of the operational departments and does not conduct any commercial, financial or accounting activities. Its main tasks are structured around several activities, including:

- Strategic risk management:
  - Developing the internal risk management in support of the group's strategy,
  - Determining risk appetite and developing risk policies,
  - Consolidating risks, calculating and analysing solvency ratios,
  - Developing and piloting the projected vision of solvency,
  - Assessing the level of capital and steering the internal capital adequacy process,
  - Developing and managing regulatory and internal stress tests;
- Risk governance:
  - Monitoring activity boundaries and associated escalation processes,
  - Managing the Risk Committees,
  - Ensuring and managing the deployment of the Risk function in the Network;
- Risk management and control:
  - Establishing the global risk map of the group,
  - Managing credit, financial, climate and country risks,
  - Co-managing operational risks in close collaboration with the compliance and permanent control Department;
- Regulatory requirements risk:
  - Monitoring, analysing and deploying regulatory risk standards and related projects,
  - Producing and distributing regulatory risk reports,
  - Establishing preventive recovery plans (PRP),
  - Developing and managing the Business Continuity Plan (BCP).

The main risks inherent to the activity of the Bpifrance Group are credit risks, financial risks and risks generated by the investment activity.

8.1.1 • Risk management system

Within Bpifrance, risk management is carried out in compliance with applicable European standards and regulations.

In order to carry out its missions, ensure the sustainability of its businesses and achieve its strategic objectives, the Bpifrance Group accepts to be exposed to the risks inherent to its activities.

The Board of Directors of the Bpifrance Group sets the Group's strategic orientations and risk appetite, on the basis of which each of the business lines defines its action priorities and the associated risk management system under the supervision of the Group Risk Management Department.

The objective of the Bpifrance Group's risk appetite is to define the level and type of risks that the Group is willing to take, bear, tolerate and manage in pursuit of the Group's business model and the achievement of its strategic objectives. To this end, Bpifrance's Group risk appetite is based on a balance between:

- An acceptable level of risk to achieve the strategic objectives that the Bpifrance Group has set itself; and
- Sound, rigorous and sustainable management of its business lines, consistent with the values and missions of the Bpifrance Group, in compliance with the laws and regulations in force.

The Risk Appetite Framework comprises the policies, processes, controls and systems by which risk appetite is established, communicated and monitored. Its purpose is to guide risk-generating activities within the limits defined by the group. This framework can be activated, is measurable and covers the material risks to which the Group is exposed.

The Group Risk Management Policy (GRMP) is one of the pillars of Bpifrance's risk appetite. Its objective is twofold:

- To define a framework for the implementation of a structured, formalised and continuous process for the monitoring and management of the risks listed in the Group Risk Map;

- To describe the internal approach to risk management in the context of Bpifrance's activities.

The GRMP comprises a set of instruments and measurements which aim to identify, evaluate, manage and monitor the risks incurred by the Bank. These instruments and measures are associated with alert thresholds and limits triggering an escalation process in the event they are exceeded, for each of the business lines, as well as an adapted comitology. This risk measurement and monitoring mechanism covers all the activities carried out by Bpifrance Group entities.

The Group Risk Management Policy is updated annually by the Risk Policy and Strategy Department in consultation with the other departments of the Group Risk Management Department, the Finance Department and the Compliance and Permanent Control Department, depending on the type of risk addressed. It is validated by the Executive Committee, then submitted to the Risk Committee for its opinion, and finally approved by the Board of Directors of Bpifrance.

Quarterly dashboards are produced by the Group Risk Management Department, allowing regular and detailed monitoring of all these indicators and reporting to the supervisory body and/or any relevant committee. In particular, they are presented and commented on at the Group Risk Management Committee (GRMC), an internal Bpifrance committee that brings together every quarter, in addition to the executive, the functions belonging to Bpifrance's risk network. On this occasion, quantitative and qualitative information is presented to the Executive Officers on all the risks to which Bpifrance is exposed (credit risks, financial risks, concentration risks, financial counterparty risks, operational risks). For example, the following topics are commented on and discussed:

- Consumption of the overall exposure limit, the sectoral limits and the limits by financial counterparty, taking into account the consolidated investment and financing exposures;
- The credit risk capacity of counterparties and their changes over time;
- Changes to Watch List/Non-Performing Loans and Outstanding Litigation;
- Consumption of own funds and their projections to identify and anticipate possible additional needs;
- Monitoring of operational risks.

The Group Risk Management Department regularly reviews its risk profile in relation to the Set Appetite, refines its hedging strategy for risks that have increased significantly and anticipates the increase or materialisation of certain risks.

The management (Executive Committee) and supervisory bodies (Risk Committee and Board of directors) are regularly informed of any deviation from the risk profile, regardless of its origin.

8.1.2 • Role and responsibilities of the departments in charge of risk monitoring

The risk control system is organised around six operational departments and is part of the three lines of defence that make up the general internal control framework of the supervised financial institutions.

The following departments are responsible for risk monitoring within the Bpifrance Group:

- The Financing and Network Department;
- The Investment Business Lines (Fund of funds, Development Capital, and Innovation);
- The Finance Department;
- The Group Risk Management Department;
- The Compliance and Permanent Control Department;
- The Inspectorate General - Audit.

The Financing and Network Department, and the Investment Business Line departments, as well as the Finance Department constitute the first line of defence. They are responsible for monitoring the risks that arise from the conduct of their activities.

The Group Risk Management Department, and the Compliance and Permanent Control Department constitute the second line of defence. They are responsible for identifying, measuring, monitoring and declaring risks, and compliance with internal and external requirements, on an individual and consolidated basis, for all Bpifrance Group business lines. They are independent of the first line of defence.

The Inspectorate General - Audit is the third line of defence. It ensures through periodic reviews that the internal governance processes and mechanisms are effective and consistently implemented. The internal audit function is also responsible for the independent review of the first two "lines of defence."

Within the three lines of defence, appropriate internal control mechanisms and procedures are designed and monitored, and evaluated by the Board of Directors and its Risk Management Department.

8.1.3 • Risk oversight

The governance of risk is ensured through five types of bodies: the Board of Directors, the Executive Committee, the umbrella committees, the cross-functional committees and the operational risk monitoring committees.

Cross-functional committees and operational risk monitoring committees are the first level of risk analysis, monitoring or review. The decisions or orientations resulting from this are, when necessary, submitted to a second level of bodies, the umbrella committees. The latter issue opinions on matters requiring approval by the Board of directors, which is the third level of decision-making on risk within the group.

8.1.3.1. Board of Directors

The Boards of directors of Bpifrance and its subsidiaries determine the direction of the Group's activity and oversee their implementation under the conditions provided for by law. In this respect, these bodies ensure that the Group's activity complies with the regulatory constraints in terms of risks that are imposed on the Bpifrance Group.

Thus, the Boards of directors are responsible implementing and monitoring of risks, since they approve the Group Risk Management Policy and ensure that it is followed correctly. They also approve all documentation relating to the risks of the Bpifrance Group that is to be published and/or sent to the European banking supervisor. They meet quarterly or on an exceptional basis if circumstances so require.

As part of their duties, the Boards of directors benefit from the analysis of dedicated committees, composed of experts, which report to them. These are mainly the Audit and Risk Committees, which are umbrella committees for risk monitoring.

8.1.3.2. The Executive Committee

The Executive Committee approves the Group Risk Appetite and the Group Risk Management Policy, as proposed by the Risk Directorate. It ensures these are applied and that all strategic exercises are coherent.

Through the work of specific committees, the Executive Committee keeps itself up-to-date on changes to the types and levels of risk borne by the Group.

8.1.3.3. Umbrella committees

The umbrella risk monitoring committees are the Risk Committee of the Board of Directors, the Group Risk Management Committee and the Group Internal Control Committee. They meet quarterly or on an exceptional basis if circumstances so require.

Risk Committee

The Risk Committee's role is to advise the Board of Directors on the bank's overall strategy and risk appetite and to assist the Board in monitoring the implementation of this strategy by the Executive Officers.

To this effect, it is periodically informed of changes in the liquidity situation, of compliance with the limits, of the main refinancing operations and of the Group's risk appetite. It validates, annually, the implementation and organisation of the liquidity policy (ILAAP).

It also issues an opinion on the bank's recovery plan and all documentation on capital adequacy which it submits to the Board of Directors for approval.

Group Risk Management Committee

The Group Risk Management Committee (GRMC) is chaired by the Chief Executive Officer of Bpifrance or one of the Group's Executive Officers. It is tasked with presenting and analysing the consolidated risks and making recommendations when necessary.

The committee meets once a quarter, or more frequently if necessary. The Group Risk Department acts as the secretariat for the Group Risk Management Committee. In this capacity, it is responsible for preparing the consolidation of contributions from the departments involved in risk management and for coordinating this committee.

The Climate and Environmental Risk Management Committee stems from the Group Risk Management Committee and is active during the phase to implement a robust framework for managing climate and environmental risks. It is chaired by the Bpifrance CEO or one of the two effective Directors and is responsible for:

- Monitoring and analysing climate risk indicators through, in particular (i) monitoring Group exposure to climate-related risks, (ii) approving changes to risk measurement methodologies and indicators, and (iii) monitoring the mechanism for managing climate-related risks;
- Presenting regulatory changes and their impacts on the Bpifrance balance sheet;
- Presenting the update to the climate risk factor map and the assessment of associated materiality;
- Approving the internal scenarios for testing balance sheet resilience.

8.1.3.4. Cross-functional committees

Cross-functional committees correspond to the most detailed level of analysis, monitoring or review of risks within the Bpifrance Group.

They meet on a monthly, quarterly or half-yearly basis, or on an exceptional basis if circumstances so require. These committees decide on the implementation of new products or services, the application of risk models, and the monitoring of specific risks associated with the activity of Bpifrance.

They include, in particular, the following committees:

- The Strategic Risks Monitoring Committee, chaired by the Executive Director for Risk, which carries out, on behalf of the Executive Committee, monitoring of the risk strategy, the risk appetite and the related polices, as well as governance of the monitoring mechanism;
- The Solvency Committee, chaired by the Deputy CEO, which tracks the solvency of the Bpifrance Group and the consistency of internal capital with the allocation of economic capital.
- The ALM (Asset and Liability Management) Committee, chaired by the Bpifrance Finance Director, which takes decisions on the management of the Bpifrance Group's financial risks;
- The Model Validation Expert Committee, chaired by the Risk Executive Director, which validates the Bpifrance Group risk models and confirms the effectiveness of these through backtests.

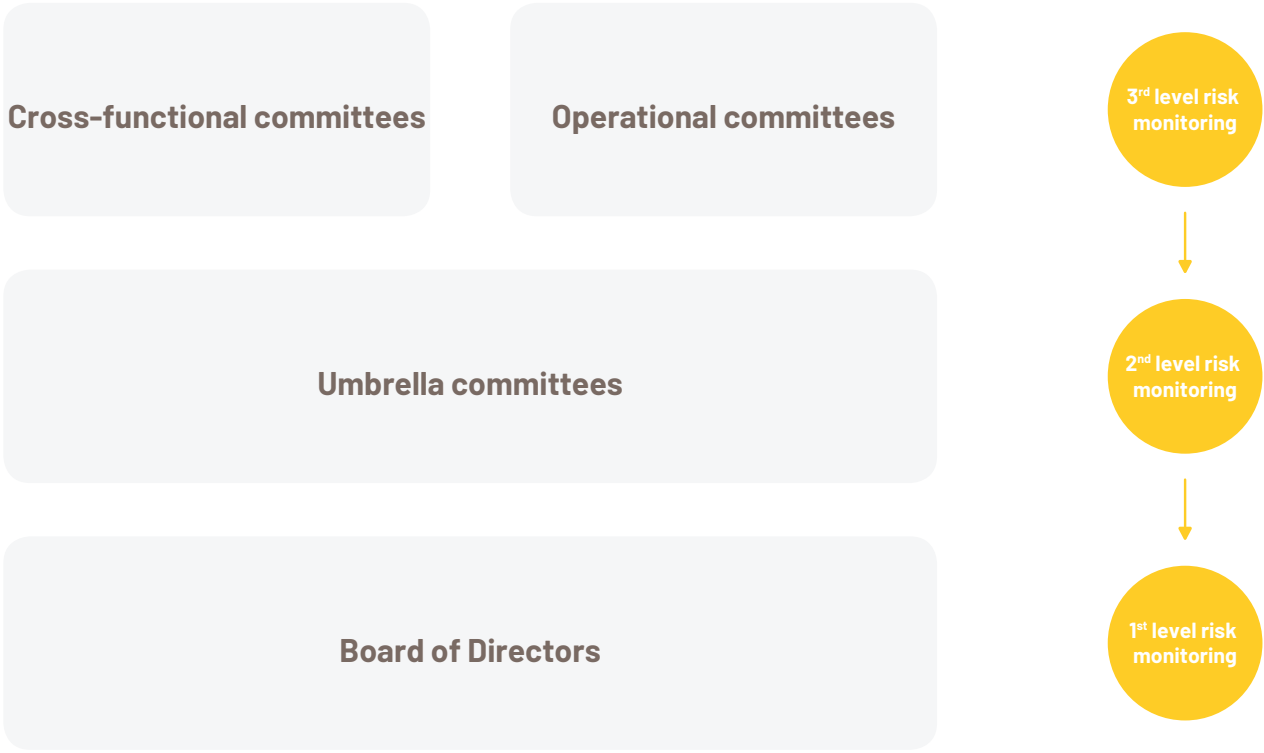
8.1.3.5. Operational risk monitoring committees

Operational risk monitoring committees assess and monitor risk and take the necessary decisions for each Group business line. They meet on a monthly, quarterly or half-yearly basis, or on an exceptional basis if circumstances so require.

Within Bpifrance, these include the Bpifrance Credit Committee, the Credit Risk Committee, the Credit Portfolio Monitoring Committee, the national Watch List/Non-Performing (NP) Monitoring Committee, the regional Watch List/Non-Performing (NP) Monitoring Committee, the Financial Management Committee and the Group Financial Counterparty Risk Committee.

Within Bpifrance Investissement and Bpifrance Participations, these include the Investment Committee (Innovation - Fund of Funds - Development Capital), the Valuation Committee, the Bpifrance Participations Investment Committee and the Bpifrance Participations Watch List / Non-Performing Monitoring Committee.

Decision-making levels attached to Bpifrance risk governance



8.2. Credit risks

Credit risks include:

- default risk: the risk that a creditor will permanently lose its claim to the extent that the debtor cannot, even by liquidating all its assets, repay all its commitments;
- migration risk: the potential loss resulting from the downgrading (or rating downgrade) of an internal/external credit instrument or counterparty, as well as the potential indirect losses that may result from a credit migration event;
- single name concentration risk: risk arising from exposure to counterparties considered to be the same group of related clients;
- sector concentration risk: risk arising from exposure to counterparties operating in the same economic sector.

8.2.1 • Credit risk management of financing activities

Bpifrance mainly deploys its financing activities for French companies of all sizes (from very small businesses to large corporations), through a wide range of asset classes (debt financing, loans, guarantees) and commitment horizons (short to long term).

In the financing that it grants, Bpifrance ensures that risk-taking is limited by means of (i) the implementation of co-financing involving risk-sharing with a commercial bank, (ii) the implementation of collateral or guarantees.

Bpifrance has guarantee funds as part of its banking activity that act as real risk buffers to protect its equity. These guarantee funds are segregated for accounting purposes and their terms and conditions are governed by formal agreements.

Collateral, whether personal or real, is subject to a specific analysis at the time of granting in order to assess the value of the asset. Regardless of the quality of the security, the primary criterion for the decision remains the debtor's ability to repay, generated by its operational activity. Bpifrance does not use credit derivatives as eligible risk mitigation techniques.

Bpifrance manages its individual and global credit risk exposures based on a granting policy that defines the characteristics of credit files and the levels of delegation according to the size of the commitment or the sensitive and/or specific nature of the transaction.

Credit decisions are based on a synthetic, comprehensive and regularly updated analysis, the Decision Support Tool (OAD) and the Fiben ratings provided by the Bank of France. They are made on the basis of objective criteria, with a long-term perspective, a desire for diversification, and by anticipating and taking into account changes in client ecosystems. These decisions are monitored and reviewed on a regular basis.

The Bpifrance Group is particularly vigilant about risk concentration (by client, sector, rating) and is careful to maintain a diversified portfolio.

8.2.2 • General framework for credit risk management of financing activities

Bpifrance's financing activity is divided into three main business lines:

- The activity of financing innovation;
- The guarantee of credits;
- Short-, medium- and long-term financing of companies.

Bpifrance has put in place the following mechanism to contain and mitigate the credit risk of financing activities:

- An overall intervention capacity (grant envelope) determined annually and broken down by sector of activity;
- A mandatory decision support tool for all files that includes a counterparty rating;
- A system of delegation of authority to grant client transactions according to the risks associated with the transaction;
- A Credit Risk Policy reviewed at least annually, the purpose of which is to define the principles of intervention on financing operations;
- Traceability of all granting and management operations;
- A monitoring system for Watch List (WL) and Non-Performing (NP) files;
- Independence of management functions through specialised teams: the Collection and Litigation Department or the Expertise and Customer Service Departments (in the network) which manage and collect outstanding amounts independently of the commercial unit that set up the transaction;
- A system for monitoring large amounts outstanding as part of the overall risk monitoring system;
- A system of limits and comitology.

8.2.3 • Comitology

8.2.3.1. Bpifrance credit committees and credit risk Committees

The credit policy is part of the Group's risk management strategy in line with its risk appetite. It mainly revolves around the in-depth knowledge of the financed counterparties. All Bpifrance commitments (financing, guarantee and innovation operations) involving credit risks are subject to an initial analysis by the Financing and Network Management Department, which is responsible for monitoring and client relations.

The credit Committee is responsible for matters beyond the powers of the Network Departments or the credit risk Department. The credit risk Committee is responsible for matters beyond the powers of the credit Committee.

The credit risk Department is responsible for the counter-analysis of files that fall within the jurisdiction of the credit risk Committee and the credit Committee of Bpifrance, and presents them to these committees for decision.

The Bpifrance Credit Committee is chaired by an Executive Officer and meets twice a week. The credit risk Committee is chaired by an Executive Officer and meets on a weekly basis.

8.2.3.2. Watch list / national and regional non-performing loan monitoring Committees

The regional monitoring committees and the national monitoring committee are held quarterly to conduct:

- a review of the watch list / non-performing portfolios;
- a harmonization of practices;
- a review of the expected regulations.

The watch list / non-performing counterparts under normal management of each network are reviewed at the regional committee of each network. A review of the Major Issues (beneficiary groups or individual counterparties with an outstanding amount exceeding a certain threshold) as well as a national summary are presented to the national committee every quarter.

The national watch list / non-performing committee is chaired by the Executive Risk Director. The regional watch list / non-performing committee is chaired by the network Director and attended by a representative of the Group Risk Management Department.

8.2.4 • Selection system for operations

For each type of assistance, grant criteria are defined. They may relate to the age of the beneficiary company, the sector of activity, the financial quality of the company, the nature of the project and guarantees, the term of the operation, the existence of co-financing with another banking institution.

The granting of the loan is subject to an annual investigation that clarifies the risk policy for the year, as validated by the General Management.

The credit analysis of each transaction is based on the ratings of the counterparty, the project and the transaction.

The transaction's characteristics pertain primarily to the provision guarantees anticipated in order to reduce the exposure to the credit risk. The sureties and guarantees are those habitually adopted, according to the nature and duration of the credit transactions: disposals of receivables, mortgages, pledges, bank guarantees and backing on guarantee funds.

For all financing, guarantee and innovation activities, the Credit Risk Department performs a counter-analysis of files that exceed the level of delegation of the Network Departments, for which the decision rests with the Credit Committee or the Credit Risk Committee.

8.2.5 • Risk measurement and surveillance system

The surveillance and control of commitments with the clientele include a limit system that takes into account the capital and outstanding loans of Bpifrance. They are set out in the Group Risk Management Policy.

There are 3 types of limits:

- The global limit;
- Limits by beneficiary group;
- Sector limits.

For each of these limits, alert thresholds are set. They must be respected when granting any new operation as well as when deciding to transfer outstanding amounts; they are in addition to any ceiling rules specific to certain products.

The limits and alert thresholders are monitored quarterly by the Group Risk Management Committee, by the Risk Committee and by the Board of Directors.

Monitoring of compliance with these limits is the responsibility of the Group Risk Department, which triggers an alert mechanism at the Risk Management Committee when the alert threshold is reached.

The limit and alert threshold system is reviewed at least once per year.

8.2.5.1. Global limit

The first limit is global; it is a limit expressed in weighted assets.

8.2.5.2. Limits by beneficiary group

The beneficiary group is a set of counterparties linked for economic reasons such that economic difficulties in one would necessarily lead to serious difficulties in the other.

The limits per beneficiary group are determined on the basis of internal ratings.

8.2.5.3. Sector limits

The limits are set by reference to the main economic sectors defined by INSEE (French National Institute for Statistical and Economic Studies) (NAF codes). Only the Tourism Leisure – Health sector is split into two in order to facilitate specific monitoring of the tourism sector that has been particularly impacted by the Covid pandemic.

The limits and alert thresholds by activity sector form part of the Bpifrance strategy for the sectors for which a significant increase in activities is expected or for which Bpifrance has an activity decline tolerance in the context of its counter-cyclic role in supporting the French economy. These increases are compensated for by a reduction in limits for other sectors.

8.2.5.4. Follow-up and analysis of the quality of the loan commitments

The analysis of the quality of outstanding loans is carried out by a quarterly re-scoring exercise.

A quarterly report is submitted to the Group Risk Management Committee.

8.2.5.5. Second level controls on decisions

The a posteriori (second-level) control of decisions (delegated and centralised) for all business lines (financing, guarantee and innovation) is carried out by the Financing Permanent Control Department.

Controllers verify compliance with procedures and instructions. Verifications made on the basis of documents and by sampling affect all dossiers emanating from the financing activity business lines (financing, guarantee and innovation) and extend to control of the implementation of and compliance with Commitment Committee decisions.

8.2.6 • Concentration risk

Bpifrance's financing activity is carried out exclusively on the territory of France.

In 2023, the main sectoral concentrations of the Bpifrance portfolio are Professional Services, Energy, Sanitation and Environment and Manufacturing.

8.2.6.1. Major outstanding loans

The monitoring of major outstanding loans was implemented to meet a regulatory requirement recorded in Articles 108 and 118 of the Order of 3 November 2014 on internal control.

It is intended to identify the beneficiary groups with the most significant amounts outstanding and to monitor their evolution in terms of concentration risk and the evolution of the quality of the amounts outstanding.

A review of the major outstanding loans, representing 42% of the MLT outstanding and 14% of the ST (short-term) outstanding as at 31 December 2023, is carried out quarterly and presented to the Risk Management Committee.

8.2.6.2. Major risks

A major risk is an exposure to a client or group of connected clients whose value, after regulatory exemptions, reaches or exceeds 10% of the reporting institution's eligible capital, but may not exceed 25% of that capital.

The quarterly reporting requirement is extended to the 20 largest risks, the 10 largest risks to credit institutions and the 10 largest risks to non-regulated financial entities, including where the exposures taken into account are exempt or do not exceed the threshold for identification of a major risk.

As of 31 December 2023, two major risks had been identified without the regulatory individual limit of 25% of equity being exceeded (net exposure of 16.36% and 10.52% of equity respectively).

8.2.7 • Credit risk internal rating system

The Modelling and Analysis Domain of the Credit Risk Management Department is in charge of preparing statistical models and the annual back testing report on the tracking of the models.

The notion of "back testing the models" refers to all surveillance techniques for the default risk models and, more specifically, statistical methods, the analysis of observed default rates relative to anticipated default probabilities, and benchmarking of the rating models.

An expert model validation committee, made up of the modelling and user departments and chaired by the Group Risk Management Department, validates, on presentation of the work of the model validation unit, the maintenance of the model and the implementation of minor changes to the models; major changes are proposed to the Risk Management Committee for validation.

An instruction defines the monitoring and validation of the internal credit risk rating model.

The internal credit risk rating system, "Decision Support Tool" (OAD), is used for the granting and re-rating of all MLT and ST financing operations, Innovation Aid, Export Prospecting Insurance, as well as for non-delegated guarantee transactions.

8.2.8 • Doubtful debt tracking

Debts classified as doubtful are managed by the Risks and Debt Collection Department (S2R) until their transfer to the Debt Collection and Litigation Department, in accordance with the rules in force.

The operational processing of files is carried out in accordance with procedures that make it possible to monitor the effectiveness of recovery or remarketing measures, to calculate recovery estimates and to validate depreciations.

The depreciations are updated as soon as an event affecting the value of one of our collaterals occurs, and these are reviewed periodically for each type of product. This review is carried out quarterly for the highest amounts outstanding managed by the Debt Collection and Litigation Department and annually for the lowest amounts outstanding. The Group Risk Management Department is involved in the periodic review.

8.2.9 • Description of the IFRS 9 impairment model for customer activity

The expected credit risk loss calculation model (ECL) is based on a conventional credit risk modelling methodology, based on three components: probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The ECL calculation is conducted using a Monte Carlo simulation, by calculating the expectation of losses simulated over a large number of random draws.

8.2.9.1. Probability of Default (PD) modelling

The central step in modelling future losses is the simulation of future defaults. To simulate these defaults, Bpifrance builds on its internal counterparty risk rating model, from which the probability of default for each exposure is deducted.

The change in future counterparty ratings is simulated from a transfer matrix of internal counterparty ratings. A default is simulated for counterparty during year n if its internal counterparty rating simulated in year n is that of default.

The transfers of counterparty ratings are simulated by taking into account the correlation of the credit risk through a Merton type model, with two systemic factors: a general factor and a sector factor. These systemic factors are projected taking into account the forward-looking information and the value of these projected factors simultaneously influences the rating transfers for all companies in a same sector. Thus, the model takes into account the impact of the macroeconomic context on the credit risk of Bpifrance's exposures. The correlation parameters are estimated on the basis of Bpifrance's historical internal data.

8.2.9.2. Loss Given Default (LGD) modelling

When a default is simulated by the model, the resulting loss is calculated by combining two phenomena: a likelihood of return to a healthy position, and a rate of loss measured across the scope of exposures not returning to a healthy status.

The likelihood of return to health is estimated using internal historical data on the performance status of Bpifrance exposures, based on the product and the characteristics of the counterparty. It corresponds to the proportion of non-performing exposures returning to a performing position within 12 months.

The rate of loss is measured using Bpifrance internal historical data, based on non-performing exposures that did not return to health. It is estimated using a model that takes account of the nature of the product, borrower characteristics, and the breakdown of the contract guarantees and sureties. The loss in the event of default is simulated including a correlation with the default.

8.2.9.3. Exposure at Default (EAD) modelling

For term products (loans, finance leases, etc.), the exposure at default is calculated by taking into account both balance sheet exposure and financing commitments.

For balance sheet exposure, the exposure at default is the result of the theoretical payment schedules of each transaction. For financing commitments, a disbursement rate is applied according to the characteristics of the exposure (product, time since notification, etc.) then a theoretical schedule corresponding to the operation's characteristics is constructed. Disbursement rates are calculated on the basis of Bpifrance's historical internal data.

An annual early repayment rate is also taken into account in modelling exposure at default. This rate is measured by product from Bpifrance's historical internal data.

With regard to the Short-term financing activity, which is backed by disposals of receivables and for which no payment schedule exists, a behavioural model of credit line drawdowns has been developed in order to define exposure at default.

8.2.9.4. Taking into account the Forward-Looking aspect

A correlation model between the macroeconomic parameters and the systemic factor used to project default has been developed to transcribe the impact of the macroeconomic scenarios on the calculated ECL.

Estimated from Bpifrance's internal default data, this model translates the level of the selected macroeconomic parameters into future default rates for each internal counterparty rating.

Via the correlation between the systemic factor and the simulated loss rates, this model also includes an impact of the macroeconomic parameters on future LGDs.

Macroeconomic scenarios and weighting proposals are submitted to Bpifrance's Forward-Looking Committee. This quarterly committee is chaired by Bpifrance's Deputy Chief Executive Officer and brings together the Risk Department, Financing and Network Department, Finance Department, Accounting Department and the Economic Conditions and Macroeconomics Assessment area. It is responsible for defining the scenarios that will be selected, based on proposals made by the Bpifrance Evaluation, Studies and Prospects Department (DEEP), and weightings.

Scenario breakdown

Since 30 June 2020, Bpifrance has used four forward looking scenarios to calculate the ECL. These scenarios were updated in December 2023.

As Bpifrance's clientele is comprised of French businesses, the scenarios defined only cover French macroeconomic indicators. The indicators used are the GDP growth rate, the change in the consumer price index (global index, and index excluding food and energy), the unemployment rate and the OAT rates (at two and 10 years).

The baseline and adverse scenarios are based on the CDC Group macro-economic framing scenarios carried out once per year, at the start of the year, with the support of the group's network of economists. Nevertheless, the baseline scenario and both inflationary adverse scenarios with bond crash have been partially updated in order to take account of the change in circumstantial indicators and the latest information available. It should be noted that the two downgraded scenarios are more recessionary than those proposed at 31 December 2022. The optimistic scenario is still, for its part, put forward in full by the Bpifrance Evaluation, Studies and Prospects Department (DEEP).

The scenarios take account of the multiple tensions currently impacting the French economy, where supply is still penalised by high production costs and recruitment difficulties. It was hypothesised that at the start of 2024, sustained high inflation and interest rates would continue to apply a brake to consumption and investment. Nevertheless, during the year, ebbing inflation and the gradual easing of the ECB's monetary policy should enable demand to pick up, despite the progressive removal of the temporary mechanisms that were aimed at mitigating the impact of the inflationary shock. This would translate into an acceleration in activity in 2025.

The scenarios also take account of the economic consequences of the ecological and energy transition (EET), which would translate into a negative supply shock, at least temporarily, impacting on potential growth and supporting inflation over the entire period of the forecast (2023-2028).

The baseline scenario GDP growth forecasts (+0.8% in 2023 and +0.7% in 2024) are in the lower bracket of the forecasts of the various institutes.

GDP growth (%)		2023	2024	2025
Optimistic scenario	Dec-23	0.8	1.8	1.6
Baseline scenario	Dec-23	0.8	0.7	1.1
Pessimistic inflationary scenario with bond market crash	Dec-23	0.8	-1.5	0.0
Pessimistic scenario (L-shaped trend)	Dec-23	0.8	-1.5	0.0
IMF	Oct-23	1.0	1.3	1.8
European Commission	Nov-23	1.0	1.2	1.4
OECD	Nov-23	0.9	0.8	1.2
Banque de France	Dec-23	0.8	0.9	1.3
Consensus Forecast - max	Jan-24	0.7	0.3	0.7
Consensus Forecast - average	Jan-24	0.9	0.7	1.3
Consensus Forecast - min	Jan-24	0.9	1.2	2.1

The uncertainty around growth prospects remains high. The optimistic scenario anticipates more dynamic growth in 2024, due to price tensions fading faster and having the effect of boosting consumption and normalising monetary policy more quickly. Conversely, the inflationary adverse scenario with bond crash envisages a shock that is both recessionary and inflationary due to stronger and more long-lasting tensions over supply and the price of inputs. Furthermore, the depressive effects of this shock would be more persistent due to a larger number of business bankruptcies and a more marked deterioration in the employment market. The 'L' adverse scenario, the hypothesis of a strong recessive shock to GDP of a health, financial or situational nature, would lead, conversely, to a drop in inflation.

Growth rate or rate *(annual average, in %)*	2023	2024	2025	2026	2027	2028
GDP	0.8	1.8	1.6	1.5	1.5	1.5
Consumer Price Index (CPI)	4.9	2.6	2.0	2.0	2.0	2.0
Core CPI / excluding energy and food	5.2	2.3	1.9	1.9	1.9	1.9
Unemployment rate (mainland France)	7.1	7.0	7.0	7.0	7.0	7.0
2-year OAT [French treasury bonds] rate (Q4 average)	3.2	2.1	2.1	2.1	2.1	2.1
10-year OAT [French treasury bonds] rate (Q4 average)	3.1	2.9	2.8	2.8	2.8	2.8
Baseline scenario						
Growth rate or rate *(annual average, in %)*						
	2023	**2024**	**2025**	**2026**	**2027**	**2028**
GDP	0.8	0.7	1.1	1.1	1.0	1.0
Consumer Price Index (CPI)	4.9	2.7	2.3	2.1	2.0	2.0
Core CPI / excluding energy and food	5.2	2.9	2.3	2.0	1.9	1.9
Unemployment rate (mainland France)	7.1	7.4	7.5	7.5	7.5	7.5
2-year OAT [French treasury bonds] rate (Q4 average)	3.2	2.9	2.6	2.3	2.0	1.7
10-year OAT [French treasury bonds] rate (Q4 average)	3.1	2.9	2.8	2.7	2.6	2.5
Pessimistic inflationary scenario with bond market crash						
Growth rate or rate *(annual average, in %)*						
	2023	**2024**	**2025**	**2026**	**2027**	**2028**
GDP	0.8	-1.5	-0.0	0.5	0.6	0.6
Consumer Price Index (CPI)	4.9	5.8	4.2	3.7	3.0	3.0
Core CPI / excluding energy and food	5.2	5.2	4.2	3.5	3.0	3.0
Unemployment rate (mainland France)	7.1	8.3	8.9	9.2	9.3	9.3
2-year OAT [French treasury bonds] rate (Q4 average)	3.2	4.9	4.9	4.9	4.9	4.9
10-year OAT [French treasury bonds] rate (Q4 average)	3.1	5.5	5.5	5.5	5.5	5.5
Pessimistic scenario (L-shaped trend)						
Growth rate or rate *(annual average, in %)*						
	2023	**2024**	**2025**	**2026**	**2027**	**2028**
GDP	0.8	-1.5	-0.0	0.5	0.6	0.6
Consumer Price Index (CPI)	4.9	1.8	1.2	0.7	0.5	0.5
Core CPI / excluding energy and food	5.2	2.5	1.6	0.7	0.5	0.5
Unemployment rate (mainland France)	7.1	8.3	8.9	9.2	9.3	9.3
2-year OAT [French treasury bonds] rate (Q4 average)	3.2	-0.7	-0.7	-0.7	-0.7	-0.7
10-year OAT [French treasury bonds] rate (Q4 average)	3.1	0.0	0.0	0.0	0.0	0.0

8.2.9.4.2 Change in weightings

The weightings of the scenarios as at 31 December 2023 were amended as regards the previous financial year, primarily due to amendments made to the pessimistic, more recessive, scenarios. Furthermore, taking account of the recent changes to the situational indicators, in particular inflation and the interest rate, the inflationary scenario with bond crash appears less likely.

Scenario	Weightings 31/12/2023	Weightings 31/12/2022
Optimistic	15%	10%
Baseline	65%	65%
Pessimistic inflationary scenario with bond crash	15%	20%
Pessimistic L-shaped trend	5%	5%

8.2.9.5. Adjustments

Methodological adjustments to the model

Correlation between growth rate and default rate

The pandemic context of 2020 and 2021 imposed the application of a methodological adjustment to the model for calculating Bpifrance's ECL (Expected Credit Losses) in order to correct for the decorrelation observed between the economic context and the default rates.

Bpifrance's ECL calculation model is based on historic observations of correlations between macroeconomic parameters and default rates. This historic data shows a negative correlation between GDP growth rates and default rates, in line with economic theory: default rates are as low as GDP growth rates are high.

The significant support measures implemented by the public authorities (in particular the solidarity fund, short-time working, deferred charges and State guaranteed loans) have massively protected French businesses against the consequences of this crisis in 2020, 2021 and 2022. Consequently, business bankruptcies have been very few and far between despite the GDP growth rate for 2020 being the worst in recent history.

Thus, the inclusion of the 2020 observations in the model calibration would lead to a net reduction in the correlation between the growth rate and the default rate, and to a reduction in the ECL calculated.

As the decorrelation of default from the growth rate observed in 2020 was due to two economic support measures, it is not indicative of the real impact of the economic shock on business solvability. 2021 is also problematic as the growth rate observed is very high as regards historic data and distorts correlation estimates. Bank of France business bankruptcy statistics only show a return to the 2019 level from the end of 2022. Bpifrance has therefore decided not to include the data for the years subsequent to 2020 into the ECL calculation calibration model as of 31 December 2023 and to renew the parameters used at the end of 2019.

The effect of not recalibrating the models is a reduction in ECLs of €45m.

Correlation between inflation rate and default rate

The economic context of 2023 is characterised by a sharp increase in inflation projections, to levels well above the values in the model calibration history. The correlation historically observed for the Bpifrance portfolios between inflation and default is negative: rising inflation is associated with a reduction in defaults.

Consequently, the update to this projected inflation has a strongly counter-intuitive effect on the results of the model, as this would translate into a significant reduction in the ECL sum calculated. This result is the consequence of the change to the current inflation regime in the past two years, as compared to the past ten years and it does not relate to the expected effects of this inflation shock on the bankruptcy of French businesses.

To mitigate this effect, Bpifrance has decided to neutralise the effect of inflation in the update to the ECL by retaining in its macroeconomic scenarios the inflation trajectories set on 31 December 2021.

The neutralisation of the effects of inflation results in an increase in the ECL by €99m.

Sector-based adjustments

Inflationary shock

The economic context remains inflationary, with significant costs for businesses, in particular for energy, raw materials and labour. Furthermore, the policy of raising rates, implemented by the ECB to combat inflation, has significantly pushed up the costs of financing for businesses.

Bpifrance has carried out an analysis of the effect of these cost rises on firms' income statements by sector of activity. The most affected sectors are the object of an adjustment to the internal rating used when assessing the significant degradation of credit risk and when calculating ECLs.

The main sectors affected are industry, energy and transport. The effect of this adjustments is an increase in ECLs of €43m, and a transfer from bucket 1 to bucket 2 of €3.5bn in outstanding amounts.

This adjustment constitutes an update, for a more restricted scope, to the adjustment made on 31 December 2022; then it entailed an increase in ECLs of €108m.

Construction

The construction sector is affected by a particularly unfavourable economic context. The increase in interest rates and inflation reduces households' and businesses' solvency. The number of planning permits and works commenced have fallen.

The difficulties this sector is currently facing are deemed long-lasting. An additional adjustment to the construction sector's internal ratings has therefore been applied when calculating ECLs as at 31 December 2023.

The effect of this adjustment is an increase of €16m in the ECLs at the end of December 2023, and a transfer from bucket 1 to bucket 2 of €1.4bn in outstanding amounts.

Photovoltaic energy

An adjustment of €10m was recognised on 31 December 2022 for the risk borne by the photovoltaic sector, which was to be the object of a review of electricity purchase rates. On 27 January 2023, the State Council annulled the decree of 26 October 2021 which implemented this decision, and on 23 June 2023, the Government announced that it was abandoning this project.

Therefore this adjustment has been removed.

Other Forward-Looking adjustments

Innovation

The population of innovative businesses has seen high levels of failure over 2023. A large proportion of these businesses operate according to an economic model based on successive rounds of fund raising to finance their loss-making activities in the business' first years of existence.

Fundraising by innovative firms has become rarer in 2023, which puts this population at risk. An ECL adjustment was applied on 31 December 2023 to the innovative business population whose survival over the one-year time horizon would appear to be compromised in the absence of new fundraising. This adjustment leads to a classification in bucket 2 of outstanding amounts worth €1.3bn and an €19m increase in ECLs.

PGE recipient businesses

State-guaranteed loans (PGE) were distributed en masse from spring 2020 in order to support the cash position of businesses weakened by the Covid-19 pandemic. Today, these loans are in the repayment phase; businesses which took advantage of a PGE and have yet to pay it back must currently bear an additional financial burden that could entail difficulties for a part of them.

In order to incorporate this risk to the repayment capacity of businesses recipients of a PGE, an adjustment to ECLs was applied on 31 December 2023. This adjustment affects businesses whose available resources are deemed insufficient to cover the repayment of a PGE annuity. This translates to an increase in ECLs of €40m and a reclassification to bucket 2 of €1.3bn in outstanding amounts.

A post-model adjustment was made on 31 December 2022 for the same reason, for a sum of €110m. The reduction in the sum of this adjustment is due to the amortisation of the portfolio in question and better performance than expected for this population in 2023.

Immovable asset valuations

A substantial part of Bpifrance's loans are guaranteed by immovable assets affected by the tertiary-sector decree. This decree imposes obligations to improve the energy performance of buildings and disclosure obligations regarding their current consumption. The data available shows that a substantial portion of businesses have not made the mandatory disclosures, meaning that insufficient effort has been made to start the energy transition of the associated immovable assets. This represents a valuation risk over time for the assets in question. A post-model adjustment of €80m was applied on 31 December 2023 to take account of this risk.

Furthermore, the context for the year is uncertain as regards the valuations of commercial immovable assets, with lower transaction volumes and investment volumes. The segments deemed to be the most affected are offices, shops (excluding major food retailers) and health. A post-model adjustment of €20m was applied to these sectors when calculating ECLs as at 31 December 2023 for commercial immovable asset valuation risk.

These two post-model adjustments relate to a risk linked to loss in the event of default and not to the likelihood of default. They have no effect on the assessment of the significant degradation in the credit risk and consequently do not bring about a change in the bucket classification of the outstanding amounts in question.

8.2.9.6. Analysis of ECL sensitivity to macroeconomic scenarios

As previously described, the four macroeconomic scenarios used in calculating the ECL on 31 December 2023 correspond to very different economic situations. Consequently, they lead to significantly different ECL sums[102].

Scenario	Amount of ECL in the event of 100% scenario weighting *(€m)*	As a percentage of booked ECL as at 31/12/23
Optimistic	448	88%
Baseline	491	96%
Pessimistic inflationary scenario with bond crash	613	120%
Pessimistic L-shaped trend	616	121%

8.2.9.7. Climate risks

The impact of climate risks on the provisioning of the credit risk is included in the ECL calculation through their effect on macroeconomic trajectories. The macroeconomic trajectories used on 31 December 2023 take account of an estimate of the effect of climate risks on the growth trajectory, considering that the investments needed as regards compliance with decarbonisation trajectories are similar to a supply shock, which negatively affects GDP growth.

102 The sensitivity to scenarios calculations are made excluding adjustments for Innovation risks, State-guaranteed loans (PGE) and Immovable asset valuations. The €159m in adjustments in question are added to the result of the calculations for each scenario.

8.3. Financial Risks

Financial risks are defined as the risks of losses of economic value resulting from an unfavourable evolution of the market parameters, which affect all of the positions in the balance sheet and the off-balance sheet. The Bpifrance Group is mainly exposed to the following market parameters: interest rates, share prices and indices, and exchange rates

the liquidity of capital markets,

8.3.1 • General financial risk management framework

The purpose of Bpifrance's financial activity is to provide the lending and investment activities with the financial resources and instruments they need as part of a general objective of balancing the operation of Bpifrance and preserving its equity.

Bpifrance's Financial Risk Management Policy aims to maintain financial balances in terms of liquidity, interest rates and foreign exchange positions, while respecting the defined risk appetite. The backing sought between usages and resources is intended to limit the establishment's exposure to financial risks. All financial transactions are therefore stored in the Banking Book. Bpifrance does not have a trading book.

This financial risk management policy is implemented operationally by:

- ILAAP;
- A refinancing plan;
- A system of limits;
- A comitology.

8.3.2 • Comitology

8.3.2.1. ALM Committee

The ALM (Asset Liability Management) Committee is chaired by the Chief Financial Officer of Bpifrance. It meets on a monthly basis for the Financing division, quarterly for the Group, and if necessary, at shorter intervals.

This committee decides on actions to be taken to manage financial risks.

8.3.2.2. Financial management committee

The financial management committee is chaired by the Chief Financial Officer of Bpifrance and meets quarterly. It defines investment and/or reinvestment decisions in financial securities for the Financing division. It is informed of the performance of the securities portfolio.

8.3.2.3. Group Financial Counterparty Risk Committee

The Group Financial Counterparty Risk Committee is chaired by the Chief Financial Officer of Bpifrance and meets quarterly.

In this respect, it sets the risk limits for each financial counterparty.

8.3.3 • Counterparty risk on financial activities

From a regulatory point of view, counterparty risk represents the potential loss realised by Bpifrance in the event of a future default by a counterparty with which Bpifrance is involved in a market transaction.

8.3.3.1. Exposure to counterparty risk

Exposure to counterparty risk is defined as follows:

- the sum of the capital remaining due under a loan;
- the nominal value of the security for a security;
- for derivatives, in accordance with the terms of the mark-to-market method, stipulated in Article 274 of regulation (EU) 575/2013 amended by Regulation (EU) 2019/876.
  - This method consists of determining the current replacement cost of all positive-value contracts.
  - An add-on is added to this replacement cost.
  - The effects of offsetting agreements and collateral are taken into account by applying the offsetting rules as defined in the mark-to-market method and subtracting the collateral.
  - The majority of derivative transactions are conducted through central counterparties (CCPs), which further mitigates the counterparty risk.

- Derivative transactions are subject to intraday margin calls with CCPs. A daily margin call system is in place for the rare transactions that are not carried out via CCPs.

The Bpifrance Group has structurally very low exposure to counterparty risks.

8.3.3.2. Measurement of counterparty risk

The default risk rating system is based on the ratings assigned by Moody's, Standard & Poor's and Fitch.

Counterparties are classified by risk category. These are deduced from the ratings assigned by the three selected agencies, which are matched. Where the ratings from the three agencies differ, the second-best rating is used.

For unrated counterparties, the committee assigns a rating equivalent to those of the agencies in terms of probability of default.

The committee may derogate from the above rules if its decision is justified.

8.3.3.3. Risk policy

In view of the public nature of most of the managed capital, the emphasis is on risk diversification and the search for the greatest possible security of the transactions:

- the authorised counterparties have at least an A- rating from specialised agencies;
- transactions involving financial instruments are systematically subject to collateral agreements;
- cash transactions are governed by strict duration management rules.

Exceptional limit authorisations for counterparties rated BBB- to BBB+ may nevertheless be issued on a case-by-case basis by the Group Financial Counterparty Risk Committee after presentation of a specific analysis.

8.3.3.4. System for financial counterparty risk on financial transactions

The system covers the financial counterparty risks to which Bpifrance is exposed as part of its financial transactions) (market or interbank transactions), whether for a loan, a security or a derivative.

The monitoring of counterparty risks on financial transactions is presented to the Group Risk Management Committee on a quarterly basis.

The rules for calculating the limits on the financial counterparties of financial transactions are:

- the allocation of an amount of regulatory capital to cover the overall risks relating to the risk scope concerned;
- the application of a risk division rule at Group level which determines the maximum amount of equity that Bpifrance agrees to allocate to a counterparty;
- setting the limit in terms of exposure, based on the capital requirement resulting from the probability of default associated with an external rating (rating agencies) by applying the Basel method (IRB Foundation method);
- the limits are capped at the limit of major risks (25% of equity).

For each risk category, an alert threshold is defined at 90% of the limit.

8.3.3.5. Management method

Monitoring of the evolution of the quality of counterparties is performed by the Finance Department at both legal entity and economic group level. For each counterparty and each group, the Counterparty Risk Committee defines limits, which are separate for the Financing and Guarantee businesses.

8.3.3.6. Monitoring and reports

The Finance Department monitors the limits and their application on a daily basis. It reports on any entries, exits and changes in overruns recorded by counterparty. This report is sent to the traders in the trading room.

A monthly table presenting the main developments over the period is circulated to members of Bpifrance's General Management.

8.3.4 • Liquidity risks

The liquidity risk corresponds with the bank's inability to meet its obligations at an acceptable price, for a given location and currency.

This risk can occur in case of non-concomitance of the cash flows. The refinancing risk (an integral part of the liquidity risk) arises when the funds needed to finance the non-liquid assets cannot be obtained within acceptable timeframes and at acceptable prices.

The Group's liquidity risk is monitored as part of a liquidity risk management policy defined in the Group Risk Management Policy approved by the Board of Directors. The liquidity situation of the Bpifrance Group is assessed based on internal indicators and regulatory ratios.

8.3.4.1. Objectives of the liquidity risk management policy

The system in place, specifically defined as part of the ILAAP (Internal Liquidity Adequacy Assessment Process), provides Bpifrance with the necessary liquidity to meet its short-term and medium/long-term liquidity obligations. These measures should enable Bpifrance to fulfil its regulatory obligations.

Bpifrance's risk appetite is based on the following general principles:

- annual independence from the markets in the event of a crisis;
- the reduction in new origination in the event of a crisis;
- the segregated management of liquidity reserves under normal management.

From the viewpoint of cash management, the financial activity of the Bpifrance Group involves gathering the necessary resources and managing them as well as possible in view of the usages, while ensuring the continuity of the Bpifrance Group and the preservation of its capital. It is also intended to comply with the standards imposed by the banking supervisor.

Overall, the establishment measures its medium and long-term financing needs on the basis of the schedule of operations, new business assumptions and outflow agreements for the transactions without maturities, thus making it possible to calculate the financing gap.

Forecasts of the financing requirement with new activities are updated every month, on a monthly basis over the projection horizon.

Bpifrance has a management framework comprised of numerous indicators in order to detect and assess potential threats to liquidity risk promptly:

- Normative regulatory indicators such as the LCR (Liquidity Coverage Ratio, the liquidity coefficient at one month) and NSFR (Net Stable Funding Ratio, the liquidity coefficient at twelve months);
- Key quantitative management indicators defined in the context of risk appetite such as survival period and excess liquidity in stressed management;
- Additional monitoring indicators such as the monitoring of the liquidity reserve.

The regulatory liquidity limits relate to the LCR and NSFR. As at 31 December 2023, the structural short-term liquidity ratio (LCR), set up under the 2015/61 delegated regulation, is estimated at 368% at the level of the Bpifrance Group, above the regulatory floor of 100%, a sign of a very satisfactory level of liquidity with regard to short-term maturities.

8.3.4.2. Actors involved in the management of the liquidity risk

The Executive Committee makes decisions relative to the liquidity risk management within the framework of the powers attributed to it by the Board of Directors. It also decides on isolated overruns of the limits or on corrective actions to be undertaken in order to absorb these overruns.

The ALM Committee, which brings together the Executive Director in charge of the Finance division and the Executive Officer, as well as the relevant managers, examines the liquidity risk and also ensures compliance with the limits set.

Outside of these periodic meetings, the ALM Committee can be called on to meet, notably in case of a sudden change to the market parameters or if the fixed limits are exceeded.

8.3.4.3. Basic principle of the liquidity policy

The Bpifrance Group's liquidity policy is governed and described by the ILAAP *(Internal Liquidity Adequacy Assessment Process)*, updated annually and presented to the Board of Directors for validation.

It is based on management principles defined to apply in both current and crisis situations and is assessed on the basis of internal indicators and regulatory ratios.

Its limits and alert thresholds are defined annually and presented for validation to the Risk Committee, the Audit Committee and the Board of Directors. Their objective is to ensure that Bpifrance has the necessary liquidity to meet its short- and medium-term obligations. They are monitored monthly at the ALM Committee and reported quarterly by the Group Risk Management Department to the Group Risk Management Committee.

The Risk Management Policy defines all the authorised firm refinancing instruments.

The organisation in place allows the principle of separation of functions to be respected:

- Operational trading and recording functions are performed by the Markets Department;
- The management, planning, monitoring and reporting functions are performed by the ALM Department.

8.3.4.4. Refinancing sources

The Bpifrance Group manages its balance sheet in such a way that its structure is globally balanced in terms of liquidity. The backing sought between usages and resources is intended to limit the establishment's exposure to financial risks.

The Bpifrance Group operates in the financial markets, particularly the domestic bond market.

Bpifrance ensures that it diversifies its sources of refinancing by:

- Establishing a broader investor base spread over several geographic areas
- Enriching its palette of financial refinancing instruments: NEU CP, NEU MTN, EMTN, secured or bilateral financing
- Diversifying the maturity dates of its debt in order to protect itself from repayment deadlines that are concentrated in time

Furthermore, it is feeding a portfolio of State securities the repurchase of which secures access to interbank liquidity under the best conditions. Finally, the establishment has a liquidity reserve comprised of assets that can be mobilised in under 30 days, including a stock of mobilisable private receivables eligible for ECB refinancing.

8.3.4.5. Cash flows payable by the Bpifrance Group relative to its financial debts, broken down by residual contractual maturity

The tables below show the non-discounted contractual flows (principal and interest):

Annual flows *(in €m)*	31/12/23						
	Carrying value	**Total incoming (outgoing) flows**	**On request**	**Less than 3 months**	**Between 3 and 12 months**	**Between 1 year and 5 years**	**After 5 years**
Repayment of term loans	**43,808**	**-46,185**	**0**	**-1,239**	**-9,596**	**-23,849**	**-11,501**
Bond issues guaranteed by EPIC Bpifrance	35,811	-38,038	0	-33	-3,864	-23,114	-11,028
Credit institution loans and term accounts	6,186	-6,313	0	-1,001	-5,288	-16	-7
Clientele loans and term accounts	1,811	-1,834	0	-205	-444	-719	-466
Repayment of short-term financing	**13,932**	**-13,525**	**0**	**-7,911**	**-5,166**	**-448**	**0**
Current accounts	353	353	0	353		0	0
Overnight loans	0	0	0	0	0	0	0
Certificates of deposit and negotiable medium-term note	6,399	-6,606	0	-4,093	-2,513	0	0
Securities sold under forward repurchase agreements	7,180	-7,272	0	-4,171	-2,653	-448	0
Lease liabilities	**127**	**-137**	**0**	**-6**	**-25**	**-95**	**-11**
Derivatives (*)	**14**	**-14**	**0**	**0**	**-0**	**-6**	**-9**
Non-hedging derivatives	0	0	0	0	0	0	0
Hedging derivatives	14	-14	0	0	-0	-6	-9

(*) Maturity of derivatives at fair value.

Annual flows *(in €m)*	31/12/22						
	Carrying value	**Total incoming (outgoing) flows**	**On request**	**Less than 3 months**	**Between 3 and 12 months**	**Between 1 year and 5 years**	**After 5 years**
Repayment of term loans	**55,452**	**-57,605**	**0**	**-2,172**	**-17,028**	**-26,387**	**-12,018**
Bond issues guaranteed by EPIC Bpifrance	34,371	-36,049	0	-1,010	-3,868	-19,485	-11,685
Credit institution loans and term accounts	18,903	-19,526	0	-845	-12,576	-6,099	-5
Clientele loans and term accounts	2,178	-2,030	0	-317	-584	-802	-327
Repayment of short-term financing	**7,359**	**-7,441**	**0**	**-2,961**	**-4,480**	**0**	**0**
Current accounts	212	-210	0	-15	-195	0	0
Overnight loans	0	0	0	0	0	0	0
Certificates of deposit and negotiable medium-term note	5,378	-5,436	0	-2,577	-2,860	0	0
Securities sold under forward repurchase agreements	1,769	-1,795	0	-369	-1,426	0	0
Lease liabilities	**129**	**-138**	**0**	**-3**	**-11**	**-99**	**-25**
Derivatives (*)	**13**	**-13**	**0**	**-2**	**-1**	**-4**	**-6**
Non-hedging derivatives	2	-2	0	-2	0	0	0
Hedging derivatives	11	-11	0	0	-1	-4	-6

(*) Maturity of derivatives at fair value.

Faced with these financial liabilities, the Bpifrance Group has recourse to securities that can be mobilised, either at the ECB, or through repurchase agreements, depending on the more favourable rate conditions.

The financing commitments given (€10.2bn at the end of 2023, as compared to €9.2bn at the end of 2022) do not have a contractual schedule. After signing the contract, they can be cashed at the customer's request. The guarantee commitments given (€13.9bn at the end of 2023, as compared to €13.1bn at the end of 2022) may result in cash flows if the business beneficiary of the secured loan defaults and at the end of the recovery process undertaken by the secured establishment.

8.3.5 • Structural balance sheet risks

The Bpifrance Group manages its balance sheet in such a way that its structure is globally balanced in terms of rates and exchange rates. The backing sought between usages and resources is intended to limit the establishment's exposure to financial risks. The overall rate and exchange risks are measured each month, and governed by a system of limits. The rate and exchange risks are hedged by means of future financial instruments negotiated on organised or over-the-counter markets (primarily interest rate and currency swap contracts), or by means of operations involving State securities.

The ALM Committee examines interest rate and foreign exchange risks and also ensures compliance with the limits set. In addition to these periodic meetings, the ALM Committee may be convened, in particular if market parameters change abruptly or if the limits set are exceeded.

8.3.5.1. Interest rate risks in the banking book

The Bpifrance Group manages its interest rate risk globally: all interest rate positions are monitored as macro-hedges by the ALM Department of the Finance Department. In this respect, hedging instruments are held in dedicated management portfolios and the assessment of their contribution to reducing the institution's interest rate risk is included in the monitoring system.

Interest rate risk management in the banking book

Interest rate risk management aims to control the level of change in Bpifrance's interest rates so as to contribute to its development while smoothing out the impact of any unfavourable movements in interest rates over the net interest margin, both in terms of short-term impact on NBI (revenue risk) and on the present value of future cash flows (value risk).

The institution's interest rate risk is assessed using several indicators:

- The revenue risk measurement, based on the calculation of the net interest margin (NIM) at 12 months, aims to assess the impact of different rate scenarios on the institution's net interest margin, by applying similar rate shocks on short-term rates;
- The basis risk measurement, based on the calculation of the net interest margin (NIM) at 12 months, aims to assess the impact of different rate scenarios on short-term rates;
- The measurement of value risk, using a financial approach, based on the calculation of the net present value of the portfolio of fixed-rate transactions (capital and interest flows) with equity, with the aim of monitoring the change of the NPV in the event of a change in rates. The analysis of the current value of the balance sheet makes it possible to carry out a sensitivity analysis of the value of the balance sheet under the assumption that Bpifrance is a going concern;
- The measurement of value risk, using a regulatory approach, based on the calculation of the net present value of the portfolio of fixed-rate transactions (capital and interest flows) excluding equity (Economic Value of Equity, EVE), is intended to monitor the evolution of the NPV in the event of a change in rates. The EVE analysis allows for a sensitivity analysis of the balance sheet value on a liquidation basis.

These indicators are calculated and presented monthly at the ALM Committee of Bpifrance.

- Interest rate risk is also reviewed quarterly by the Risk Committee and by the Board of Directors, after presentation to the Group Risk Management Committee.

The graphs of deadlocks by maturity complete this system.

Cash flow sensitivity analysis

Bpifrance's exposure to rate risk is, in particular, measured using analyses of the sensitivity of the interest margin and the net current balance sheet value. Indicatively, on 31 December 2023, in the event of an increase in interest rates of 200 base points, the interest margin would drop by €4.7m and the EVE (Economic Value of Equity) would drop by €469m.

(in €m)	Increase of 200 basis points	Decrease of 200 basis points
31/12/2023		
Sensitivity of the interest margin 2023	-4.7	4.6
Sensitivity of the net present value of the balance sheet 2023 (EVE)	-469.0	488.0
31/12/2022		
Sensitivity of the interest margin 2022	-23.7	23.7
Sensitivity of the net present value of the balance sheet 2022 (EVE)	-462.0	470.0

8.3.5.2. Exchange risk

The growth in financing and investment activities leads Bpifrance to hold positions in foreign currencies. As a result, Bpifrance is exposed to foreign exchange risk.

The Bpifrance Group only intervenes occasionally in the foreign exchange market. The limits set are intended to desensitise the institution to the risk of currency fluctuations.

Foreign exchange risk management

Bpifrance has no direct appetite for this type of risk. It is therefore desirable that foreign currency positions remain at a marginal level of exposure in view of the size of Bpifrance's balance sheet.

In this context, Bpifrance has adopted a foreign exchange risk management framework that breaks down into two risk families. Each of them has its own framework in order to take into account the specific nature of the underlying business lines. The following are identified:

- Operational foreign exchange risk: foreign exchange risk arising from financing activities such as loans, borrowings, investments that generate income and expenses in foreign currencies;
- Structural foreign exchange risk: foreign exchange risk resulting from investments in foreign currencies.

The measurement of operational currency risk is presented monthly to the ALM Committee of Bpifrance. The measurement of operational foreign exchange risk is presented quarterly to the Group Risk Management Committee. If the defined alert threshold is exceeded, the Finance Department informs the ALM Committee that the alert threshold has been exceeded and the corrective actions taken to remedy the situation. Information is presented to the Group Risk Management Committee to report on the crossing of the threshold and the corrective actions taken.

Transactions in foreign currencies comply with Bpifrance's risk appetite as presented in the Group's Risk Appetite. It should be noted that all foreign currency transactions are recorded in the Banking Book.

Authorised currencies

The currencies traded must have a liquid market. Thus, Bpifrance allows foreign exchange exposure to a limited list of currencies.

Depending on the foreign currency used, prior authorisation from the Group Risk Management Department may be required, or even a prior discussion with the Compliance and Permanent Control Department, particularly in terms of the impact of the applicability of extraterritoriality.

Sensitivity analysis of operational currency risk

The operational currency risk is incurred by financing activities such as loans, borrowing and placements, which generate revenue and costs in foreign currencies (net banking income, costs, risk cost) and/or by positions arising from the backing of assets and liabilities in different currencies. This is essentially refinancing activities in foreign currencies and export financing.

For a currency, the measurement of the foreign exchange risk is the exchange loss due to an immediate variation of +/- 15% of the currency price (excluding structural position impact). The overall foreign exchange risk is the sum of the risks per currency. No account is taken of possible correlations between currencies.

At 31 December 2023, the only foreign currency exposures held directly by Bpifrance are in GBP and USD. Other foreign currency exposures are not held directly but via the fund and Fund of funds activities.

A 15% reduction in the USD/EUR and GBP/EUR conversion rates as at 31 December 2023, would have resulted in a reduction in profits of €0.09m. For the purposes of this analysis, all other variables, especially interest rates, were assumed to remain constant.

A 15% rise in the USD/EUR and GBP/EUR conversion rates as at 31 December 2023, would have resulted in the same impacts, but in the opposite direction than those set out above, assuming that all other variables remained constant.

Risk actions are the object of global monitoring that aims to measure and assess the risk of maximum loss induced by changes in value of the portfolio, as well as the equity needs that might result from this, caused by an adverse movement in share market parameters. This measure of maximum loss or extreme risks is obtained by calculating the *Value at Risk* (VaR).

8.4. Quantitative analyses of the credit and counterparty risks on financial activities

Maximum credit risk exposure

(in €m)	31/12/23	31/12/22
Financial assets at fair value through profit or loss	1,462.0	1,347.2
Asset hedging derivatives	60.9	58.1
Financial assets at fair value through equity	1,664.0	1,576.2
Securities at amortised cost	9,430.2	9,616.2
Loans and receivables to credit institutions, at amortised cost	1,601.4	1,257.6
Loans and receivables to customers, at amortised cost	49,185.6	47,887.9
Financing and similar leasing operations, at amortised cost	6,283.0	6,095.5
Given guarantee commitments and commitments by signature	13,981.3	13,145.2
Given financing commitments	10,021.0	8,994.2
TOTAL	**93,689.4**	**89,978.1**

Concentrations

In accordance with IFRS 7, Bpifrance has defined asset classes within the accounting categories of financial instruments in IFRS 9 that are suited to its activity and its internal reporting method. Thus, the category "Loans and advances to customers" includes the following asset classes:

- PLMT (Long- and Medium-Term Loans);
- FCT (Short-Term Financing);
- Others.

The Financial leasing operations category is broken down into the following asset classes:

- CBI (Real Estate Leasing);
- CBM (Equipment Leasing).

Concentrations by counterparty type

Concentration of risks by type of counterparty on all financial assets

(in €m)	31/12/23						
Type of counterparty/issuer	**Central banks**	**Public administrations**	**Credit institutions**	**Other financial institutions**	**Non-financial institutions**	**Households**	**Total**
Financial assets at fair value through profit or loss	0.0	0.0	0.0	0.0	1,462.0	0.0	1,462.0
Asset hedging derivative financial instruments	0.0	0.0	60.9	0.0	0.0	0.0	60.9
Financial assets at fair value through equity	0.0	966.5	621.1	24.2	52.2	0.0	1,664.0
Securities at amortised cost	0.0	7,232.6	1,618.4	548.6	30.6	0.0	9,430.2
Loans and receivables due to credit institutions, at amortised cost	0.0	0.0	1,601.4	0.0	0.0	0.0	1,601.4
Loans and receivables to customers, at amortised cost	0.0	7,030.8	0.0	0.0	42,154.8	0.0	49,185.6
Medium- and long-term loans	*0.0*	*0.0*	*0.0*	*0.0*	*40,478.9*	*0.0*	*40,478.9*
STF	*0.0*	*0.0*	*0.0*	*0.0*	*1,477.2*	*0.0*	*1,477.2*
Other	*0.0*	*7,030.8*	*0.0*	*0.0*	*198.7*	*0.0*	*7,229.5*
Finance lease transactions, at amortised cost	0.0	0.0	0.0	0.0	6,283.0	0.0	6,283.0
Real estate Leasing (CBI)	*0.0*	*0.0*	*0.0*	*0.0*	*4,103.8*	*0.0*	*4,103.8*
Equipment Leasing (CBM)	*0.0*	*0.0*	*0.0*	*0.0*	*2,179.2*	*0.0*	*2,179.2*
TOTAL	**0.0**	**15,229.9**	**3,901.8**	**572.8**	**49,982.6**	**0.0**	**69,687.1**

(in €m)	31/12/22						
Type of counterparty/issuer	**Central banks**	**Public administrations**	**Credit institutions**	**Other financial institutions**	**Non-financial institutions**	**Households**	**Total**
Financial assets at fair value through profit or loss	0.0	0.0	0.0	0.0	1,347.2	0.0	1,347.2
Asset hedging derivative financial instruments	0.0	0.0	58.1	0.0	0.0	0.0	58.1
Financial assets at fair value through equity	0.0	907.9	592.4	23.3	52.6	0.0	1,576.2
Securities at amortised cost	0.0	7,594.3	1,720.8	301.1	0.0	0.0	9,616.2
Loans and receivables due to credit institutions, at amortised cost	0.0	0.0	1,257.6	0.0	0.0	0.0	1,257.6
Loans and receivables to customers, at amortised cost	0.0	7,094.3	0.0	0.0	40,793.6	0.0	47,887.9
Medium- and long-term loans	0.0	0.0	0.0	0.0	39,137.0	0.0	39,137.0
STF	0.0	0.0	0.0	0.0	1,655.3	0.0	1,655.3
Other	0.0	7,094.3	0.0	0.0	1.3	0.0	7,095.6
Finance lease transactions, at amortised cost	0.0	0.0	0.0	0.0	6,095.5	0.0	6,095.5
Real estate Leasing (CBI)	0.0	0.0	0.0	0.0	4,082.8	0.0	4,082.8
Equipment Leasing (CBM)	0.0	0.0	0.0	0.0	2,012.7	0.0	2,012.7
TOTAL	**0.0**	**15,596.5**	**3,628.9**	**324.4**	**48,288.9**	**0.0**	**67,838.7**

(in €m)	31/12/23						
Type of counterparty/issuer	Central banks	Public administrations	Credit institutions	Other financial institutions	Non-financial institutions	Households	Total
Given guarantee commitments and commitments by signature	0.0	0.0	0.0	0.0	13,981.3	0.0	13,981.3
Given financing commitments	0.0	0.0	42.0	0.0	9,979.0	0.0	10,021.0

(in €m)	31/12/22						
Type of counterparty/issuer	Central banks	Public administrations	Credit institutions	Other financial institutions	Non-financial institutions	Households	Total
Given guarantee commitments and commitments by signature	0.0	0.0	0.0	0.0	13,145.2	0.0	13,145.2
Given financing commitments	0.0	0.0	0.0	0.0	8,994.2	0.0	8,994.2

Concentrations by rating

Breakdown of loans and receivables by financial instruments class

(in €m)	31/12/23												
	Loans and receivables to customers												
	Medium- and long-term loans				STF				OTHER				
Internal rating	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Risk-free (*)				0				0	7,228			7,228	7,228
Low risk	21,081	2,789		23,870	396	102		498				0	24,368
Average risk	7,001	3,945		10,946	507	251		758				0	11,704
High risk	45	327		372	8	74		82				0	454
Not rated	1,447	1,958		3,405	1	4		5				0	3,410
Proven risk			1,886	1,886			134	134			1	1	2,021
TOTAL	**29,574**	**9,019**	**1,886**	**40,479**	**912**	**431**	**134**	**1,477**	**7,228**	**0**	**1**	**7,230**	**49,186**

(*) Including accounts opened with the State (Agence France Trésor) for €7,030.8m.

Breakdown of loans and receivables by financial instruments class

(in €m)	31/12/22												
	Loans and receivables to customers												
	Medium- and long-term loans				STF				OTHER				
Internal rating	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Risk-free (*)				0				0	7,095			7,095	7,095
Low risk	17,373	5,377		22,750	335	266		601				0	23,351
Average risk	6,116	4,826		10,942	469	318		787				0	11,729
High risk	80	290		370	29	55		84				0	454
Not rated	1,504	1,928		3,432	10	13		23				0	3,455
Proven risk			1 643	1,643			160	160			1	1	1,804
TOTAL	**25,073**	**12,421**	**1,643**	**39,137**	**843**	**652**	**160**	**1,655**	**7,095**	**0**	**1**	**7,096**	**47,888**

(*) Including accounts opened with the State (Agence France Trésor) for €6,998.9m.

Breakdown of loans and receivables by financial instruments class

(in €m)	31/12/23								
	Finance lease operations								
	Real estate Leasing (CBI)				Equipment Leasing (CBM)				
Internal rating	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Risk-free				0				0	0
Low risk	1,808	439		2,247	1,359	198		1,557	3,804
Average risk	525	646		1,172	219	251		470	1,641
High risk	4	36		40		10		10	50
Not rated	191	259		450	17	95		112	562
Proven risk			195	195			30	30	225
TOTAL	**2,529**	**1,380**	**195**	**4,104**	**1,595**	**554**	**30**	**2,179**	**6,283**

Breakdown of loans and receivables by financial instruments class

(in €m)	31/12/22								
	Finance lease operations								
	Real estate Leasing (CBI)				Equipment Leasing (CBM)				
Internal rating	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Risk-free				0				0	0
Low risk	1,441	696		2,137	1,078	356		1,434	3,571
Average risk	482	714		1,196	181	269		450	1,646
High risk	22	32		54		14		14	68
Not rated	217	293		510	27	51		78	588
Proven risk			186	186			37	37	223
TOTAL	**2,162**	**1,735**	**186**	**4,083**	**1,286**	**690**	**37**	**2,013**	**6,096**

(in €m)	31/12/23													
	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through equity				Securities at amortised cost				Loans and receivables to credit institutions				
Rating	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Aaa		342.9			342.9	466.7			466.7				0.0	809.6
Aa1		22.8			22.8	37.8			37.8	338.1			338.1	398.6
Aa2		763.1			763.1	7,273.5			7,273.5	637.0			637.0	8,673.6
Aa3		322.3			322.3	121.4			121.4				0.0	443.7
A1		109.9			109.9	894.8			894.8	219.7			219.7	1,224.5
A2		47.0			47.0	581.3			581.3	142.0			142.0	770.3
A3		56.0			56.0	49.5			49.5				0.0	105.5
Baa1		0.0			0.0	0.0	5.2		5.2				0.0	5.2
Not rated	1,462.0	0.0			0.0	0.0			0.0	264,6			264.6	1,726.6
TOTAL	**1,462.0**	**1,664.0**	**0.0**	**0.0**	**1,664.0**	**9,425.0**	**5.2**	**0.0**	**9,430.2**	**1,601.4**	**0.0**	**0.0**	**1,601.4**	**14,157.7**

(in €m)	31/12/22												
	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through equity				Securities at amortised cost				Loans and receivables to credit institutions			
Rating	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Aaa		326.1			326.1	298.2			298.2	0.0			0.0	624.3
Aa1		21.8			21.8	0.0			0.0	33.2			33.2	55.0
Aa2		849.7			849.7	7,621.3			7,621.3	46.4			46.4	8,517.4
Aa3		192.4			192.4	139.2			139.2	0.0			0.0	331.6
A1		116.0			116.0	1102.0			1,102.0	394.0			394.0	1,612.0
A2		17.2			17.2	427.9			427.9	3.0			3.0	448.1
A3		43.8			43.8	27.6			27.6	4.3			4.3	75.7
Baa1		9.1			9.1	0.0			0.0	0.0			0.0	9.1
Not rated	1,347.2	0.0			0.0	0.0			0.0	776.8			776.8	2,124.0
TOTAL	**1,347.2**	**1,576.1**	**0.0**	**0.0**	**1,576.1**	**9,616.2**	**0.0**	**0.0**	**9,616.2**	**1,257.7**	**0.0**	**0.0**	**1,257.7**	**13,797.2**

Concentrations by business sector of portfolios of loans and receivables to customers and finance lease operations

The Bpifrance Group conducts its activities in France.

(in €m)	31/12/23												
	Medium- and long-term loans				STF				Other				
Business sectors	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Trade	2,799.3	552.3	193.3	3,544.9	100.8	14.5	11.5	126.8	0.0	0.0	0.0	0.0	3,671.7
Industry	7,130.4	2,047.3	453.6	9,631.3	222.3	73.3	25.6	321.2	169.8	0.0	0.0	169.8	10,122.3
Services	17,836.3	5,606.3	1,127.6	24,570.2	480.5	95.7	47.5	623.7	7,058.4	0.0	1.3	7,059.7	32,253.6
PW&CE	454.5	294.1	38.3	786.9	107.2	245.7	47.2	400.1	0.0	0.0	0.0	0.0	1,187.0
Tourism	1,349.9	522.9	72.8	1,945.6	1.1	2.1	2.2	5.4	0.0	0.0	0.0	0.0	1,951.0
TOTAL	**29,570.4**	**9,022.9**	**1,885.6**	**40,478.9**	**911.9**	**431.3**	**134.0**	**1,477.2**	**7,228.2**	**0.0**	**1.3**	**7,229.5**	**49,185.6**

(*) Including accounts opened with the State (Agence France Trésor) for €7,030.8m.

(in €m)	31/12/22												
	Medium- and long-term loans				STF				Other				
Business sectors	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Trade	2,569.9	799.5	167.6	3,537.0	91.9	41.8	11.2	144.9	0.0	0.0	0.0	0.0	3,681.9
Industry	5,366.8	3,272.5	426.3	9,065.6	121.6	183.9	36.8	342.3	0.0	0.0	0.0	0.0	9,407.9
Services	15,768.9	7,218.4	946.9	23,934.2	500.7	184.3	71.3	756.3	7,094.3	0.0	1.3	7,095.6	31,786.1
PW&CE	441.1	291.8	42.7	775.6	114.8	241.7	39.6	396.1	0.0	0.0	0.0	0.0	1,171.7
Tourism	927.2	837.4	60.0	1,824.6	14.0	0.5	1.2	15.7	0.0	0.0	0.0	0.0	1,840.3
TOTAL	**25,073.9**	**12,419.6**	**1,643.5**	**39,137.0**	**843.0**	**652.2**	**160.1**	**1,655.3**	**7,094.3**	**0.0**	**1.3**	**7,095.6**	**47,887.9**

(*) Including accounts opened with the State (Agence France Trésor) for €6,998.9m.

(in €m)	31/12/23								
	CBI				CBM				
Business sectors	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Trade	384.2	23.7	2.1	410.0	109.3	19.5	0.8	129.6	539.6
Industry	134.4	172.6	18.2	325.2	297.3	111.3	11.8	420.4	745.6
Services	1,806.4	1,056.5	142.5	3,005.4	998.6	329.2	12.2	1,340.0	4,345.4
PW&CE	32.1	6.6	1.2	39.9	136.3	73.8	5.3	215.4	255.3
Tourism	171.4	120.9	31.0	323.3	53.7	20.1	0.0	73.8	397.1
TOTAL	**2,528.5**	**1,380.3**	**195.0**	**4,103.8**	**1,595.2**	**553.9**	**30.1**	**2,179.2**	**6,283.0**

(in €m)	31/12/22								
	CBI				CBM				
Business sectors	Bucket 1	Bucket 2	Bucket 3	Total	Bucket 1	Bucket 2	Bucket 3	Total	TOTAL
Trade	343.6	34.9	1.4	379.9	107.1	31.6	4.0	142.7	522.6
Industry	51.5	216.3	16.9	284.7	173.7	221.4	15.5	410.6	695.3
Services	1,629.7	1,290.3	126.1	3,046.1	842.1	335.8	10.1	1,188.0	4,234.1
PW&CE	8.3	29.0	2.8	40.1	117.2	91.2	7.2	215.6	255.7
Tourism	129.5	164.1	38.4	332.0	45.6	10.2	0.0	55.8	387.8
TOTAL	**2,162.6**	**1,734.6**	**185.6**	**4,082.8**	**1,285.7**	**690.2**	**36.8**	**2,012.7**	**6,095.5**

(in €m)	31/12/23					
Business sectors	Trade	Industry	Services	PW&CE	Tourism	Total
Given guarantee commitments and commitments by signature	2,439.9	2,867.8	5,836.3	737.9	2,099.4	13,981.3

(in €m)	31/12/22					
Business sectors	Trade	Industry	Services	PW&CE	Tourism	Total
Given guarantee commitments and commitments by signature	2,355.0	2,682.8	5,512.8	712.0	1,882.6	13,145.2

Individually impaired financial assets by sector of economic activity

(in €m)	31/12/23															
	Loans and receivables to credit institutions		Loans and receivables to customers								Finance lease operations					
			Medium- and long-term loans		STF		Other		Total		Real estate Leasing (CBI)		Equipment Leasing (CBM)		Total	
Business sectors	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount
Trade	0.0	0.0	290.6	193.3	19.6	11.5	0.0	0.0	310.2	204.8	2.3	2.1	2.8	0.8	5.1	2.9
Industry	0.0	0.0	613.2	453.6	31.9	25.6	0.0	0.0	645.1	479.2	56.2	18.2	14.9	11.8	71.1	30.0
Services	0.0	0.0	1,475.7	1,127.6	71.6	47.5	1.3	1.3	1,548.6	1,176.4	152.9	142.5	21.3	12.2	174.2	154.7
PW&CE	0.0	0.0	74.8	38.3	57.3	47.2	0.0	0.0	132.1	85.5	1.2	1.2	8.2	5.3	9.4	6.5
Tourism	0.0	0.0	96.1	72.8	2.2	2.2	0.0	0.0	98.3	75.0	36.6	31.0	0.0	0.0	36.6	31.0
TOTAL	**0.0**	**0.0**	**2,550.4**	**1,885.6**	**182.6**	**134.0**	**1.3**	**1.3**	**2,734.3**	**2,020.9**	**249.2**	**195.0**	**47.2**	**30.1**	**296.4**	**225.1**

(in €m)	31/12/22															
	Loans and receivables to credit institutions		Loans and receivables to customers								Finance lease operations					
			Medium- and long-term loans		STF		Other		Total		Real estate Leasing (CBI)		Equipment Leasing (CBM)		Total	
Business sectors	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount	Gross amount	Net amount
Trade	0.0	0.0	249.3	167.6	18.8	11.2	0.0	0.0	268.1	178.8	1.6	1.4	5.7	4.0	7.3	5.4
Industry	0.0	0.0	560.9	426.3	41.1	36.8	0.0	0.0	602.0	463.1	52.1	16.9	19.0	15.5	71.1	32.4
Services	0.0	0.0	1,254.3	946.9	106.8	71.3	1.3	1.3	1,362.4	1,019.5	132.0	126.1	13.9	10.1	145.9	136.2
PW&CE	0.0	0.0	67.2	42.7	48.6	39.6	0.0	0.0	115.8	82.3	3.1	2.8	9.7	7.2	12.8	10.0
Tourism	0.0	0.0	77.3	60.0	1.2	1.2	0.0	0.0	78.5	61.2	45.1	38.4	0.0	0.0	45.1	38.4
TOTAL	**0.0**	**0.0**	**2,209.0**	**1,643.5**	**216.5**	**160.1**	**1.3**	**1.3**	**2,426.8**	**1,804.9**	**233.9**	**185.6**	**48.3**	**36.8**	**282.2**	**222.4**

(in €m)	31/12/23					
				Amounts related to financial instruments not offset on the balance sheet		
	Gross amounts accounted for	Amounts offset in the balance sheet	Net amounts shown in the balance sheet	Impact of offsetting agreements	Collateral given/ received	Net amounts
ASSETS						
Interest rate hedging derivatives	866.4	827.7	38.7	0.0	0.0	38.7
Repurchase agreements, securities borrowings and similar agreements	42.0	0.0	42.0	0.0	0.0	42.0
LIABILITIES						
Interest rate hedging derivatives	720.8	720.8	0.0	0.0	11.4	-11.4
Repurchase agreements, securities loans and similar agreements	7,121.9	0.0	7,121.9	0.0	0.0	7,121.9

(in €m)	31/12/22					
				Amounts related to financial instruments not offset on the balance sheet		
	Gross amounts accounted for	Amounts offset in the balance sheet	Net amounts shown in the balance sheet	Impact of offsetting agreements	Collateral given/ received	Net amounts
ASSETS						
Interest rate hedging derivatives	2,686.2	2,630.9	55.2	0.0	0.0	55.2
Repurchase agreements, securities borrowings and similar agreements	0.0	0.0	0.0	0.0	0.0	0.0
LIABILITIES						
Interest rate hedging derivatives	2,102.5	2,102.5	0.0	0.0	8.9	-8.9
Repurchase agreements, securities loans and similar agreements	1,764.4	0.0	1,764.4	0.0	0.0	1,764.4

Transferred financial assets not derecognised

(in €m)	31/12/23		31/12/22	
	Book value of transferred assets	Book value of associated liabilities	Book value of transferred assets	Book value of associated liabilities
Repurchase agreements				
Financial assets at amortised cost	6,512.2	6,608.5	1,404.8	1,408.1
Financial assets at fair value through equity	609.7	613.7	359.6	360.4
TOTAL TRANSFERRED ASSETS	**7,121.9**	**7,222.2**	**1,764.4**	**1,768.5**

Financial assets pledged and received as collateral

(in €m)	31/12/23	31/12/22
Book value of pledged assets		
Securities pledged as collateral for refinancing arrangements	1,830.7	11,850.1
Guarantee deposits	100.2	119.5
Securities delivered under repurchase agreements	7,121.9	1,764.4
TOTAL PLEDGED ASSETS	**9,052.8**	**13,734.0**

(in €m)	31/12/23	31/12/22
Fair value of the financial assets received as guarantee		
Securities delivered in repurchase agreements	42.3	0
TOTAL	**42.3**	**0.0**

Quantitative information relating to guarantee held

The financial effect of the guarantees held on loans and advances (excluding innovation activity) is measured by the maximum amount of the eligible sureties and guarantees under European Directive CRD4 and European Regulation CRR, which came into effect on 1 January 2014. Total sureties and guarantees received amounted to €17,362.3m at 31 December 2023, compared with €17,179.6m at 31 December 2022.

8.5. Risks generated by the investment activity

The constitution of these portfolios is part of the implementation of the Group's investment policy, which favours minority shareholdings, operated in a prudent approach and with a "patient" capital approach.

No Group equity portfolio is dedicated to trading. Bpifrance does not invest more than the amount of its own funds and closely monitors the position risk related to the impairment of investments in direct or indirect shareholdings of the Group.

Bpifrance strives to contain, at all times, the risk of loss of market value in the event of severe stress.

8.5.1 • General framework for investment risk management

Bpifrance's investment activity is carried out through two business lines:

- the so-called "funds of funds" activity: taking holdings in investment funds;
- the so-called "direct" activity: "direct" investment in companies, which is carried out by two departments:
  - Development Capital Department,
  - Innovation Department.

The activity can be carried out directly on the balance sheet of Bpifrance Participations (Development Capital, Innovation), or via investment vehicles carried by Bpifrance Participations.

Investment management, regardless of the activity, is handled by a single asset management company, Bpifrance Investissement, and governed by procedures dedicated to the direct activity and the funds of funds activity.

The investment funds through which the investment activities are carried out comply with the following general principles:

- Bpifrance Investissement mainly manages funds intended for qualified/professional investors. These funds may take the form of professional private equity funds (FPCI), specialised professional funds (FPS), or other similar forms;
- All funds must be subject to regulations including at least the following elements:
  - An investment policy describing the activities and diversification limits of the fund. (The expression of diversification limits must at least contain a maximum amount per line expressed as an amount and as a percentage of the Total Amount Subscribed (MTS)),
  - The rules of governance, the powers of the various players: management company, statutory auditors, custodians, subscribers and accounting manager with a rule of non-interference in management.

Any investment activity falls within the framework of the rules and procedures defined in the regulations of the fund or the investment vehicle and the transactions are carried out in accordance with Bpifrance's investment doctrine. Each transaction is carried out according to a process based in particular on the following points:

- The suitability of the transaction for the investment strategy of the fund or vehicle;
- decision-making by the management company Bpifrance Investissement via a duly authorised body depending on the fund or vehicle affected and the amount of the investment (Investment Committee or Investment Committee of Bpifrance Participations).

8.5.2 • Comitology

8.5.2.1. Investment Committees (Innovation - Funds of funds - Development Capital)

The Investment Committees are chaired by the Executive Directors in charge of the business lines they address.

They meet on average twice a month and formalise the decisions of the investment funds concerned (or Bpifrance Participations) for any investment decision, based on the information provided by the investment teams.

8.5.2.2. Bpifrance Participations investment Committee

This committee is chaired by the Chief Executive Officer of Bpifrance and meets as needed.

It makes decisions on the granting of significant investment projects according to the thresholds provided for by the Bpifrance Participations Articles of Association and Rules of Procedure.

8.5.2.3. Valuation Committee

The Valuation Committee is chaired by the Investment Chief Financial Officer and meets every six months.

It reviews and validates the values of investments held directly or via funds, in accordance with the procedures and valuation policy established by the Finance Department of Bpifrance Investissement.

8.5.3 • Risks related to "direct" activity

The system of limits governing the "direct" investment activity includes counterparty (or issuer) limits, as well as sectoral limits and a total net exposure limit in value terms.

Investment limits are set annually by the Risk Management Department in conjunction with the Business Line Departments.

They take into account:

- The existing portfolio and its sector and counterparty concentration;
- A margin assessed annually according to the portfolio risk;
- Investments planned for the year in the Medium-Term Plan (MTP)/Strategic Plan of each department.

They are determined by business line on the basis of a calculation carried out by the Risk Department, taking into account the level of risk and the corresponding profile (VaR) as well as the maximum level of acceptable absorption by equity.

8.5.4 • Risks related to the Fund of Funds activity

The choice of Partner Funds must be consistent with the intervention parameters of the Funds of Funds activities as described by the intervention doctrine, the Bpifrance strategic plan, the regulations of the managed funds and any agreements or charters accompanying the vehicle strategy.

The regulations of each Partner Fund are negotiated between the Fund of Funds teams and the Partner Fund teams. The regulations of the Partner Fund are validated by the Funds of Funds team (first-level control) and reviewed by the Investment Legal Department before the Partner Fund is subscribed.

The expression of limits is based on 2 pillars:

- A unit commitment limit that meets diversification constraints;
- Risk diversification to maximise the diversification effect of new projects (dates, investment strategies, underlying industries, etc.)

The limits are monitored quarterly and presented to the Group Risk Management Committee and the governance bodies.

8.5.5 • Risks of Bpifrance Participations (Equity and Related Products Risk)

Within the Bpifrance Group, the main financial risk of the Bpifrance Participations entity is the equity risk that would materialise in the event of a loss related to the holding of the securities held. The securities portfolio consists mainly of listed and unlisted equities, as well as units in investment funds.

The equity risk is subject to global monitoring, which aims to measure and assess the maximum risk of loss caused by changes in the value of the portfolio, as well as the capital requirements that could result from an adverse movement in equity market parameters. This measurement of maximum loss or extreme risks is carried out through a Value at Risk (VaR) calculation.

The VaR gives an estimate of the maximum potential loss that Bpifrance faces at a given time horizon with a given probability. In theory, if the VaR of a portfolio is €1m at the 99% threshold at a 1-month horizon, then there is a 99% chance that the loss incurred will not exceed €1m at 1 month.

The 95% total VaR is calculated as an internal risk indicator. The 99.99% VaR is calculated to define the need for economic capital in the same way as the CDC prudential model.

The VaR implemented at Bpifrance is a so-called Monte Carlo VaR (one million draws) with two confidence intervals (99% and 99.99%). The Group Risk Management Department carries out an ex-post analysis (back testing) of the results of the model used to calculate VaR in order to measure its quality.

Stress scenarios are also used to simulate an extreme situation in order to assess the financial consequences on Bpifrance's results or equity. The use of these scenarios is a tool for analysis and control to better understand the risks associated with Bpifrance's investment activity.

At 31 December 2023, the 1-year VaR for a 99.99% confidence interval is €13,077m.

1-year VaR for a 99.99% confidence interval

Bpifrance Participations' internal business model complies with the principles of the Caisse des Dépôts et Consignations (CDC), which has a prudential model that allows it to guarantee a very high level of financial security while being compatible with its mission of long-term investor.

In addition, through its activity as an investor, Bpifrance Participations makes direct or indirect commitments, mainly with investment funds. As a result, a Supervisory Ratio was introduced, which states that the residual value of the Bpifrance Participations portfolio, following an extreme shock (VaR 99.99%), must cover all of the off-balance sheet commitments and in particular the uncalled capital of the funds subscribed.

8.6. Climate risk management

8.6.1 • Climate change risks

Climate-related risks can be divided into two main categories:

- Physical risk refers to the financial consequences that result from climate change through extreme and/or chronic hazards;
- Transition risk is the risk of losses incurred, directly or indirectly, as a result of inadequate adaptation to a low-carbon economy.

With the acceleration of the transition towards a more restrictive climate environment, the Bpifrance Group is adapting its activities in an appropriate manner in order to attain its strategic objectives and avoid incurring losses. By way of an example, through the Medium-Term Plan and its climate strategy, the Bpifrance Group is committed to accelerating the ecological and energy transition of businesses and regions through support and financing solutions.

The Bpifrance Group is gradually integrating the assessment of these risks into its risk management system. The monitoring of climate risks is a particular challenge for Bpifrance in the context of its strategic objective of "Green Bank" and the Climate Plan launched in 2020. This Climate Plan is a mutual plan with Banques des Territories to accelerate businesses' ecological transition, contribute to relaunch and render businesses' activities compatible with the carbon neutral goals of the Paris Agreement.

8.6.2 • Presentation of the framework for managing climate-related risks

Bpifrance has no appetite for climate risk. There is no voluntary exposure of the various Group business lines to climate-related risks, rather a tolerance brought on by the nature of Bpifrance's activities. Thus, Bpifrance, through the Climate Plan, has set itself a strong ambition to support French businesses in the face of the various issues pertaining to the transition to a low-carbon economy.

Bpifrance has implemented a mechanism for managing climate risks based on six main axes:

- Tailored governance and comitology;
- A climate-related risk map;
- An indicator and risk-monitoring system with information provided periodically to the governance structure;
- An enhanced management mechanism with a limits system;
- Consideration of climate-related risks in the award process;
- Climate-related risks are taken into account in the establishment's strategy.

The climate risk management mechanism covers all Bpifrance business lines.

In 2024, Bpifrance will continue to develop its climate risk management mechanism, in accordance with the action plan produced by the Group Risks Department.

The main axes of development will focus on:

- Growing integration of climate-related risks into award decisions;
- The strengthening of consideration for climate-related risks in the award process and in the investment decision;
- Developing monitoring indicators to feed group strategy;
- The integration of climate-related risks in the capital adequacy mechanism.

8.6.3 • Map of climate-related risks

Bpifrance has implemented a climate risk map aimed at (i) defining the risk factors, (ii) identifying the transmission channels, (iii) qualifying the risks affected, and (iv) assessing the degree of impact and materiality.

This map covers all the risks included in the Bpifrance balance sheet. The risk factors defined concern physical and transition risks, and can be broken down as follows:

Physical risk

- Risks arising from acute climate hazards (i.e., extreme climate events);
- Risks arising from chronic climate hazards (i.e., progressive climate change).

Transition risk stems from four main channels:

- Climate policies and regulations;
- Technology;
- Market feelings and trends;
- Reputation and responsibility.

8.6.4 • Main indicators for measuring climate-related risks and framework

Bpifrance has developed a series of indicators to measure climate-related risks that meet a triple goal:

- Assessing the degree of exposure to risks by identifying the pockets or masses of outstanding sums presenting a high degree of exposure to climate-related risks;
- Quantifying the impact of climate-related risks and assessing the impact of these on the portfolio risk profile;
- Having a system for framing climate risk.

Assessment of the degree of exposure

Transition risk

As regards transition risks, Bpifrance has several measurement and monitoring tools to assess its exposure to risk. The indicators designed combine two complementary approaches: a sector-based approach and an individual approach (single name).

The sector-based approach uses a composite score which qualifies each sector of activity's degree of exposure to transition risk. It enables the weightings of the sectors the most exposed to risk in the Bpifrance portfolio to be measured. Bpifrance relies on the sector-based approach to manage transition risk.

The single name approach uses a heat map to identify and monitor counterparties' at-risk masses which present a profile of both a degraded risk and belong to sectors exposed to transition risk.

Bpifrance relies on the sector-based approach to manage transition risk.

Physical risk

For physical risk, Bpifrance has implemented a physical risk score for each counterparty, based on a list of climatic events deemed to be the most relevant. This score combines two elements:

The degree of intensity of a climatic event in a geographic zone; The degree of vulnerability of the counterparty's sector of activity to a climatic event.

This score is assessed on a five-point scale and is presented in a forward-looking and scenario-based dimension.

Thus, there is periodic measurement and monitoring of the outstanding amount populations exposed to physical and transition risks, with differing degrees of exposure.

Quantification of climate-related risks

Transition risk

Bpifrance quantifies the transition risk for its portfolio periodically. This quantification measures the impact of transition issues on the risk profile of each counterparty. This risk profile is assessed through the probability of default for the financing business line and through valuation for the investment business line.

The transition cost conveys, in a systematic approach, the transition effort and the theoretical investments needed to be made by each counterparty to comply with the Paris Agreements.

This approach is forward-looking and is drawn up in accordance with different scenarios through the carbon price. Furthermore, it permits:

- The material nature of climate-related risks to be classified by quantifying the impact of these factors on migration and valuation risks;
- The at-risk masses/populations of outstanding amounts to be identified by different criticality levels.

Bpifrance measures the exposure of its portfolio to physical risks by identifying, for each climatic event, the masses at risk i.e. the populations that present a high or very high level of exposure to physical risk. Bpifrance has opted to use these at-risk pockets as a basis for managing physical risk.

8.6.5 • Comitology

In addition to the committees described under the comitology in section 1, and in particular the Risk Management Committee (CGR) responsible for monitoring all the limits of the Group Risk Management Policy (PGRG), Bpifrance has set up a Climate and Environmental Risks Committee. This meets quarterly and is presided by the Group Risk Director.

The Committee is comprised of the CEO, the Deputy CEO, the Financing and Network Director, the Bpifrance Investissement Deputy CEO, the Director for International Strategy, Studies and Development, the Group Risk Director, the Sustainable Development and CSR Director, members of the DRG Executive Committee, the Climate and Country Risks Director, the Inspector General, the Internal Control and Compliance Director, the Finance Director, the Climate Director, and the Bpifrance Investissement Financing Director.

The key missions of this Committee are, in particular:

- Monitoring and analysing risks by, for example (i) monitoring Group exposure to climate-related risks, (ii) approving changes to risk measurement methodologies and indicators, and (iii) monitoring the mechanism for managing climate-related risks;
- Presenting regulatory changes and their impacts on the Bpifrance balance sheet;
- Presenting the update to the climate-related risk factor map and assessing associated materiality; Approving the internal scenarios for testing balance sheet resilience;
- More broadly, developing the climate-related risk management mechanism.

The minutes of the Committee meetings are circulated to its members.

Note 9 - Disclosure of interests in other entities

9.1. Significant material assumptions and judgements

Some subsidiaries and associated companies have not been included in the scope of consolidation in view of their negligible character or contractual provisions indicating that control is in the hands of another investor.

Setting aside these exclusions, the Group does not have control over a not-insignificant subsidiary in which it holds less than half of the voting rights, nor does it exercise significant influence on associated companies in which it holds less than 20% of the voting rights, with the exception of ST Microelectronics, Soitec and Eutelsat which Bpifrance recognises under the equity method despite a percentage of voting rights below 20%.

In fact, for ST Microelectronics, the non-executive Chairman of the Supervisory Board is the Chief Executive Officer of Bpifrance. In addition, he sits on several specialised committees. As a result, Bpifrance is able to exercise significant influence over ST Microelectronics.

As regards Soitec, Bpifrance is the shareholder holding the largest share of voting rights and is represented, besides on the Board of Directors, on all committees.

Bpifrance continues to account for Eutelsat using the equity method, as the reduction in the percentage of voting rights following the Eutelsat/Oneweb merger in 2023 does not call into question the significant influence exercised. Bpifrance sits on the Board of Directors and on the group's strategic committees.

9.2. Interests held in subsidiaries

Minority interests in the Group's activities

The Group does not have any equity interests in subsidiaries holding minority interests that are considered to be significant.

Nature and extent of the significant restrictions

The Group is subject to no significant legal, regulatory or contractual restrictions that would limit its ability to access the Group's assets or to settle the Group's liabilities.

9.3. Interests held in partnerships and associated companies

Interests in associates

The Bpifrance Group, through its subsidiary Bpifrance Participations, intends to acquire stakes in companies that promote growth and competitiveness for the French economy in order to stabilise their shareholding structure and provide the equity necessary for their development.

The Group holds interests in associates considered individually significant. These equity interests are presented after the adjustments related to the application of the equity method.

Table of interests in companies accounted for using the equity method

(in €m) as at 31/12/2023	ST (**) Microelectronics	Tyrol Acquisition 1 Cie SCA (*)	Eutelsat (*) Communications	Lac I	Soitec (*)
Main place of business	Switzerland	Luxembourg	France	France	France
Ultimate holding percentage	13.86%	23.99%	13.59%	32.95%	11.47%
Method of consolidation	Equity method	Equity method	Equity method	Equity method	Equity method
Dividends received	27.7	0.0	0.0	0.0	0.0
Assets	**20,775.6**	**2,720.8**	**7,410.8**	**4,901.4**	**2,439.0**
Non-current assets	10,969.2	2,720.8	6,226.5	4,888.7	1,157.7
Current assets	9,806.3	0.0	1,184.3	12.7	1,281.3
Assets held for sale	0.0	0.0	0.0	0.0	0.0
Liabilities	**20,775.6**	**2,720.8**	**7,410.8**	**4,901.4**	**2,439.0**
Equity	13,583.7	283.5	3,072.1	4,021.8	1,403.5
Non-current liabilities	2,627.1	2,436.8	3,626.2	879.0	683.8
Current liabilities	4,564.7	0.6	712.5	0.6	351.7
Liabilities related to assets held for sale	0.0	0.0	0.0	0.0	0.0
Net income - Group share	**1,760.2**	**0.0**	**328.3**	**-0.5**	**217.6**
Income from operating activities	7,758.4	0.0	1,131.3	0.0	704.2
EBITDA	0.0	0.0	0.0	0.0	0.0
Operating income	2,085.1	0.0	573.5	-11.3	243.4
Financial income	-206.3	0.0	-91.3	10.8	-5.5
Income Tax	-313.1	0.0	-66.5	0.0	-21.0
Consolidated income	1,565.6	0.0	328.3	-0.5	217.6
Fair value (if there is a quoted price)	**5,672.2**	**NA**	**247.0**	**NA**	**662.5**
Reconciliation with the carrying amount of related interest					
Shareholders' equity in group shares	*15,816.2*	*2,480.8*	*4,058.9*	*4,021.8*	*1,403.5*
Equity as a percentage of interest	*2,191.3*	*595.2*	*551.6*	*1,325.0*	*161.0*
Goodwill	*0.0*	*0.0*	*0.0*	*0.0*	*93.8*
Consolidation adjustment	*-29.3*	*-595.2*	*-304.6*	*0.0*	*-2.9*
Book value of interests in associated business	2,162.0	0.0	247.0	1,325.0	251.9
Consolidation of investments	*-2,817.8*	*-372.7*	*-1,062.3*	*-1,294.6*	*-111.2*
Value of shareholders' equity	-655.8	-372.7	-815.3	30.4	140.7

(*) Tyrol Acquisition 1 Cie SCA and Eutelsat Communications close their financial year on 31 March and 30 June.

(**) Detailed IFRS financial information as at 31/12/2022 not available, data as at 30/06/2022.

(en M€) au 31/12/2022	ST (**) Microelectronics	Tyrol Acquisition 1 Cie SCA (*)	Eutelsat (*) Communications	Lac I	Soitec (*)
Main place of business	Switzerland	Luxembourg	France	France	France
Ultimate holding percentage	13.83%	23.99%	25.97%	33.16%	11.43%
Method of consolidation	Equity method	Equity method	Equity method	Equity method	Equity method
Dividends received	28.5	0.0	53.2	0.0	0.0
Assets	**17,007.3**	**2,720.8**	**7,573.5**	**5,218.8**	**2,173.0**
Non-current assets	9,069.9	2,720.8	6,487.0	5,198.9	875.4
Current assets	7,937.4	0.0	1,086.5	19.8	1,297.6
Assets held for sale	0.0	0.0	0.0	0.0	0.0
Liabilities	**17,007.3**	**2,720.8**	**7,573.5**	**5,218.8**	**2,173.0**
Equity	10,366.6	283.5	2,860.7	3,974.1	1,181.5
Non-current liabilities	3,153.9	2,436.8	3,674.5	1,243.7	614.3
Current liabilities	3,486.8	0.6	1,038.3	0.9	377.2
Liabilities related to assets held for sale	0.0	0.0	0.0	0.0	0.0
Net income - Group share	**1,823.6**	**0.0**	**230.8**	**10.5**	**95.0**
Income from operating activities	6,922.0	0.0	1,151.6	0.0	470.6
EBITDA	0.0	0.0	0.0	0.0	0.0
Operating income	1,787.0	0.0	424.8	-16.4	110.3
Financial income	308.5	0.0	-64.9	26.9	-2.3
Income Tax	-271.0	0.0	-48.6	0.0	-13.2
Consolidated income	1,824.5	0.0	239.8	10.5	95.0
Fair value (if there is a quoted price)	**4,136.6**	**NA**	**404.6**	**NA**	**594.0**
Reconciliation with the carrying amount of related interest					
Shareholders' equity in group shares	*12,276.6*	*2,480.8*	*2,879.8*	*3,974.1*	*1,181.5*
Equity as a percentage of interest	*1,697.8*	*595.2*	*747.9*	*1,317.8*	*135.0*
Goodwill	*0.0*	*0.0*	*0.0*	*0.0*	*90.9*
Consolidation adjustment	*36.7*	*-595.2*	*-231.2*	*0.0*	*-3.1*
Book value of interests in associated business	1,734.5	0.0	516.7	1,317.8	222.9
Consolidation of investments	*-2,817.8*	*-372.7*	*-1,062.0*	*-1,295.9*	*-107.3*
Value of shareholders' equity	-1,083.3	-372.7	-545.3	21.9	115.6

(*) Tyrol Acquisition 1 Cie SCA and Eutelsat Communications close their financial year on 31 March and 30 June.

(**) Detailed IFRS financial information as at 31/12/2022 not available, data as at 30/06/2022.

Interests in associated companies considered to be insignificant

The Group holds interests in associated companies that are individually considered to be insignificant.

(in €m)	31/12/23	31/12/22
Overall book value	184.7	103.7
Overall amount of shares		
Net income from continuing operations	-7.5	0.1
Net income after tax from discontinued operations	0.0	0.0
Other elements of the overall earnings	37.8	17.3
OVERALL INCOME	**30.3**	**17.4**

9.4. Interests held in non-consolidated structured entities

(in €m)	31/12/23	31/12/22
Nature and development of risks in unconsolidated structured entities		
Book value of assets/liabilities	488.8	420.3
Items in the financial statements where these assets/liabilities are recorded	Financial assets measured at fair value through profit or loss Loans and receivables	Financial assets measured at fair value through profit or loss Loans and receivables
Amount of the maximum exposure (on- and off-balance sheet) of risk of loss (*)	1,048.1	538.0
Difference between book value and maximum risk of loss	-559.3	-117.7

(*) The maximum exposure amount of risk of loss was assessed by adding the outstanding amounts on the balance sheet to those of off-balance sheet liabilities, considering that the sum of the amounts already committed and those to be disbursed best represent the maximum risk of loss in unconsolidated structured entities.

9.5. Companies excluded from consolidation and significant non-consolidated equity investments as at 31 December 2023

Company excluded from the consolidation (> 20% voting rights and gross amount > 0.5% of Bpifrance's capital)

Name	Head office	% Holding	Reason for non-consolidation
LABRADOR INVESTMENT HOLDINGS LIMITED	LONDON	20.16%	Holding of a 4.96% stake in the Cerba Group via a holding company

Significant unconsolidated equity securities (% < 20% and gross amount > 1% of Bpifrance capital)

(in €m)				
Name	**Head office**	**% Holding**	**Equity**	**Income**
Doctolib	LEVALLOIS	12.55%	NC	NC
Orange	PARIS	8.20%	35,098	2,892
Stellantis	POISSY	6.08%	82,120	18,625
Valeo	PARIS	9.55%	4,360	300
Verallia	COURBEVOIE	12.53%	959	475
Worldline	PARIS	7.89%	9,564	-817

Note 10 - Personnel benefits and other remuneration

10.1. Staff expenses

(in €m)	31/12/23	31/12/22
Wages and salaries	-306.6	-270.3
Other social security contributions	-128.2	-116.8
Tax expenses	-41.8	-34.0
Defined contribution retirement plan expenses	-21.6	-29.0
Defined benefit retirement plan expenses	-2.9	5.4
Incentives and profit-sharing	-41.6	-35.0
Allocations/reversals provisions for staff commitments	9.3	3.6
TOTAL PERSONNEL EXPENSES	**-533.4**	**-476.1**

10.2. Other employee benefits

Post-employment benefits: defined benefit plan

The defined benefit post-employment plans are calculated in compliance with IAS 19 "Employee Benefits" and are covered by provisions or Group insurance contracts.

Bpifrance contributes to two defined benefit plans, one relative to retirement lump sum benefits and the other relative to the health expenses of pensioners.

Retirement lump sum benefits

All obligations relative to the retirement lump sum payments are covered by a Group insurance policy and are estimated on the basis of the commitments assumed for the employees who opted for retirement leave, and assumptions concerning the retirement provisions for the other employees.

Health expenses of pensioners

The estimated commitments for the health expenses of pensioners have been provisioned in compliance with the agreement of 20 December 2006 relative to the health provident fund.

Characteristics and risks

Bpifrance based its estimates on its employee age pyramid, their date of entering active employment and on a preliminary approach to social policy as it may emerge in the light of the provisions of the law of 21 August 2003 on pensions reform, the branch agreement by the Fédération Bancaire Française on 29 March 2005, and the applicable Social Security Financing law. These assumptions will need to be reviewed in the light of future established practice.

The plan benefits for retirement lump sum payments are acquired throughout the career on the basis of the seniority within the company, with a ceiling of six months of gross wages, settled upon retirement.

The plan benefits for health expenses cover the employees and their successors in title, who retired before 31 December 2006. They receive a monthly fixed contribution from the employer in the amount of €27.54.

€27.54 **monthly fixed contribution from the employer**

The fund, set up to hedge the commitments relative to retirement lump sum payments, has been contractually externalised with the CNP. It is managed by the CNP within the framework of an orientation set by the group, which provides its governance.

These defined benefit plans expose Bpifrance to an actuarial risk that is notably linked to the longevity risk (especially for the health expenses plan), to the interest rate risk and to the market risks with regard to the hedge assets.

The fund's assets

The breakdown of the fair value of the plan's assets is the following:

(in %)	31/12/23	31/12/22
UCITS		
Monetary	78%	76%
Other	15%	17%
Shares	3%	3%
Bonds	4%	4%
	100%	**100%**

Significant actuarial assumptions

The actuarial mortality assumptions are based on the public statistical mortality tables (TH 00-02 and TF 00-02).

The retirement hypotheses are estimated on the basis of the employee's age: 5% of the employees in question would be under 60 years of age, 35% would be between the ages of 60 and 62 years, 55% would be between 62 and 65 years old and 5% would be above 67 years of age.

The job turnover provisions primarily evolve on the basis of the employee's age:

	31/12/2023		31/12/2022	
	manager	non-manager	manager	non-manager
Under 35 years old	6.6%	8.2%	6.1%	7.1%
Between 35 and 44 years old	3.3%	1.3%	2.9%	1.3%
Between 45 and 54 years old	1.2%	2.7%	1.0%	1.7%
55 years and over	0.3%	0.0%	0.3%	0.0%

The adopted discount rate, rate of first category commitments was determined based on the term for which these commitments would be carried.

The economic assumptions regarding the annual rate of wage increases and the revaluation rate of the commitments for long-service medals are also part of the actuarial assumptions.

Financing of the fund

Each quarter, the fund produces an analysis of the investment policy. Based on a prudence principle, it is primarily invested in bond UCITS.

The defined benefit plans are entirely funded by Bpifrance. The contribution obligations are determined by the contractual provisions based on actuarial elements.

As at 31 December 2023, the average duration of the obligation relative to the defined benefit plans was 17.2 years for retirement lump sum benefits and 6.7 years for health expenses (respectively 16.9 years and 7.0 years in 2021).

A 0.5% increase in the discount rate would lead to a -€1.9m decrease in the commitment, while a 0.5% decrease would result in a €2.1m increase in the commitment.

Other long-term benefits

Long service awards

Group employees receive bonus payments to mark the awarding of Medals of Honour in recognition of a long working life. These commitments are provisioned on the basis of the agreement signed on 15 December 2011.

Supplementary pensions

The AFB professional agreement dated 13 September 1993 on the reform of retirement schemes for the banking profession applies to the Bpifrance staff. The payment of a supplementary banking pension and rebates not covered by the fund for the vested rights of the staff on 31 December 1993 is covered by a reserve fund with sufficient resources to meet pensioners' needs.

Early departures

With regard to early departures, Bpifrance Financement has made commitments to its personnel. These commitments are provisioned.

Change in commitments relating to post-employment benefits

Change in commitments relating topost-employment benefits	End-of-career lump sum benefits			Costs of healthcare	Long-service award	Total 31/12/2023		
(in €m)	Commitments relating to defined-benefits	Assets of the plan	Liabilities (Assets)net	Commitments relating to defined-benefits	Commitments forother long-term benefits	Commitments	Assets of the plan	Liabilities (Assets) net
Opening balance	36.1	28.2	7.8	1.1	3.6	40.9	28.2	12.6
Impacts on income statement	0.2	-2.2	2.3	-0.1	0.4	0.5	-2.2	2.7
• Cost of services rendered during the period	2.7	0.0	2.7	0.0	0.4	3.1	0.0	3.1
• Interest on defined-benefit liabilities/assets	1.0	0.8	0.2	0.0	0.1	1.1	0.8	0.3
• Cost of past services (*)	-0.1	0.0	-0.1	0.0	0.0	-0.1	0.0	-0.1
• Effects of changes in foreign currency exchange rates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Contribution to the employer's plan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Contribution to the plan of the participant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Profit or loss result of liquidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Paid benefits	-3.5	-3.0	-0.4	-0.1	-0.1	-3.7	-3.0	-0.7
• Actuarial deviations (on other long-term benefits)	n/a	n/a	n/a	n/a	0.0	0.0	n/a	0.0
Variation in scope	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impacts in gains and losses recognised in equity	0.3	-1.1	1.4	-0.0	0.0	0.3	-1.1	1.4
• Actuarial deviations	0.3	-1.1	1.4	-0.0	0.0	0.3	-1.1	1.4
• including actuarial differences of the period related to the experience	1.0	0.0	1.0	-0.0	0.0	1.0	0.0	1.0
• including actuarial differences on adjustments related to demographic assumptions	-0.2	0.0	-0.2	0.0	0.0	-0.2	0.0	-0.2
• including actuarial differences on adjustments to financial assumptions	-0.5	-1.1	0.6	-0.0	0.0	-0.6	-1.1	0.5
• Return on plan assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Change in the effect of the asset ceiling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CLOSING BALANCE	**36.5**	**24.9**	**11.6**	**1.0**	**4.1**	**41.6**	**24.9**	**16.7**

(*) Impact of the French pension reform adopted in 2023.

Change in commitments relating to post-employment benefits (in €m)	End-of-career lump sum benefits			Costs of healthcare	Long-service award	Total 31/12/2023		
	Commitments relating to defined-benefits	Assets of theplan	Liabilities (Assets)net	Commitments relating to defined-benefits	Commitments for other long-term benefits	Commitments	Assets of theplan	Liabilities (Assets)net
Opening balance	44.7	29.9	14.8	1.4	3.5	49.7	29.9	19.8
Impacts on income statement	0.5	-2.5	3.0	-0.1	0.1	0.5	-2.5	3.1
• **Cost of services rendered during the period**	3.4	0.0	3.4	0.0	0.4	3.7	0.0	3.7
• **Interest on defined-benefit liabilities/assets**	0.3	0.2	0.1	0.0	0.0	0.3	0.2	0.1
• **Cost of past services (*)**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Effects of changes in foreign currency exchange rates**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Contribution to the employer's plan**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Contribution to the plan of the participant**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Profit or loss result of liquidation**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Paid benefits**	-3.2	-2.8	-0.4	-0.1	-0.1	-3.4	-2.8	-0.6
• **Actuarial deviations (on other long-term benefits)**	n/a	n/a	n/a	n/a	-0.2	-0.1	n/a	-0.1
Variation in scope	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impacts in gains and losses recognised in equity	-9.1	0.9	-10.0	-0.2	0.0	-9.4	0.9	-10.2
• **Actuarial deviations**	-9.1	0.9	-10.0	-0.2	n/a	-9.4	0.9	-10.2
• **including actuarial differences of the period related to the experience**	0.9	0.0	0.9	-0.0	0.0	0.8	0.0	0.8
• **including actuarial differences on adjustments related to demographic assumptions**	-0.3	0.0	-0.3	0.0	0.0	-0.3	0.0	-0.3
• **including actuarial differences on adjustments to financial assumptions**	-9.7	0.9	-10.5	-0.2	0.0	-9.9	0.9	-10.8
• **Return on plan assets**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Change in the effect of the asset ceiling**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CLOSING BALANCE	**36.1**	**28.2**	**7.8**	**1.1**	**3.6**	**40.9**	**28.2**	**12.7**

10.3. Headcount

The average headcount of fully consolidated companies stood at 4,013 employees in 2023, 92% of whom were managers.

10.4. Compensation paid to members of management and administrative bodies

Compensation paid to corporate officers during the year amounted to €450 thousand.

Attendance fees paid to the directors and non-voting members who chair the business line committees amounted to €197 thousand.

Note 11 - Sector-specific information

The Bpifrance Group primarily carries out the following business activities:

- medium- and long-term loans: medium- and long-term financing in the form of direct loans, equipment and real estate leasing and finance leasing; this also include innovation loans;
- short-term financing includes in public liabilities financing in metropolitan France and the overseas departments and territories, either directly or by signature;
- guarantee coverage covers banks and equity funding institutions from the risks of default of funding recipients;
- innovation financing aid in the form of repayable advances or grants;
- equity investment activities in the form of direct investments, investments or via direct funds (Development Capital Investment) or in the form of indirect investments via funds of funds (Investment in Funds of funds);
- international: a subsidiary of Bpifrance, Bpifrance Assurance Export manages public export guarantees in the name and on behalf of the State.

The "Other" item includes the activity performed mainly by the real estate structures (SCI Bpifrance, Auxifinances), export credit, Digital Innovation Invest, the support activity as well as the business line "Entrepreneurship and Regions".

(in €m) 31/12/23	Financing	Guarantee	Innovation Financing	Investment in Development Capital	Investment in Funds of funds	International	Other	Total
GNP	675.1	172.1	103.1	719.1	174.5	57.1	112.7	2,013.8
General expenses	-313.9	-79.1	-148.6	-132.3	-44.3	-48.9	-285.8	-1,053.0
Cost of risk	-2.0	0.1	-23.8	-4.1	0.0	0.0	-26.5	-56.3
Operating income	359.2	93.1	-69.3	582.7	130.2	8.2	-199.6	904.4

31/12/22	Financing	Guarantee	Innovation Financing	Investment in Development Capital	Investment in Funds of funds	International	Other	Total
GNP	675.1	172.1	103.1	719.1	174.5	57.1	112.7	2,131.2
General expenses	-279.0	-58.1	-123.5	-118.7	-39.2	-57.3	-224.4	-900.3
Cost of risk	-82.6		-48.2			0.0	-32.4	-163.2
Operating income	311.0	73.6	-54.2	634.8	331.7	-9.5	-219.7	1,067.8

(in €m) Gross outstanding amounts	31/12/23	31/12/22
Long- and medium-term loans	41,572.3	40,227.5
• including Innovation loans	*1,860.4*	*1,650.5*
Short-term financing	1,529.2	1,718.5
Innovation Financing Aid	866.0	971.1
Guarantees given	13,981.3	13,145.2

Guarantee fund

€6,983.8m in 2023 €6,794.9m in 2022

Assets managed within investment activities

€26,782.3m in 2023 €24,182.4m in 2022

Grants awarded for innovation activity

€118.5m in 2023 €137.4m in 2022

Available cash flow

€1,408.6m in 2023 €1,005.6m in 2022

Note 12 - Commitments

(in €m)	31/12/23	31/12/22
COMMITMENTS GIVEN	**24,300.5**	**22,384.9**
Credit finance commitments	10,021.0	8,994.2
to credit institutions	*42.0*	*0.0*
to customers	*9,979.0*	*8,994.2*
Commitments to finance innovation aid	238.3	245.5
Guarantee commitments	13,981.3	13,145.2
to credit institutions	*0.0*	*0.0*
to customers	*13,981.3*	*13,145.2*
Commitments on securities (securities to be delivered)	59.9	0.0
COMMITMENTS RECEIVED	**19,465.7**	**7,877.2**
Credit financing commitments received from credit institutions	16,301.1	4,935.4
Guarantee commitments received from credit institutions	3,164.6	2,941.8
Commitments on securities (securities receivable)	0.0	0.0

Of the financing commitments received from credit establishments, €14,461.5m is from commitments received on securities sold under repurchase agreements.

Bpifrance recorded for its forward foreign exchange transactions as at 31 December 2023 a foreign currency outstanding receivable of €690.4m (€349.5m at 31 December 2022) and an outstanding amount of €689.6m (€350.2m at 31 December 2022).

Note 13 - Other information

13.1. Related parties

The Bpifrance Group's related parties are the companies included in the scope of consolidation shown in Note 4, non-consolidated interests, as well as the companies exerting control over the Group.

Information relative to related companies

The transactions common to the fully integrated companies are eliminated in the consolidated financial statements.

The transactions with companies exercising control over the Group are listed in the column "Companies exercising joint control". These are transactions carried out with EPIC Bpifrance and Caisse des Dépôts et Consignations.

The transactions with companies integrated using the equity methods are listed in the "Associated companies" column.

The transactions with other related but non-consolidated entities are shown in the column "Other related parties".

31 December 2023

Balance sheet

(in €m)	Companies exercising joint control	Associated companies	Other related parties	Total
Assets				
Loans and advances	197.2	313.8	0.4	511.3
Equity instruments	0.0	0.0	3.4	3.4
Other receivables	0.0	0.0	0.0	0.0
TOTAL ASSETS	**197.2**	**313.8**	**3.8**	**514.7**
Liabilities				
Deposits	0.0	0.0	0.0	0.0
Term loans	273.0	0.0	0.0	273.0
Other liabilities	0.0	0.0	0.0	0.0
TOTAL LIABILITIES	**273.0**	**0.0**	**0.0**	**273.0**
Miscellaneous information				
Guarantees issued by the group	0.0	2.4	0.0	2.4
Guarantees received by the group	0.0	0.0	0.0	0.0
Other commitments	0.0	0.0	0.0	0.0
Impairment of doubtful accounts	0.0	0.0	0.0	0.0

Profit and Loss Statement

(in €m)	Companies exercising joint control	Associated companies	Other related parties	Total
Total expenses, including:	**59.3**	**0.0**	**0.0**	**59.3**
Interest expenses	59.3	0.0	0.0	59.3
Fees and commissions	0.0	0.0	0.0	0.0
Services received	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total products, including:	**2.8**	**7.8**	**0.0**	**10.6**
Interest revenue	2.8	7.6	0.0	10.4
Fees and commissions	0.0	0.0	0.0	0.0
Services provided	0.0	0.0	0.0	0.0
Dividend income	0.0	0.2	0.0	0.2
Other	0.0	0.0	0.0	0.0
Other information				
Financial year expenses for doubtful accounts	0.0	0.0	0.0	0.0

31 December 2022

Balance sheet

(in €m)	Companies exercising joint control	Associated companies	Other related parties	Total
Assets				
Loans and advances	33.2	290.1	0.0	323.3
Equity instruments	0.0	0.0	3.4	3.4
Other receivables	9.7	0.0	0.0	9.7
TOTAL ASSETS	**42.9**	**290.1**	**3.4**	**336.4**
Liabilities				
Deposits	1.1	0.0	0.0	1.1
Term loans	1,012.1	0.0	0.0	1,012.1
Other liabilities	44.9	0.0	0.1	45.0
TOTAL LIABILITIES	**1,058.1**	**0.0**	**0.1**	**1,058.2**
Miscellaneous information				
Guarantees issued by the group	0.0	0.4	0.0	0.4
Guarantees received by the group	0.0	0.0	0.0	0.0
Other commitments	0.0	0.0	0.0	0.0
Impairment of doubtful accounts	0.0	0.0	0.2	0.2

Profit and Loss Statement

(in €m)	Companies exercising joint control	Associated companies	Other related parties	Total
Total expenses, including:	**58.9**	**0.0**	**0.1**	**59.0**
Interest expenses	58.9	0.0	0.0	58.9
Fees and commissions	0.0	0.0	0.0	0.0
Services received	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.1	0.1
Total products, including:	**1.1**	**4.3**	**0.0**	**5.4**
Interest revenue	0.0	4.1	0.0	4.1
Fees and commissions	0.0	0.0	0.0	0.0
Services provided	1.1	0.0	0.0	1.1
Dividend income	0.0	0.2	0.0	0.2
Other	0.0	0.0	0.0	0.0
Other information				
Financial year expenses for doubtful accounts	0.0	0.0	0.0	0.0

13.2. External auditor's fees appearing in the consolidated income statement (sums excluding tax and network)

(in thousands of euros)	KPMG Audit		PricewaterhouseCoopers Audit		Mazars	
	2023	2022	2023	2022	2023	2022
Certification of accounts	441	408	1,432	1,313	587	532
Other services (*)	47	42	41	26	47	21
TOTAL	**488**	**450**	**1,473**	**1,339**	**634**	**553**

(*) Comfort letters, Agreed procedures, Attestations, Consultancy, etc.

13.3. Activities on behalf of third parties

Operations managed by Bpifrance (agent) on behalf of third parties (principals) are not included in the Bank's consolidated balance sheet.

	31/12/23							
	Assets				Liabilities			
(in €m)	Receivables	Principal	Cash	Total	Debts	Principal	Total	Off balance sheet
Financing activity								
ARI (*)	40.1	0.0	0.0	40.1	0.0	40.1	40.1	17.1
Debt funds	25.2	0.0	0.0	25.2	0.0	25.2	25.2	0.0
FDES PBAR	237.1	0.0	25.7	262.8	0.0	262.8	262.8	0.0
Guarantee activity								
PGE	27.5	0.0	0.0	27.5	0.0	27.5	27.5	56,942.8
Overseas dep. managed funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Camulor	0.0	0.0	0.2	0.2	0.0	0.2	0.2	0.0
FGRU (*)	0.0	0.0	4.3	4.3	0.0	4.3	4.3	0.0
Student loans	0.0	0.0	66.4	66.4	0.0	66.4	66.4	554.6
FCS	0.0	0.0	110.6	110.6	0.0	110.6	110.6	108.2
Innovation aid activity								
Prospecting Insurance	522.7	0.0	0.0	522.7	15.4	507.3	522.7	243.4
ATOUT	0.0	0.0	42.7	42.7	0.0	42.7	42.7	0.0
FUI	0.2	0.0	33.5	33.7	10.6	23.1	33.7	0.6
PSPC	233.5	0.0	66.4	299.9	159.3	140.6	299.9	116.6
FIS	3.5	0.0	5.0	8.5	5.3	3.2	8.5	4.7
FSN	51.9	0.0	92.4	144.3	13.9	130.4	144.3	2.6
PIAVE	56.6	0.0	49.1	105.7	9.9	95.8	105.7	13.5
PSIM	18.7	0.0	19.5	38.2	1.5	36.7	38.2	1.4
FGI PIA3 INNOVATION COMPETITION	55.9	0.0	18.7	74.6	24.9	49.7	74.6	14.0
FNI-PRI	5.3	0.0	16.4	21.7	0.6	21.1	21.7	0.5
French Tech	0.0	0.0	0.3	0.3	0.0	0.3	0.3	0.0
French Tech Springboard	0.5	0.0	1.6	2.1	1.6	0.5	2.1	0.0
PIA4 DEMONSTRATORS LEAD	153.4	445.4	9.4	608.2	608.2	0.0	608.2	332.1
PIA4 DEPLOYMENT LEAD	233.6	1,400.4	40.0	1,674.0	1,674.0	0.0	1,674.0	378.7
PIA4 MATURATION LEAD	24.0	13.2	147.6	184.8	184.8	0.0	184.8	586.1
PIA4 FR2030 INDUST	27.2	511.8	376.7	915.7	915.7	0.0	915.7	2,817.6
PIA4 REGIONALISE	12.5	0.0	26.3	38.8	28.2	10.6	38.8	33.7
PIA 4 STRUCTURAL	59.0	351.8	24.5	435.3	435.3	0.0	435.3	279.1
FGI ATF PIA3	108.9	0.0	18.2	127.1	95.7	31.4	127.1	79.4
SIA	0.0	3.6	3.3	6.9	6.9	0.0	6.9	0.0
BATTERIES PLAN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DEEP TECH GPT	3.1	0.0	2.2	5.3	2.9	2.4	5.3	0.7
KEY GPT CHALLENGES	0.0	18.7	12.6	31.3	31.3	0.0	31.3	2.2
IPCEI H2	0.0	846.1	49.4	895.5	895.5	0.0	895.5	0.0
INDUSTRIAL INVESTMENT FUND	2.2	638.4	82.6	723.2	723.2	0.0	723.2	16.0
FRENCH TECH SPRINGBOARD STOCK EXCHANGES	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6
AII DEEPTECH 2	0.0	0.0	19.6	19.6	0.3	19.3	19.6	0.0
ENTREPRENEURSHIP	0.0	0.0	35.6	35.6	31.2	4.4	35.6	14.4
FRI GPT	53.9	0.0	139.2	193.1	47.1	146.0	193.1	35.5
TOTAL	**1,956.5**	**4,229.4**	**1,540.0**	**7,725.9**	**5,923.3**	**1,802.6**	**7,725.9**	**62,597.1**

(*) ARI: Aid for re-industrialisation

FDES PBAR: Economic and Social Development Fund - Budgetary Planning and Resource Allocation (Fonds de Développement Economique et Social (programmation budgétaire et d'affectation des ressources))

PGE: Loan Guaranteed by the State. (Prêt Garanti par l'Etat)

FCS: Social cohesion fund (Fonds de cohésion social)

FGRU: Guarantee Fund for Urban Renewal (Fonds de Garantie pour le Renouvellement Urbain)

FSN: National Fund for Digital Society (Fonds national pour la Société Numérique)

PSIM: Major Innovation Support Program (Programme de Soutien à l'Innovation Majeure)

PSPC: Project for research and development in Structuring Competitiveness Clusters (Projet de recherche et de développement Structurants des Pôles de Compétitivité)

FUI: Single Interministry Fund (Fonds Unique Interministériel)

FNI-PRI: National Innovation Fund - Regional Partnerships for the Future (Fonds national d'innovation - Partenariats régionaux d'avenir)

PIAVE: Industrial Projects of the Future (Projets Industriels d'Avenir)

ATF PIA 3: Sector Support and Transformation - Investing in the Future programme 3 (programme d'investissements d'avenir)

(in €m)	31/12/22							
	Assets				Liabilities			Off balance sheet
	Receivables	Principal	Cash	Total	Debts	Principal	Total	
Financing activity								
ARI (*)	58.3	0.0	0.0	0.0	0.0	58.3	0.0	0.0
Debt funds	41.2	0.0	0.0	0.0	0.0	41.2	0.0	0.0
FDES PBAR	241.0	0.0	50.8	291.8	0.0	291.8	291.8	0.0
Guarantee activity								
PGE	0.0	0.0	305.1	305.1	0.0	305.1	305.1	82,253.1
Overseas dep. managed funds	0.0	0.0	63.5	63.5	0.0	63.5	63.5	0.0
Camulor	0.0	0.0	0.2	0.2	0.0	0.2	0.2	0.0
FGRU (*)	0.0	0.0	4.4	4.4	0.0	4.4	4.4	0.0
Student loans	0.0	0.0	53.2	53.2	0.0	53.2	53.2	418.6
FCS	0.0	0.0	111.8	111.8	0.0	111.8	111.8	95.1
Innovation aid activity								
Prospecting Insurance	441.0	0.0	-9.0	432.0	0.0	432.0	432.0	270.0
ATOUT	0.0	0.0	43.0	43.0	0.0	43.0	43.0	0.0
FUI	0.0	0.0	38.0	38.0	20.0	18.0	38.0	1.0
PSPC	227.0	0.0	57.0	284.0	215.0	69.0	284.0	176.0
FIS	3.0	0.0	5.0	8.0	8.0	0.0	8.0	6.0
FSN	68.0	0.0	79.0	147.0	28.0	119.0	147.0	9.0
PIAVE	67.0	0.0	40.0	107.0	14.0	93.0	107.0	19.0
PSIM	25.0	0.0	14.0	39.0	2.0	37.0	39.0	2.0
FGI PIA3 INNOVATION COMPETITION	60.0	0.0	10.0	70.0	42.0	28.0	70.0	23.0
FNI-PRI	8.0	0.0	14.0	22.0	1.0	21.0	22.0	1.0
French Tech	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
French Tech Springboard	0.0	4.0	0.0	4.0	4.0	0.0	4.0	0.0
IPCEI H2	0.0	776.0	69.0	845.0	845.0	0.0	845.0	190.0
PIA4 DEMONSTRATORS LEAD	60.0	227.0	63.0	350.0	350.0	0.0	350.0	336.0
PIA4 DEPLOYMENT LEAD	162.0		11.0	173.0	155.0	18.0	173.0	267.0
PIA4 MATURATION LEAD	9.0	73.0	-4.0	78.0	78.0	0.0	78.0	90.0
PIA4 FR2030 INDUST	0.0	0.0	105.0	105.0	45.0	60.0	105.0	94.0
PIA4 REGIONALISE	3.0	0.0	42.0	45.0	5.0	40.0	45.0	8.0
PIA 4 STRUCTURAL	19.0	237.0	17.0	273.0	273.0	0.0	273.0	148.0
FGI ATF PIA3	88.0	0.0	286.0	374.0	360.0	14.0	374.0	108.0
SIA	0.0	9.0	1.0	10.0	10.0	0.0	10.0	0.0
BATTERIES PLAN	0.0	0.0	73.0	73.0	73.0	0.0	73.0	0.0
DEEP TECH GPT	3.0	0.0	4.0	7.0	6.0	1.0	7.0	2.0
KEY GPT CHALLENGES	0.0	22.0	9.0	31.0	31.0	0.0	31.0	5.0
INDUSTRIAL INVESTMENT FUND	0.0	851.0	132.0	983.0	983.0	0.0	983.0	58.0
ENTREPRENEURSHIP	0.0	0.0	60.0	60.0	34.0	26.0	60.0	8.0
FRI GPT	50.0	0.0	126.0	176.0	34.0	142.0	176.0	25.0
TOTAL	**1,633.5**	**2,199.0**	**1,874.0**	**5,607.0**	**3,616.0**	**2,090.5**	**5,607.0**	**84,612.9**

(*) ARI: Aid for re-industrialisation

FDES PBAR: Economic and Social Development Fund - Budgetary Planning and Resource Allocation (Fonds de Développement Economique et Social (programmation budgétaire et d'affectation des ressources))

PGE: Loan Guaranteed by the State. (Prêt Garanti par l'Etat)

FCS: Social cohesion fund (Fonds de cohésion social)

FGRU: Guarantee Fund for Urban Renewal (Fonds de Garantie pour le Renouvellement Urbain)

FSN: National Fund for Digital Society (Fonds national pour la Société Numérique)

PSIM: Major Innovation Support Program (Programme de Soutien à l'Innovation Majeure)

PSPC: Project for research and development in Structuring Competitiveness Clusters (Projet de recherche et de développement Structurants des Pôles de Compétitivité)

FUI: Single Interministry Fund (Fonds Unique Interministériel)

FNI-PRI: National Innovation Fund - Regional Partnerships for the Future (Fonds national d'innovation - Partenariats régionaux d'avenir)

PIAVE: Industrial Projects of the Future (Projets Industriels d'Avenir)

7.3. SEPARATE FINANCIAL STATEMENTS

7.3.1. Separate financial statements as at 31 December 2023

Bpifrance Publishable Balance Sheet

ASSETS *(in €m)*	Notes	31/12/2023	31/12/2022
Cash in hand, central banks		**2,921.8**	**9,575.7**
Public sector bills and similar securities	**6**	**8,383.4**	**8,795.0**
Receivables on credit institutions	**3**	**713.4**	**591.2**
• *Current*		*327.4*	*268.9*
• *At maturity*		*386.0*	*322.4*
Customer transactions	**4**	**41,426.8**	**40,582.5**
• *Business Credits*		*13.4*	*84.6*
• *Other client business*		*35,308.5*	*34,384.0*
• *Ordinary debtor accounts*		*6,104.9*	*6,113.9*
Bonds and other fixed-income securities	**6**	**10,009.1**	**9,783.0**
Shares and other variable income securities	**6**	**135.9**	**154.2**
Equity interests and other securities held long-term	**7**	**45.0**	**44.3**
Shares in equity-consolidated companies	**7**	**21,495.5**	**21,493.8**
Finance and ordinary leases with purchase option	**5**	**5,989.3**	**5,745.1**
Operating lease	**5**	**173.2**	**163.1**
Intangible fixed assets	**9**	**244.5**	**206.1**
Tangible fixed assets	**9**	**25.9**	**25.9**
Subscribed but unpaid capital		**0.0**	**0.0**
Treasury shares	**8**	**64.1**	**64.1**
Innovation financing aid	**10**	**481.4**	**498.2**
Other assets	**11**	**1,511.3**	**1,003.7**
Accruals	**12**	**999.2**	**648.8**
TOTAL ASSETS		**94,619.8**	**99,374.7**

Bpifrance Publishable Balance Sheet

LIABILITIES *(in €m)*	Notes	31/12/2023	31/12/2022
Central Banks		**0.0**	**0.0**
Due to credit institutions	**13**	**13,821.6**	**20 822.4**
• *Current*		*458.7*	*177.4*
• *At maturity*		*13,362.9*	*20 645.0*
Customer transactions	**14**	**1,995.3**	**2 388.6**
• *Current*		*185.9*	*211.7*
• *At maturity*		*1,809.4*	*2 176.9*
Debts represented by a security	**15**	**42,363.2**	**39 683.3**
• *Interbank Market Securities & negotiable debt securities*		*6,410.4*	*5 383.7*
• *Bonds*		*35,952.8*	*34 299.6*
Other liabilities	**16**	**2,767.5**	**3 163.0**
Accruals	**17**	**3,267.2**	**3 364.5**
Provisions	**18**	**611.9**	**716.4**
Subordinated debts, mutual guarantee deposits	**19**	**19.2**	**19.1**
Public Guarantee Funds	**20**	**5,213.5**	**5 080.1**
Net resources for innovation-related activity	**21**	**1,697.4**	**1 521.3**
General Banking Risk Funds		**235.2**	**235.2**
Shareholders' equity excluding contingencies fund (FRBG)	**22**	**22,627.8**	**22 380.8**
• *Subscribed Capital*		*5,440.0*	*5 440.0*
• *Merger and Issuance premiums*		*15,674.0*	*15 674.0*
• *Reserves*		*288.5*	*260.8*
• *Regulated provisions, investment grants*		*162.7*	*110.4*
• *Balance brought forward*		*461.1*	*462.9*
• *Period results*		*723.6*	*554.8*
• *Downpayments on dividends*		*-122.1*	*-122.1*
TOTAL LIABILITIES		**94,619.8**	**99,374.7**

Bpifrance separate off-balance sheet items

(in €m)	Note	31/12/2023	31/12/2022
Commitments Given	**25**		
• *Financial commitments*			
• Commitments to credit institutions		42.0	0.0
• Commitments to customers		10,212.3	9,239.7
• *Guarantee commitments*			
• Commitments to credit institutions		0.0	0.0
• Commitments to customers		15,017.4	14,203.1
• *Commitments on securities*			
• Securities acquired with buyback or recovery option		0.0	0.0
• Other commitments given		59.9	0.0
Commitments Received	**25**		
• *Financial commitments*			
• Commitments received from credit institutions		16,301.1	4,935.4
• *Guarantee commitments*			
• Commitments received from credit institutions		2,038.7	2,020.2
• Commitments received from customers		2,566.4	2,657.5
• *Commitments on securities*			
• Securities sold with buyback or recovery option		0.0	0.0
• Other commitments received		0.1	0.0

Bpifrance separate income statement

(in €m)	Notes	31/12/2023	31/12/2022
Interest and similar income	27	1,944.8	1252.7
Interest and similar expenses	28	-1,462.0	-541.8
Income on leasing and similar transactions	29	1,322.2	1199.6
Expense on leasing and similar operations	30	-1,094.7	-1200.7
Profits on simple rentals operations	29	80.1	76.1
Expense on operating leases	30	-67.2	-87.4
Income from variable income securities	31	691.7	570.2
Fees (income)	32	27.4	19.2
Fees (expenses)	32	-3.0	-1.8
Gains/losses on trading portfolio transactions	33	4.0	-32.9
Gains or losses on long-term portfolio & similar transactions	34	-34.6	-32.8
Other banking operational income	35	159.1	134.6
Other banking operational expenses	36	-58.8	-70.9
NET BANKING INCOME		**1,509.0**	**1,284.1**
General Operating Expenses	37	-635.8	-536.5
Depreciation, amortisation & impairment on tangible & intangible fixed assets		-59.2	-47.8
GROSS OPERATING INCOME		**814.0**	**699.8**
Risk Costs	38	-23.4	-90.6
NET OPERATING INCOME		**790.6**	**609.2**
Gains/losses on fixed assets	39	1.7	-0.7
CURRENT INCOME BEFORE TAXES		**792.3**	**608.5**
Extraordinary profit or loss		0.0	0.0
Corporate income taxes	42	-16.4	-44.9
Charges to/recoveries from the FGBR & regulatory provisions		-52.3	-8.8
NET RESULTS		**723.6**	**554.8**

7.3.2. Notes to the publishable separate financial statements as at 31 December 2023

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Note 1 - Presentation and assessment rule

The annual accounts have been drawn up and are presented in accordance with the allowances of the Accounting Standards Authority (ANC) Regulation No. 2014-07 on the accounts of companies in the banking sector.

1.1. Presentation of accounts

• Balance sheet

- Related receivables and liabilities are combined with the assets or liabilities to which they relate.
- The securities portfolio is broken down by the type of the securities that comprise it: government securities, bonds and other fixed-income securities, shares and other variable income securities. Its breakdown by economic purpose (transactions, investments) is provided in Note 6.2.
- Subordinate assets are carried forward, depending on their nature, either in receivables from credit institutions, in receivables from customers or in the item "bonds and other fixed-income securities".
- Bad debts are recorded according to their nature in the asset items to which they relate at their amount net of depreciation.
- On a liability basis, mutual security deposits are included in the "subordinate debts" item.
- The item "Non-FRBG Equity" includes the items "subscribed capital", "issuance and merger premiums", "reserves", "regulated allowances and investment subsidies", "retained earnings", "profit and loss for the year" and "dividend payments".
- Equipment subsidies received in respect of leasing operations are listed under the item "Other liabilities".

• Income statement

The presentation of the income statement is based on 5 interim management balances: Net Banking Income, Gross Operating Result, Operating Result, Current Profit and Loss Before Tax and Net Operating Result.

The significant elements of the income statement are described in Notes 27 to 42.

1.2. Accounting principles and methods

• Credit risk

The classification of credit transactions is based on the notion of proven credit risk. Risk is established as long as it is probable that a portion of the amounts owed by a counterparty will not be collected and that this probability of loss is associated with one of the following situations:

- there are one or more overdue instalments aged at least three months;
- the institution is aware of the counterparty's deteriorated financial situation, which results in a risk of non-recovery;
- there are litigation procedures between the establishment and its counterparty.

A distinction is made between performing, restructured, doubtful and impaired loans.

Performing loans

Non-risk-generating credit transactions are recognised as performing loans.

Restructured loans

So-called restructured receivables are defined as receivables held by counterparties who have experienced financial difficulties such that the institution has been required to review the original characteristics of the receivable.

Doubtful loans

Credit operations that generate a proven risk are doubtful loans. For a given counterparty, all credit transactions will be classified as doubtful loans by "reference".

Credit transactions become compromised if recovery prospects are significantly degraded and if the transition to a term loss is envisaged (see Note 4).

Events that may lead to a downgrade to impaired loans include:

- term lapse;
- termination of the agreement;
- closing the relationship with the customer.

One year after the classification of doubtful loans, the outstanding credit is presumed to be impaired unless the transition to a term loss is not envisaged. The existence of guarantees will be taken into account for the qualification of impaired loans.

Impaired loans are classified under doubtful loans.

When the irrecoverable nature of the receivables is confirmed, these assets are written off.

Receivable segmentation

The nature of the operation of the establishment leads to the segmentation of receivables by:

- remaining term;
- industry;
- main counterparty types.

As part of its commercial policy, its selection policy and its risk control, Bpifrance uses an internal rating system.

Impairment losses allocated to doubtful customer loans

Impairment losses allocated to doubtful receivables are deducted from the corresponding asset items.

The allowances that Bpifrance has deemed necessary to cover doubtful receivables are recorded as liabilities in the balance sheet.

Impairment losses on medium and long-term loans and other receivables, whether or not backed by guarantee funds, are determined on an ad hoc basis, per receivable, after analysis of the estimated loss based on probable recoveries, including guarantees, discounted at the original interest rate of the loan.

At the balance sheet date, the net outstanding impairment is equal to the lowest of the historical cost and present value of the expected future cash flows in respect of interest, repayment of capital and value of guarantees.

Impairment charges and reversals for non-recovery risk are recorded in risk cost. The increase in the carrying value associated with the passage of time is recorded in the interest margin.

Impairment of guarantee commitments provided and innovation grants

For guarantee commitments provided, the impairment corresponds to the capital loss as well as the contractual interest covered by the guarantee funds. The capital loss is assessed using a statistical method for estimating potential recoveries. These impairments do not impact the income statement; they are charged to the guarantee funds.

For innovation grants, impairment is estimated individually. These impairments do not impact the income statement; they are charged to the guarantee funds.

Dynamic collective allowances

The healthy outstanding sums of loans to customers are the object of a provision. The estimation methodology applied is that used for the consolidated accounts, established in accordance with IFRS 9.

The existence of a credit risk on a homogeneous set of receivables gives rise to the recording of an allowance, without waiting for the risk to have affected one or more receivables individually.

The methodology implemented by Bpifrance is mainly based on the analysis of the internal ratings of the portfolio. The model for estimating collective allowances is based on stochastic scenario simulations that associate a potential default date and a loss rate in the event of default with each counterparty.

The collective allowance is recognised as a liability in the balance sheet. As risks arise, allowances for bad debts are recorded and deducted from impaired loans, with the collective allowance being reversed accordingly.

• Early repayment of loans to customers

Bpifrance directly records in the operating result the prepayment allowances for loans granted to customers, at the date of execution.

Leasing and related transactions

Bpifrance carries on a business of movable leasing, financial leasing and real estate leasing, a residual part of which is subject to the SICOMI scheme.

In the separate financial statements, these transactions appear on the balance sheet under the items "leasing and rental with purchase option" and "operating leasing" and on the income statement under the items "leasing and related products", "leasing and similar charges" and "leasing products", "charges on simple leasing operations".

Leased or rented assets are recorded in the balance sheet at their purchase price, which in the case of real estate leasing includes the acquisition costs, the cost of construction and the purchase price of the land.

Accounting depreciation, which is subject to the double limit of the depreciation allowed for tax purposes and the minimum linear allocation, is calculated on an item-by-item basis, except for land, which is not depreciated.

When a contract becomes doubtful, if the estimated value of the probable recoveries is less than the carrying amount of the asset, the difference is depreciated in the Net Banking Income.

Contractual termination benefits are accounted for as "proceeds on leasing and related transactions". Impairments to cover indemnities due are also recorded in this item.

This corporate presentation is associated with a financial presentation, which reflects the economic substance of the operations. Rents are broken down, on the one hand, into interest and, on the other, into capital depreciation called financial depreciation.

The financial balance sheet shows the financial debt equal to the gross value of the fixed assets less financial amortisation and depreciation.

The financial income statement shows:

- in the Net Banking Income: the interest included in the accrued rents for the year and the financial plus or minus-value on performing financial loans;
- in the risk cost: changes in financial impairment and financial plus or minus-value on doubtful financial loans.

Financial data are included in Notes 5, 40 and 41.

Financial instrument transactions

Balance sheet transactions

The portfolio consists of securities, treasury bills, other negotiable debt instruments and interbank market instruments.

Depending on their economic purpose and the risks attached to them, securities are classified in four portfolios that are subject to specific accounting rules:

Transaction securities

These are securities that are:

- acquired or sold with the intention of reselling or redeeming them in the short term; or
- owned by an institution because of their market content activity; or
- acquired or sold as part of specialised portfolio management; or
- the object of a sale commitment in the context of an arbitration transaction.

They are registered on their acquisition date for their purchase price excluding expenses, including accrued interest. At each balance sheet date, they are revalued at market price. The overall balance of the differences resulting from price changes is recognised in the Net Banking Income.

Marketable securities

This portfolio is composed of securities that cannot be recorded among transaction securities, investment securities, portfolio activity securities, other long-term securities, equity securities and shares in related companies.

These securities are recorded at their acquisition price, expenses and accrued interest at purchase.

The differences between the acquisition price of fixed-income securities and their repayment price are spread over the residual life of those securities using the actuarial method.

At the balance sheet date, these securities are valued at their market value. If the value is less than the carrying amount, they are subject to an impairment charge that affects the Net Banking Income.

Investment securities

These are fixed-income securities intended to be held on a long-term basis, in principle up to maturity.

These securities are financed by allocated resources or are rate hedged. They are recorded at acquisition cost, excluding expenses and accrued interest. The difference between this price and the redemption value is spread actuarially over the period remaining until the redemption date. At the balance sheet date, no allowance is made for unrealised losses unless there is a counterparty risk.

In the event that some of these securities are sold before maturity for a significant amount, the entire portfolio would be downgraded to marketable securities for the current and two subsequent years, unless otherwise provided by law.

Portfolio-activity securities

Securities acquired on a regular basis with the sole aim of making a capital gain in the medium term, without the intention of investing in the development of the issuing company on a long-term basis or participating actively in its management, are considered to be portfolio investments. The activity must be carried out in a significant and permanent manner within a structured framework that provides the institution with recurring profitability, mainly from capital gains on disposals. This category includes securities held as part of a venture capital activity; these securities are recorded, depending on their nature, under the items "Bonds and other fixed-income securities" and "Shares and other variable-income securities".

They are valued at the end of the financial year at the lower of their cost price or their value in use, determined by taking into account the general development prospects of the issuer and the holding period. They are subject, where appropriate, to impairment which affects the Net Banking Income.

Repurchase agreements

Securities received under repurchase agreements are recorded as assets in an account representing the claim thus generated. The corresponding products are registered as a Net Banking Income.

Securities delivered under repurchase agreements generate a liability. They are maintained in their original portfolio and continue to be valued according to the rules applicable to that portfolio.

Off-balance sheet transactions

These transactions are identified on the basis of the notional amount and market value of the contracts and are distinguished according to their economic purpose (see Note 25).

The results of these transactions are recorded in the Net Banking Income.

Hedging transactions are the main part of the negotiated transactions:

- income and expenses relating to forward financial instruments intended to hedge, in an identified manner from the outset, an item or a set of homogeneous items (micro-hedging[103]) are recorded symmetrically with the recognition of income and expenses on the hedged items;
- income and expenses related to instruments used to adjust the characteristics of resources to the needs defined in the context of the overall management of interest rate or currency positions (macro hedging[104]) are accounted on a pro rata basis in the Net Banking Income.

In the event of the cancellation of interest rate or currency swap agreements entered into in connection with the overall management of interest rate positions, the compensation received or paid is spread over the remaining life of the cancelled agreement.

For transactions that make up isolated open positions:

- transactions traded on an organised or similar market are valued at each balance sheet date. The corresponding gains or losses directly affect the Net Banking Income;
- the results of transactions negotiated on an over-the-counter market are recorded according to the nature of the instruments, either at the conclusion of the agreements or on a pro rata basis. The unrealised losses on the balance sheet date affect the Net Banking Income.

103 Foreign currency transactions (currency and/or rate exchange agreements).
104 Macro hedging includes transactions on firm or conditional interest rate and currency instruments set up as part of the overall management of Bpifrance's positions.

• Equity securities and related business shares, other long-term securities

These securities are recorded at the acquisition price, excluding costs.

Holdings, shares in related companies

Equity securities and shares in related companies are values that give rights in the capital of a business. Their lasting possession is considered useful to the activity of the company that holds them, either because it enables it to exercise significant influence over the issuing company or because it is the expression of a partnership relationship.

These securities are valued at year-end at the lowest of their cost or value in use. The value in use represents what the company would be willing to pay to obtain these securities if it had to acquire them given its holding objective. This may be determined in particular on the basis of the market value, the net asset value, the business prospects of the issuing company, the realisation prospects and the economic situation. If this value is less than their carrying value, the securities are depreciated as "gains or losses on fixed assets".

Other long-term securities

These are investments made in the form of securities with the intention of fostering the development of lasting professional relationships by creating a privileged link with the issuing company, but with no influence on the management of the company due to the small percentage of voting rights held. These securities are valued using the method used for equity securities and related business shares.

Intangible and tangible assets

Fixed assets are amortisable or non-amortisable assets from which the enterprise expects future economic benefits. They are written off using the linear method for buildings and furnishings, and the declining balance method for IT equipment, over the expected useful life of the asset, namely:

- Software: between 1 and 5 years;
- Buildings: between 25 and 55 years;
- Office furniture, fixtures and equipment: between 4 and 10 years;
- IT equipment: 4 years.

The amortisation allowance is found in the item "Depreciation and amortisation charges on intangible and tangible fixed assets" in the income statement.

Accelerated amortisations resulting from the application of the General Tax Code are recorded in the item "Additions/ reversals of FRBG and regulated provisions" of the income statement.

• Guarantee fund and net innovation intervention resources

In order to fulfil its general economic interest, the State provides Bpifrance with public resources to cover the commitments resulting from this task. The activities covered by these funds are, on the one hand, the guarantee of bank credit and, on the other hand, the distribution of aid for innovation mainly in the form of grants and repayable advances.

The resources granted by the State appear on the balance sheet's liabilities and are reduced by losses and allowances recognised on the transactions concerned. The financial income resulting from treasury market investments is mainly reallocated to the resources granted.

The main positions affected by these activities of general economic interest are:

- as assets, innovation financing aid (see Note 10) and grants receivable (see Note 11);
- as liabilities, the guarantee funds (see Note 20) and the innovation intervention resources (see Note 21);
- in the off-balance sheet, the guarantees provided (see Note 25).

Guarantee funds meet the definition of debt instruments as they are repayable. Given their specificity and significance to the group, they are classified as balance sheet liabilities under specific items entitled "Public guarantee funds" and "Net resources for innovation intervention."

They are valued at cost. This valuation includes the allocations received, plus the share of income accruing to the funds (commissions, net financial income, holdings in capital gains on securities), net of proven litigation (expenses, litigation provisions and pre-litigation provisions).

Gains, losses and allowances allocated to the guarantee funds, as described in Notes 20.2 and 21.2, are not recognised in the income statement. Expenses and income are not subject to tax.

Similarly, public partners, mainly the regions, provide Bpifrance with resources for the financing of grants and repayable advances. The net amount of these resources is combined with the innovation guarantee funds in the item "Net resources for innovation intervention".

• Funds for General Banking Risks

The Fund for General Banking Risks is allocated at the discretion of the executives in order to meet charges and risks of an exceptional nature relating to the banking activity.

• Foreign currency transactions

Assets, liabilities and off-balance sheet items are converted into euro at the current market price on the date of the balance sheet.

The differences resulting from the revaluation of the foreign exchange positions are recognised in the Net Banking Income.

• Interests and Commissions

Interest and commissions are recorded in Net Banking Income using the accrual method.

Commissions and handling fees, if insignificant, are not deferred.

• Borrowing expenses

The issuance costs and the repayment or issuance premiums are spread over the term of the loan. The resulting charge is recognised in the Net Banking Income.

The annual interest expense on step-up or balloon loans is recognised on the basis of the actuarial cost rate of the loan.

• Tax situation

Bpifrance is the parent company of the group of companies under French tax integration comprised of Bpifrance Investissement, Bpifrance Assurance Export, Bpifrance Participations, Bpifrance Courtage, Auxifinances, FSI PME Portefeuille, Bpifrance International Capital and FEF Capital. Bpifrance benefits from the overall tax, revenue or cost savings made by the tax integration group by means of application of the integration regime.

Pensions and other social commitments

Post-employment benefits

They cover retirement benefits, bank pension supplements and post-employment health care costs.

These benefits may be classified into two categories: defined contribution plans (not representing a commitment to be funded by the company) and defined benefit plans (representing a commitment to be paid by the company and giving rise to valuation and funding).

- Defined contribution plan

  A defined contribution plan is a post-employment benefit plan in which an entity pays defined contributions (an expense) to a separate entity and will have no legal obligation to pay additional contributions if the fund does not have sufficient assets to compensate all benefits related to the services rendered by staff during the periods in question.

- Defined benefit plan

  The bonds, covered by an insurance agreement, are evaluated on an actuarial basis, taking into account demographic and financial assumptions such as age, seniority, probability of attendance at the date of the benefit award and discount rate (market rate of return for bonds of companies with high credit quality).

  This calculation allocates the expense over time according to the period of activity of the staff members (projected credit method). The recognition of bonds takes into account the value of the assets built up as a hedge of the bonds and actuarial assets.

  Defined benefit expenses consist of the cost of the services rendered for the year, interest on the net defined benefit liabilities or assets (at the market rate of return for high-quality credit corporate bonds), contributions to the employer's plans and benefits paid.

  Any actuarial gains and losses (revaluations), returns on assets (excluding interest) and the consequences of any reductions and settlements are recognised in the income statement.

Other long-term benefits

- Labour medal of honour bonus

  The employees of the group are awarded bonuses for labour medals of honour. These commitments are set forth on the basis of the agreement signed on 15 December 2011.

- Supplementary retirement

  The AFB professional agreement of 13 September 1993 on the reform of pension regimes in the banking profession applies to Bpifrance staff. The payment of a bank pension supplement and abatements not covered by the host funds in respect of the rights acquired by these staff on 31 December 1993 is ensured by a reserve fund whose amount is sufficient to cover the needs.

- Early retirement

  With regard to early retirement, Bpifrance is committed to its staff. These liabilities are provided for.

Termination benefits

These are the allowances granted to employees upon the termination of their employment agreement prior to retirement, whether in the event of dismissal or acceptance of a voluntary retirement plan. An allowance is made for termination benefits. Those paid more than twelve months after the balance sheet date are discounted.

Significant actuarial assumptions

Actuarial mortality assumptions are based on public mortality statistics tables.

The terms of employment rotation (turnover) change mainly according to the age of the employee based on historical statistical data.

The discount rate, the rate of first-category bonds, was determined on the basis of the carrying period of the relevant liabilities.

The economic assumptions concerning the annual rate of wage growth and the rate of revaluation of the labour medal commitments are also included in the actuarial assumptions.

Note 2 - Significant facts of the year and post-balance sheet events

2.1. Significant facts of the financial year

No material event has taken place during the financial year.

2.2. Post-balance sheet events

No material event has taken place subsequent to closure of the accounts.

Note 3 - Receivables from credit institutions

(in €m)	31/12/2023	31/12/2022
Demand deposits and overnight loans	327.4	268.9
Term accounts and loans	341.2	320.8
Subordinated loans	0.0	0.0
Securities received under repurchase	42.0	0.0
Doubtful account		
• Gross amount	0.0	0.0
• Depreciation	0.0	0.0
Net amount in bad debts	0.0	0.0
Related receivables	2.8	1.5
TOTAL (*)	**713.4**	**591.2**
(*) including refinancing loans from subsidiaries or shares.	*503.5*	*292.4*

Breakdown of performing loans (excluding related receivables) by remaining term at 31 December 2023

(in €m)	D ≤ 3 m.	3m. < D ≤ 1 year	1 year < D ≤ 5 years	D > 5 years
Healthy stocks	377.9	27.4	134.0	171.3
	710.6			

Note 4 - Customer Transactions - Assets

This section describes medium-term loan and short-term debt financing transactions.

(in €m)	31/12/2023	31/12/2022
Trade receivables	13.4	84.6
Overdrafts (excluding AFT)	0.5	25.6
Cash credit	1,324.4	1,479.3
Equipment loans	17,517.4	16,761.0
of which restructured loans	*269.6*	*319.3*
Accounts opened with Agence France Trésor	6,093.6	6,081.0
Export credit	821.9	724.1
Other loans and subordinated loans	14,113.2	14,194.3
of which restructured loans	*205.8*	*232.2*
Loans to financial customers	14.6	14.6
Doubtful account		
• *Gross amount* [1]	*2,734.3*	*2,324.9*
• *Depreciation*	*-650.0*	*-574.8*
• *Callable allocated guarantee funds* [2]	*-760.0*	*-656.6*
Net amount in bad debts	1,324.3	1,093.5
Related receivables	203.5	124.4
TOTAL [3][4]	**41,426.8**	**40,582.4**

[1] *Before deducting any guarantees.*

[2] *This item represents the impairments accrued on the guarantee funds.*

[3] *Excluding the collective provision in the liabilities of the balance sheet.*

[4] *Of which eligible claims with the Eurosystem (ECB).* *9,399.6* *9,443.4*

The overall bad debt amount is broken down as follows:

(in €m)	Doubtful outstanding	Compromised doubtful outstanding	TOTAL
Outstandings	317.7	2,416.5	2,734.3
Depreciation	0.0	-650.0	-650.0
Allocated callable guarantee funds	-273.4	-486.6	-760.0
NET AMOUNT	**44.3**	**1,279.9**	**1,324.3**

Breakdown of outstanding amounts (excluding related receivables) as at 31 December 2023

Depending on the time remaining

(in €m)	D ≤ 3 m.	3m. < D ≤ 1 year	1 year < D ≤ 5 years	D > 5 years
Healthy stocks	3,946.9	5,867.3	17,734.5	12,350.3
	39,899.0			

By economic activity sectors

(in €m)	Trade	Industry	Services	PW&CE	Tourism	TOTAL
Healthy stocks	2,974.6	7,959.2	26,420.6 (*)	957.7	1,586.9	39,899.0
Doubtful outstandings	315.6	663.0	1,524.6	132.9	98.2	2,734.3
Depreciation	-96.0	-151.1	-339.3	-42.4	-21.2	-650.0

(*) Of which 6,081 million euros are from Agence France Trésor.

By major types of counterparty

(in €m)	Central Administrations	Credit institutions	Non-Credit institutions	Companies	Retail customers	TOTAL
Healthy stocks	6,590.0	1.4	968.7	32,338.3	0.6	39,899.0
Doubtful outstandings	8.9	0.0	74.0	2,651.3	0.1	2,734.3
Depreciation	-6.8	0.0	-13.0	-630.2	0.0	-650.0

Securitisation

During the 2019 financial year, Bpifrance securitised €2,001m of medium to long-term loans to customers (MLTL). In November 2021, the securitised amount outstanding is topped up to €1,461m.

Bpifrance is both the assignor of the receivables and the sole investor in the Common Securitisation Funds (STF) to which the receivables have been assigned. This transaction makes it possible to convert the loans sold into securities eligible for the ECB's long-term refinancing operations (TLTRO) and thus benefit from advantageous refinancing costs.

The securities subscribed by Bpifrance appear in the balance sheet assets, within the investment portfolio, for a sum of €3,451m as at 31 December 2023 (€3,451m as at 31 December 2022).

A second operation of this type was carried out for the 2020 financial year and affects €2,002m of unsecured loans (PSG). In November 2022, the securitised outstanding sum was topped up by €1,073m.

The securities subscribed by Bpifrance appear in the investment portfolio for a sum of €3,075m as at 31 December 2023 (€3,075m in the investment portfolio as at 31 December 2022).

In order to optimise the operational processing of its digital offering of loans for VSEs and SMEs, Bpifrance securitises all loans to customers distributed over its digital platform. Here again, Bpifrance both cedes the receivables and is the sole investor of the STF.

The securities subscribed by Bpifrance appear in the investment portfolio for a sum of €267m as at 31 December 2023 (€256m as at 31 December 2022).

Bpifrance securities all its digital offering of Interest-free Loans aimed at project holders supported by the support networks in the same way.

The securities subscribed by Bpifrance appear in the investment portfolio for a sum of €193m as at 31 December 2023 (€146m as at 31 December 2022).

Note 5 - Leasing and operating lease transactions

Cash flows recorded in financial year 2023

(in €m)	Finance lease and property	Finance lease and lease equipment	TOTAL
GROSS AMOUNT OF FIXED ASSETS AS AT 31/12/2022	**7,722.6**	**3,803.6**	**11,526.2**
Input	**602.1**	**873.6**	**1,475.7**
Output	-497.9	-703.3	-1,201.2
GROSS AMOUNT OF FIXED ASSETS AS AT 31/12/2023	**7,826.8**	**3,973.9**	**11,800.7**
Accumulated depreciation and amortisation as at 31/12/2023	-2,551.0	-2,322.2	-4,873.2
Accumulated impairments as at 31/12/2023 (*)	-931.3	-5.6	-936.9
Allocated guarantee funds accumulated as at 31/12/2023	-5.9	-3.3	-9.2
NET AMOUNT OF FIXED ASSETS AS AT 31/12/2023	**4,338.6**	**1,642.8**	**5,981.4**
Net receivables	128.6	52.5	181.1
SUBTOTAL	**4,467.2**	**1,695.3**	**6,162.5**
Unrealised reserve	50.4	514.2	564.6
NET FINANCIAL OUTSTANDING AS AT 31/12/2023	**4,517.6**	**2,209.5**	**6,727.1**
(*) Including - Provisions Art. 64 of the Sicomi Plan.	*-1.6*	*0.0*	*-1.6*
• Provisions Art. 57	*-874.4*	*0.0*	*-874.4*

Note 6 - Securities portfolio

6.1. Cash flows recorded in financial year 2023

(in €m)	Treasury bills and similar securities	Bonds and other fixed-income securities	Shares and other variable income securities
GROSS AMOUNT AS AT 31/12/2022	**8,817.0**	**9,805.0**	**155.2**
Input [1]	373.8	24,392.5	5.0
Output [1]	-746.7	-24,192.7	-24.3
Amortisation of premiums/discounts	-41.5	-0.7	0.0
Change in related receivables	1.8	25.3	0.0
GROSS AMOUNT AS AT 31/12/2023	**8,404.4**	**10,029.4**	**135.9**
Accumulated impairments as at 31/12/2023 [2]	-21.0	-20.3	0.0
NET AMOUNT AS AT 31/12/2023	**8,383.4**	**10,009.1**	**135.9**

[1] *Inputs and outputs are mainly due to the sale and repurchase of securities in connection with securitisation transactions.*

[2] *Impairments for unrealised capital losses and for bad debts*

The table below sets out the share of the securities held in the framework of the investment of the guarantee fund treasury:

	Treasury bills and similar securities	Bonds and other fixed-income securities	Shares and other variable income securities
GROSS AMOUNT AS AT 31/12/2023	**16.6**	**36.4**	**135.9**
Accumulated impairments as at 31/12/2023	0.0	-1.7	0.0
NET AMOUNT AS AT 31/12/2023	**16.6**	**34.7**	**135.9**

Breakdown of fixed-income portfolio by remaining term to maturity at 31 December 2023

(in €m)	D ≤ 3 m.	3 m. < D ≤ 1 year	1 year < D ≤ 5 years	D > 5 years	Related receivables	TOTAL
Treasury bills and similar securities	0.0	918.5	3,998.1	3,408.7	58.1	8,383.4
Bonds and other fixed-income securities	106.6	1,108.2	634.5	8,121.0	38.8	10,009.1
Total	**106.6**	**2,026.7**	**4,632.6**	**11,529.7**	**96.9**	**18,392.5**
			18,295.6			

6.2. Breakdown by portfolio type (net amounts, including related receivables)

(in €m)	31/12/2023						31/12/2022
	Treasury bills and similar securities	Bonds and other fixed-income securities		Shares and other variable income securities		TOTAL	TOTAL
		Listed Securities	Unlisted Securities	Listed Securities	Unlisted Securities		
Property investment	0.0	0.0	548.1	135.9	0.0	684.0	624.5
Investment	8,383.4	2,934.3	6,526.7	0.0	0.0	17,844.4	18,107.7
TOTAL	**8,383.4**	**10,009.1***		**135.9**		**18,528.4**	**18,732.2**

(*) Including: - Securities issued by the French State or local authorities: none.

- *Securities issued by other issuers: €10,009.13m*
- *Subordinated securities: none.*

At 31 December 2023, €7,121.9m of securities were given under repurchase agreements, compared with €9,506.3m at 31 December 2022 (amounts expressed in net book value).

Marketable investment securities are not subject to any impairment for counterparty risk.

6.3. Transfers between portfolios and disposal of investment securities before maturity

During the financial year, there were neither transfers between portfolios nor significant disposals of investment securities before maturity.

6.4. Portfolio estimate (including related receivables and excluding bad debts) as at 31 December 2023

(in €m)	Gross book value	Market value	Difference	Unrealised capital losses (excluding doubt receivables)	Unrealised capital gains
Market securities	688.2	694.4	6.2	-4.1	10.3
Investment securities (*)	17,881.5	15,859.9	-2,021.6		

(*) The investment portfolio breaks down into two main populations: €6.5bn in gross book value of bonds held as part of securitisation transactions (see note 4) and €7.9bn of OATs [French treasury bonds], participating in the overall management of the positions of liquidity and interest rates with a general objective of hedging risks. In particular, these OATs make it possible to satisfy the needs for securities resulting from the process of securing interbank operations and exchange systems.

Note 7 - Investments and other long-term securities held, shares in related companies

7.1. Cash flows recorded during the financial year 2023

(in €m)	Shares	Other long-term detained securities	Shares in related companies
GROSS AMOUNT AS AT 31/12/2022	**14.3**	**34.4**	**21,494.0**
Inputs and other movements	0.7	0.0	0.0
Outputs and other movements	0.0	0.0	0.0
Change in related receivables	0.0	0.0	1.8
GROSS AMOUNT AS AT 31/12/2023	**15.0**	**34.4**	**21,495.8**
Accumulated impairments as at 31/12/2023	-0.1	-4.3	-0.3
NET AMOUNT AS AT 31/12/2023 (*)	**14.9**	**30.1**	**21,495.5**
(*) Of which: - Listed securities	*0.0*	*0.0*	*0.0*
- Unlisted securities.	*14.9*	*30.1*	*21,495.5*

7.2. Investments and subsidiaries

Subsidiaries and shares *(in €K)*			Financial information									
			Capital	Reserves and retained earnings before allocation of earnings	Share of capital held as a percentage	Gross book value of securities held	Net book value of securities held	Loans and advances made by the company and not yet repaid	Amount of sureties and endorsements given by the company	Revenue excluding tax or GNP of the last financial year	Income (profit or loss for the last financial year)	Dividends received by the company during the financial year
A - DETAILED INFORMATION ON SUBSIDIARIES AND INTERESTS REPRESENTING AT LEAST 10% OF THE COMPANY'S CAPITAL												
1. Subsidiaries (more than 50% of capital held)[1]												
	SIREN	Address										
AUXI-FINANCES	352780605	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	57,188	13,477	100.0%	57,168	57,168	30	-0	14,663	2,252	2,500
Bpifrance Régions	319 997 466	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	4,800	30,916	100.0%	9,797	9,797	1,716	-0	11,763	5,564	-0
SCI TOPOR MONTAUBAN	340905389	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	1	1	100.0%	270	15	365	-0	-0	-121	-0
SCI BPIFRANCE	380974089	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	16	-0	100.0%	105	105	109	-0	33,108	-62	-0
BPIFRANCE COURTAGE	351596572	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	306	452	100.0%	3,034	3,034	-0	-0	10,016	1,806	2,191
BPIFRANCE PARTICIPATIONS	509 584 074	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	18,321,573	3,049,782	100.0%	21,375,378	21,375,378	-0	-0	842,665	496,234	572,000
BPIFRANCE ASSURANCE EXPORT	815 276 308	27-31 av. du Gal Leclerc, 94710 Maisons-Alfort Cedex	30,000	17,487	100.0%	30,000	30,000	-0	-0	61,000	4,455	3,500
2. Equity interests (10 to 50% of capital held)[2]												
	SIREN	Address										
ALSABAIL	718 504 004	7, place Sébastien Brant, 67000 Strasbourg	9,704	21,882	40.7%	5,365	5,365	311,605	-	5422	1,952	160
CLUB RATING	845115559	12, Quai du commerce, 69009 Lyon	5,889	892	15.3%	1,435	1,435	-	-	2	-33	-
IFCIC	327 821 609	46, avenue Victor-Hugo, 75016 Paris	5,455	20,490	25.5%	3,160	3,160	-	-	8025	2,282	-
S.I.A.G.I.	775 691 074	2, rue Jean-Baptiste Pigalle, 75009 Paris	6,595	38,166	15.4%	4,165	4,165	-	-	12837	2,884	-
SEML CORREZE EQUIPEMENT	502.687.817	9, rue René et Emile Fages 19000 Tulle	1,875	-1,001	10.7%	200	66	-	-	170	-256	-
SOGAMA	352 086 003	75 Rue Saint-Lazare, 75008 Paris	13,089	9,086	40.9%	8,630	8,630	-	-	1,393	528	-
B - AGGREGATE INFORMATION REGARDING SUBSIDIARIES AND INTERESTS REPRESENTING LESS THAN 10% OF THE COMPANY'S CAPITAL												
1. Subsidiaries not included in paragraph A												
a. French subsidiaries (all)												
b. Foreign subsidiaries (all)												
2. Shareholding not included in paragraph A[2]												
a. In French companies (all)						26,390	22,128	-	-			24
b. In foreign companies (all)						13	13	-	-			-

[1] *Data updated with 2022 financial statements.*

[2] *Data updated with 2022 financial statements.*

7.3. Transactions with related companies and investments

(in €m)	31/12/2023	31/12/2022
RECEIVABLES		
Credit institutions	503.5	292.4
Customer	11.8	32.9
Bonds and other fixed-income securities	6,538.9	6,538.0
DEBTS		
Credit institutions	458.7	177.4
Customer	0.0	0.0
Debt represented by a title	31.3	25.3
Subordinated debts	0.0	0.0
COMMITMENTS GIVEN		
Financing commitments		
• Credit institutions	0.0	0.0
• Clients	0.0	0.0
Guarantee commitments		
• Credit institutions	0.0	0.0
• Clients	2,157.9	2,022.1
Commitments on securities		
• Credit institutions	0.0	0.0
• Clients	0.0	0.0

Transactions with affiliated parties are negotiated on market terms.

Note 8 - Equity

(in €m)	31/12/2023			31/12/2022		
	Amount	Gross book value	Net book value	Amount	Gross book value	Net book value
Transaction securities	0	0.0	0.0	0	0.0	0.0
Investment securities	0	0.0	0.0	0	0.0	0.0
Fixed assets	2,198,615	64.1	64.1	2,198,615	64.1	64.1
TOTAL	**2,198,615**	**64.1**	**64.1**	**2,198,615**	**64.1**	**64.1**

Nominal value of the share: 8 euros

Note 9 - Intangible and tangible assets

(in €m)	Fixed intangible assets	Tangible fixed assets		
		Land and buildings		Other
		operating	non-operating	
Gross amount as at 31/12/2022	**520.1**	**37.2**	**0.5**	**47.3**
Acquisitions	193.8	5.9	0.0	5.6
Output	-262.3	-8.9	-0.1	-7.6
Gross amount as at 31/12/2023	**451.6**	**34.2**	**0.4**	**45.3**
Accumulated depreciation and amortisation as at 31/12/2023	-207.1	-19.6	-0.3	-34.1
Net amount as at 31/12/2023	**244.5**	**14.6**	**0.1**	**11.2**
TOTAL	**244.5**	**25.9**		

The amount of accelerated depreciation was €52.3m at 31 December2023.

Note 10 - Innovation Financing Aid

(in €m) Funds	Gross healthy amounts	Gross doubtful amounts	Depreciations	Allocated guarantee funds	TOTAL 31/12/2023	TOTAL 31/12/2022
Innovation aid - ISI (*) - PMII (*)	139.5	367.7	0.0	-364.5	142.7	237.0
FRGI (*)	10.6	8.4	0.0	0.0	19.0	22.8
Aid on financing partners	19.5	38.6	0.0	0.0	58.1	65.8
State PIA (*)	157.5	9.4	0.0	-9.4	157.5	79.5
FII (*)	103.9	10.7	0.0	-10.7	103.9	91.4
Other State	0.2	0.0	0.0	0.0	0.2	1.7
TOTAL	**431.2**	**434.8**	**0.0**	**-384.6**	**481.4**	**498.2**

(*) ISI: Industrial Strategy for Innovation.

PMII: Program for the Mobilisation of Industrial Innovation initiated by the former AII, Agency for Industrial Innovation (Programme Mobilisateur pour l'Innovation Industrielle initié par l'ex AII, Agence pour l'innovation Industrielle).

FRGI: Regional Fund for the Guarantee of Innovation (Fonds Régionaux de Garantie de l'Innovation).

State PIA: Intervention Guarantee Fund - Innovation Assistance Window.

FII: Fund for Innovation and Industry - Innovation subsidies - DEEP TECH.

Other State: National Innovation Fund - Social Innovation Fund.

Note 11 - Other assets

(in €m)	31/12/2023	31/12/2022
Guarantee margins paid on repo transactions; and interest rate swap contracts	475.8	235.9
Premiums on purchased conditional instruments	0.0	0.0
Allocations receivable from guarantee funds	101.0	28.5
Allocations to be received from innovation aid financing	602.2	325.4
Allocation receivable in subsidised loans	70.6	70.0
Call for funds Real Estate leasing	36.7	36.0
Tax receivables	132.7	198.1
Other miscellaneous accounts receivable (*)	92.3	109.8
TOTAL	**1,511.3**	**1,003.7**

(*) Including a cash guarantee deposit of €20.2m securing the irrevocable payment commitment under the Single Resolution Fund as at 31 December 2023 (€17.5m on 31 December 2022).

Note 12 - Accrual accounts - Assets

(in €m)	31/12/2023	31/12/2022
Issuance costs on spread-based borrowings	21.9	21.8
Issue premiums on spread-based borrowings	250.4	100.6
EPIC Bpifrance guarantee commissions to spread	4.6	8.6
Miscellaneous expenses recognised in advance	251.6	197.5
Receivables on forward financial instruments (*)	378.8	97.4
Other receivables	53.3	91.4
Cash receipts and transfer accounts	27.3	123.5
Other	11.3	8.0
TOTAL	**999.2**	**648.8**

(*) These revenues essentially represent the cumulation of the positive differential between interest receivable and interest to be paid of each interest rate exchange contract.

Note 13 - Debts to credit institutions

(in €m)	31/12/2023	31/12/2022
Ordinary accounts payable	458.7	177.4
Overnight borrowing	0.0	0.0
Term loans	30.4	341.9
• including Booklet Sustainable Development (BSD) resources	0.0	300.0
• of which KfW and BDCE borrowings	10.0	20.0
Refinancing with the ECB (TLTRO III)	6,000.0	18,800.0
Repurchased securities delivered [1]	7,121.9	1,764.4
Related debts [2]	210.6	-261.3
TOTAL	**13,821.6**	**20,822.4**
[1] Of which - Treasury bills	*7,121.9*	*1,764.4*
- Bonds and other fixed-income securities	*0.0*	*0.0*
[2] Of which negative interest under TLTRO III	*0.0*	*-265.9*

Breakdown of debts (excluding related debts) by remaining term at 31 December 2023

(in €m)			
D ≤ 3 m.	**3m. < D ≤ 1 year**	**1 year < D ≤ 5 years**	**D > 5 years**
8,476.1	5,114.6	14.3	6.0
13,611.0			

Note 14 - Customer transactions - Liabilities

(in €m)	31/12/2023	31/12/2022
EPIC Bpifrance borrowing	272,6	711,6
Security deposits	1 185.0	1 128.6
Current accounts payable (*)	185.9	211.7
State Shareholder Advance: Guarantee Fund with Preserved Capital	202.6	202.6
Funds received pending allocation		
• Short-term financing	91.3	98.0
• Medium and long-term loans	57.4	35.6
Other amounts due	0.5	0.5
TOTAL	**1,995.3**	**2,388.6**
(*) Including EPIC Bpifrance.	*0.0*	*1.1*

Breakdown of customer accounts payable by remaining term at 31 December 2023

(in €m)			
D ≤ 3 m.	3m. < D ≤ 1 year	1 year < D ≤ 5 years	D > 5 years
500.4	323.2	675.2	496.5
	1,995.3		

Note 15 - Debts represented by a security

Breakdown of outstanding amounts by remaining term at 31 December 2023

(in €m)	D ≤ 3 m.	3m. < D ≤ 1 year	1 year < D ≤ 5 years	D > 5 years	Related debts	TOTAL
Interbank market securities and negotiable debt securities	3,945.8	2,376.5	0.0	0.0	88.1	6,410.4
Bond issues	0.0	3,400.0	21,850.4	10,524.0	178.4	35,952.8
TOTAL	**3,945.8**	**5,776.5**	**21,850.4**	**10,524.0**	**266.5**	**42,363.2**

Note 16 - Other liabilities

(in €m)	31/12/2023	31/12/2022
Outstanding payments made on securities not fully paid up	400.0	1,100.0
Tax and social debts	155.9	180.6
Collateral margins received on repo transactions delivered and interest rate swap contracts	795.0	516.7
Premiums on conditional instruments sold	31.6	39.1
Advances to lessees	328.4	302.8
Equipment subsidies on leasing operations	15.0	16.7
Leasing providers	72.1	52.8
Other miscellaneous accounts payable leasing transactions	21.2	21.2
Litigation to be paid out of guarantee funds	751.4	691.0
Allocation of subsidised loans	93.1	132.7
Other miscellaneous accounts payable	103.8	109.4
TOTAL	**2,767.5**	**3,163.0**

Note 17 - Accrual accounts – Liabilities

(in €m)	31/12/2023	31/12/2022
Allocation to the Development Participatory Loan to be spread	303,8	334,4
Compensation related to trading operations or termination of interest rate swap contracts	14,8	3,3
Other income recognised in advance	147,4	224,1
Accrued liabilities on forward financial instruments (*)	152,9	62,4
Provisions for paid holidays	44,8	42,6
Lease rents recognised in advance	77,6	73,3
Subsidies to be paid out of innovation aid	103,9	100,1
Guarantee fees recognised in advance	517,6	490,7
Innovation suspense accounts	14,5	14,5
Cash on behalf of third parties	1 265,3	1 232,9
Cash receipts and transfer accounts	483,9	657,2
Miscellaneous	140,7	129,0
TOTAL	**3 267,2**	**3 364,5**

(*) These charges essentially represent the cumulation of the negative differential between interest receivable and interest payable of each interest rate swap contract.

Note 18 - Provisions

(in €m)	31/12/2023	31/12/2022
Provisions for credit risks	406.4	505.1
Provisions for employee benefit commitments (*)	15.9	22.3
Provision for tax	49.8	75.8
Provision for bonuses to be repaid	122.2	90.4
Provision for litigation	4.4	3.7
Miscellaneous	13.2	19.1
TOTAL	**611.9**	**716.4**

(*) The end-of-career benefits are covered by an insurance contract with assets amounting to €24.9m.

Note 19 - Subordinated debts, mutual security deposits

(in €m)	31/12/2023	31/12/2022
Reserve fund (*)	12,0	11,9
Security deposits of a mutual nature	7,2	7,2
Related debts	0,0	0,0
TOTAL	**19,2**	**19,1**

(*) This reserve fund was set up by the shareholders of ex OSEO garantie and is intended to cover the secured loans backed by it. Its repayment is subject to a decision by the shareholders.

Note 20 - Public guarantee funds

20.1. Accounting status of guarantee funds

(in €K) Guarantee fund	Balance of guarantee funds as at 31 December 2022	Allocation 2023	Reimbursements and reallocation 2023	Income 2023	Balance of guarantee funds as at 31 December 2023	Litigation and interest payable	Customer Commission Received in advance	Assets recognised for guarantee fund
RESERVE FUND								
RESERVE FUND	619,304	-3,000	0	14,364	630,668	0	0	630,668
MUTUAL FUNDS OF GUARANTEE FUNDS	263,129	-1,000	0	5,996	268,125	0	0	268,125
AFT (AGENCE FRANCE TRÉSOR)								
SME AND VSB DEVELOPMENT	-12,817	0	0	-1,047	-13,864	4,981	-38	-8,921
TEXTILE	10	0	0	0	10	0	0	10
CREATION OF SMEs AND VSBs	397,700	-10,133	0	12,466	400,034	192,427	8,769	601,230
BUSINESS CREATION LOAN (BCL)	6,196	0	0	177	6,373	62	0	6,435
SME AND VSB TRANSMISSION	181,818	-35,656	0	6,580	152,742	101,446	4,389	258,577
FINANCIAL STRUCTURAL REINFORCEMENT SME VSB	-1,355	0	0	1,587	231	6,913	39	7,183
SFP CCE	12,290	0	0	511	12,801	7,926	79	20,806
STRENGTHENING OF CASH FLOW	55,141	-4,431	-5,000	1,058	46,768	21,232	623	68,623
RSF REPURPOSING	12,486	0	0	113	12,598	218	1	12,817
INNOVATION OF SMES AND VSBS	35,147	2,834	0	678	38,660	36,806	1,953	77,419
OVER-MUTUALISATION FUND	0	0	0	0	0	0	0	0
SPECIFIC SHORT-TERM FINANCING SMES AND VSBs	12,013	0	0	-227	11,786	3,925	-116	15,595
INTERNATIONAL SHORT TERM	11,171	0	0	383	11,554	2,207	-40	13,721
FACTORING	7,787	0	0	542	8,329	586	59	8,974
FASEP	82,790	13,022	0	-727	95,085	1,847	45	96,977
EQUITY GUARANTEE 2001/2002	1,083	0	0	25	1,108	0	0	1,108
EQUITY GUARANTEE - EIF 2003/2004	79	0	0	2	81	0	0	81
EQUITY GUARANTEE - EIF 2007/2009	7,107	0	0	309	7,416	113	584	8,113
EQUITY GUARANTEE - EIF 2010/2012	9,577	0	0	442	10,020	-21	23	10,022
EQUITY GUARANTEE 2013/2015	9,837	0	0	224	10,060	0	1,979	12,039
EQUITY GUARANTEE 2016/2018	33,479	0	0	-1,363	32,116	2,175	-152	34,139
SEED EQUITY LOAN	45,211	0	0	-5,350	39,860	16,133	3,120	59,113
GUARANTEES ON INNOVATIVE PROJECTS	280	0	0	6	286	0	0	286
GUARANTEED BIOTECHNOLOGY	19,144	0	0	973	20,117	403	-678	19,842
STRUCTURAL FINANCING	32,328	0	0	860	33,188	0	-22	33,166
PARTICIPATORY DEVELOPMENT CONTRACT (RHB)	481,081	-128,850	0	15,587	367,818	121,100	16,562	505,480
SUB-TOTAL	**1,439,583**	**-163,214**	**-5,000**	**33,809**	**1,305,177**	**520,479**	**37,179**	**1,862,835**

(in €K) Guarantee fund	Balance of guarantee funds as at 31 December 2022	Allocation 2023	Reimbursements and reallocation 2023	Income 2023	Balance of guarantee funds as at 31 December 2023	Litigation and interest payable	Customer Commission Received in advance	Assets recognised for guarantee fund
PPMTR	45,951	0	0	1,062	47,013	6,291	0	53,304
GREEN LOANS	50,616	0	0	1,438	52,054	883	-3	52,934
SUSTAINABLE DEVELOPMENT INNOVATION	7,845	0	0	212	8,057	71	1	8,129
PPD WOOD	7,430	0	0	43	7,473	617	0	8,090
ECO-ENERGY LOAN (EEL)	23,657	0	0	549	24,206	975	15	25,196
CICE PRE-FINANCING	1,048	0	0	24	1,073	4	0	1,077
LOAN FOR INNOVATION	78,161	-13,054	0	-9,367	55,740	43,538	10,284	109,562
DIGITAL LOAN	36,838	0	0	1,412	38,250	2,632	-56	40,826
PIPC	1,711	0	0	40	1,750	0	0	1,750
SOFIRED	8,988	0	0	39	9,027	1,669	0	10,696
ROBOTICS LOAN	33,035	0	0	2,541	35,576	3,710	-25	39,261
LOAN FOR THE SOCIAL AND SOLIDARITY ECONOMY	1,632	0	0	51	1,683	61	0	1,744
INDUSTRY GROWTH LOAN	23,130	0	0	1,320	24,450	1,544	-198	25,796
GREEN LOAN 2	31,627	0	0	1,694	33,321	1,820	91	35,232
SEED INVESTMENT LOAN	80,466	13,054	0	-17,558	75,961	33,795	16,436	126,192
LOAN FOR BUSINESSES AND DISTRICTS	2,046	0	0	49	2,095	59	0	2,154
AUTOMOTIVE GROWTH LOAN	4,333	0	0	3,014	7,346	5,726	30	13,102
STRENGTHENING LIVESTOCK SECTOR FINANCIAL POSITION	12,086	0	0	741	12,828	2,050	281	15,159
INDUSTRY GROWTH LOAN 2	45,704	0	0	1,521	47,224	32,746	876	80,846
WOOD SECTOR LOAN	10,246	0	0	251	10,497	0	33	10,530
AGRICULTURAL METHANIZATION LOAN	9,773	0	0	273	10,046	464	89	10,599
CREAT K/K 2019	51,884	53	0	-6,148	45,789	35,858	14,479	96,126
DEV K/K 2019	694	0	0	850	1,545	7,846	5,609	15,000
TRANS K/K 2019	39,390	0	0	-8,295	31,096	28,033	8,133	67,262
RENF TRÉSO K/K	3,815	1,818	0	-921	4,712	6,894	2,189	13,795
INTER DEV K/K	11	0	0	127	138	446	93	677
CREA CG	74,258	18,656	0	-12,680	80,234	61,608	35,002	176,844
CREA EX NI	14,561	5,679	0	-1,548	18,692	12,541	12,124	43,357
SUB-TOTAL	**700,936**	**26,206**	**0**	**-39,266**	**687,876**	**291,881**	**105,483**	**1,085,240**

(in €K) Guarantee fund	Balance of guarantee funds as at 31 December 2022	Allocation 2023	Reimbursements and reallocation 2023	Income 2023	Balance of guarantee funds as at 31 December 2023	Litigation and interest payable	Customer Commission Received in advance	Assets recognised for guarantee fund
TRANS CG	4,574	1,672	0	-401	5,845	2,960	2,409	11,214
DEV CG	-759	0	0	-4,864	-5,622	13,631	5,653	13,662
RT CG	3,700	1,118	0	-154	4,664	3,883	1,710	10,257
ADVANCE + OVERSEAS	7,719	0	0	133	7,852	263	-17	8,098
Over-collateralisation SFP VSB-SME Covid19	28,107	0	0	1,055	29,162	2,719	1	31,882
Over-collateralisation SFP Mid-cap Covid19	31,576	0	0	1,199	32,774	753	39	33,566
Over-collateralisation LCC VSB-SME Covid19	6,239	0	0	139	6,377	6	0	6,383
Over-collateralisation LCC Mid-cap Covid19	-31	0	0	1,384	1,353	0	-1	1,352
SFP VSB-SME Covid19	7,142	0	0	305	7,448	254	4	7,706
SFP Mid-cap Covid19	21,685	0	0	515	22,200	0	6	22,206
LCC VSB-SME Covid19	591	0	0	14	605	0	0	605
LCC Mid-cap Covid19	-321	0	0	20	-301	0	0	-301
SME ATOUT GUARANTEE	89,795	-24,311	0	-10,768	54,715	29,471	185	84,371
MID-CAP ATOUT GUARANTEE	270,690	-91,867	0	51,511	230,334	40,280	2,310	272,924
RT AUTOMOTIVE	23,291	0	0	540	23,831	0	0	23,831
GREEN LOAN ADEME BPIFRANCE	9,022	0	0	-2,023	6,999	2,508	1,201	10,708
LOAN METHANIZATION INJECTION	9,819	0	0	277	10,096	300	334	10,730
DIGITAL France	25,867	0	0	583	26,450	52	1	26,503
GREEN LOAN 4	173,888	67,556	0	3,003	244,446	35,114	44,497	324,057
GROWTH RECOVERY LOAN	77,487	48,622	0	-6,177	119,932	13,610	21,869	155,411
DEVELOPMENT RECOVERY	141	0	0	-9,695	-9,555	17,784	14,344	22,573
DEVELOPMENT RECOVERY CONTRACT	620	0	0	14	635	0	0	635
INTERNATIONAL DEVELOPMENT RECOVERY	238	0	0	-341	-104	565	414	875
LOAN ON TRUST REINFORCEMENT RECOVERY	12,189	0	0	-161	12,029	205	8	12,242
LOAN ON TRUST CREATION REVIVAL RECOVERY	32,659	-58	0	-886	31,715	1,514	20	33,249
Creation Standard Recovery Case by Case	75,583	38,112	0	-6,515	107,180	14,958	22,738	144,876
Creation Standard Recovery Contract	36,460	19,547	0	-3,359	52,648	12,475	12,839	77,962
Transmission Recovery	60,537	29,284	0	-341	89,480	6,244	14,754	110,478
Transmission Recovery Contract	3,541	1,787	0	-219	5,109	762	1,011	6,882
Creation Ex-Nihilo Recovery Contract	33,381	8,981	0	-2,889	39,473	11,728	16,845	68,046
SUB-TOTAL	**1,045,430**	**100,443**	**0**	**11,899**	**1,157,770**	**212,039**	**163,174**	**1,532,983**

(in €K) Guarantee fund	Balance of guarantee funds as at 31 December 2022	Allocation 2023	Reimbursements and reallocation 2023	Income 2023	Balance of guarantee funds as at 31 December 2023	Litigation and interest payable	Customer Commission Received in advance	Assets recognised for guarantee fund
GUARANTEE OF EQUITY RECOVERY	108,188	37,500	0	649	146,337	192	-860	145,669
GREEN GUARANTEE	12,978	2,661	0	-551	15,088	948	323	16,359
Creation Ex-Nihilo Recovery, Case by Case	6,044	1,932	0	37	8,012	496	1,153	9,661
Green Guarantee Contract	0	0	0	0	0	0	0	0
Industry RHB	273	0	0	-1,045	-772	2,528	7,329	9,085
NEW INDUSTRY LOAN	40,258	0	0	-500	39,758	2,400	11,035	53,193
RENEWABLE ELECTRICITY	0	68,000	0	22	68,022	0	0	68,022
EIB - STATE	9	0	0	0	9	0	0	9
EASTERN COUNTRIES	18	0	0	0	18	0	0	18
PIC SME	643	0	0	153	796	434	0	1,230
CAPITAL DEVLPT AND INDIV. LOANS.	244	0	0	28	272	113	0	385
INSTALL. YOUNG ENTREPRENEURS	90	0	0	2	93	12	0	105
STRENGTHENING FINANCIAL POSITION SME - (SFP SME)	41,391	0	0	3,437	44,828	4,719	23	49,570
OVER-COLLATERALISATION STRENGTHENING FINANCIAL POSITION SME - (OC SFP SME)	6,202	0	0	1,474	7,676	3,795	-17	11,454
STRENGTHENING FINANCIAL POSITION MID-CAP - (SFP MID)	10,991	0	0	-137	10,854	3,881	-193	14,542
OVER-COLLATERALISATION STRENGTHENING FINANCIAL POSITION MID-CAP - (OC SFP MID)	6,575	0	0	3,089	9,664	12,348	-49	21,963
LINES OF CREDIT CONFIRMED SME - (LCC SME)	2,267	0	0	557	2,824	2,056	-4	4,876
OVER-COLLATERALISATION LINES OF CREDIT CONFIRMED SME - (OC LCC SME)	2,251	0	0	634	2,885	4,060	-78	6,867
LINES OF CREDIT CONFIRMED MID-CAP - (LCC MID)	145	0	0	-23	123	26	-9	140
OVER-COLLATERALISATION LINES OF CREDIT CONFIRMED MID-CAP - (OC LCC MID)	581	0	0	22	603	340	-71	872
FGKP TRANCHE 1	20,249	0	0	317	20,566	2,046	9	22,621
FGKP TRANCHE 2	25,617	0	0	2,161	27,778	5,768	31	33,577
INTERNATIONAL DEVELOPMENT - T2	3,748	0	0	-11	3,737	500	3	4,240
FGKP TRANCHE 3	66,511	0	0	5,174	71,685	16,475	1,101	89,261
INTERNATIONAL DEVELOPMENT - T3	1,676	0	0	457	2,133	2,361	27	4,521
FGKP TRANCHE 4	50,000	0	0	2,391	52,391	36,732	8,314	97,437
INTERNATIONAL DEVELOPMENT - T4	-1,745	0	0	57	-1,687	1,273	145	-269
Overseas Department	126,462	0	0	11,143	137,604	25,969	-779	162,794
SUB-TOTAL	**356,949**	**110,093**	**0**	**15,946**	**482,989**	**65,498**	**19,753**	**568,240**

(en K€) Guarantee fund	Balance of guarantee funds as at 31 December 2022	Allocation 2023	Reimbursements and reallocation 2023	Income 2023	Balance of guarantee funds as at 31 December 2023	Litigation and interest payable	Customer Commission Received in advance	Assets recognised for guarantee fund
CDC (Caisse des Dépôts et Consignations)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FRANCE INVESTMENT GUARANTEE	117,340	0	0	-16,801	100,539	3,972	424	104,935
TOURISM LOAN	194,364	30,000	0	-2,000	222,364	13,998	12,936	249,298
OTHER FUNDS	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
EIB - DEV. TECHNOLOGICAL	0	0	0	0	0	0	0	0
EQUITY GUARANTEE - ERDF IDF	1,786	0	0	16	1,802	0	22	1,824
NET ASSET VALUE GUARANTEE	5,784	0	0	7	5,791	0	0	5,791
UIMM	197	-1	0	0	196	0	0	196
PPD UIMM MID-PYRENEES	250	0	0	15	265	582	0	847
ENTREPRENEURIAL GROWTH NETWORK	998	-10	0	-45	943	349	7	1,299
UIMM MEDITERRANEAN	718	0	0	-41	677	32	0	709
UIMM LIM PCH	683	0	0	52	735	81	0	816
CCI INNOVATION PDL	433	-10	0	0	424	296	0	720
BEST WESTERN	0	0	0	0	0	0	0	0
NATIONAL FEDERATION OF CLOTHING	92	0	0	13	105	18	0	123
PPD UIMM GREAT NORTH EAST	177	0	0	-51	126	290	0	416
PPD UIMM NATIONAL	339	0	0	-46	293	174	0	467
PPD UIMM NATIONAL 2	500	0	0	-142	358	702	0	1,060
UIMM FRENCH FAB	1,281	0	0	-162	1,119	406	0	1,525
ENERGY-SAVING LOAN (FDS ESL)	24,969	0	0	657	25,626	374	202	26,202
Other management (*)	130,093	5,000	0	-3,916	131,177	0	0	131,177
GUARANTEE FUND	**5,080,052**	**104,507**	**-,5,000**	**33,895**	**5,213,453**	**1,175,145**	**346,860**	**6,735,458**

(*) Other administrations: Fonds National Revitalisation du Territoire, Fonds Rénovation Hotelière, PCE, Crédit Professionnel and miscellaneous.

20.2. Guarantee fund operating result as at 31 December 2023

(in €K) Guarantee fund	Financial products and net fees	Shares in capital gains and recoveries	Commissions	Litigation provisions	Net litigation expenses	Pre-litigation provisions	Income
RESERVE FUND							
RESERVE FUND	14,364	0	0	0	0	0	14,364
MUTUAL FUNDS OF GUARANTEE FUNDS	5,996	0	0	0	0	0	5,996
AFT (AGENCE FRANCE TRÉSOR)	**0**	**0**	**0**	**0**	**0**	**0**	**0**
SME AND VSB DEVELOPMENT	84	0	-2	1,177	-45	-2	-1,047
TEXTILE	0	0	0	0	0	0	0
CREATION OF SMEs AND VSBs	24,069	0	8,615	27,069	-161	-6,689	12,466
BUSINESS LOAN AND CREATION (BLC)	146	44	0	12	0	0	177
SME AND VSB TRANSMISSION	9,179	1	5,201	12,162	-35	-4,326	6,580
FINANCIAL STRUCTURAL REINFORCEMENT SME VSB	620	0	63	-627	-22	-255	1,587
SFP CCE	879	0	42	104	0	306	511
STRENGTHENING OF CASH FLOW	2,285	0	803	3,176	0	-1,146	1,058
RSF REPURPOSING	303	0	0	190	0	0	113
INNOVATION OF SMES AND VSBS	1,963	0	1,219	743	-1	1,762	678
OVER-MUTUALISATION FUND	0	0	0	0	0	0	0
SPECIFIC FINANCING SEE SMES AND VSBs	848	0	421	157	0	1,339	-227
INTERNATIONAL SHORT TERM	413	0	136	130	0	36	383
FACTORING	289	0	419	70	0	95	542
FASEP	1,964	0	439	3,130	0	0	-727
EQUITY GUARANTEE 2001/2002	25	0	0	0	0	0	25
EQUITY GUARANTEE - EIF 2003/2004	2	0	0	0	0	0	2
EQUITY GUARANTEE - EIF 2007/2009	171	0	0	-138	0	0	309
EQUITY GUARANTEE - EIF 2010/2012	227	0	0	-216	0	0	442
EQUITY GUARANTEE 2013/2015	237	21	0	34	0	0	224
EQUITY GUARANTEE 2016/2018	784	162	115	2,424	0	0	-1,363
SEED EQUITY LOAN	1,322	0	1,738	8,029	0	381	-5,350
GUARANTEES ON INNOVATIVE PROJECTS	6	0	0	0	0	0	6
GUARANTEED BIOTECHNOLOGY	451	673	18	1	0	168	973
STRUCTURAL FINANCING	752	0	108	0	0	0	860
PARTICIPATORY DEVELOPMENT CONTRACT (RHB)	13,802	0	14,686	25,051	0	-12,151	15,587
SUB-TOTAL	**60,821**	**901**	**34,021**	**82,678**	**-264**	**-20,482**	**33,809**

(in €K) Guarantee fund	Financial products and net fees	Shares in capital gains and recoveries	Commissions	Litigation provisions	Net litigation expenses	Pre-litigation provisions	Income
PPMTR	1,303	0	60	1,182	0	-882	1,062
GREEN LOANS	1,202	0	2	-143	0	-91	1,438
SUSTAINABLE DEVELOPMENT INNOVATION	184	0	2	0	0	-26	212
PPD WOOD	184	0	0	89	0	52	43
ECO-ENERGY LOAN (EEL)	602	0	34	186	0	-99	549
CICE PRE-FINANCING	24	0	0	0	0	0	24
LOAN FOR INNOVATION	2,535	0	8,705	15,245	0	5,363	-9,367
DIGITAL LOAN	927	0	23	0	0	-462	1,412
PIPC	40	0	0	0	0	0	40
SOFIRED	245	0	0	187	0	19	39
ROBOTICS LOAN	889	0	205	68	0	-1,515	2,541
LOAN FOR THE SOCIAL AND SOLIDARITY ECONOMY	40	0	0	0	0	-11	51
INDUSTRY GROWTH LOAN	589	0	121	141	0	-751	1,320
GREEN LOAN 2	792	0	416	1,116	0	-1,602	1,694
SEED INVESTMENT LOAN	2,269	0	5,574	15,434	0	9,968	-17,558
LOAN FOR BUSINESSES AND DISTRICTS	49	0	0	0	0	0	49
AUTOMOTIVE GROWTH LOAN	293	0	199	474	0	-2,996	3,014
STRENGTHENING LIVESTOCK SECTOR FINANCIAL POSITION	337	0	141	79	0	-342	741
INDUSTRY GROWTH LOAN 2	1,812	0	2,269	1,794	0	767	1,521
WOOD SECTOR LOAN	238	0	13	0	0	0	251
AGRICULTURAL METHANIZATION LOAN	238	0	30	380	0	-385	273
CREAT K/K 2019	2,084	0	7,670	14,254	2	1,646	-6,148
DEV K/K 2019	248	0	2,101	1,510	0	-12	850
TRANS K/K 2019	1,362	0	5,366	8,735	0	6,288	-8,295
RENF TRÉSO K/K	279	0	1,223	1,980	0	442	-921
INTER DEV K/K	14	0	104	187	0	-196	127
CREA CG	3,441	0	19,734	34,297	0	1,559	-12,680
CREA EX NI	688	0	5,875	7,451	0	660	-1,548
SUB-TOTAL	**22,908**	**0**	**59,867**	**104,646**	**2**	**17,394**	**-39,266**

(in €K) Guarantee fund	Financial products and net fees	Shares in capital gains and recoveries	Commissions	Litigation provisions	Net litigation expenses	Pre-litigation provisions	Income
TRANS CG	162	0	1,057	1,420	0	200	-401
DEV CG	162	0	2,819	6,479	0	1,366	-4,864
RT CG	191	0	1,123	1,262	0	206	-154
ADVANCE + OVERSEAS	183	0	108	0	0	158	133
Over-collateralisation SFP VSB-SME Covid19	726	0	7	191	0	-513	1,055
Over-collateralisation SFP Mid-cap Covid19	759	0	67	0	0	-372	1,199
Over-collateralisation LCC VSB-SME Covid19	145	0	0	6	0	0	139
Over-collateralisation LCC Mid-cap Covid19	31	0	3	0	0	-1,350	1,384
SFP VSB-SME Covid19	175	0	8	63	0	-185	305
SFP Mid-cap Covid19	503	0	11	0	0	0	515
LCC VSB-SME Covid19	14	0	0	0	0	0	14
LCC Mid-cap Covid19	20	0	0	0	0	0	20
SME ATOUT GUARANTEE	2,468	0	523	11,027	0	2,732	-10,768
MID-CAP ATOUT GUARANTEE	8,051	0	4,038	9,304	0	-48,726	51,511
SFP AUTOMOTIVE	540	0	0	0	0	0	540
GREEN LOAN ADEME BPIFRANCE	224	0	261	352	0	2,156	-2,023
LOAN MECHANISATION INJECTION	235	0	34	0	0	-8	277
DIGITAL France	601	0	1	0	0	18	583
GREEN LOAN 4	3,572	0	10,879	8,516	0	2,932	3,003
GROWTH RECOVERY LOAN	1,556	0	4,454	2,360	0	9,828	-6,177
DEVELOPMENT RECOVERY	141	0	4,100	6,428	0	7,509	-9,695
DEVELOPMENT RECOVERY CONTRACT	14	0	0	0	0	0	14
INTERNATIONAL DEVELOPMENT RECOVERY	9	0	148	366	0	133	-341
LOAN ON TRUST REINFORCEMENT RECOVERY	5	0	20	0	0	186	-161
LOAN ON TRUST CREATION REVIVAL RECOVERY	166	0	287	0	0	1,340	-886
Creation Standard Recovery Case by Case	1,921	0	5,910	6,627	0	7,719	-6,515
Creation Standard Recovery Contract	1,067	0	4,632	6,654	0	2,403	-3,359
Transmission Recovery	1,521	0	3,909	1,220	0	4,552	-341
Transmission Recovery Contract	93	0	287	277	0	322	-219
Creation Ex-Nihilo Recovery Contract	924	0	6,742	7,137	0	3,416	-2,889
SUB-TOTAL	**25,855**	**0**	**47,552**	**61,790**	**0**	**-5,544**	**17,164**

(in €K) Guarantee fund	Financial products and net fees	Shares in capital gains and recoveries	Commissions	Litigation provisions	Net litigation expenses	Pre-litigation provisions	Income
GUARANTEE OF EQUITY RECOVERY	2,503	0	1,160	3,013	0	0	649
GREEN GUARANTEE	307	0	90	365	0	583	-551
Creation Ex-Nihilo Recovery, Case by Case	149	0	346	317	0	141	37
Green Guarantee Contract	0	0	0	0	0	0	0
Industry RHB	19	0	1,464	33	0	2,495	-1,045
NEW INDUSTRY LOAN	945	0	955	0	0	2,400	-500
EIB - STATE	0	0	22	0	0	0	22
EASTERN COUNTRIES	0	0	0	0	0	0	0
PIC SME	0	0	0	0	0	0	0
PIC PME	28	0	0	-119	-7	0	153
CAPITAL DEVLPT AND INDIV. LOANS.	9	0	0	-19	0	0	28
INSTALL. YOUNG ENTREPRENEURS	2	0	0	0	0	0	2
STRENGTHENING FINANCIAL POSITION SME - (SFP SME)	1,696	0	-13	-1,695	2	-62	3,437
OVER-COLLATERALISATION STRENGTHENING FINANCIAL POSITION SME - (OC SFP SME)	326	0	5	-1,122	0	-21	1,474
STRENGTHENING FINANCIAL POSITION MID-CAP - (SFP MID)	390	0	67	786	0	-192	-137
OVER-COLLATERALISATION STRENGTHENING FINANCIAL POSITION MID-CAP - (OC SFP MID)	583	0	0	-2,497	0	-9	3,089
LINES OF CREDIT CONFIRMED SME - (LCC SME)	117	0	0	-440	0	0	557
OVER-COLLATERALISATION LINES OF CREDIT CONFIRMED SME - (OC LCC SME)	157	0	0	-477	0	0	634
LINES OF CREDIT CONFIRMED MID-CAP - (LCC MID)	3	0	0	0	0	26	-23
OVER-COLLATERALISATION LINES OF CREDIT CONFIRMED MID-CAP - (OC LCC MID)	22	0	0	0	0	0	22
FGKP TRANCHE 1	0	0	-1	-286	-13	-19	317
FGKP TRANCHE 2	1,184	0	92	-655	-1	-229	2,161
INTERNATIONAL DEVELOPMENT - T2	137	0	5	160	0	-8	-11
FGKP TRANCHE 3	2,997	0	762	-857	0	-557	5,174
INTERNATIONAL DEVELOPMENT - T3	206	0	10	-169	0	-72	457
FGKP TRANCHE 4	1,965	0	4,129	4,397	1	-694	2,391
INTERNATIONAL DEVELOPMENT - T4	19	0	136	119	0	-21	57
Overseas Department	4,266	0	104	-6,484	-1	-287	11,143
SUB-TOTAL	**8,970**	**0**	**3,714**	**-7,040**	**-19**	**3,893**	**15,848**

(in €K) Guarantee fund	Financial products and net fees	Shares in capital gains and recoveries	Commissions	Litigation provisions	Net litigation expenses	Pre-litigation provisions	Income
CDC (Caisse des Dépôts et Consignations)	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FRANCE INVESTMENT GUARANTEE	139	2,081	234	19,254	0	0	-16,801
TOURISM LOAN	1,820	0	2,943	2,691	0	4,072	-2,000
Other funds	**0**	**0**	**0**	**0**	**0**	**0**	**0**
EIB - DEV. TECHNOLOGICAL	0	0	0	0	0	0	0
EQUITY GUARANTEE - ERDF IDF	2	0	0	-14	0	0	16
NET ASSET VALUE GUARANTEE	7	0	0	0	0	0	7
UIMM	0	0	0	0	0	0	0
PPD UIMM MID-PYRENEES	1	0	0	18	0	-33	15
ENTREPRENEURIAL GROWTH NETWORK	2	0	9	58	0	-2	-45
UIMM MEDITERRANEAN	1	0	0	93	0	-51	-41
UIMM LIM PCH	1	0	0	0	0	-51	52
CCI INNOVATION PDL	1	0	0	5	0	-4	0
BEST WESTERN	0	0	0	0	0	0	0
NATIONAL FEDERATION OF CLOTHING	0	0	0	0	0	-12	13
PPD UIMM GREAT NORTH EAST	1	0	0	204	0	-152	-51
PPD UIMM NATIONAL	1	0	0	171	0	-124	-46
PPD UIMM NATIONAL 2	1	0	0	332	0	-188	-142
UIMM FRENCH FAB	2	0	0	53	0	112	-162
ENERGY-SAVING LOAN (FDS ESL)	961	0	70	66	0	308	657
Other management (*)	1,792	19	2,275	978	-9,050	0	-3,916
GUARANTEE FUND	**153,030**	**3,001**	**160,180**	**275,292**	**-9,331**	**283**	**33,895**

(*) Other administrations: Fonds National Revitalisation du Territoire, Fonds Rénovation Hotelière, PCE, Crédit Professionnel and miscellaneous.

Note 21 - Net innovation intervention resources

21.1. Accounting situation of intervention guarantee funds

(in €m) Fund	Balance as at 31/12/2022	2023 allocations	2023 repayments and redeployments	2023 profit or loss	Balance as at 31/12/2023	Healthy Recoverable Advances	Healthy Outstanding Innovation Loans
Innovation aids - ISI - PMII	687.5	0.0	0.0	-82.2	605.3	139.5	409.2
FRGI	0.0	0.0	0.0	0.0	0.0	10.6	22.8
Aid on financing partners	254.8	3.6	0.0	-12.6	245.8	19.5	28.0
State PIA	406.8	462.5	0.0	-185.0	684.3	157.5	890.2
FII	160.7	0.0	0.0	-33.3	127.4	103.9	183.8
Other State	11.5	28.5	0.0	-5.4	34.6	0.2	0.2
TOTAL	**1,521.3**	**494.6**	**0.0**	**-318.5**	**1,697.4**	**431.2**	**1,534.2**

21.2. Operating result of intervention guarantee funds as at 31 December 2023

(in €m)

Funds	Grants	Provisions, losses and failure reports	Expertise and various charges	Financial income and expenses	Miscellaneous income and expenses	Income as of 31/12/2023
Innovation aids - ISI - PMII	1.6	-88.2	0.0	1.0	3.4	-82.2
Aid on financing partners	-7.9	-4.8	-1.6	0.0	1.7	-12.6
State PIA	-94.4	-80.7	-10.8	0.0	0.9	-185.0
FII	-14.6	-19.2	0.0	0.0	0.5	-33.3
Other State	-5.4	-0.1	0.0	0.0	0.1	-5.4
TOTAL	**-120.7**	**-193.0**	**-12.4**	**1.0**	**6.6**	**-318.5**

Note 22 - Change in equity

(in €m)	31/12/2022	Allocation of income 2022	Other movements	31/12/2023
Subscribed capital	5,440.0	0.0	0.0	5,440.0
Issue premiums	15,462.0	0.0	0.0	15,462.0
Merger premiums	212.0	0.0	0.0	212.0
Legal reserve	96.2	27.7	0.0	123.9
Other reserves	164.6	0.0	0.0	164.6
Regulated provisions, investment grants	110.3	0.0	52.4 [1]	162.7
Carry forward account	462.9	-1.8	0.0	461.1
Income for the financial year	554.8	-554.8	723.6	723.6
Dividend instalments	-122.1	122.1 [2]	-122.1	-122.1
TOTAL	**22,380.7**	**-406.8** [2]	**653.9**	**22,627.8**

[1] *Provision for derogatory depreciation of software.*

[2] *Distribution of the final dividend of €0.60 per share, after payment during the 2022 financial year of an interim dividend of €0.18 per share.*

The share capital consists of 680 million registered ordinary shares, with a nominal value of 8 euros, fully paid-up.

The majority of the capital must remain the property of the State, of a State public institution, of a public body or of a public undertaking.

Note 23 - Countervalue of foreign currency transactions in euro

(in €m)	31/12/2023	31/12/2022
Assets	0.5	0.5
Liabilities	715.2	344.1

These net balance sheet positions are covered by off-balance sheet transactions.

Note 24 - Cash flow statement for impairments and provisions

(en M€)	Depreciation and provisions as at 31/12/22	Allocation for depreciation and provisions	Reversal of depreciation and provisions available	Reversal of depreciation and provisions used [1]	Other changes [2]	Depreciation and provisions as at 31/12/23	Receivables irrecoverable not covered by provisions	Recovery on receivables amortised	IMPACT ON INCOME [3]
Impairments and provisions for bad debts and credit risks	**1,079.8**	**250.9**	**233.0**	**41.1**	**0.3**	**1,056.3**	**8.9**	**3.4**	**-23.4**
• Impairment for doubtful loans	574.8	216.3	99.8	41.1	0.3	649.9	8.9	3.4	-122.0
• Interbank Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Customer credits	574.8	216.3	99.8	41.1	0.3	649.9	8.9	3.4	-122.0
• Securities and other transactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Collective provision for credit risks [4]	501.8	34.4	130.4	0.0	0.0	405.8	0.0	0.0	96.0
• Other provisions	3.2	0.2	2.8	0.0	0.0	0.6	0.0	0.0	2.6
Other operating provisions	**211.4**	**41.9**	**41.8**	**6.0**	**0.0**	**205.5**			
General banking risk fund	**235.2**	**0.0**	**0.0**	**0.0**	**0.0**	**235.2**			

[1] *The recoveries correspond to passages in losses*

[2] *Changes in scope, foreign exchange and reclassifications of provisions*

[3] *-/+ Net allocations or takeovers*

- Unrecoverable receivables

+ Recoveries on amortised receivables

[4] *On 31 December 2023, Bpifrance cancelled out the effect of inflation in the update to the parameters of its model, as the correlation observed between the inflation rate and the default rate was negative. Sector-based adjustments were also made for businesses in the fields of industry, energy, transport and construction, due to the inflationary shock. Finally, Bpifrance recognised adjustments for innovative businesses in order to take account of their difficulties in raising funds, for PGE recipient businesses in order to take account of ability to repay their debt, and for loans secured by immovable assets in order to take account of the uncertainty surrounding the valuation of commercial immovable property and the risk borne by a delay to commencing the energy transition.*

Note 25 - Off-balance sheet commitments

25.1. Commitments given

(in €K)	31/12/2023	31/12/2022
AFT (Agence France Trésor)		
Creation of SMEs and VSBs	896,590	1,427,379
Transmission of SMEs and VSBs	410,296	687,024
Strengthening the financial structure of SMEs and VSBs	46,086	89,982
Innovation of SMEs and VSBs	190,237	175,619
Specific short-term financing for SMEs and VSBs	228,958	225,891
Strengthening Financial Position SME - Mid-cap	1,839	2,581
Over-collateralisation Strengthening Financial Position SME - Mid-cap	51	123
Lines of Credit Confirmed VSB - Mid-cap	0	39
Over-collateralisation Lines of Credit Confirmed VSB - Mid-cap	0	0
FGKP	468,850	675,696
FASEP	116,480	103,379
Equity guarantee (excluding ERDF IF)	15,008	18,039
Crowdfunding seed loan	40	40
Guarantees on innovative projects	0	0
Guaranteed biotechnology	3,636	6,496
Structured Finance	8,150	10,311
PPMTR	7	0
Sustainable Development Innovation	182	419
CICE Pre-financing	0	0
Development of SMEs and VSBs	18	56
Strengthening of the Livestock Sector's Financial position	13,959	17,304
Agricultural methanization loan	560,934	744,934
CREAT K/K 2019	162,383	210,123
DEV K/K 2019	570,543	748,786
TRANS K/K 2019	89,198	81,634
RENF TRESO K/K	0	0
INTER DEV K/K	6,987	10,828
CREA CG	1,376,704	1,295,529
CREA EX NI	327,035	275,695
TRANS CG	131,078	105,709
DEV CG	251,806	222,516
RT CG	71,454	56,402
SUB-TOTAL	**5,948,509**	**7,192,534**

(in €K)	31/12/2023	31/12/2022
PIC SME	0	0
National Over-collateralisation Fund SFP VSB-SME Coronavirus	3,332	6,134
National Over-collateralisation Fund SFP Mid-cap Coronavirus	5,771	7,365
National Over-collateralisation Fund LCC VSB-SME Coronavirus	0	5
National Over-collateralisation Fund LCC Mid-cap Coronavirus	2,025	0
National Guarantee Fund SFP VSB-SME Coronavirus	876	1,543
National Guarantee Fund SFP Mid-cap Coronavirus	713	995
National Guarantee Fund LCC VSB-SME Coronavirus	0	0
National Guarantee Fund LCC Mid-cap Coronavirus	0	0
SME ASSET GUARANTEE	0	0
MID-CAP ASSET GUARANTEE	0	0
SFP AUTOMOTIVE	0	0
GREEN LOAN ADEME BPIFRANCE	0	0
LOAN MECHANISATION INJECTION	0	0
DIGITAL France	421	321
ENERGY-SAVING LOAN (FDS ESL)	0	0
GREEN LOAN 4	-608	-608
GROWTH RECOVERY LOAN	360	0
PARTICIPATORY DEVELOPMENT CONTRACT	-834	378
LOAN ON TRUST RECOVERY	49,877	31,652
DEVELOPMENT RECOVERY	803,577	552,430
INTERNATIONAL DEVELOPMENT RECOVERY	25,595	20,199
Creation Standard Recovery Case by Case	1,301,317	815,236
Creation Standard Recovery Contract	617,943	291,892
Transmission Recovery	1,138,060	650,761
Transmission Recovery Contract	79,155	44,599
Creation Ex-Nihilo Recovery Contract	472,400	383,246
SUB-TOTAL	**4,499,980**	**2,806,148**

(in €K)	31/12/2023	31/12/2022
GUARANTEE OF EQUITY RECOVERY	80,037	48,235
GREEN GUARANTEE	23,335	12,684
Creation Ex-Nihilo Recovery, Case by Case	61,749	34,593
RENEWABLE ELECTRICITY	7,933	0
Industry RHB	0	0
NEW INDUSTRY LOAN	0	0
CDC (CAISSE DES DÉPÔTS ET CONSIGNATIONS)		
France Investment Guarantee	59,153	87,424
Tourism loans	0	0
OTHER FUNDS		
Equity guarantee (ERDF IDF)	0	0
UIMM	0	0
Other management	2,471,580	2,334,622
OVERSEAS DEPARTMENT		
Overseas Department	9,650	14,044
GUARANTEE FUND HEALTHY COMMITMENTS	**13,161,926**	**12,530,284**
GUARANTEE FUND DOUBTFUL COMMITMENTS	**1,855,431**	**1,672,825**
TOTAL GUARANTEE FUNDS COMMITMENTS	**15,017,357**	**14,203,109**

Guarantee commitments record guarantees for the repayment of loans distributed by credit institutions. They are mainly backed by guarantee funds. The amount of guarantees given to Bpifrance loans is €7,369m.

Moreover, guarantee agreements are not yet implemented at 31 December 2022 for an amount of €424.6m.

25.2. Commitments received

Within the financing commitments received from credit institutions, €14,461.5m came from commitments received on securities sold under repurchase agreements.

Note 26 - Foreign currency transactions and forward financial instruments

(in €m)	31/12/2023								31/12/2022	
	Coverage				Position management (*)		TOTAL		TOTAL	
	Micro		Macro							
	Nominal	Market value	Nominal	Market value	Nominal	Market value	Nominal	Market value	Nominal	Market value
Over-the-counter transactions										
• **Currency swap contracts**	689.6	10.6	0.0	0.0	0.0	0.0	689.6	10.6	354.7	-2.3
• **Rate swap contracts**	0.0	0.0	75,956.9	-390.2	0.0	0.0	75,956.9	-390.2	65,682.5	497.8
• **Ceiling and floor rate contracts**	0.0	0.0	1,675.0	-10.7	0.0	0.0	1,675.0	-10.7	1,705.0	-7.6
Transactions carried out on markets organised										
• **Rate contracts sold firm**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• **Rate contracts bought firm**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**689.6**	**10.6**	**77,631.9**	**-400.9**	**0.0**	**0.0**	**78,321.5**	**-390.3**	**67,742.2**	**487.9**

(*) Isolated open investments.

No provision is made for counterparty risk on forward financial instruments.

Breakdown by residual maturity as at 31 December 2023

(in €m)	D ≤1 year	1 year < D ≤5 years	D > 5 years
Over-the-counter transactions	24,230.6	35,377.8	18,713.1
Operations performed on organised markets	0.0	0.0	0.0

The notional sum of the contracts inventoried above only provides an indication of the volume of activity; the counterparty risk attached to the financial futures used by Bpifrance is estimated using the SA-CCR methodology used for calculating European prudential ratios. In this regard, it takes account of the effect of the netting contracts in force on this date, as well as the guarantees received. It is broken down as follows:

(in €m)	31/12/2023	31/12/2022
Positive replacement cost (1)	114.1	134.4
Potential future exposure (2)	18.4	13.9
Total Exposure = 1,4 x ((1) + (2))	**185.5**	**207.6**
EQUIVALENT WEIGHTED CREDIT RISK	**6.6**	**5.6**

Note 27 - Interest and related income

(in €m)	31/12/2023	31/12/2022
Operations with credit institutions	339.3	145.0
Customer operations [1]	1,258.4	846.7
• *Current accounts receivable*	*2.9*	*0.1*
• *Export credits*	*32.7*	*9.9*
• *Cash appropriations*	*75.9*	*34.7*
• *Medium and long-term loans*	*697.4*	*408.3*
• *Miscellaneous credits and subordinated receivables*	*341.9*	*287.6*
• *Off-balance sheet operations*	*110.2*	*105.6*
• *Various*	*-2.6*	*0.5*
Bonds and other fixed-income securities	257.2	203.4
Net income from macro-hedging transactions	89.9	57.6
TOTAL [2]	**1,944.8**	**1,252.7**
[1] Including recovery of impairment for bad debts as a result of the passage of time (see Note 1.2)	*0.3*	*0.4*
[2] Including negative interest on debts and issues of securities	*0.5*	*108.3*

Note 28 - Interest and related expenses

(in €m)	31/12/2023	31/12/2022
Operations with credit institutions	-646.2	-59.9
Customer transactions	-139.9	-129.3
Bonds and other fixed-income securities	-669.7	-348.0
• *Bonds*	*-491.5*	*-329.7*
• *Negotiable debt securities*	*-178.2*	*-18.3*
Other interest and similar charges	-0.2	-0.2
Net expense on macro-hedging transactions	-6.0	-4.4
TOTAL (*)	**-1,462.0**	**-541.8**
(*) Including negative interest on receivables and securities portfolios	*0.0*	*-3.3*

Note 29 - Income on leasing and operating leasing transactions

(in €m)	31/12/2023	31/12/2022
Rent	1,279.0	1,177.7
Other products	91.0	83.8
Capital gains	43.3	42.3
Cost of risk	-11.0	-28.1
TOTAL	**1,402.3**	**1,275.7**

Note 30 - Expenses on leasing and operating leasing transactions

(in €m)	31/12/2023	31/12/2022
Depreciation	-897.8	-1,025.2
Allocations for special provisions	-149.0	-151.4
Capital losses	-30.1	-31.8
Other expenses	-85.0	-79.7
TOTAL	**-1,161.9**	**-1,288.1**

Note 31 - Income of variable income securities

(in €m)	31/12/2023	31/12/2023
Shares	0.2	0.2
Other securities held long-term	0.0	1.2
Shares in related companies (*)	691.5	568.8
TOTAL	**691.7**	**570.2**

(*) of which:

- *Bpifrance Shareholding Dividends: €572m (€475.3m as at 31 December 2022)*
- *Excess Spread of self-retained securitisations 1 and 2: €111.3m (€86.9m as at 31 December 2022)*

Note 32 - Commissions

(in €m)	31/12/2023	31/12/2022
Products		
Commissions on customer transactions	27.3	19.2
Commissions on the provision of financial services	0.1	0.0
TOTAL	**27.4**	**19.2**
Expenses		
Commissions on customer transactions	-0.4	-0.2
Expenses on securities transactions	-2.6	-1.6
TOTAL	**-3.0**	**-1.8**

Note 33 - Gains or losses on trading book transactions

(in €m)	31/12/2023	31/12/2022
Balance of transactions in securities trading	0.0	0.0
Balance of foreign exchange and similar financial instruments	0.2	2.3
Balance of other forward financial instrument transactions	3.8	-35.2
TOTAL	**4.0**	**-32.9**

Note 34 - Gains or losses on market investment portfolio and similar transactions

(in €m)	31/12/2023	31/12/2022
Net impairment charges or recoveries	0.3	-1.4
Capital losses on disposal	-34.9	-31.7
Capital gains from disposal	0.0	0.3
TOTAL	**-34.6**	**-32.8**

Note 35 - Other banking operating results

(in €m)	31/12/2023	31/12/2022
Products invoiced to Group companies	45.6	35.4
Other chargebacks	1.7	1.7
Use of partner financing resources supporting innovation	-0.7	2.0
Accessory product insurance	36.0	16.3
SGL commissions	5.6	0.0
Recovery of available provisions	9.6	0.0
Share of investment grants	1.2	1.3
Miscellaneous products related to innovative activity	42.9	52.3
Other products	17.2	25.6
TOTAL	**159.1**	**134.6**

Note 36 - Other banking operating expenses

(in €m)	31/12/2023	31/12/2022
Depreciation and amortisation for intangible assets and tangible assets excluding operations	0.0	0.0
Entrepreneurship and Region activity grants	-17.2	-17.3
Allocations to provisions for miscellaneous banking operation risks	-31.7	-43.6
Handover of Management grant proceeds Regional Directorate for Industry, Research and the Environment	-0.8	-1.0
Other expenses	-9.1	-9.0
TOTAL	**-58.8**	**-70.9**

Note 37 - General operating expenses

(in €m)	31/12/2023	31/12/2022
Staff costs		
• Wages and salaries	-199.1	-177.8
• Fixed contribution benefit costs	-23.3	-21.3
• Defined benefit program costs	-2.9	5.4
• Other social services	-70.7	-65.0
• Incentive schemes and profit sharing	-22.7	-20.2
• Tax burden	-26.2	-20.8
• Allocation/reversal provisions for commitments to staff	-3.1	-2.4
SUB-TOTAL	**-348.0**	**-302.1**
Taxes and duties	**-17.9**	**-21.3**
Other administrative costs	**-269.9**	**-213.1**
TOTAL	**-635.8**	**-536.5**

37.1. Breakdown of the fair value of assets covering retirement commitments

(in %)	31/12/2023	31/12/2022
UCITS		
Bond	78%	76%
Shares	15%	17%
Monetary	3%	3%
Other	4%	4%
TOTAL	**100%**	**100%**

37.2. Change in post-employment benefit obligations

(in €m)	Retirement lump sum benefits			Costs of healthcare	Long-service award	TOTAL 31/12/2023		
	Commitments regarding defined benefits	Plan assets	Net Liabilities (Assets)	Commitments regarding defined benefits	Commitments on other long-term benefits	Commitments	Plan assets	Net Liabilities (Assets)
Opening balance	**22.1**	**28.2**	**-6.1**	**1.1**	**1.3**	**24.6**	**28.2**	**-3.7**
• Cost of services rendered during the period	1.4	0.0	1.4	0.0	0.3	1.7	0.0	1.7
• Interest on defined-benefit liabilities/assets	0.6	0.8	-0.2	0.0	0.0	0.7	0.8	-0.2
• Cost of past services (*)	0.1	0.0	0.1	0.0	0.0	0.1	0.0	0.1
• Effect of changes in the exchange rate of foreign currencies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Contribution to the employer's plan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Contribution to the plan of the participant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Profit or loss result of liquidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Paid benefits	-3.0	-3.0	0.0	-0.1	-0.1	-3.2	-3.0	-0.2
• Actuarial deviations	0.5	-1.1	1.6	-0.0	-0.2	0.3	-1.1	1.4
• including actuarial differences of the period related to the experience	*0.7*	*0.0*	*0.7*	*-0.0*	*-0.1*	*0.6*	*0.0*	*0.6*
• including actuarial differences on adjustments related to demographic assumptions	*-0.2*	*0.0*	*-0.2*	*0.0*	*-0.0*	*-0.2*	*0.0*	*-0.2*
• including actuarial differences on adjustments to financial assumptions	*0.0*	*-1.1*	*1.1*	*-0.0*	*-0.0*	*-0.0*	*-1.1*	*1.1*
CLOSING BALANCE	**21.7**	**24.9**	**-3.2**	**1.0**	**1.4**	**24.1**	**24.9**	**-0.8**

(*) Impact of the French pension reform adopted in 2023.

(in €m)	Retirement lump sum benefits			Costs of healthcare	Long-service award	TOTAL 31/12/2022		
	Commitments regarding defined benefits	Plan assets	Net Liabilities (Assets)	Commitments regarding defined benefits	Commitments on other long-term benefits	Commitments	Plan assets	Net Liabilities (Assets)
Opening balance	**29.2**	**29.9**	**-0.7**	**1.4**	**1.3**	**31.9**	**29.9**	**2.1**
• Cost of services rendered during the period	2.2	0.0	2.2	0.0	0.3	2.4	0.0	2.4
• Interest on defined-benefit liabilities/assets	0.2	0.2	-0.0	0.0	0.0	0.2	0.2	0.0
• Cost of past services (*)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Effect of changes in the exchange rate of foreign currencies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Contribution to the employer's plan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Contribution to the plan of the participant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Profit or loss result of liquidation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
• Paid benefits	-2.8	-2.8	0.0	-0.1	-0.0	-2.9	-2.8	-0.2
• Actuarial deviations	-6.6	0.9	-7.5	-0.2	-0.3	-7.1	0.9	-8.0
• including actuarial differences of the period related to the experience	*0.7*	*0.0*	*0.7*	*-0.0*	*-0.1*	*0.5*	*0.0*	*0.5*
• including actuarial differences on adjustments related to demographic assumptions	*-0.3*	*0.0*	*-0.3*	*0.0*	*0.0*	*-0.3*	*0.0*	*-0.3*
• including actuarial differences on adjustments to financial assumptions	*-7.0*	*0.9*	*-7.9*	*-0.2*	*-0.1*	*-7.3*	*0.9*	*-8.2*
CLOSING BALANCE	**22.1**	**28.2**	**-6.1**	**1.1**	**1.3**	**24.6**	**28.2**	**-3.7**

Note 38 - Risk cost

	31/12/2023			
(in €m)	Reduction to assets	Collective provision	Other liabilities	TOTAL
Net allocations or reversals of provisions and impairments	-116.5	96.0	2.6	-17.9
Unrealised losses	-8.9	0.0	0.0	-8.9
Recoveries on amortised receivables	3.4	0.0	0.0	3.4
BALANCE	**-122.0**	**96.0**	**2.6**	**-23.4**

	31/12/2022			
(in €m)	Reduction to assets	Collective provision	Other liabilities	TOTAL
Net allocations or reversals of provisions and impairments	-124.3	33.1	-2.5	-93.7
Unrealised losses	-5.5	0.0	0.0	-5.5
Recoveries on amortised receivables	8.6	0.0	0.0	8.6
BALANCE	**-121.2**	**33.1**	**-2.5**	**-90.6**

Note 39 - Gains or losses on fixed assets

	31/12/2023				31/12/2022
(in €m)	Investment securities	Tangible and intangible fixed assets for operations	Shares and other long-term and holding securities Shares in affiliates	TOTAL	TOTAL
Impairment allocations	0.0	0.0	0.0	0.0	-4.3
Recoveries of impairments	2.0	0.0	0.0	2.0	2.0
Capital losses on disposal	0.0	-0.3	0.0	-0.3	-0.5
Capital gains from disposal	0.0	0.0	0.0	0.0	2.1
BALANCE	**2.0**	**-0.3**	**0.0**	**1.7**	**-0.7**

Note 40 - Transition between income statement and non-operating revenues and expenses

	31/12/2023		
(in €m)	Finance lease and property lease	Finance lease and equipment	TOTAL
Accounting depreciation and amortisation	-331.3	-566.5	-897.8
Accounting gains/losses	5.1	8.2	13.3
TOTAL	**-326.2**	**-558.3**	**-884.5**
Financial depreciation and amortisation	-333.2	-609.6	-942.8
Financial gains/losses	5.1	0.7	5.8
Financial impairment on assets	0.0	-1.0	-1.0
TOTAL	**-328.1**	**-609.9**	**-938.0**
Change in the latent reserve	-1.9	-51.6	-53.5

Note 41 - Main interim financial management balances

(in €m)	31/12/2023	31/12/2022
NET BANKING INCOME	**1,465.8**	**1,418.5**
General operating expenses	-635.8	-536.5
Depreciation and amortisation expense on intangible and tangible fixed assets	-59.2	-47.8
GROSS OPERATING INCOME	**770.8**	**834.2**
Cost of risk	-33.7	-121.4
OPERATING RESULT	**737.1**	**712.8**
Gains or losses on fixed assets	1.7	-0.7
CURRENT INCOME BEFORE TAX	**738.8**	**712.1**
Outstanding income	0.0	0.0
Income Tax	-16.4	-44.9
Allocations/takeovers of FRBG and regulatory provisions	-52.3	-8.8
NET INCOME	**670.1**	**658.4**

Note 42 - Tax situation

Corporate tax is accounted for using the tax payable method.

The tax result for the financial year 2023 (provisional) at the standard rate is €108.5m, taking into account the following main net additions or deductions:

(in €m)	
Accounting profit before tax for the financial year	**765.9**
Dividends	-551.3
Spread for subsidised loans	-30.6
Net charge to/write-back of collective provision	-96.0
File and instruction fees to be displayed	0.6
Taxes and other non-deductible contributions	30.9
Entrepreneurship and Region activity grant	17.2
Provision for tax	-26.0
Other provisions	-2.2
TAXABLE INCOME	**108.5**

The tax result at the standard rate of 25.83% generates a tax expense of €28m after charging tax credits.

No tax charge is recorded for the tax result at the reduced rate of 15%.

Note 43 - Sectoral information

Bpifrance's main activities are the following:

- long and medium-term loans: these are long and medium-term financing in the form of direct loans, equipment and property leasing and financial leasing; they also include innovation loans,
- short-term financing includes the financing of public debt in mainland France and French overseas territories, either directly or by entering into agreements,
- guarantee interventions cover banks and equity providers from the risk of default of the beneficiaries of financing,
- innovation financing aid in the form of repayable advances or grants,

In the "other" section, the main items are equity income and, to a lesser extent, market equity income and re-invoicing.

(in €m)	31/12/2023		31/12/2022	
Activity	**GDP financial**	**Average outstanding amount**	**GDP financial**	**Average outstanding amount**
Long- and medium-term loans	548.2	45,026.1	655.1	44,147.0
• *including leasing*	*82.9*	*6,121.6*	*73.0*	*6,049.8*
Short-term financing	81.4	1,583.8	69.9	2,175.2
Guarantee	160.1	18,915.9	126.3	18,099.6
• *including commissions*	*129.2*		*119.2*	
• *including financial products*	*16.3*		*4.8*	
Innovation	52.3		61.3	
Other	623.8		505.9	
• *of which dividends received*	*579.9*		*482.0*	

Guarantee:

Change in the method for calculating average outstanding amounts. Since 2019, the average outstanding amount is calculated monthly, as compared with quarterly prior to this date.

In 2018, early repayment penalties were classified under commissions.

Other: As a result of the merger, the net banking income of the Creation business line, as well as the dividends received are now classified under the Other category.

Note 44 - Activities on behalf of third parties

Transactions managed by Bpifrance (agent) on behalf of third parties (principal) are not included in the bank's balance sheet.

	31/12/2023							
	Assets				Liabilities			Off balance sheet
(in €m)	Receivables	Principal	Cash	Total	Debts	Principal	Total	
Financing activity								
ARI (*)	40.1	0	0	40.1	0	40.1	40.1	17.1
Debt funds	25.2	0	0	25.2	0	25.2	25.2	0
FDES PBAR	237.1	0	25.7	262.8	0	262.8	262.8	0
Guarantee *activity*								
PGE	27.5	0	0	27.5	0	27.5	27.5	54,457.8
OVERSEAS DEPARTMENT MANAGED FUNDS	0	0	0	0	0	0	0	0
Camulor	0	0	0.2	0.2	0	0.2	0.2	0
FGRU (*)	0	0	4.3	4.3	0	4.3	4.3	0
Student loans	0	0	66.4	66.4	0	66.4	66.4	554.6
FCS	0	0	110.6	110.6	0	110.6	110.6	106.4
Innovation aid activity								
Prospecting Insurance	522.7	0	0	522.7	15.4	507.3	522.7	243.4
ATOUT	0	0	42.7	42.7	0	42.7	42.7	0
FUI	0.2	0	33.5	33.7	10.6	23.1	33.7	0.6
PSPC	233.5	0	66.4	299.9	159.3	140.6	299.9	116.6
FIS	3.5	0	5	8.5	5.3	3.2	8.5	4.7
FSN	51.9	0	92.4	144.3	13.9	130.4	144.3	2.6
PIAVE	56.6	0	49.1	105.7	9.9	95.8	105.7	13.5
PSIM	18.7	0	19.5	38.2	1.5	36.7	38.2	1.4
FGI INNOVATION COMPETITION PIA3	55.9	0	18.7	74.6	24.9	49.7	74.6	14
FNI-PRI	5.3	0	16.4	21.7	0.6	21.1	21.7	0.5
French Tech	0	0	0.3	0.3	0	0.3	0.3	0
French Tech Springboard	0.5	0	1.6	2.1	1.6	0.5	2.1	0
PIAVE DEMONSTRATORS LEAD	153.4	445.4	9.4	608.2	608.2	0	608.2	332.1
PIAVE DEPLOYMENT LEAD	233.6	1,400.4	40	1,674.0	1,674.0	0	1,674.0	378.7
PIAVE MATURATION LEAD	24	13.2	147.6	184.8	184.8	0	184.8	586.1
PIA4 FR2030 INDUST	27.2	511.8	376.7	915.7	915.7	0	915.7	2,817.6
PIA4 REGIONALISE	12.5	0	26.3	38.8	28.2	10.6	38.8	33.7
PIAVE STRUCTURAL	59	351.8	24.5	435.3	435.3	0	435.3	279.1
FGI SST PIA 3	108.9	0	18.2	127.1	95.7	31.4	127.1	79.4
SIA	0	3.6	3.3	6.9	6.9	0	6.9	0
BATTERIES PLAN	0	0	0	0	0	0	0	0
DEEP TECH GPT	3.1	0	2.2	5.3	2.9	2.4	5.3	0.7
KEY GPT CHALLENGES	0	18.7	12.6	31.3	31.3	0	31.3	2.2
IPCEI H2	0	846.1	49.4	895.5	895.5	0	895.5	0
INDUSTRIAL INVESTMENT FUND	2.2	638.4	82.6	723.2	723.2	0	723.2	16
FRENCH TECH SPRINGBOARD STOCK EXCHANGE	0	0	0	0	0	0	0	1.6
AII DEEPTECH 2	0	0	19.6	19.6	0.3	19.3	19.6	0
ENTREPRENEURSHIP	0	0	35.6	35.6	31.2	4.4	35.6	14.4
FRI GPT	53.9	0	139.2	193.1	47.1	146	193.1	35.5
TOTAL	**1,956.5**	**4,229.4**	**1,540.0**	**7,725.9**	**5,923.3**	**1,802.6**	**7,725.9**	**60,110.3**

(*) ARI: Aid for re-industrialisation

FDES PBAR: Economic and Social Development Fund - Budgetary Planning and Resource Allocation (Fonds de Développement Economique et Social - programmation budgétaire et d'affectation des ressources)

PGE: Loan Guaranteed by the State (Prêt Garanti par l'Etat)

FCS: Social cohesion fund (Fonds de cohésion social)

FGRU: Guarantee Fund for Urban Renewal (Fonds de Garantie pour le Renouvellement Urbain)

FSN: National Fund for Digital Society (Fonds national pour la Société Numérique)

PSIM: Major Innovation Support Program (Programme de Soutien à l'Innovation Majeure)

PSPC: Project for research and development in Structuring Competitiveness Clusters (Projet de recherche et de développement Structurants des Pôles de Compétitivité)

FUI: Single Interministry Fund (Fonds Unique Interministériel)

FNI-PRI: National Innovation Fund - Regional Partnerships for the Future (Fonds national d'innovation - Partenariats régionaux d'avenir)

PIAVE: Industrial Projects of the Future (Projets Industriels d'Avenir)

SST PIA 3: Sector Support and Transformation - Investing in the Future Programme 3 (Accompagnement et Transformation des Filières- Programme Investissement d'Avenir 3)

SIA: Satt Incubators and Accelerators

PIA 4: 4th Investing in the Future Program

(in €m)	31/12/2022							
	Assets				Liabilities			Off balance sheet
	Receivables	Principal	Cash	Total	Debts	Principal	Total	
Financing activity								
ARI (*)	58.3	0.0	0.0	0.0	0.0	58.3	0.0	0.0
Debt funds	41.2	0.0	0.0	0.0	0.0	41.2	0.0	0.0
FDES PBAR	241.0	0.0	50.8	291.8	0.0	291.8	291.8	0.0
Guarantee activity								
PGE	0.0	0.0	305.1	305.1	0.0	305.1	305.1	82,253.1
OVERSEAS DEPARTMENT MANAGED FUNDS	0.0	0.0	63.5	63.5	0.0	63.5	63.5	0.0
Camulor	0.0	0.0	0.2	0.2	0.0	0.2	0.2	0.0
FGRU (*)	0.0	0.0	4.4	4.4	0.0	4.4	4.4	0.0
Student loans	0.0	0.0	53.2	53.2	0.0	53.2	53.2	418.6
FCS	0.0	0.0	111.8	111.8	0.0	111.8	111.8	95.1
Innovation aid activity								
Prospecting Insurance	441.0	0.0	-9.0	432.0	0.0	432.0	432.0	270.0
ATOUT	0.0	0.0	43.0	43.0	0.0	43.0	43.0	0.0
FUI	0.0	0.0	38.0	38.0	20.0	18.0	38.0	1.0
PSPC	227.0	0.0	57.0	284.0	215.0	69.0	284.0	176.0
FIS	3.0	0.0	5.0	8.0	8.0	0.0	8.0	6.0
FSN	68.0	0.0	79.0	147.0	28.0	119.0	147.0	9.0
PIAVE	67.0	0.0	40.0	107.0	14.0	93.0	107.0	19.0
PSIM	25.0	0.0	14.0	39.0	2.0	37.0	39.0	2.0
FGI INNOVATION COMPETITION PIA3	60.0	0.0	10.0	70.0	42.0	28.0	70.0	23.0
FNI-PRI	8.0	0.0	14.0	22.0	1.0	21.0	22.0	1.0
French Tech	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
French Tech Springboard	0.0	4.0	0.0	4.0	4.0	0.0	4.0	0.0
IPCEI H2	0.0	776.0	69.0	845.0	845.0	0.0	845.0	190.0
PIAVE DEMONSTRATORS LEAD	60.0	227.0	63.0	350.0	350.0	0.0	350.0	336.0
PIAVE DEPLOYMENT LEAD	162.0		11.0	173.0	155.0	18.0	173.0	267.0
PIAVE MATURATION LEAD	9.0	73.0	-4.0	78.0	78.0	0.0	78.0	90.0
PIA4 FR2030 INDUST	0.0	0.0	105.0	105.0	45.0	60.0	105.0	94.0
PIA4 REGIONALISE	3.0	0.0	42.0	45.0	5.0	40.0	45.0	8.0
PIAVE STRUCTURAL	19.0	237.0	17.0	273.0	273.0	0.0	273.0	148.0
FGI SST PIA 3	88.0	0.0	286.0	374.0	360.0	14.0	374.0	108.0
SIA	0.0	9.0	1.0	10.0	10.0	0.0	10.0	0.0
BATTERIES PLAN	0.0	0.0	73.0	73.0	73.0	0.0	73.0	0.0
DEEP TECH GPT	3.0	0.0	4.0	7.0	6.0	1.0	7.0	2.0
KEY GPT CHALLENGES	0.0	22.0	9.0	31.0	31.0	0.0	31.0	5.0
INDUSTRIAL INVESTMENT FUND	0.0	851.0	132.0	983.0	983.0	0.0	983.0	58.0
ENTREPRENEURSHIP	0.0	0.0	60.0	60.0	34.0	26.0	60.0	8.0
FRI GPT	50.0	0.0	126.0	176.0	34.0	142.0	176.0	25.0
TOTAL	**1,633.5**	**2,199.0**	**1,874.0**	**5,607.0**	**3,616.0**	**2,090.5**	**5,607.0**	**84,612.9**

(*) ARI: Aid for re-industrialisation *35,5*

FDES PBAR: Economic and Social Development Fund - Budgetary Planning and Resource Allocation (Fonds de Développement Economique et Social - programmation budgétaire et d'affectation des ressources) *62 597,1*

PGE: Loan Guaranteed by the State (Prêt Garanti par l'Etat)

FCS: Social cohesion fund (Fonds de cohésion social)

FGRU: Guarantee Fund for Urban Renewal (Fonds de Garantie pour le Renouvellement Urbain)

FSN: National Fund for Digital Society (Fonds national pour la Société Numérique)

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SST PIA 3: Sector Support and Transformation - Investing in the Future Programme 3 (Accompagnement et Transformation des Filières- Programme Investissement d'Avenir 3)

SIA: Satt Incubators and Accelerators

PIA 4: 4th Investing in the Future Program

Note 45 - Headcount

The average headcount was 3,080.4 employees in 2023, of whom 90% were executives.

Note 46 - Remuneration allocated to members of administrative bodies

The remuneration for attendance paid to the managers and the remuneration paid to the chairmen of the business committees amounted to 182,000 euros.

7.4. REPORTS FROM THE STATUTORY AUDITORS

7.4.1. Report on the consolidated financial statements

Report of the statutory auditors on the consolidated financial statements

(Financial year ended 31 December 2023)

To the General Meeting
Bpifrance
27-31 avenue du Général Leclerc
94700 Maisons Alfort

Opinion

In compliance with the engagement entrusted to us by your general meeting, we have audited the consolidated financial statements of Bpifrance for the financial year ended 31 December 2023, as attached to this report.

We certify that the consolidated financial statements, in accordance with the IFRS standards adopted by the European Union, give a true and fair view as at the end of the financial year of the assets and liabilities and of the financial position of the Group, consisting of the legal entities included in the consolidation, and of the financial results of its operations for the year then ended.

The above opinion is consistent with the contents of our report to the Audit Committee.

Basis for the opinion

Audit guidelines

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained provides an adequate and appropriate basis for our opinion.

Our responsibilities pursuant to these standards are set out in the section in this report entitled "Responsibilities of the statutory auditors relating to the audit of the consolidated financial statements".

Independence

We conducted our audit, over the period from 1 January 2023 to the date on which our report was issued, in compliance with the independence rules provided for in the French Commercial Code and the Statutory Auditors' Code of Ethics, and, in particular, we did not provide any services prohibited by Article 5, paragraph 1, of EU regulation No. 537/2014.

Justification of our assessments - Key audit matters

In accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements for the financial year, as well as the responses provided by us with regard to these risks.

The assessments thus made are part of our audit of the consolidated financial statements taken as a whole, and have contributed to the opinion we expressed above. We do not provide an opinion on individual items in these consolidated financial statements.

Impairment and provisioning for credit risk

Risks identified:

Impairment and provisioning of performing and doubtful loans ("bucket 1", "bucket 2")):

As indicated in Notes 5.4 and 5.5 to the consolidated financial statements, Bpifrance recognises impairment and provisions for expected credit losses on performing and doubtful loans.

As indicated in Note 6.17 of the consolidated financial statements, impairment and provisions for expected credit risk with regard to performing and doubtful loans (on balance sheet and off-balance sheet) amounted to €512.1m as at 31 December 2023. The impairment and provisions are determined according to internal credit risk models (the probability of default, the level of losses in case of default, etc.) that take into account forecast macro-economic data.

Outstanding loans are initially classified as "bucket 1". If they have not experienced a significant increase in credit risk since their issue (SICR), they remain classified as "bucket 1" and their impairment and provisions are based on the expected 12-month credit losses. If there has been a significant increase in credit risk, the outstanding loans are transferred to "bucket 2" and their impairment and provisions are determined based on the expected losses at maturity.

In view of the inflationary context and the rise in interest rates, the methodology of Bpifrance's model for calculating expected losses required a certain number of adjustments as specified in Note 8.2.9.5.

We considered the assessment of expected credit risk to be a key audit matter as the resulting impairment and provisions are a material estimate, due to:

- the risk of material impact on the business' profits and losses.
- the complexity of determining the parameters and methods for calculating the impairment for "bucket 1" and "bucket 2" loans.
- the context of persistent uncertainty, marked by tensions over raw materials and energy, as well as the rise in interest rates and inflation.

Impairment and provisions of individual loans having a proven credit risk ("bucket 3"):

Bpifrance records impairment and provisions to cover credit losses resulting from the inability of its customers to meet their financial commitments. As indicated in Note 5.5 to the consolidated financial statements, management calculates the impairment of individual loans as the difference between the book value of the asset having a known credit risk and the present value of the future cash flows that they consider can be recovered by maturity of the loan after taking into account the triggering of guarantees and, where appropriate, the impact of the health crisis on these cash flows and the specific guarantees relating to economic support plans.

As indicated in Note 6.17 to the consolidated accounts, the impairment and provisions in relation to proven credit risk amounted to €784.5m as at 31 December 2023.

We considered the determination of impairment and provisions for proven credit risk to be a key audit matter because of:

- the relative importance of outstanding loans on the balance sheet and of commitments made to customers.
- the significant value of guarantees, the security given by guarantee funds and the valuation of recoverable cash flows.

Audit approach:

We noted the internal control systems put in place by the business to identify the relevant receivables and assess the amount of impairment and provisions to be recognised.

We also tested the design and operational effectiveness of the controls that we deemed to be key to these systems.

For the impairment and provisions of performing and doubtful loans, we undertook an analytical review of the available documentation to justify the methodology used and assess the criteria used by Bpifrance for identifying business areas which are considered more sensitive due to its environment to impacts from the present context. We also analytically reviewed the forecast economic parameters, including a review of the scenarios and of the governance framework for updating them.

For the estimated impairment and provisions of individual loans, our work consisted of:

- a review of the monitoring system for counterparties about whom there is doubt that they will meet their financial obligations or with whom there is a dispute;
- a review of the process for determining the impairment of files in default (including taking into account the valuation of guarantees);
- testing the automatic controls with regard to loan impairment and the calculation of the amount of impairment.

We also implemented the following substantive procedures:

- for the impairment of performing and doubtful loans, we assessed the reasonableness of the principal parameters used and their modelling, performed an independent calculation of the provision as at 31 December 2023 for a sample of loan books, carried out procedures on the adjustments (in the model and outside the model) made to the methods for calculating expected lending losses and we verified that these adjustments were properly documented and justified.
- for the impairment of individual loans, we verified, through the sampling of loan files, the adequacy of the impairment recognised with regard to the cash flow forecasts made by the business.

Valuation of equity-accounted investments

Risk identified:

Bpifrance holds investments over which it exercises significant influence. When preparing the consolidated financial statements of the Bpifrance group, these investments are accounted for using the equity method which consists in replacing the value of the securities with the group's share of the shareholders' equity and net profit or loss of the relevant companies. The profit and loss account reflects the group's share of the net profit or loss of the companies accounted for using the equity method.

As indicated in Note 3.3 to the consolidated financial statements, the value of the investments accounted for using the equity method is tested for impairment according to the provisions of IAS 36 relating to the impairment of assets. The value of such investments is tested where there is an objective indication of impairment resulting from one or more events occurring after the initial recognition of the investment and these events are likely to have an impact on the forecast future cash flows.

The book value of the investments accounted for on an equity basis is then compared with the recoverable value which is the higher of, on the one hand, the value-in-use generally calculated according to the discounted future cash flow method or multi-criteria methods, and on the other, the fair value less selling costs.

In view of the relative importance within the group balance sheet of the investments accounted for by means of the equity method and the significant element of judgement required to determine the values-in-use, we considered that the implementation of the impairment tests for investments accounted for under the equity method was a key audit matter.

As at 31 December 2023, investments accounted for under the equity method amounted to €4,170.6m – see Note 6.12 to the consolidated financial statements.

Audit approach:

Management has put in place a control system to identify objective impairment indicators and estimate recoverable values, in particular values-in-use of equity-accounted investments. We reviewed the current control system, and in particular:

- the identification of possible indications of impairment;
- the methods and models used by the group to assess recoverable amounts;
- documentation of analyses performed.

With the help of our valuation experts, we reviewed the main equity-consolidated holdings as at 31 December 2023 for:

- the approach adopted and the data used by the group (stock market valuation, recent performance or forecast profits, etc.) to assess whether there are objective indications of impairment and to estimate the value-in-use of the securities;
- the market parameters adopted to estimate the values-in-use (beta and market premium in particular);
- the valuation parameters (discount rates, long-term growth rates);
- valuation model calculations.

We also evaluated the information provided in the notes to the consolidated financial statements.

Fair value measurement using profits or shareholders' equity of financial assets classified as level 3 in the fair value hierarchy

Risk identified:

Bpifrance holds, through its investment division, a portfolio of unlisted investments, bonds convertible or redeemable for shares or UCITS units, recognised at the date of acquisition at the price negotiated.

In subsequent valuations, the fair value of these financial assets held directly or through investment funds is estimated by comparing it with any recent transactions in the share capital of these investments, undertaken with independent third parties under normal market conditions. Where no such comparisons are available, the fair value is determined (taking into account the uncertain economic environment), through commonly used techniques (EBIT or EBITDA multiples, discounted cash flows, etc.) or, in the case of units of funds managed by companies outside the group, on the basis of the group's share of the net assets calculated using the most recently available information.

We considered the determination of the fair value of unlisted investments to be a key audit matter as at 31 December 2023 due to:

- the risk of a significant impact on the group's financial results, in view of the item's importance within the consolidated financial statements;
- the significant amount of judgement required in determining the fair values and the use of unobservable data;
- the sensitivity of values-in-use to certain valuation parameters.

As at 31 December 2023, the value of financial assets classified as level 3 in the fair value hierarchy and recognized (see Note 6.20):

- with a fair value based on profits amounted to €7,244.5m
- with a fair value based on shareholders' equity amounted to €6,737.8m.

Audit approach

Management has set up a control system for the identification and operational monitoring of assets recorded at fair value on the basis of level 3 profits or shareholders' funds and for the measurement of their fair value.

We examined this system and tested, on the basis of samples, the design and operational efficiency of the principal key controls relating in particular to:

- The choice of fair value measurement approaches, in respect of unlisted equity, UCITS units or other assets recorded at fair value;
- The determination of market parameters (beta and market premium) or valuation parameters (expected contractual cash flows where applicable, discount rates, growth rates, EBIT or EBITDA multiples, etc.);
- The documentation of the analyses performed and the first and second-level controls of these analyses.

With the assistance of our valuation experts, we reviewed a selection of investment portfolio lines as at 31 December 2023 and carried out the following work:

- Review of the data used by the group and critical analysis of the valuation in the current economic context;
- Verification of the arithmetic of the valuation models;
- Examining evaluation parameters (discount rates, long-term growth rates, tax rates, sector multiples);
- Validation of the net asset values of the funds held.
- Examining the classification of assets in accordance with their value ranking.

We also reviewed the information provided in the notes to the consolidated financial statements.

Specific verification

We also performed, in accordance with the professional standards applicable in France, the specific verification required by law and regulation of the information provided with regard to the group in the management report of the Board of Directors.

We have no matters to report as to its accuracy or its consistency with the consolidated financial statements.

We certify that the consolidated statement of non-financial performance required by Article L.225-102-1 of the French Commercial Code is included in the group's management report, it being specified that, in accordance with the provisions of Article L.823-10 of that code, the information contained in that statement has not been verified by us as to its accuracy or consistency with the consolidated financial statements. This information should be reported on by an independent third party.

Other verifications or information required by law or regulation

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

We also verified that, in accordance with the professional standards applicable in France with regard to the procedures performed by the statutory auditor in respect of the annual and consolidated financial statements presented in the European single electronic format, the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2 of the French Monetary and Financial Code, whose preparation is the responsibility of the Chief Executive Officer, complies with European Delegated Regulation No. 2019/815 of 17 December 2018. As these are consolidated financial statements, our procedures include verification of the consistency of the tagging of these accounts with the format defined by the previously mentioned regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to inherent technical limitations in the macro-tagging of consolidated financial statements according to the European Single Electronic Format, it is possible that the content of certain tags in the notes may not be reproduced in an identical manner to the consolidated financial statements attached to this report.

Besides, we are not responsible for verifying that the consolidated financial statements that will actually be included by your company in the annual financial report filed with the AMF accord with those on which we carried out our work.

Appointment of the statutory auditors

We were appointed statutory auditors of Bpifrance by your General Meeting of 28 May 2009 in the case of KPMG Audit FS I, and that of 11 May 2022 in the case of PricewaterhouseCoopers Audit.

As at 31 December 2023, KPMG Audit FS I was in the 15th year without interruption of its term of office, and PricewaterhouseCoopers Audit in its 2nd year.

Responsibilities of management and those charged with governance in respect of the consolidated financial statements

Management is responsible for preparing consolidated financial statements that give a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures they deem necessary for the preparation of annual financial statements that are free of material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing in these financial statements, as applicable, required matters relating to going concern, and using the going concern basis of accounting, unless they expect to liquidate the company or cease trading.

The Audit Committee is responsible for overseeing the process of preparing financial information and for monitoring the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with regard to the procedures for the preparation and processing of accounting and financial information.

The annual financial statements were approved by the Board of Directors.

Responsibilities of the statutory auditors relating to the audit of the consolidated financial statements

Audit objective and process

It is our responsibility to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole are free of material misstatement. Reasonable assurance is a high level of comfort, but it is not, however, a guarantee that an audit conducted in accordance with professional standards will always detect every material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance as to the viability or quality of management of your company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit.

Furthermore:

- he/she identifies and assesses the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures in response to these risks, and gathers audit evidence considered to be adequate and appropriate to provide a basis for his/her opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the circumvention of internal controls;
- he/she obtains an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- he/she evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the consolidated financial statements;

- he/she assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists relating to events or circumstances that may cast doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence gathered up to the date of the audit report. However, subsequent events or circumstances may call into question the company's ability to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, he/she draws attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are irrelevant, issues a qualified opinion or declines to sign-off the accounts;
- he/she evaluates the overall presentation of the consolidated financial statements and assesses whether these statements give a true and fair view of the underlying business and events;
- with regard to the financial information in respect of the legal entities included within the consolidation scope, he/she obtains audit evidence considered adequate and appropriate to express an opinion on the consolidated financial statements. He/she is responsible for the management, supervision and carrying out of the audit of the consolidated financial statements and for the opinion expressed on those financial statements.

Report to the Audit Committee

We produce a report for the Audit Committee, setting out, in particular, the scope of the audit work and the program implemented, as well as the conclusions from our work. We also draw to its attention, if appropriate, significant weaknesses in internal control identified by us with regard to the procedures relating to the preparation and processing of accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatements that we consider to have been of most significance in the audit of the consolidated financial statements for the financial year and are therefore the key audit matters, which we are required to detail in this report.

We also provide the Audit Committee with the statement required by Article 6 of EU Regulation No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as specified in Articles L.821-27 to L.821-34 of the French Commercial Code and in the Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Paris La Défense, 25 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Clavié

KPMG AUDIT FS I SAS
Nicolas Bourhis

7.4.2. Report on the separate financial statements

Bpifrance
Head office: 27-31 avenue du Général Leclerc, 94700 Maisons-Alfort

Report of the statutory auditors on the annual financial statements

Financial year ended 31 December 2023

To the General Meeting of Bpifrance,

Opinion

In compliance with the engagement entrusted to us by your general meeting, we have audited the annual financial statements of Bpifrance S.A. for the financial year ended 31 December 2023, as attached to this report.

We certify that the annual financial statements, with respect to French accounting rules and principles, give a true and fair view of the assets and liabilities and of the financial position of the company as at the end of the financial year, and of the financial results of its operations for the year then ended.

The above opinion is consistent with the contents of our report to the Audit Committee.

Basis for the opinion

Audit guidelines

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained provides an adequate and appropriate basis for our opinion.

Our responsibilities pursuant to these standards are set out in the section in this report entitled "Responsibilities of the statutory auditors relating to the audit of the annual financial statements".

Independence

We conducted our audit over the period from 1 January 2023 to the date on which our report was issued in compliance with the independence rules provided for in the French Commercial Code and the Statutory Auditors' Code of Ethics and, in particular, we did not provide any services prohibited by Article 5, paragraph 1, of EU regulation No. 537/2014.

Justification of our assessments - Key audit matters

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the annual financial statements for the year, as well as the responses provided by us with regard to these risks.

The assessments thus made are part of our audit of the annual financial statements taken as a whole, and have contributed to the opinion we expressed above. We do not provide an opinion on individual items in the annual financial statements.

Impairment and provisioning for credit risk

Risk identified:

Bpifrance records impairment and makes provisions to cover the risk of losses resulting from the inability of its customers to meet their financial commitments. Impairment and provisions are estimated on an individual or collective basis, taking into account the value of the guarantees held. As indicated in Note 1.2 to the annual financial statements, management calculates the impairment on an individual basis as the difference between the book value of the asset having a known credit risk and the present value at the original interest rate of the contract of the future cash flows that they consider can be recovered taking into account the triggering of guarantees.

Collective provisions for healthy outstanding amounts are calculated by analysing the credit risk for a homogeneous set of receivables, identified using internal portfolio scores. Collective provisions for healthy outstanding amounts are estimated based on stochastic scenario simulations that associate each counterparty with a potential default date and a rate of loss in the event of default.

To take account of the economic climate, in particular characterised by an inflationary context, difficulties in raising funds for innovative businesses and also uncertainties around the valuation of commercial immovable property, the methodology of Bpifrance's model for calculating expected losses required a certain number of adjustments as specified in Note 24.

Assessing impairment and provisions requires that judgement be exercised to identify exposures (or groups of the same type of exposure) presenting a risk of non-recovery and to determine recoverable future cash flows and their recovery periods as at 31 December 2023.

As indicated in Note 24 to the annual financial statements, the impairment and provisions in relation to credit risk amounted to €1,056.3m as at 31 December 2023. We considered the determination of impairment and provisions in relation to receivables due to credit risk to be a key audit matter because of:

(i) Regarding the estimation of collective provisions on healthy loans:

- the risk of material impact on the business' profits or losses;
- the complexity of determining the parameters and methods for calculating provisions;
- the context of persistent uncertainty.

(ii) Regarding the estimation of impairment and provisions on an individual basis, due to:

- the relative importance of outstanding loans on the balance sheet and of commitments made to customers;
- the significant value of guarantees, the security given by guarantee funds and the valuation of recoverable cash flows.

Audit approach:

We noted the internal control systems put in place by the business in the context of the Covid-19 crisis to identify the relevant receivables and assess the amount of impairment and provisions to be recognised with respect to these outstanding loans.

We also tested the design and operational effectiveness of the controls that we deemed to be key to these systems.

For the provisions of performing and doubtful loans, we undertook an analytical review of the available documentation to justify the methodology used and assess the criteria used by Bpifrance for identifying business areas which are considered more sensitive due to its environment to impacts from the present context. We also analytically reviewed the forecast economic parameters, including a review of the scenarios and of the governance framework for updating them.

For the estimated impairment and provisions of individual loans, our work consisted of:

- A review of the monitoring system for counterparties about whom there is doubt that they will meet their financial obligations or with whom there is a dispute;
- A review of the process for determining impairment and provisions for a selection of files in default (including taking into account the valuation of guarantees);
- An evaluation of the automated controls for the downgrading of loans and the calculation of impairment and provision sums.

We also implemented the following substantive procedures:

- For collective provisions on healthy loans, we assessed the reasonableness of the principal parameters used and their modelling, performed an independent calculation of the provision as at 31 December 2023 for a sample of loan books, carried out procedures on the adjustments made to the methods for calculating expected lending losses and we verified that these adjustments were properly documented and justified;
- For impairments on an individual basis, we assessed, through the sampling of loan files, the adequacy of the impairment recognised with regard to the cash flow forecasts made by the business.

Valuation of shares in affiliated companies

Risk identified:

Shares held in affiliated companies of Bpifrance (primarily in Bpifrance Participations) are recorded at their initial acquisition cost and then valued at the end of the financial year at the lower of their cost or their value in use.

As indicated in Note 1.2 "Holdings, shares in affiliated companies" to the annual financial statements, the value in use can be determined using various approaches, considering the nature of the shareholding in affiliated companies, market value, net asset value, the prospects for the business of the issuing company, the prospects for realising the investment, and the economic situation.

We considered the valuation of shares in affiliated companies to be a key audit matter as at 31 December 2023 due to:

- the risk of a material impact on Bpifrance's financial results, in view of the significance of the item at the company level and the risk of a change in value of the assets held by the principal investments of Bpifrance;
- the significant amount of judgement required in determining the values-in-use, both in preparing the financial forecasts and valuing the unlisted underlying assets which involves the use of unobservable models and data;
- the sensitivity of values-in-use to certain valuation parameters.

As indicated in Note 7.1 to the annual financial statements, as at 31 December 2023, the gross value of the shareholdings in affiliated companies amounted to €21,495.8m with an accumulated impairment of €0.3m recorded in the financial statements.

Audit approach:

Management has set up a control system to identify and operationally monitor shares in affiliated companies.

We examined the impairment testing documentation used by the Management for the main shareholdings and, with the assistance of our valuation experts, conducted an analytical review of the valuation methodologies, including for the underlying assets held by Bpifrance Participations.

We also carried out:

- a mathematical verification of the results of the valuation models;
- a review of the principal valuation parameters used for the underlying assets of the Investment Unit (discount rates, long-term growth rates, sector multiples, etc.).

We also assessed the information provided in the notes to the annual financial statements.

Specific verification

In accordance with the professional standards applicable in France, we have also performed the specific verifications required by French law and regulation.

Information given in the management report and in other documents with respect to the financial position and in the annual financial statements provided to shareholders

We have no matters to report as to the accuracy and the consistency with the annual financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the company's financial position and in the annual financial statements provided to the shareholders.

We have the following comment to make with regard to the accuracy and consistency with the annual financial statements of the information relating to payment terms referred to in Article D.441-6 of the French Commercial Code: as indicated in the management report, this information does not include banking and related transactions, which your company does not consider as falling within the scope of the information that must be provided.

Report on corporate governance

We certify that the Board of Directors' report with regard to corporate governance includes the information required by Articles L.225-37-4 and L.22-10-10 of the French Commercial Code.

Other information

In accordance with French law, we have verified that the various information relating to the acquisition of minority and controlling interests has been disclosed to you in the management report.

Other verifications or information required by law or regulation

Format of the presentation of the annual financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standards applicable in France with regard to the procedures performed by the statutory auditor in respect of the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the annual financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2 of the French Monetary and Financial Code, whose preparation is the responsibility of the Chief Executive Officer, complies with European Delegated Regulation No. 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material aspects, with the European single electronic format.

We are not responsible for verifying that the annual financial statements that will actually be included by your company in the annual financial report filed with the AMF accord with those on which we carried out our work.

Appointment of the statutory auditors

We were appointed statutory auditors of Bpifrance S.A. by the General Meeting of 28 May 2009 in the case of KPMG Audit FS I, and that of 11 May 2022 in the case of PricewaterhouseCoopers Audit.

As at 31 December 2023, KPMG Audit FS I was in the 15th year without interruption of its term of office, and PricewaterhouseCoopers Audit in its 2nd year.

Responsibilities of management and those charged with governance in respect of the annual financial statements

Management is responsible for preparing annual financial statements that give a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures they deem necessary for the preparation of annual financial statements that are free of material misstatement, whether due to fraud or error.

When preparing the annual financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing in these financial statements, as applicable, required matters relating to going concern, and using the going concern basis of accounting, unless they expect to liquidate the company or cease trading.

The Audit Committee is responsible for overseeing the process of preparing financial information and for monitoring the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with regard to the procedures for the preparation and processing of accounting and financial information.

The annual financial statements were approved by the Board of Directors.

Responsibilities of the statutory auditors relating to the audit of the annual financial statements

Audit objective and process

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole are free of material misstatement. Reasonable assurance is a high level of comfort, but it is not, however, a guarantee that an audit conducted in accordance with professional standards will always detect every material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance as to the viability or quality of management of your company.

As part of an audit conducted in accordance with the professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit. Furthermore:

- he/she identifies and assesses the risks of material misstatement in the annual financial statements, whether due to fraud or error, designs and performs audit procedures in response to these risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his/her opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the circumvention of internal controls;
- he/she obtains an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- he/she evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the annual financial statements;
- he/she assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence gathered, whether a material uncertainty exists relating to events or circumstances that may cast doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, subsequent events or circumstances may call into question the company's ability to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, he/she draws attention in the audit report to the related disclosures in the annual financial statements or, if such disclosures are not provided or are irrelevant, issues a qualified opinion or declines to sign-off the accounts;
- he/she evaluates the overall presentation of the annual financial statements and assesses whether these statements give a true and fair view of the underlying business and events.

Report to the Audit Committee

We produce a report for the Audit Committee, setting out, in particular, the scope of the audit work and the program implemented, as well as the conclusions from our work. We also draw to its attention, if appropriate, significant weaknesses in internal control identified by us with regard to the procedures relating to the preparation and processing of accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatements that we consider to have been of most significance in the audit of the annual financial statements for the financial year and are therefore the key audit matters which we are required to detail in this report.

We also provide the Audit Committee with the statement required by Article 6 of EU Regulation No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as specified in Articles L.821-27 to L.821-34 of the French Commercial Code and in the Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris La Défense and Neuilly-sur-Seine, 25 March 2024

The Statutory Auditors

KPMG Audit FS I
Nicolas Bourhis
Partner

PricewaterhouseCoopers Audit
Pierre Clavié
Partner

7.4.3. Special report on related-party agreements

Special report of the statutory auditors on related-party agreements

General Meeting called to approve the financial statements for the year ended 31 December 2023

Bpifrance
27-31 avenue du Général Leclerc
94700 Maisons Alfort

To the General Meeting of Bpifrance,

In our capacity as the statutory auditors of your company, we hereby report on related-party agreements.

On the basis of the information provided to us, it is our responsibility to report to you on the nature and main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are in the interest of the company, without commenting on their benefits or merits or identifying any undisclosed agreements. Under the provisions of Article R. 225-31 of the French Commercial Code (code de commerce), it is your responsibility to assess whether these agreements are appropriate and should be approved.

Where appropriate, it is also our responsibility to provide the information required by Article R. 225-31 of the French Commercial Code relating to the implementation during the past financial year of agreements already approved by the General Meeting.

We have carried out the due diligence that we found necessary as regards the professional doctrine of the Compagnie nationale des commissaires aux comptes in relation to this assignment. This has consisted of verifying the consistency of the information provided to us with the source documents from which it was taken.

AGREEMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

Agreements approved and entered into during the past financial year

Pursuant to Article L. 225-40 of the French Commercial Code, we were informed that the following agreements, which had been previously approved by your Board of Directors, were entered into during the past financial year.

Amendment No. 1 to the service provision agreement for the management of the FII

Contracting parties: EPIC Bpifrance, Bpifrance and Bpifrance Investissement

Persons involved: EPIC Bpifrance in the capacity of shareholder holding a portion of the voting rights exceeding 10% and M. Cabrol in the capacity of board member of both Bpifrance and Bpifrance Investissement.

Nature, purpose and terms: On 21 December 2018, EPIC Bpifrance, Bpifrance and Bpifrance Investissement signed a service provision agreement for the Innovation and Industry Fund (FII). On 15 December 2023, the parties agreed to an amendment to the agreement to take account of the run-off of the Fund resulting for the takeover by the State of the Fund's endowments. The remuneration of the service providers is automatically subject to VAT. This shall be borne by the beneficiary, in particular in the event that the VAT rate is raised during execution of the agreement. This is set, as a fixed-sum, at:

- EUR 87,945.21 including taxes, for the period 1 June 2023 to 31 December 2023 inclusive;
- EUR 150,000 including taxes, annually, for the period 1 January 2024 to 31 December 2025 inclusive;
- EUR 100,000 including taxes, annually, for the period 1 January 2026 to 31 December 2037.

The financial effect of this agreement has been the recognition of proceeds of €50,642, excluding taxes, for the financial year closed on 31 December 2023.

Reasons justifying its interest for the company: Fund run-off resulting from the State taking over the Fund endowments.

Amendment to the Memorandum of Understanding for common European action of 25 March 2014

Contracting parties: CDC and Bpifrance

Persons involved: the CDC, in the capacity of shareholder holding over 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Bpifrance board members.

Nature, purpose and terms: on 25 March 2014, Bpifrance and the Caisse des Dépôts signed a Memorandum of Understanding for a common European action. On 21 April 2023, the parties wanted to amend the memorandum in order to raise the tacit renewal periods to five years. From 25 March 2023, the memorandum will be renewable by tacit renewal for five-year periods.

The agreement has had no financial effect on the financial year closed on 31 December 2023.

Reasons justifying its interest for the company: tacit renewal.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements approved during previous financial years the execution of which continued during the past financial year.

By application of Article R.225-30 of the French Commercial Code, we have been informed that the execution of the following agreements, already approved by the general meeting during previous financial years, continued during the past financial year.

Shareholder advance agreements

Contracting parties: Bpifrance and the French State.

Persons involved: the French State, in the capacity of ordinary board member of Bpifrance, represented by A. Zajdenweber, T. Lesueur, C. Cheremetinski and A. Laurent.

Nature, purpose and terms: these agreements relate to the implementation of advances granted by the State to your company in the context of the establishment of a mutual fund and a preserved capital fund.

The agreement has had no financial effect on the financial year closed on 31 December 2023.

Current account and cash pooling agreement between EPIC Bpifrance and Bpifrance

Contracting parties: Bpifrance and EPIC Bpifrance.

Persons involved: EPIC Bpifrance, in the capacity of shareholder holding in excess of 10% of the voting rights.

Nature, purpose and terms: this agreement defines the operation and terms of remuneration for the current account opened in the name of your company within the framework of the centralised management of cash and cash equivalents.

The agreement has had no financial effect on the financial year closed on 31 December 2023.

Intragroup service provision agreement between EPIC Bpifrance, Bpifrance, Bpifrance Regions, AUXI FINANCES and SCI Bpifrance

Contracting parties: Bpifrance, EPIC Bpifrance, Bpifrance Régions, Auxi Finances and SCI Bpifrance.

Persons involved: EPIC Bpifrance, in the capacity of shareholder holding in excess of 10% of the voting rights

Nature, purpose and terms: This agreement, signed on 17 March 2008, modified Amendment No. 1 to the agreement signed on 20 December 1999. Its purpose is to define the framework for crossed services and to set the general principles for all rebilling between the various parties. On 29 March 2011, your board of directors also authorised an amendment to this agreement as regards Bpifrance Regions. This amendment, signed on 30 March 2011, stipulates the nature of the various services provided by your company and its subsidiary, and sets the terms for their remuneration, namely:

- €300,000 excluding taxes for service provisions related to accounting and financial management, monitoring the guarantee fund and the legal monitoring of Bpifrance Regions;
- 0.45% of the sums allocated to the guarantee funds during the previous year by way of service provisions related to the marketing and award of the guarantees issued by Bpifrance Regions.
- 0.2% excluding taxes of the sums allocated to the guarantee funds during the previous year by way of operations management services.

By application of this agreement, your company recognised, for the financial year closed on 31 December 2023:

- income of €797,728 under rebilling to EPIC Bpifrance;
- income of €168,585 under rebilling to Auxi Finances for mutualised function costs;
- income of €2,302,477.02 under rebilling to Bpifrance for the provision of services of a commercial nature and salary costs;
- income of €164,163 under rebilling to SCI Bpifrance for mutualised function costs.

Agreement on the implementation of the Catering Industry Modernisation Fund of 22 October 2009 between the State, EPIC Bpifrance and Bpifrance

Contracting parties: Bpifrance, the State and EPIC Bpifrance.

Persons involved: the French State, in the capacity of ordinary board member of Bpifrance, represented by A. Zajdenweber, T. Lesueur, C. Cheremetinski and A. Laurent, and EPIC Bpifrance, in the capacity of shareholder holding in excess of 10% of the voting rights.

Nature, purpose and terms: This agreement on the implementation of the Catering Industry Modernisation and Transfer Loan (PPMTR) mechanism stipulates, in particular, the implementation of two funds: the PMR guarantee fund (formerly the PPMTR guarantee fund) and the zero-rate PMR improvement compensation fund. The State pays the sums arising from the proceeds from the annual contribution on the sales of the catering industry sector stipulated by the law to EPIC Bpifrance, which transfers these to the funds, based on your company's calls for capital. On 27 September 2011, your board of directors approved this agreement, which allows the transfer from EPIC Bpifrance to Bpifrance of a sum, in the amount of the needs expressed and up to a limit of 7.9 million euros, aimed at financing actions promoting the Catering Industry, and stipulates the terms of the payments of the contribution to the FMR. Furthermore, this agreement provides for changes to the PPMTR in the form of two Catering Industry Modernisation options tailored to the needs of small establishments.

The agreement has had no financial effect on the financial year closed on 31 December 2023.

Billing agreement relating to the EPIC Bpifrance guarantee for the public issue of EMTN between EPIC Bpifrance and Bpifrance, modified by Amendment No. 1 dated 8 April 2015.

Contracting parties: Bpifrance and EPIC Bpifrance

Persons involved: EPIC Bpifrance, in the capacity of shareholder holding in excess of 10% of the voting rights.

Nature, purpose and terms: the purpose of this agreement is the award by EPIC Bpifrance of a guarantee to investors having subscribed to EMTN, BMTN, bilateral loans and certificates of deposit issued by your company. It provides for the remuneration of EPIC Bpifrance given the benefit that it procures for Bpifrance.

Guarantee remuneration may be reviewed annually at the EPIC Bpifrance board meeting. It is initially set at:

- 0.15% of the outstanding amount of the securities issued in the context of medium- and long-term financing programmes.
- 0.02% of the outstanding amount of the securities issued in the context of short-term financing programmes.

By application of this agreement, an overall charge of €54,436,300.17 was recognised by your company for the financial year closed on 31 December 2023.

Agreement on European affairs

Contracting parties: Bpifrance and Caisse des dépôts et consignations (CDC)

Persons involved: the CDC, in the capacity of shareholder holding in excess of 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Bpifrance board members.

Nature, purpose and terms: In the context of the setting up of a joint Bpifrance/CDC representation to the European institutions in Brussels, the agreement on European affairs was approved by the Board on 25 March 2014.

The memorandum of understanding provides for a joint Bpifrance/CDC representative office in Brussels, a half-yearly steering committee meeting and joint activities in fields of mutual interest. Bpifrance shall give the CDC a budgetary contribution, set by an annual financial agreement determining the allocation of the costs at the end of the first year of application of the memorandum.

No financial effect was recorded in the Bpifrance financial statements for the 2023 financial year as a result of the application of this agreement.

Service provision agreement for FII management

Contracting parties: Bpifrance, Bpifrance Investissement and EPIC Bpifrance.

Persons involved: EPIC Bpifrance in the capacity of shareholder holding in excess of 10% of the voting rights and M. Cabrol in the capacity of Directors Bpifrance and Bpifrance Investissement.

Nature, purpose and terms: On 19 December 2018, your board of directors approved the signing of this agreement under which EPIC Bpifrance entrusted, under the terms and conditions stipulated by the Agreement, to Bpifrance and Bpifrance Investissement, the missions of assistance and service provision in relation to the management and implementation of the FII in the financial, accounting, administrative, legal and tax fields. EPIC Bpifrance shall stipulate and provide, for each of the service provisions, in agreement with the service provider(s) (Bpifrance and/or Bpifrance Investissement), the information or documents necessary to the accomplishment of the said service provisions by the service providers involved.

The service providers have undertaken to provide the services in accordance with the rules and good professional practice generally applied by professionals providing services of the same nature. The service providers shall perform the services, or any assignment carried out under the agreement, on the grounds that they shall deem the most appropriate and shall freely organise the methods of their action and the conditions under which they shall carry out the general coordination of the information and intervening persons within the time periods given to them for each of the service provisions or assignments.

The service providers shall regularly inform EPIC Bpifrance of the execution of the services and/or of any other assignment carried out by virtue of the Agreement.

By application of this agreement, your company recognised income of €133,642 excluding tax for the financial year closed on 31 December 2023.

Agreement relating to the transfer of the management of the social cohesion fund

Contracting Parties: Bpifrance, the French State and CDC

Persons involved: the CDC, in the capacity of shareholder holding in excess of 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Directors of Bpifrance, and the French State, in the capacity of Director of Bpifrance, represented by A. Zajdenweber, T. Lesueur, C. Cheremetinski et A. Laurent.

Nature, purpose and terms and conditions: on 19 December 2019, your Board of Directors approved and signed an agreement confirming the transfer of the management of the "PTZ/previously NACRE" social cohesion fund. This agreement thus enables the transfer to Bpifrance from CDC of the FCS and the management of the PTZ/previously NACRE scheme from 1 January 2020.

The agreement provides, on the one hand, for Bpifrance to take over management of the social cohesion fund from 1 January 2020. On this point the agreement provides for:

- The signing of an agency agreement between Bpifrance and the French State. The agreement, approved in draft by the Board of Directors on 19 December 2019, specifies in particular the management fees to be paid to Bpifrance;
- CDC undertaking to prepare an inventory of transferred assets and liabilities on the basis of the order of the 31 December 2018 and to distribute it to third parties involved across the whole scheme. CDC will inform Bpifrance of any discrepancies noted between the accounting balances and the management monitoring. This information will be presented and confirmed by the FCS governance bodies.
- The resumption of all of the previous commitments of the FCS, in particular those made to subscribers and beneficiaries of the FCS.

The agreement also provides for the transfer of the PTZ scheme, from 1 January 2020, from CDC to Bpifrance. Thus, Bpifrance is taking over the operational management of the PTZ (previously Nacre) scheme, replacing CDC, with the agreement of the French State, which is providing a guarantee under the FCS. To facilitate the transfer of resources and avoid any disruption for project leaders, the CDC will pay a loan to the Savings Fund (Fonds d'Epargne) in the sum of €25 million by 31 December 2019. Once the entire €25 million sum has been used, the loans will no longer attract a Savings Fund premium and Bpifrance Financement will finance these PTZs subject to the grant of a guarantee from FCS. Bpifrance undertakes to put in place before the end of the first half of 2020, using its own resources, the necessary arrangements for financing the PTZs for the start-up of businesses for people excluded from employment

There was no financial impact pursuant to this agreement in the 2023 financial statements of Bpifrance Financement.

Data exchange agreement

Contracting Parties: Bpifrance and Caisse des dépôts et consignations (CDC)

Relevant persons and entities: CDC, as a shareholder holding in excess of 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Directors of Bpifrance.

Nature, purpose and terms and conditions: the agreement specifies the practical arrangements for cooperation between the parties and for the communication by Bpifrance to CDC of certain information and data required by the latter to meet its accounting, financial and supervisory obligations.

- Transmission by Bpifrance and/or its subsidiaries to CDC of the information required to apply the supervisory model of CDC to Bpifrance.
- Communication by CDC to Bpifrance of the information required to implement its independent supervisory model and the terms and conditions of CDC's supply of supervisory simulations in respect of the first two financial years following the establishment of Bpifrance SA and its subsidiaries.

Data exchanges are organised on a monthly basis for the monthly monitoring of the solvency position of a group of businesses including Bpifrance (and its subsidiaries on an annual basis to take into account the contribution of Bpifrance and its subsidiaries to the Medium-Term Strategic Plan (Plan Stratégique à Moyen Terme, PSMT) of CDC.

This agreement was approved by your Board of Directors on 18 December 2020 and was signed on that same date.

There was no financial impact pursuant to this agreement in the 2023 financial statements of Bpifrance.

Information exchange agreement

Contracting parties: Bpifrance and Caisse des dépôts et consignations (CDC)

Relevant persons and entities: the CDC, in the capacity of shareholder holding in excess of 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Directors of Bpifrance.

Nature, purpose and terms and conditions: the purpose of this agreement is to organise the cooperation between Bpifrance and the CDC, as well as the communication by Bpifrance and its subsidiaries of certain information and data to the CDC.

There was no financial impact pursuant to this agreement in the 2023 financial statements of Bpifrance.

Long-term contract for 2021-2025

Contracting parties: Bpifrance and Caisse des dépôts et consignations (CDC)

Relevant persons and entities: the CDC, in the capacity of shareholder holding in excess of 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Directors of Bpifrance.

Nature, purpose and terms and conditions: this agreement's purpose is to restate the general financing and investment principles of the Bpifrance Group and its subsidiaries whose general interest missions are conferred upon them by the French State, Epic Bpifrance and CDC pursuant to Articles 1 and 6 of the Ordinance of 29 June 2005 or by agreement.

In this context, the Bpifrance Group acts to stimulate the economy, develop the regions economically and strengthen business competitiveness and investment. The mission of the Bpifrance Group is to finance market sectors or businesses for which there are inadequate or no alternative sources of finance available.

This agreement restates the missions entrusted to the Bpifrance Group by CDC in the context of the duties, when undertaking financing and investment activities, assigned to the Group by the French State.

It is also a reminder that the French State and the CDC jointly hold:

- the majority of the positions on the Boards of Directors of Bpifrance and its 100%-owned subsidiaries and the power to appoint the managers of these companies.
- directly or indirectly, the majority of the voting rights at the general meetings of these companies.

Thus, the French State and CDC together set the strategic direction and make the major organisational decisions of the Bpifrance Group, in particular the annual decisions with regard to the strategic plan, the medium-term plan and whether or not to adopt the budget.

This agreement is for a period of 5 years from the date of signature (i.e., 15 October 2021) and will automatically renew for a further period of 5 years unless it is explicitly terminated by CDC with 6 months' notice. Bpifrance may request the termination of the contract by mutual agreement with CDC.

There was no financial impact pursuant to this agreement in the 2023 financial statements of Bpifrance.

Agreement regarding head office costs

Contracting Parties: Bpifrance, Caisse des dépôts et consignations (CDC), Bpifrance Participations and Bpifrance Investissement.

Relevant persons and entities: Caisse des Dépôts et Consignations (CDC), shareholder holding in excess of 10% of the voting rights, represented by E. Lombard, N. Tubiana, A. Saintoyant and M. Cabrol, also Directors of Bpifrance.

Nature, purpose and terms and conditions:

The agreement is for a period of 5 years from 1 January 2022 and will automatically renew for a further year unless terminated earlier.

The contractual fixed fee (a charge to Bpifrance) is €250,000 excluding tax per annum (if Bpifrance's revenue exceeds €1bn).

This agreement was approved by your board of directors on 11 May 2022 and was concluded on that same date.

The head office costs were paid by way of a down payment for a total amount of €199,999 excluding tax.

Neuilly-sur-Seine and Paris La Défense, 25 March 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	**KPMG Audit FSI**
Pierre Clavié	Nicolas Bourhis



GENERAL INFORMATION CONCERNING BPIFRANCE

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Bpifrance is a public limited company with a French Board of Directors, with a capital of 5,440,000,000 euros registered in the Register of Commerce and Companies of Créteil under number 320 252 489 RCS Créteil (code APE 6492Z) and Legal Entity Identification (LEI) number 969500STN7T9MRUMJ267.

Bpifrance was created on 22 December 1980 under the name Crédit d'Équipement des PME. The term of the corporation is set at ninety-nine years, effective 14 November 1980.

The head office is located in France at 27-31, avenue du Général Leclerc, 94710 Maisons-Alfort Cedex (Telephone: 01.41.79.80.00).

Website: www.bpifrance.fr

The information on the website is not part of the prospectus.

8.1. CORPORATE PURPOSE OF BPIFRANCE

The purpose of Bpifrance, in particular, in accordance with Ordinance No. 2005-722 of 29 June 2005 concerning public investment banks, is to carry out, directly or through its subsidiaries, the following tasks of general interest:

1. Promote growth through innovation and technology transfer, under the conditions mentioned in Article 9 of the Ordinance;
2. Contribute to economic development by taking on part of the risk resulting from loans granted to small and medium-sized enterprises;
3. Contribute to the specific financing needs of investments and trade receivables of small and medium-sized enterprises.

It contributes to the financing of investments and trade receivables of intermediate-sized enterprises.

It also contributes to the strengthening of national and local action in favour of entrepreneurship, particularly in fragile territories, to promote the creation and take-over of enterprises, to assist in the development of very small businesses (VSBs) and small and medium-sized enterprises.

It is also intended to act directly or through its subsidiaries in favour of financing in equity of small and medium-sized enterprises, of intermediate-sized enterprises, technology or industrial enterprises as well as large enterprises and promotion of private equity investment in small and medium-sized enterprises. In this context, Bpifrance and its subsidiaries act as a knowledgeable investor in a market economy.

It is entitled to carry out in France and abroad, itself or through its subsidiaries or the companies in which it is a stakeholder, all activities that relate directly or indirectly to its statutory corporate purpose.

It may carry out, under the conditions determined by the legislation and regulations applicable to credit institutions, transactions in banking or through financial instruments, to the extent necessary, carry out the execution of its corporate purpose, the management of the treasury, the investments or transactions (or the coverage of the risks thereof) of the entities that Bpifrance audits (the notion of "audit" in any case, whether directly or indirectly), or as part of the facilities it grants to its staff.

It does not receive, itself or by a subsidiary, any deposit of cash or securities (other than in connection with the banking transactions, financial instruments or more generally the transactions referred to in the preceding paragraph) and does not give any loans other than those covered by the articles of association.

For the performance of its tasks, Bpifrance may (i) rely on the means and resources of its subsidiaries and (ii) carry out:

- the acquisition, subscription, holding, acquisition of shares or interests, directly or indirectly, in all commercial, industrial, financial, securities and real estate companies and enterprises, whether by way of the creation of new companies or the acquisition of existing companies, of contributions, mergers, demergers or joint ventures, by way of leasing of property;
- all services and advisory to the companies of its group in the field of human resources, information technology, management, communication, finance, legal, marketing, and purchases from its subsidiaries and direct or indirect holdings;
- and generally, all operations, be they financial, commercial, industrial, civil, real estate or securities that may relate directly or indirectly to the above activities or that may facilitate the performance of the above activities within the limits permitted by the credit institution status of Bpifrance.

8.2. GENERAL MEETINGS

General Meetings of Shareholders are convened and deliberated under the conditions laid down by law. Each share gives the right to participate, under the conditions laid down by law, in the General Meetings and in the votes.

As at 31 December 2023, the Issuer held 1,934,314 shares of its capital representing approximately 0.29% of the capital. These shares are deprived of voting rights at shareholders' meetings.

8.2.1. Ordinary General Meeting of 23 May 2024

First resolution (approval of the report of the Board of Directors on the situation and activity of the company during the financial year ended 31 December 2023)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the report of the Board of Directors relating to the financial year ended 31 December 2023 (including the report on corporate governance) and all the operations mentioned therein.

Second resolution (approval of the corporate financial statements for the year ended 31 December 2023)

The general meeting ruling under the quorum and majority conditions required for ordinary general meetings, having taken note of the report of the Board of Directors on the financial year ended 31 December 2023 and the report of the external auditor on the corporate accounts, approved the corporate accounts, namely the balance sheet and income statement, closed on 31 December 2023, as they were presented and which show a profit of 670,071,493.32 euros, as well as the operations related in these accounts.

Third resolution (approval of the consolidated financial statements for the year ended 31 December 2023)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, after having reviewed the report of the Board of Directors on the financial year ended 31 December 2023 as well as the report of the Statutory Auditors on the consolidated financial statements, approves the consolidated financial statements, i.e. the balance sheet, the income statement and the appendix, closed on 31 December 2023 as presented and which show a profit (net income group share) of €1,1bn, as well as the transactions reflected in these accounts.

The General Meeting acknowledges that the non-tax-deductible expenses (article 39-4 of the General Tax Code) incurred by the company during the financial year ended 31 December 2023 amount to €1,858,422.66 and correspond to the fraction of non-deductible rents of rented vehicles. The amount of the corresponding tax borne is €479,937.66.

The General Meeting discharges the directors and members of the Board of Directors for the performance of their duties for the past financial year.

Fourth resolution (allocation of profit for the year ended 31 December 2023)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, approves the proposal presented by the Board of Directors and decides to allocate the profit for the past financial year as follows:

	Euros
Distributable profit for the year	670,071,493.32
Retained earnings	461,095,955.64
i.e., an available balance of	**1,131,167,448.96**
Transfer to legal reserve	33,503,574.67
i.e., a distributable profit of	**1,097,663,874.29**
Distribution of an interim dividend (€0.18 per share entitled to dividend rights)	122,051,823.48
Distribution of final dividend (€0.40 per share entitled to dividend rights[1])	271,226,274.40
i.e., a dividend of (€0.58 per share)	**393,278,097.88**
Transfer to other reserves	-,0
Transfer to retained earnings	704,385,776.41
TOTAL RETAINED EARNINGS AFTER APPROPRIATION OF PROFITS[1]	**704,385,776.41**

[1] *Assuming 678,065,686 shares entitled to dividend rights at the date of the meeting.*

The General Meeting, noting that on 15 December 2023, the Board of Directors had decided to pay a global interim dividend of 122,051,823.48 euros (i.e., an interim payment per share entitled to dividend rights of 0.18 euros), paid out on 19 December 2023, approved the distribution of these interim dividends.

The General Meeting decided on the distribution of a dividend balance of an overall sum of 271,226,274.40 euros (i.e., 0.40 euros per share entitled to dividend rights).

The General Meeting resolves that, if on the day of the payment of the balance of the dividend, the company holds a number of own shares (Bpifrance treasury shares) different from 1,934,314, the sum corresponding to the balance of the dividend not paid or to be paid due to the change in the number of these shares will, as the case may be, be credited or debited from the "retained earnings" account.

The General Meeting duly acknowledges the reminder of the amount of dividends distributed for the last three financial years to the Board of Directors:

Financial Year	Dividend per share
2020	No distribution
2021	€1.28 per share
2022	€0.78 per share

Fifth resolution (approval of the special report of the statutory auditors on the agreements referred to in article L. 225-38 of the French Commercial Code)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, after having heard the reading of the special report of the statutory auditors on the agreements referred to in article L. 225-38 of the French Commercial Code, approves the said report.

Sixth resolution (approval of the amendment to the Memorandum of Understanding for common European action of 25 March 2014 between Bpifrance and the Caisse des Dépôts)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings and having noted the special report of the External Auditors on the agreements referred to in Articles L.225-38 of the French Commercial Code, approved the Amendment to the Memorandum of Understanding for common European action of 25 March 2014 between Bpifrance and the Caisse des Dépôts, authorised by the Board of Directors on 17 March 2023, and signed on 21 April 2023.

Seventh resolution (approval of Amendment No. 1 to the service provision agreement signed with EPIC Bpifrance and Bpifrance Investissement for the management of the Innovation and Industry Fund)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings and having noted the special report of the External Auditors on the agreements referred to in Articles L.225-38 of the French Commercial Code, approved Amendment No. 1 to the service provision agreement signed with EPIC Bpifrance and Bpifrance Investissement for the management of the Innovation and Industry Fund, authorised by the Board of Directors on 15 December 2023, and signed on 18 December 2023.

Eighth resolution (ratification of the co-option of Marion Cabrol)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings and having noted the special report of the Board of Directors, decided to ratify the co-option of Marion Cabrol in the capacity of board member (representing the Caisse des Dépôts) replacing Carole Abbey for the remaining period of her term of office, or until the ordinary general meeting to be held in 2028 to approve the financial statements for the financial year closed on 31 December 2027.

Ninth resolution (appointment of _____ in the capacity of External Auditor for the mission to certify the sustainability information)

The General Meeting, ruling under the conditions of quorum and the majority required for ordinary general meetings decided to appoint _____ in the capacity of External Auditor for the mission to certify the sustainability information, for ___.

Tenth resolution (appointment of _____ in the capacity of External Auditor for the mission to certify the sustainability information)

The General Meeting, ruling under the conditions of quorum and the majority required for ordinary general meetings decided to appoint _____ in the capacity of External Auditor for the mission to certify the sustainability information, for ___.

Eleventh resolution (favourable opinion on the total compensation package, of all kinds, in the gross amount of €9,250,469.04, paid during the financial year that ended on 31 December 2023 to the persons referred to in Article L. 511-71 of the Monetary and Financial Code)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, consulted pursuant to article L. 511-73 of the Monetary and Financial Code, after having read the report of the Board of Directors, issues a favourable opinion on the total amount of compensation of all kinds, in the gross amount of €9,250,469.04, paid during the financial year ended 31 December 2023 to the persons referred to in Article L. 511-71 of the Monetary and Financial Code, i.e., 58.29 full-time equivalent people.

Twelfth resolution (powers to carry out formalities)

The General Meeting, ruling under the quorum and majority conditions required for ordinary general meetings, grants all powers to the bearer of originals, extracts or copies of the minutes of this General Meeting to carry out all filing formalities and publicity required.

8.3. OTHER GENERAL INFORMATION CONCERNING THE ISSUER

8.3.1. Information included by reference

The following information is included by reference in this Universal Registration Document:

- for the financial year 2022, the reference document was registered with the Financial Market Authority on 24 March 2023, under filing number D.23.0145. The consolidated financial statements are shown on pages 227 to 338 and the corresponding audit report is shown on pages 405 to 415 of the same document. The certification of the persons responsible for the reference document is shown on page 438. Amendment No. 1 was registered with the Autorité des Marchés Financiers (French Financial Markets Authority), on 28 April 2023, under submission No. D.23.0145-A01.
- for the financial year 2021, the reference document was registered with the Financial Market Authority on 24 March 2022, under filing number D.22-0148. The consolidated financial statements are shown on pages 218 to 331 and the corresponding audit report is shown on pages 398 to 408 of the same document. The certification of the persons responsible for the reference document is shown on page 432.

8.3.2. Information on trends

Bpifrance certifies that no significant impairment has affected its outlook since the date of its last audited and published financial statements.

8.3.3. Legal and arbitration procedures

Bpifrance attests that during the last 12 months no governmental, legal or arbitration proceedings, of which it is aware, whether they be pending or announced, cannot or have not recently had significant effects on the financial situation or profitability of the company or group.

8.3.4. Significant change in the Issuer's financial position

Bpifrance certifies that no significant changes in the Group's financial position have occurred since the end of the last financial year for which audited financial statements were issued.

8.3.5. Conflicts of interest at the level of administrative and management bodies

To the knowledge of the persons responsible for this universal registration document, there is no conflict of interest between the duties of any member of the Board of Directors with respect to the Issuer and their private interests and/or other duties.

8.3.6. Documents available to the public

The Issuer certifies that:

- copies of the memorandum of incorporation and the current articles of association of the Issuer may be consulted at the registered office, 27-31 avenue du Général Leclerc, 94710 Maisons-Alfort Cedex,
- the Issuer's 2023 annual report is available on its website: bpifrance.fr,
- the 2022 and 2021 annual reports, which serve as reference documents, are available on the website: bpifrance.fr.

8.3.7. Organisational charts of Bpifrance

• Organisational chart of business lines



• Organisational chart of the network





PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND AUDITS

9.1 PERSONS RESPONSIBLE 398

9.1.1 Statement of the Chief Executive Officer and the Executive Director 398

9.2 STATUTORY AUDITORS 399

9.2.1 Principals 399

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9.1. PERSONS RESPONSIBLE

Nicolas Dufourcq, CEO of Bpifrance and Arnaud Caudoux, Executive Director of Bpifrance, are responsible for the information contained in this Universal Registration Document.

9.1.1. Statement of the Chief Executive Officer and the Executive Director

We certify that the information contained in this Universal Registration Document is, to the best of our knowledge, factual and does not contain any omission which would alter its scope.

We certify that, to the best of our knowledge, the accounts are established in accordance with the applicable accounting standards and give a true and fair view of the wealth, financial position and profits of the company and of all the companies included in the consolidation, and that the management report on pages 19 to 189 of this universal registration document presents a true image of the evolution of the business, the profits and financial position of the company and of all the companies included in the consolidation and that it describes the main risks and uncertainties they face.

On 25 March 2024,

Arnaud Caudoux

Executive Director

Nicolas Dufourcq

CEO

9.2. STATUTORY AUDITORS

9.2.1. Principals

PRICEWATERHOUSECOOPERS AUDIT, member of the Compagnie Régionale de Versailles, 63, rue de Villiers – 92208 Neuilly-sur-Seine – appointed for the first time in 2022 and the mandate of which will expire at the end of the General Meeting which will rule in 2028 on the accounts for the financial year that will end on 31 December 2027, represented by Pierre Clavié.

The separate financial statements and consolidated financial statements for the financial year ended 31 December 2022 were audited under the responsibility of Pierre Clavié[105].

KPMG Audit FS I, member of the Compagnie Régionale de Versailles – 2, avenue Gambetta – CS 60055 – 92 066 Paris la Défense – appointed for the first time in 2021 and the mandate of which will expire at the end of the General Meeting which will rule in 2027 on the accounts for the financial year that will end on 31 December 2026, represented by Nicolas Bourhis.

The separate financial statements and consolidated financial statements for the financial year ended 31 December 2022 were audited and certified under the responsibility of Nicolas Bourhis, and those for the year ended 31 December 2021 were audited and certified by KPMG SA, under the responsibility of Ulrich Sarfati and Nicolas Bourhis.

9.2.2. Alternates

None.

105 *The separate financial statements and consolidated financial statements for the financial year ended 31 December 2021 and those for the financial year ended 31 December 2020 were audited and certified by Mazars, member of the Compagnie Régionale de Versailles, Exaltis – 61 rue Henri Regnault 92075 La Défense Cedex under the responsibility of Jean Latorzeff and Matthew Brown. The mandate of Mazars as external auditor expired at the General Meeting of 11 May 2022 that ruled on the accounts for the financial year ended 31 December 2021.*



CROSS-REFERENCE TABLES

10.1 UNIVERSAL REGISTRATION DOCUMENT CROSS-REFERENCE TABLE 402

10.2 CROSS-REFERENCE TABLE OF THE ANNUAL FINANCIAL REPORT 405

10.3 CROSS-REFERENCE TABLE OF THE MANAGEMENT REPORT, THE REPORT ON CORPORATE GOVERNANCE 406

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10.1. UNIVERSAL REGISTRATION DOCUMENT CROSS-REFERENCE TABLE

This cross-reference table shows, next to each of the items provided for in Annexes I and II of the Delegated Regulation (EU) number 2019/980 of the European Commission of 14 March 2019 (the "Regulation"), the page number(s) of this universal registration document in which the information relating to each of the items of the Regulation is mentioned.

Unless otherwise specified, the references in this cross-reference table to notes refer to notes in the Notes to the Consolidated Financial Statements.

Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document
		Section(s) / Page(s)
I	**Persons responsible, information from third parties, expert reports and approval by the competent authority**	
1.	Persons responsible	9.1 / p.398
2.	Declaration of persons responsible for the universal registration document	9.1.1 / p.398
3.	Attestation or report attributed to a person intervening as an expert	Not applicable
4.	Information from a third party	Not applicable
5.	Approval of the competent authority	Not applicable
II	**Statutory auditors**	
1.	Name and address of the statutory auditors of the issuer	9.2 / p.399
2.	Statutory auditors who have resigned, been dismissed or whose agreement has not been renewed	9.2 / p.399
III	**Risk factors**	**4 / p.156-161**
IV	**Information concerning the issuer**	**8 / p.390 ; 393-396**
V	**Overview of activities**	
1.	Main activities	1.3 / p. 9-16 2.4 / p.24-41
2.	Major markets	1.3 / p. 9-16
3.	Significant events in the development of the business	2.1 ; 2.2 / p. 20-22
4.	Strategy and goals	2.3 / p. 22-23
5.	Dependence on patents or licences, industrial, commercial or financial agreements or new manufacturing processes	Not applicable
6.	Competitive position	1.3 / p. 9-16
7.	Investments	2.8.1 / p. 51
IV	**Organisational structure**	
1.	Summary description of the group	1.5 / p. 18
2.	List of major subsidiaries	2.8.1 / p. 51 and footnote 7.2 (separate financial statements) p. 342
IX	**Review of financial situation and operating result**	
1.	Financial position	2.6 / p. 45-46
2.	Operating result	1.2 / p. 7 and footnote 41 (separate financial statements) p. 367

Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document
		Section(s) / Page(s)
X	**Cash and capital**	
1.	Capital information	2.5 / p. 42-44
2.	Source and amount of the issuer's cash flow	7 / p. 227-232
3.	Information on the financing requirements and financing structure of the issuer	2.5 / p. 42-44
4.	Information concerning any restrictions on the use of capital that have materially affected or that may materially affect the operations of the issuer	4 / p. 156-161
5.	Information on expected sources of funding	Note 8.3.4.4 (consolidated financial statements) p. 296
XI	**Regulatory environment**	**5.3 / p. 183-189**
XII	**Information on trends**	
1.	Key recent trends	2.7 / p. 47-50 ; 8.3.2 / p. 394
2.	Trend likely to materially affect the issuer's outlook	4 / p. 156-161
XIII	**Profit forecasting or estimation**	**Not applicable**
XIV	**Administrative, management and supervisory bodies and CEO**	
1.	Board of Directors and CEO	6.1 à 6.3 / p. 192-211
2.	Conflicts of interest at the level of the administrative, management and supervisory bodies and the CEO	8.3.5 / p. 394
XV	**Compensation and benefits of the persons referred to in section XIV.1**	
1.	Amount of compensation paid and benefits in kind granted by the issuer or its subsidiaries	6.4 / p. 212-216
2.	Total amount of amounts otherwise provisioned or recognised by the issuer or its subsidiaries for the purpose of paying pensions, retirement benefits or other benefits	6.4 / p. 216 and footnote 10 (consolidated financial statements) p. 314-317
XVI	**Operation of the administrative and management bodies**	
1.	Expiry date of the current term of office of the members of administrative, management or supervisory bodies	6.1.2/6.1.4 / p. 192-198
2.	Information on service agreements between the members of the issuer's administrative, management or supervisory bodies or one of its subsidiaries	Not applicable
3.	Information on the Audit Committee and the Remuneration Committee of the issuer	6.5.4 / p. 219-221
4.	Compliance with the current corporate governance regime	6. / p. 192
5.	Potential significant impacts on corporate governance	6.3 / p. 201-211
XVII	**Employees**	
1.	Number of employees at the end of the period covered by historical financial information or average number during each financial year of that period and distribution of employees	7.1. / p. 226 and footnote 45 (separate financial statements) p. 370 and 10.3 (consolidated financial statements) p.317
2.	Managers' shareholding and stock options	Not applicable
3.	Agreement providing for employee shareholding in the issuer's capital	Not applicable

Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document
		Section(s) / Page(s)
XVIII	**Major shareholders**	
1.	The name of any person who is not a member of an administrative, management or supervisory body who has, either directly or indirectly, a percentage or voting rights to be notified under applicable national legislation	Not applicable
2.	Differences between the voting rights of the main shareholders	Not applicable
3.	Ownership or control of the issuer and measures taken to avoid undue exercise of such control	1.4 / p. 17
4.	An agreement, known to the issuer, whose implementation could result, at a later date, in a change in its control	Not applicable
XIX	**Related party transactions**	**7.4.3 / p. 382-387 and footnote 13.1 (consolidated financial statements) / p. 319-321**
XX	**Financial information relating to the issuer's assets and liabilities, financial position and operating results**	
1.	Historical financial information, including annual financial statements (separate financial statements and consolidated financial statements)	7.1. / p. 226
2.	Interim and other financial information	Not applicable
3.	Audit of historical annual financial information	8.3.1 / p. 393
4.	Pro-forma financial information	Not applicable
6.	Dividend distribution policy	2.8.5 / p. 52
7.	Judicial and arbitration proceedings	8.3.3 / p. 394
8.	Significant change in the financial position of the issuer	8.3.4 / p. 394
XXI	**Additional information**	
1.	Share capital	8 (preamble) / p. 390
2.	Memorandum of incorporation and articles of association	8.3.6 / p. 394
XXII	**Significant agreements**	**Not applicable**
XXIV	**Documents available**	**8.3.6 / p. 394**

10.2. CROSS-REFERENCE TABLE OF THE ANNUAL FINANCIAL REPORT

This Universal Registration Document includes all the elements of the annual financial report referred to in Articles L. 451-1-2 I of the Monetary and Financial Code and 222-3 of the General Regulations of the Financial Market Authority (AMF). The following cross-reference table refers to excerpts from the Universal Registration Document corresponding to the various items of the annual financial report.

It is hereby specified that references in this cross-reference table to notes refer to notes in the Annex on consolidated financial statements.

Annual financial report		Universal Registration Document
		Section(s) / Page(s)
I	**Annual financial statements of the company**	**7.3 / p. 325-370**
II	**Consolidated financial statements of the company**	**7.2 / p. 227-324**
III	**Management report including, at a minimum, the information referred to in Articles L. 225-100-1, L 225-102, L 225-102-1, L. 225-211 paragraph 2 and L. 22-10-35 of the French Commercial Code**	**See Management Report cross-reference table p.406-407**
IV	**Declaration of persons responsible for the annual financial report**	**9.1 / p. 398**
V	**Reports of the Statutory Auditors on the separate financial statements and consolidated financial statements**	**7.4.2 / p.371-376 and 7.4.1 / p. 377-381**

10.3. CROSS-REFERENCE TABLE OF THE MANAGEMENT REPORT, THE REPORT ON CORPORATE GOVERNANCE

This cross-reference table shows, next to the items required by the provisions of the French Commercial Code applicable to public limited companies with a Board of Directors, the page number(s) of the Universal Registration Document where the information relating to these provisions is mentioned.

Management report and report on Corporate Governance		Universal Registration Document
		Section(s) / Page(s)
I	**Group situation and activity**	
1.	Review of financial position and operating results	1.2 / p. 7-8 2.6 / p. 45-46
2.	Key performance indicators of a financial nature	1.2 / p. 7-8
3.	Non-financial key performance indicators (social and environmental information)	3 / p. 57-150
4.	Significant events that have occurred since the end of the financial year	2.2 / p.22
5.	Identity of the main shareholders	1.4 / p.17
6.	Existing branches	8.3.7 / p. 396
7.	Significant equity	2.8.1 / p.51
8.	Cross-holding disposals	Not applicable
9.	Predictable developments and future prospects	2.7 / p.47-50
10.	Research and development activity	2.8.11 / p.53
11.	Table of operating results for the last 5 years	7.1 / p. 226
12.	Information on payment deadlines for suppliers and customers	2.8.9 / p. 53
13.	Amount of intercompany loans granted and statement by the auditors	7.4.3 / p. 382--387
II	**Internal control and risk management**	
1.	Descriptions of key risks and uncertainties	4.1 / p. 156-161
2.	Guidance on financial risks related to the effects of climate change	4.2.5 / p. 168-170
3.	Preparation and processing of accounting and financial information	5.2 / p. 181-182
4.	Risk exposure	4.1 / p. 156-161
5.	Anti-corruption mechanisms	5.3 / p. 183-189
6.	Risk plan	Not applicable

Management report and report on Corporate Governance		Universal Registration Document
III	**Corporate governance report**	
1.	Remuneration information	6.4 / p. 212-216
2.	Governance information	6.1-6.3 / p.192-211
3.	List of all the mandates and functions exercised by the representatives	6.3 / p. 201-211
4.	Agreements between a significant executive or shareholder and a subsidiary	6.6 / p. 223
5.	Delegations on capital increases	6.6 / p. 223
6.	Modalities of execution of the CEO	6.1.3 / p. 198
7.	Composition, conditions for the preparation and organisation of the work of the Board	6.5 / p. 216-222
8.	Principle of balanced representation for men and women	6.5.1 / p. 216-217
9.	Limitations on the powers of the CEO	6.5.5 / p.222
10.	Reference to the Corporate Governance Code	6 / p. 192
11.	Modalities of participation in the General Meeting	8.2 / p. 391
12.	Procedure for the assessment of current agreements	Not applicable
13.	Information referred to in Article L. 22-10-11 of the French Commercial Code: - Elements likely to have an influence in the event of a public offer	Not applicable

Management report and report on Corporate Governance		Universal Registration Document
		Section(s) / Page(s)
V	**Shareholding and capital**	
1.	Structure, evolution of capital	1.4 / p.17
2.	Acquisition and disposal by the company of its own shares	1.4 / p.17 ; 2.8.3 / p.51
3.	State of employee holdings in share capital	2.8.4 / p.51
4.	Information on executive operations	2.8.2 / p. 51
5.	Amount of dividends for the last three years	8.2 / p.392
VI	**Non-financial performance statement**	**See cross-reference table p.408-409**
VII	**Other information**	**2.8 / p. 51-53**

10.4. CROSS-REFERENCE TABLE OF THE NON-FINANCIAL PERFORMANCE STATEMENT

This Universal Registration Document includes the information required by Articles L. 225-102-1, R. 225-105 and L. 22-10-36 of the French Commercial Code. The following cross-reference table refers to excerpts from the Universal Registration Document corresponding to the various items of the non-financial performance statement.

Non-financial performance statement		Universal Registration Document
		Section(s) / Page(s)
I	**Elements that make up the non-financial performance statement**	**3 /p.57-154**
1.	Business model	3.2 / p.58-61
	Key non-financial risks	3.3 / p.62-63
	Due diligence policies and procedures	3.4 / p.64-71 3.5 / p.72-77 3.6 / p.78 3.7 / p. 79-90 3.8 / p. 91-92 3.9 / p. 93-95 3.10 / p.96-107 3.13 / p. 121 - 126
	Key performance result and indicator	3.14.1 / p. 127-132 3.14.2 / p.133 - 140
	Information note on the key performance indicators for Bpifrance's sustainable economic activities (Taxonomy)	p. 140 - 150
II	**Information required by Article L. 22-10-36 of the French Commercial Code**	
	Social consequences of the business	3.11 / p.108-117
	Environmental consequences of the business	3.7 / p. 79-90 3.11 / p.108-117 3.12 / p.118-120

Non-financial performance statement		Universal Registration Document
		Section(s) / Page(s)
	Respect for human rights	3.4 / p.64-71 3.11 / p.108-117
	Fight against corruption	3.4 / p.64-71
	Combating tax evasion	3.4 / p.64-71
	Impact on climate change of activity of the business and the use of the goods and services it produces	3.7 / p. 79-90 3.11 / p.108-117 3.12 / p.118-120
	Social commitments for sustainable development	3.12 / p.118-120. 3.5 / p.72-77 3.6 / p.78 3.11 / p.108-117 3.13 / p. 121-126
	Circular economy	3.12 / p.118-120
	Fight against food waste	3.3 / p.62-63
	Fight against food insecurity	3.3 / p.62-63
	Respect for animal welfare	3.3 / p.62-63
	Social commitments to responsible, equitable and sustainable food	3.3 / p.62-63
	Collective agreements signed at the company and their impact on the economic performance of the company as well as on the working conditions of employees	CSR AT THE HEART OF BPIFRANCE/ Social dialogue and quality of life at work / p. 96-117
	Combating discrimination and promoting diversity	CSR AT THE HEART OF BPIFRANCE/ Social dialogue and quality of life at work / p. 96-117
	Measures taken in favour of persons with disabilities	3.11.8 / p.116-117
	Actions to promote the practice of physical and sporting activities	3.11.5 / p.110-114

10.5. CROSS-REFERENCE TABLE OF INFORMATION INCLUDED BY REFERENCE

This cross-reference table shows, next to each of the items provided for in Annexes I and II of Delegated Regulation (EU) number 2019/980 of the European Commission of 14 March 2019 (the "Regulation"), the page number(s) of the 2020 Universal Registration Document and the 2019 Reference Document in which the information relating to each of the items of the Regulation is mentioned.

Information included by reference Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document 2022	Universal Registration Document 2021
		Page(s)	Page(s)
I	**Persons responsible, information from third parties, expert reports and approval by the competent authority**		
1.	Persons responsible	438	432
2.	Declaration of persons responsible for the Universal Registration Document	438	432
3.	Attestation or report attributed to a person intervening as an expert	Not applicable	Not applicable
4.	Information from a third party	Not applicable	Not applicable
5.	Approval of the competent authority	Not applicable	Not applicable
II	**Statutory auditors**		
1.	Name and address of the statutory auditors of the issuer	439	433
2.	Statutory auditors who have resigned, been dismissed or whose agreement has not been renewed	439	433
III	**Risk factors**	**154-159**	**145-152**
IV	**Information concerning the issuer**	**436**	**430**
V	**Overview of activities**		
1.	Main activities	8-18 ; 25-51	10-18 ; 26-50
2.	Major markets	8-18	10-18 ; 26-50
3.	Significant events in the development of the business	20- 23	21- 24
4.	Strategy and goals	23- 24	25
5.	Dependence on patents or licences, industrial, commercial or financial agreements or new manufacturing processes	Not applicable	Not applicable
6.	Competitive position	8-18	10-18
7.	Investments	150	143
VI	**Organisational structure**		
1.	Summary description of the group	19	20
2.	List of major subsidiaries	150 ; 365	143 ;359
VII	**Review of financial position and operating result**		
1.	Financial position	54-55	53-55
2.	Operating result	7 ; 398	8 ;392

Information included by reference Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document 2022	Universal Registration Document 2021
VIII	**Cash and capital**		
1.	Capital information	51-54	50-53
2.	Source and amount of the issuer's cash flow	227-232	223-224
3.	Information on the financing requirements and financing structure of the issuer	51-54	50-53
4.	Information concerning any restrictions on the use of capital that have materially affected or that may materially affect the operations of the issuer	154-159	145-152
5.	Information on expected sources of funding	305	300
IX	**Regulatory environment**	**183**	**174-184**
X	**Information on trends**		
1.	Main recent trends	56-59 ; 437	55-58 ; 431
2.	Trend liable to have a significant impact on the issuer's outlook	154-159	145-152
XI	**Profit forecasting or estimation**	**Not applicable**	**Not applicable**
XII	**Administrative, management and supervisory bodies and CEO**		
1.	Board of Directors and CEO	192-207	185-198
2.	Conflicts of interest at the level of the administrative, management and supervisory bodies and the CEO	438	432
XIII	**Compensation and benefits of the persons referred to in section XIV.1**		
1.	Amount of compensation paid and benefits in kind granted by the issuer or its subsidiaries	207-213	199-204
2.	Total sum of amounts otherwise provisioned or recognised by the issuer or its subsidiaries for the purpose of paying pensions, retirement benefits or other benefits	213 ; 326-331	204 ; 320-325

Information included by reference Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document 2022	Universal Registration Document 2021
		Page(s)	Page(s)
XIV	**Operation of the administrative and management bodies**		
1.	Expiry date of the current term of office of the members of administrative, management or supervisory bodies	192-198	185-189
2.	Information on service agreements between the members of the issuer's administrative, management or supervisory bodies or one of its subsidiaries	Not applicable	Not applicable
3.	Information on the Audit Committee and the Remuneration Committee of the issuer	216-218	207-209
4.	Compliance with the current corporate governance regime	192	185
5	Potential significant impacts on corporate governance	199-207	190-198
XV	**Employees**		
1.	Number of employees at the end of the period covered by historical financial information or average number during each financial year of that period and distribution of employees	226 ; 404 ;331	217 ; 325 ; 397
2.	Managers' equity and stock options	Not applicable	Not applicable
3.	Agreement providing for employee holdings in the issuer's capital	Not applicable	Not applicable
XVI	**Major shareholders**		
1.	The name of any person who is not a member of an administrative, management or supervisory body who has, either directly or indirectly, a percentage or voting rights to be notified under applicable national legislation	Not applicable	Not applicable
2.	Differences between the voting rights of the main shareholders	Not applicable	Not applicable
3.	Ownership or control of the issuer and measures taken to avoid undue exercise of such control	18	19
4.	Agreement, known to the issuer, whose implementation could result, at a later date, in a change in its control	Not applicable	Not applicable
XVII	**Related party transactions**	**425-435 ; 333**	**418-429 ; 326-328**
XVIII	**Financial information relating to the issuer's assets and liabilities, financial position and operating results**		
1.	Historical financial information	226	217
2.	Interim and other financial information	Not applicable	Not applicable
3.	Audit of historical annual financial information	437	431
4.	Pro-forma financial information	Not applicable	Not applicable
5.	Dividend distribution policy	150-151	143
6.	Legal and arbitration proceedings	437	431
7.	Significant change in the financial position of the issuer	437	431

Information included by reference Annexes I and II to Delegated Regulation (EU) No. 2019/980		Universal Registration Document 2022	Universal Registration Document 2021
		Page(s)	Page(s)
XIX	**Additional information**		
1.	Share capital	436	430
2.	Memorandum of incorporation and articles of association	438	432
XX	**Significant agreements**	**Not applicable**	**Not applicable**
XXI	**Documents available**	**438**	**432**



APPENDICES

11.1 TABLES SHOWING GAR BY TURNOVER 416

11.2 TABLES SHOWING GAR BY CAPEX 423

TABLES SHOWING GAR BY TURNOVER

Assets for the calculation of GAR

		Disclosure reference date T																															
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)							
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
	Million EUR				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	14,371,116,425	6,094,924,782	906,661,344	0	206,576,276	354,806,557	185,368,069	129,170,292	0	80,244,747																				
2	Financial undertakings	1,119,891,047	216,509,041	248,340	0	0	0	0	0	0	0																				
3	Credit institutions	1,115,219,305	216,509,041	248,340	0	0	0	0	0	0	0																				
4	Loans and advances	0	0	0	0	0	0	0	0	0	0																				
5	Debt securities, including UoP	1,115,219,305	216,509,041	248,340	0	0	0	0	0	0	0																				
6	Equity instruments																														
7	Other financial corporations	4,671,742	0	0	0	0	0	0	0	0	0																				
8	of which investment firms	0																													
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies	0																													
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings	0																													
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	Non-financial undertakings	13,243,593,044	5,870,783,407	898,780,670	0	206,576,276	354,806,557	185,368,069	129,170,292	0	80,244,747																				
21	Loans and advances	803,550,166	70,995,524	8,218,043	0	445,024	1,815,739	57,665,098	48,925,545	0	0																				
22	Debt securities, including UoP	16,496,142	0	0	0	0	0	11,052,415	11,052,415	0	11,052,415																				
23	Equity instruments	12,423,546,736	5,799,787,883	890,562,627		206,131,252	352,990,818	116,650,558	69,192,332		69,192,332																				
24	Households																														
25	of which loans collateralised by residential immovable property																														
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	Local governments financing	7,632,334	7,632,334	7,632,334	0	0	0	0	0	0	0																				
29	Housing financing																														
30	Other local government financing																														
31	Collateral obtained by taking possession : residential and commercial immovable properties																														
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	69,097,100,727	0	0	0	0	0	0	0	0	0																				
33	**Financial and Non-financial undertakings**	69,097,100,727																													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	65,865,237,808																													
35	Loans and advances	64,730,965,673																													
36	of which loans collateralised by commercial immovable property	48,768,754,505																													
37	of which building renovation loans	16,077,797,760																													
38	Debt securities																														
39	Equity instruments	3,419,824,323																													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	12,542,386,845																													
41	Loans and advances	1,134,272,135																													
42	Debt securities	535,030,050																													
43	Equity instruments	67,665,961																													
44	Derivatives	531,576,124																													
45	On demand interbank loans	-1,054,683,000																													
46	Cash and cash-related assets	738,890,085																													
47	Other categories of assets (e.g. Goodwill, commodities etc.)	1,000																													
48	Total GAR assets	3,547,654,834	6,094,924,782	906,661,344	0	206,576,276	354,806,557	185,368,069	129,170,292	0	80,244,747																				
49	Assets not covered for GAR calculation	**83,468,217,152**																													
50	Central governments and Supranational issuers	18,333,610,473																													
51	Central banks exposure	15,411,816,473																													
52	Trading book	2,921,794,000																													
53	Total assets	0	6,094,924,782	906,661,344	0	206,576,276	354,806,557	185,368,069	129,170,292	0	80,244,747																				
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																														
54	Financial guarantees	13,981,286,000																													
55	Assets under management																														
56	Of which debt securities																														
57	Of which equity instruments																														

Million EUR		Disclosure reference date T-1																													
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation																														
2	Financial undertakings																														
3	Credit institutions																														
4	Loans and advances																														
5	Debt securities, including UoP																														
6	Equity instruments																														
7	Other financial corporations																														
8	of which investment firms																														
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	Non-financial undertakings																														
21	Loans and advances																														
22	Debt securities, including UoP																														
23	Equity instruments																														
24	Households																														
25	of which loans collateralised by residential immovable property																														
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	Local governments financing																														
29	Housing financing																														
30	Other local government financing																														
31	Collateral obtained by taking possession : residential and commercial immovable properties																														
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**																														
33	**Financial and Non-financial undertakings**																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations																														
35	Loans and advances																														
36	of which loans collateralised by commercial immovable property																														
37	of which building renovation loans																														
38	Debt securities																														
39	Equity instruments																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations																														
41	Loans and advances																														
42	Debt securities																														
43	Equity instruments																														
44	Derivatives																														
45	On demand interbank loans																														
46	Cash and cash-related assets																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)																														
48	**Total GAR assets**																														
49	Assets not covered for GAR calculation																														
50	Central governments and Supranational issuers																														
51	Central banks exposure																														
52	Trading book																														
53	Total assets																														
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																														
54	Financial guarantees																														
55	Assets under management																														
56	Of which debt securities																														
57	Of which equity instruments																														

GAR: Sector information

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	20.13	60,235,900	14,602,642			-	-																						
2	23.51	10,771,938	392,082			-	-																						
3	25.62	328,884	328,884			32,888,426	32,888,426																						
4	26.11	1,040,915,720	207,712,106			-	-																						
5	27.12	2,751,410	-			-	-																						
6	27.31	53,312,204	13,328,051			-	-																						
7	28.22	17,742,762	1,334,687			-	-																						
8	28.25	10,519,740	-			-	-																						
9	29.10	4,050,275,769	285,230,688			-	-																						
10	29.32	20,255,933	20,162,155			-	-																						
11	30.12	1,038,385	312,766			-	-																						
12	30.20	-	-			115,751,772	68,293,545																						
13	38.11	903,635	903,635			-	-																						
14	38.22	17,786,775	1,345,026			17,786,775	9,047,223																						
15	38.32	-	-			6,989,895	6,989,895																						
16	46.73	102,812	10,524			-	-																						
17	58.29	2,806,062	-			-	-																						
18	59.12	-	-			11,951,201	11,951,201																						
19	61.10	55,009,054	-			-	-																						
20	61.30	311,861,481	311,861,481			-	-																						
21	63.11	159,225,873	-			-	-																						
22	68.20	2,710,664	-			-	-																						
23	70.22	133,368	-			-	-																						
24	71.12	48,448,189	39,098,538			-	-																						
25	73.12	228,031	216,695			-	-																						
26	82.30	2,826,923	1,920,858			-	-																						
27	87.30	591,897	19,850			-	-																						

GAR KPI stock

		Disclosure reference date T																																		Proportion of total assets covered
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)												
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)												
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)										
	% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling							
	GAR - Covered assets in both numerator and denominator																																			
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	42.41%	6.31%	0.00%	1.44%	2.47%	1.29%	0.90%	0.00%	0.56%																										
2	**Financial undertakings**	19.33%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																										
3	Credit institutions																																			
4	Loans and advances																																			
5	Debt securities, including UoP	19.41%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																										
6	Equity instruments																																			
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																										
8	of which investment firms																																			
9	Loans and advances																																			
10	Debt securities, including UoP																																			
11	Equity instruments																																			
12	of which management companies																																			
13	Loans and advances																																			
14	Debt securities, including UoP																																			
15	Equity instruments																																			
16	of which insurance undertakings																																			
17	Loans and advances																																			
18	Debt securities, including UoP																																			
19	Equity instruments																																			
20	**Non-financial undertakings**	44.33%	6.79%	0.00%	1.56%	2.68%	1.40%	0.98%	0.00%	0.61%																										
21	Loans and advances	8.84%	1.02%	0.00%	0.06%	0.23%	7.18%	6.09%	0.00%	0.00%																										
22	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	67.00%	67.00%	0.00%	67.00%																										
23	Equity instruments	46.68%	7.17%		1.66%	2.84%	0.94%	0.56%		0.56%																										
24	**Households**																																			
25	of which loans collateralised by residential immovable property																																			
26	of which building renovation loans																																			
27	of which motor vehicle loans																																			
28	**Local governments financing**	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																										
29	Housing financing																																			
30	Other local government financing																																			
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																																			
32	**Total GAR assets**	7.30%	1.09%	0.00%	0.25%	0.43%	0.22%	0.15%	0.00%	0.10%																										

		Disclosure reference date T-1																														Proportion of total assets covered
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
	% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation																															
2	**Financial undertakings**																															
3	Credit institutions																															
4	Loans and advances																															
5	Debt securities, including UoP																															
6	Equity instruments																															
7	Other financial corporations																															
8	of which investment firms																															
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings																															
17	Loans and advances																															
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**																															
21	Loans and advances																															
22	Debt securities, including UoP																															
23	Equity instruments																															
24	**Households**																															
25	of which loans collateralised by residential immovable property																															
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**																															
29	Housing financing																															
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	Total GAR assets																															

GAR KPI flow

		Disclosure reference date T																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to flow of total eligible assets)		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	18.08%	0.15%	0.00%	0.00%	0.04%	1.09%	0.88%	0.00%	0.33%																					
2	**Financial undertakings**	20.46%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																					
3	Credit institutions																														
4	Loans and advances																														
5	Debt securities, including UoP	20.46%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																					
6	Equity instruments																														
7	Other financial corporations																														
8	of which investment firms																														
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**	5.92%	0.78%	0.00%	0.01%	0.27%	6.64%	5.40%	0.00%	2.03%																					
21	Loans and advances	6.10%	0.81%	0.00%	0.01%	0.28%	4.76%	3.48%	0.00%	0.00%																					
22	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	67.00%	67.00%	0.00%	67.00%																					
23	Equity instruments																														
24	**Households**																														
25	of which loans collateralised by residential immovable property																														
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**																														
29	Housing financing																														
30	Other local government financing																														
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																														
32	Total GAR assets	1.84%	0.02%	0.00%	0.00%	0.00%	0.11%	0.09%	0.00%	0.03%																					

KPI off-balance sheet exposures

% (compared to total eligible off-balance sheet assets)	Disclosure reference date T																											
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)																														
2 Assets under management (AuM KPI)																														

TABLES SHOWING GAR BY CAPEX

Assets for the calculation of GAR

		Disclosure reference date T																																	
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)											
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)											
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)											
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling										
Million EUR																																			
	GAR - Covered assets in both numerator and denominator																																		
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	14,371,116,425	6,270,077,561	1,875,102,493	0	37,149,035	1,283,320,928	155,506,404	87,089,814	0	76,597,672																								
2	**Financial undertakings**	1,119,891,047	18,850,030	0	0	0	0	0	0	0	0																								
3	Credit institutions	1,115,219,305	18,714,549	0	0	0	0	0	0	0	0																								
4	Loans and advances	0	0	0	0	0	0	0	0	0	0																								
5	Debt securities, including UoP	1,115,219,305	18,714,549	0	0	0	0	0	0	0	0																								
6	Equity instruments																																		
7	Other financial corporations	4,671,742	135,481	0	0	0	0	0	0	0	0																								
8	of which investment firms	0																																	
9	Loans and advances																																		
10	Debt securities, including UoP																																		
11	Equity instruments																																		
12	of which management companies	0																																	
13	Loans and advances																																		
14	Debt securities, including UoP																																		
15	Equity instruments																																		
16	of which insurance undertakings	0																																	
17	Loans and advances																																		
18	Debt securities, including UoP																																		
19	Equity instruments																																		
20	**Non-financial undertakings**	13,243,593,044	6,251,227,531	1,875,102,493	0	37,149,035	1,283,320,928	155,506,404	87,089,814	0	76,597,672																								
21	Loans and advances	803,550,166	135,111,196	40,821,295	0	6,884,683	887,732	24,129,923	8,959,148	0	0																								
22	Debt securities, including UoP	16,496,142	0	0	0	0	0	13,031,952	13,031,952	0	13,031,952																								
23	Equity instruments	12,423,546,736	6,116,116,335	1,834,281,198		30,264,352	1,282,433,196	118,344,529	65,098,714		63,565,720																								
24	**Households**																																		
25	of which loans collateralised by residential immovable property																																		
26	of which building renovation loans																																		
27	of which motor vehicle loans																																		
28	Local governments financing	7,632,334	0	0	0	0	0	0	0	0	0																								
29	Housing financing																																		
30	Other local government financing																																		
31	Collateral obtained by taking possession: residential and commercial immovable properties																																		
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	69,097,346,222	0	0	0	0	0	0	0	0	0																								
33	**Financial and Non-financial undertakings**	65,865,483,303																																	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	64,731,211,168																																	
35	Loans and advances	48,769,000,000																																	
36	of which loans collateralised by commercial immovable property	16,078,000,000																																	
37	of which building renovation loans																																		
38	Debt securities	3,419,824,323																																	
39	Equity instruments	12,542,386,845																																	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	1,134,272,135																																	
41	Loans and advances	535,030,050																																	
42	Debt securities	67,665,961																																	
43	Equity instruments	531,576,124																																	
44	**Derivatives**	-1,054,683,000																																	
45	**On demand interbank loans**	738,890,085																																	
46	**Cash and cash-related assets**	1,000																																	
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	3,547,654,834																																	
48	Total GAR assets	83,468,462,647	6,270,077,561	1,875,102,493	0	37,149,035	1,283,320,928	155,506,404	87,089,814	0	76,597,672																								
49	**Assets not covered for GAR calculation**	18,333,610,473																																	
50	Central governments and Supranational issuers	15,411,816,473																																	
51	Central banks exposure	2,921,794,000																																	
52	Trading book	0																																	
53	**Total assets**	101,802,073,120	6,270,077,561	1,875,102,493	0	37,149,035	1,283,320,928	155,506,404	87,089,814	0	76,597,672																								
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																		
54	Financial guarantees	13,981,286,000																																	
55	Assets under management																																		
56	Of which debt securities																																		
57	Of which equity instruments																																		

Million EUR		Disclosure reference date T-1																													
		Total [gross] carrying amount	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
*	**GAR – Covered assets in both numerator and denominator**																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation																														
2	**Financial undertakings**																														
3	Credit institutions																														
4	Loans and advances																														
5	Debt securities, including UoP																														
6	Equity instruments																														
7	Other financial corporations																														
8	of which investment firms																														
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**																														
21	Loans and advances																														
22	Debt securities, including UoP																														
23	Equity instruments																														
24	**Households**																														
25	of which loans collateralised by residential immovable property																														
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**																														
29	Housing financing																														
30	Other local government financing																														
31	Collateral obtained by taking possession: residential and commercial immovable properties																														
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**																														
33	**Financial and Non-financial undertakings**																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations																														
35	Loans and advances																														
36	of which loans collateralised by commercial immovable property																														
37	of which building renovation loans																														
38	Debt securities																														
39	Equity instruments																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations																														
41	Loans and advances																														
42	Debt securities																														
43	Equity instruments																														
44	**Derivatives**																														
45	**On demand interbank loans**																														
46	**Cash and cash-related assets**																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**																														
48	Total GAR assets																														
49	**Assets not covered for GAR calculation**																														
50	**Central governments and Supranational issuers**																														
51	**Central banks exposure**																														
52	**Trading book**																														
53	**Total assets**																														
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees																														
55	Assets under management																														
56	Of which debt securities																														
57	Of which equity instruments																														

GAR: Sector information

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.13	4,851,059	-			-	-																						
2	20.13	38,331,936	25,554,624			-	-																						
3	20.14	200,630	200,630			-	-																						
4	20.53	338,004	-			-	-																						
5	21.20	1,759,880	251,411			-	-																						
6	23.13	19,221,568	480,539,191			-	-																						
7	23.51	14,218,132	3,301,743			-	-																						
8	25.62	920,876	920,876			-	-																						
9	26.11	1,183,641,985	271,739,826			-	-																						
10	27.12	2,469,214	-			-	-																						
11	27.31	141,277,341	103,958,798			-	-																						
12	27.51	52,038,668	647,784			-	-																						
13	28.22	19,828,338	7,087,650			-	-																						
14	28.25	14,026,320	-			-	-																						
15	29.10	4,025,827,424	896,439,305			-	-																						
16	29.32	23,003,561	23,003,561			-	-																						
17	30.12	1,075,917	162,639			-	-																						
18	30.20	-	-			115,751,772	62,505,957																						
19	30.30	9,267,304	182,319			-	-																						
20	32.50	170,332,417	762,203			-	-																						
21	38.11	4,003,102	993,998			-	-																						
22	38.22	13,589,545	197,492			13,589,545	686,026																						
23	38.32	-	-			7,739,650	7,739,650																						
24	46.34	1,163,733	-			-	-																						
25	46.69	1,879,196	-			-	-																						
26	46.72	5,284,886	-			-	-																						
27	46.73	2,176,872	234,769			-	-																						
28	47.59	2,567,133	201,344			-	-																						
29	58.12	421,691	-			-	-																						
30	58.29	954,061	-			-	-																						
31	59.12	-	-			15,624,709	15,624,709																						
32	59.20	95,715	95,715			-	-																						
33	61.10	73,345,406	2,619,479			-	-																						
34	63.11	184,181,358	5,640,085			-	-																						
35	64.20	750,292	18,757,291			-	-																						
36	64.30	142,682	-			-	-																						
37	68.20	11,311,649	-			-	-																						
38	70.22	933,576	933,576			2,800,727	533,472																						
39	71.12	164,658,614	27,918,602			-	-																						
40	72.11	26,553,717	-			-	-																						
41	73.12	244,163	191,843			-	-																						
42	82.30	14,388,311	-			-	-																						
43	87.30	6,583,957	1,871,334			-	-																						
44	96.01	13,367,297	694,405			-	-																						

GAR KPI stock

		Disclosure reference date T																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total covered assets in the denominator)				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	43.63%	13.05%	0.00%	0.26%	8.93%	1.08%	0.61%	0.00%	0.53%																						
2	Financial undertakings	1.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																						
3	Credit institutions																															
4	Loans and advances																															
5	Debt securities, including UoP	1.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																						
6	Equity instruments																															
7	Other financial corporations	2.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																						
8	of which investment firms																															
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings																															
17	Loans and advances																															
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	47.20%	14.16%	0.00%	0.28%	9.69%	1.17%	0.66%	0.00%	0.58%																						
21	Loans and advances	16.81%	5.08%	0.00%	0.86%	0.11%	3.00%	1.11%	0.00%	0.00%																						
22	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	79.00%	79.00%	0.00%	79.00%																						
23	Equity instruments	49.23%	14.76%		0.24%	10.32%	0.95%	0.52%		0.51%																						
24	**Households**																															
25	of which loans collateralised by residential immovable property																															
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																						
29	Housing financing																															
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	**Total GAR assets**	7.51%	2.25%	0.00%	0.04%	1.54%	0.19%	0.10%	0.00%	0.09%																						

		Disclosure reference date T-1																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)								Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
								Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which specialised lending	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling		
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation																															
2	**Financial undertakings**																															
3	Credit institutions																															
4	Loans and advances																															
5	Debt securities, including UoP																															
6	Equity instruments																															
7	Other financial corporations																															
8	of which investment firms																															
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings																															
17	Loans and advances																															
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**																															
21	Loans and advances																															
22	Debt securities, including UoP																															
23	Equity instruments																															
24	**Households**																															
25	of which loans collateralised by residential immovable property																															
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**																															
29	Housing financing																															
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	**Total GAR assets**																															

GAR KPI flow

		Disclosure reference date T																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets f unding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	% (compared to flow of total eligible assets)		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling		
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	3.01%	0.43%	0.00%	0.12%	0.01%	1.09%	0.78%	0.00%	0.39%																					
2	**Financial undertakings**	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																					
3	Credit institutions																														
4	Loans and advances																														
5	Debt securities, including UoP	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																					
6	Equity instruments																														
7	Other financial corporations																														
8	of which investment firms																														
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**	16.42%	2.65%	0.00%	0.76%	0.08%	6.63%	4.79%	0.00%	2.39%																					
21	Loans and advances	16.93%	2.73%	0.00%	0.78%	0.08%	4.38%	2.48%	0.00%	0.00%																					
22	Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	79.00%	79.00%	0.00%	79.00%																					
23	Equity instruments																														
24	**Households**																														
25	of which loans collateralised by residential immovable property																														
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**																														
29	Housing financing																														
30	Other local government financing																														
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																														
32	**Total GAR assets**	0.31%	0.04%	0.00%	0.01%	0.00%	0.11%	0.08%	0.00%	0.04%																					

KPI off-balance sheet exposures

% (compared to total eligible off-balance sheet assets)	Disclosure reference date T																													
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1 Financial guarantees (FinGuar KPI)																														
2 Assets under management (AuM KPI)																														

SERVIR L'AVENIR

Bpifrance

Public limited company with Board of Directors
Capital of €5,440,000,000
320 252 489 RCS Créteil

Registered Office

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